

CITY OF CHAMPAIGN, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
JUNE 30, 2019

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Prepared by:
Finance Department

Kay Nees, Finance Director

CITY OF CHAMPAIGN, ILLINOIS

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INTRODUCTORY SECTION

This section includes miscellaneous data regarding the City of Champaign including:

- Principal Officials
- Organizational Chart
- Transmittal Letter
- Certificate of Achievement for Excellence in Financial Reporting

CITY OF CHAMPAIGN, ILLINOIS

Principal Officials
June 30, 2019

LEGISLATIVE

Deborah Frank Feinen, City Mayor

City Council Member at Large
City Council Member at Large
City Council Member at Large
City Council Member City No. 1
City Council Member City No. 2
City Council Member City No. 3
City Council Member City No. 4
City Council Member City No. 5

Thomas Bruno
Will Kyles
Matthew Gladney
Clarissa Nickerson Fourman
Alicia Beck
Angie Brix
Greg Stock
Vanna Pianfetti

ADMINISTRATION

Dorothy Ann David, City Manager

Joan Walls, Deputy City Manager

Matt Roeschley, Deputy City Manager

Kay Nees, Finance Director

Fredrick Stavins, City Attorney

Dennis Schmidt, Director of Public Works

Bruce Knight, Planning and Economic Development Director

Kerri Wiman, Neighborhood Services Director

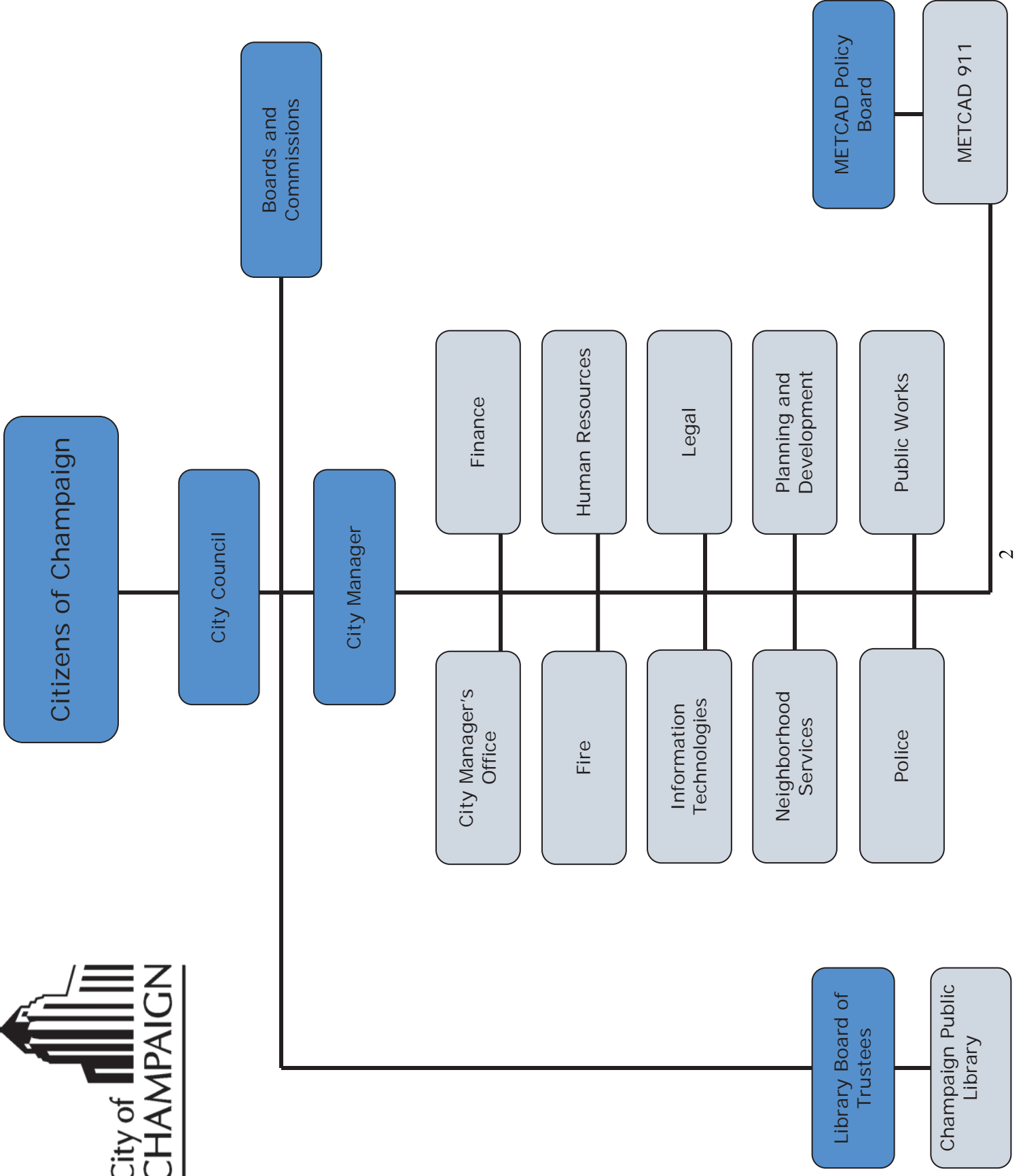
Amanda Farthing, Human Resources Director

Anthony Cobb, Police Chief

Gary Ludwig, Fire Chief

Donna Pittman, Library Director

Mark Toalson, Information Technologies Director





Finance Department • 102 N Neil St • Champaign IL 61820 • (217) 403-8940 • fax (217) 403-8980 • www.champaignil.gov

December 2, 2019

Honorable Mayor, Council Members,
City Manager and Citizens of Champaign
Champaign, Illinois

The State of Illinois requires each general-purpose local government to issue an annual report on its financial position prepared in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. In compliance with this requirement, we are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Champaign, Illinois, for the fiscal year ended June 30, 2019.

This report is based on management's goal to present a complete financial picture of the operations and financial position of the City of Champaign to its citizens, elected officials, and all others interested in the financial status of the City. Consequently, management accepts full responsibility for the fairness, accuracy, and completeness of the information presented in this report. In refining and monitoring the City's financial systems, consideration is given to adequacy of internal accounting controls. The City of Champaign supports its system of internal control by written policies and procedures which are periodically reviewed, evaluated, and modified to meet current needs.

Internal accounting controls are designed to provide reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization, and that transactions are recorded properly to permit the preparation of financial statements in accordance with GAAP. The concept of reasonable assurance recognizes that the cost of internal control should not exceed the benefits likely to be derived, and that estimates and judgments by management are required to assess the expected benefits and costs of internal control procedures. Management believes that the City's system of internal accounting controls adequately safeguards assets and provides reasonable assurance of proper recording of transactions.

The City of Champaign's financial statements have been audited by the firm of Lauterbach & Amen, LLP, licensed Certified Public Accountants. The independent audit provides reasonable assurance that the financial statements of the City of Champaign for the fiscal year ended June 30, 2019, are free of material misstatement. This audit involved examining selected records to support amounts and disclosures in the financial statements, assessing the accounting principles applied and significant estimates made by management, and evaluating

the overall financial statement presentation. Based upon the audit, the independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the City of Champaign's financial statements for the fiscal year ended June 30, 2019, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Champaign also fulfilled a federally-mandated Single Audit designed to meet the special needs of federal grantor agencies. Standards governing Single Audit engagements require that the independent auditor report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, especially as they pertain to the administration of federal grant awards. These reports are available in the City of Champaign's separately issued Report of Federal Financial Assistance.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Champaign's MD&A can be found immediately following the report of the independent auditors.

Profile of the City of Champaign

The City of Champaign is a home-rule municipality incorporated in 1861 under the laws of the State of Illinois. It is located in east-central Illinois and shares the distinction with its twin city, Urbana, as home to the main campus of the University of Illinois, a major research University. The most recent census estimate (2018) reveals that Champaign's population is 88,029. The City's corporate boundaries currently cover approximately 23.1 square miles of land, and the planning area extends about one and a half miles beyond the City limits.

The City of Champaign operates under the Council-Manager form of government, with policy-making and legislative authority vested in a governing council comprised of the Mayor and eight Council Members. The Mayor and Council Members are elected on a non-partisan basis and serve four-year staggered terms. Five of the Council Members are elected by district while the Mayor and the three remaining Council Members are elected at large. The City Council's responsibilities include setting policy, adopting resolutions and ordinances including the budget, appointing committees, and hiring the City Manager. The City Manager and the ten department heads who serve under her supervision are responsible for carrying out the policies and ordinances of the City Council and directing the administrative functions of the City.

The City of Champaign provides a full range of services including police and fire protection, public works maintenance, improvements and construction of infrastructure, planning and zoning, community and economic development, library services, parking facilities, and general administration. Blended component units include the Champaign Police Pension Trust and the Champaign Firefighters' Pension Trust. The Town of the City of Champaign and the Champaign Library Foundation are discretely presented

component units. Additional information on these legally separate entities can be found in Note 1 in the Notes to the Financial Statements.

Financial Planning

The annual budget serves as the foundation for the City of Champaign's financial planning and control. All departments of the City of Champaign submit budget requests to the Finance Department in January of each year, which the Finance Department and City Manager subsequently review. The City Manager determines the proposed budget and presents it to the City Council in May. The City Council reviews the proposed budget during several open meetings. State law requires the Council to also hold a public hearing on the proposed budget and to adopt a final budget by the close of the City's fiscal year.

The appropriated budget is prepared by fund, department (e.g., police), activity (e.g., patrol), and classification (e.g., wages). The City Manager has the authorization to transfer budget amounts between departments within any fund and between line items of any fund. However, any revisions that decrease the available contingency or increase total expenditures of any fund must be approved by the City Council, with very limited exceptions. City Council approval is also required for any individual purchases over \$35,000. The City uses encumbrances to strengthen budgetary control and requires them for all purchases over \$5,000. The budget shows outstanding encumbrances as a reserve of fund balance. At year end, open encumbrances lapse and are re-appropriated in the next year.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund and major special revenue funds, these comparisons are presented as basic financial statements on pages 156 - 158 after the Notes to the Financial Statements. For other major governmental funds with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report on pages 161-163. Comparisons for non-major governmental funds can be found starting on page 164.

Local Economy

The information presented in the financial statements is perhaps best understood when considered from the broader perspective of the specific environment within which the City of Champaign operates.

The City of Champaign has one of the most consistently stable economic environments in the State of Illinois. It is situated within a significant regional transportation network, as its boundaries provide entrances to three major interstate highways with north-south and east-west access. Railroads provide both cargo and passenger service. The Illinois Terminal, operated by the Champaign-Urbana Mass Transit District (CUMTD), provides a central transportation facility for the area's residents. Modes of transportation provided at the facility include passenger rail service (Amtrak), intra-city bus service (CUMTD), inter-city bus service, and taxi service. Regularly scheduled passenger and freight flights

are available at University of Illinois/Willard Airport, approximately 5 miles south of Champaign.

The region has a varied economic base consisting of service, retail, manufacturing, and high technology industry that results in a comparatively low unemployment rate. The unemployment rate for June 2019 was 4.5%, lower than the 4.6% unemployment rate for June 2018. The University of Illinois at Urbana-Champaign is ranked among the top fifteen universities in the nation and anchors the local economy with over 13,900 employees. Champaign County, which includes the City of Champaign, smaller municipalities, and surrounding unincorporated areas, is a regional healthcare center with two hospitals (Carle Foundation Hospital and OSF Heart of Mary Medical Center) and two large clinics (Carle Physician Group and Christie Clinic) in addition to smaller health care providers.

The value of construction for building permits issued fiscal year 2018/19 was \$196 million, a decrease from \$231 million in fiscal year 2017/18, but significantly higher than the construction value of \$109 million in fiscal year 2010/11. Property tax is the second largest revenue source of the City. Starting in FY2014/15, the equalized assessed value (EAV) of taxable property began increasing as a result of the economic recovery. The EAV increased by 3.13% to \$1,815,887,000 in FY 2018/19 and by 5.87% in FY 2017/18. The City's property tax rate has remained at \$1.3152 since the 2012 levy year.

Sales taxes are the City's largest revenue source, which, with property, income, and utility taxes comprise the four largest revenue sources of the City. Revenue from sales and use taxes increased in fiscal year 2018/19, up 2.72% over fiscal year 2017/18. Fiscal year 2018/19 income taxes increased by 16.04%, following a decrease of 5.04% in the previous year. This increase is due to changes the State has made in how Municipalities share Income Tax revenues with the State, reducing the one-time reduction rate to 5% in FY 2018/19 compared with 10% in FY 2017/18. The City continues to limit expenditure increases as necessary to keep the City in stable financial condition.

During the past ten years, the City's expenditures related to public safety have increased not only in amount, but also as a percentage of total governmental expenditures (44.55% in 2019 compared with 36.77% in 2009). Much of this increase is due to the growth of the City, requiring an additional fire station, more public safety personnel and pension benefits of police officers and firefighters growing at a significantly faster rate than other costs. The level and type of municipal pension benefits are set, but not funded, by the State of Illinois.

Despite these challenges, the City's conservative fiscal practices, long-term financial planning, and relatively stable economic base have allowed it to maintain a continuous sound financial condition.

Major Initiatives

During the current year, staff has continued to implement action plans to meet the City Council's long-term goals, of which economic development is a major focus. The City has adopted, or participates in, various economic development programs including

public/private partnerships to encourage and manage economic growth. These include the following:

- Five Tax Increment Financing (TIF) Districts (discussed below);
- A State authorized Enterprise Zone;
- An Industrial Development Incentive program that provides funding for infrastructure development for new industrial projects that add or retain at least 20 jobs paying two times or more the minimum wage;
- Two Metro Zones, North and South, developed to attract new industry while reducing unproductive competition between the Cities of Champaign, Urbana, and the Village of Savoy;
- A High Technology Incentive Program for businesses outside the University of Illinois Research Park that provides \$50,000 for infrastructure serving businesses engaged in advanced technologies and \$150,000 for addition of office space serving such businesses;
- An Infill Redevelopment Incentive Program to encourage redevelopment of larger commercial sites in older parts of the City;
- A Small Business Incentive Program which provides funding assistance to new small business start-ups helping them with formation and capital needs;
- The City participates in, and is a major funder of, both the Champaign County Economic Development Corporation, Visit Champaign County (the county's convention and visitors' bureau) and the Champaign Center Partnership (downtown business association). The City believes that these agencies are a vital piece of an overall economic development strategy; and

The pace of development continues to be very strong in Champaign. While some projects are the result of programs described above, others are a result of strong market conditions that allow new development to occur without City assistance. Below are highlights of the more major projects either recently completed, under construction or in the planning phases.

- “The Yards” - South Downtown Project. Beginning in 2017, the City began collaborating on a public-private partnership to redevelop approximately 11 acres in south Downtown on a project being called “The Yards.” The City is collaborating with private development interests, the Champaign-Urbana Mass Transit District and the University of Illinois Department of Intercollegiate Athletics on the project which would include:
 - A 5,000 seat multi-purpose arena with three sheets of ice for a new Division I Hockey program at the University of Illinois as well as other collegiate sports and community use;

- Expansion of Illinois Terminal to increase onsite bus capacity, increase Amtrak waiting area accommodations and other patron accommodations, and to increase tenant lease space to support operational costs of the building;
- 175 hotel rooms;
- Convention space to accommodate up to 1,000 people;
- 100 plus one and two-bedroom apartments;
- 154,000 square feet of office and retail space; and
- 1,200 parking spaces to serve the development in parking structures.

The Yards is estimated to be a \$250 million project and could start construction as early as 2020. The project would benefit the City's new Downtown Fringe Tax Increment Finance District.

- In 2017 the City Council selected a development team to build a 132-room Marriott Aloft hotel in the heart of Downtown Champaign. The developers purchased a city-owned parking lot to build the "boutique hotel" which will be 7 stories tall. The hotel will lease parking from the City in the nearby Hill Street Parking Deck. The project does not require any public subsidies and will be valued at approximately \$18 million. A groundbreaking ceremony was held in October 2019 and construction is expected to be completed by the end of 2020.
- In April 2019 City Council approved a revenue sharing agreement with Costco Wholesale Corporation for the construction of a new 200,000 square foot retail facility. Costco Wholesale, the second largest retailer in the world, will open its 20th store in Illinois in Champaign and only the second store in Illinois outside of the Chicago metro area. Costco Wholesale will purchase a lot from Brookfield Properties, Inc. who owns and operates Champaign's regional mall, Marketplace Mall. Brookfield Properties will demolish an existing vacant department store space to allow for the creation of a new lot for Costco. Costco is expected to open in November 2020 and is expected to produce significant sales tax revenues for the City. The revenue sharing agreement will reimburse \$2.75 million of newly generated sales tax. It is anticipated that Costco will become the largest generator of sales tax in the City once open.
- Next Chapter Properties finished construction of a new mixed-use project on the southern edge of Downtown in 2017. The development contains first floor commercial, parking and 51 upper-story apartments totaling over 80 bedrooms. The project was completed without public subsidy.
- Element Building out of Morton, IL completed construction of a new mixed-use building at 520 North Neil Street in Downtown Champaign in 2019. It consists of first floor commercial space, upper-story residential and upper-story office space. The project was completed without public subsidy and will be valued at approximately \$3.8 million.
- DreamTown Properties, LLC completed construction of a mixed-use building at 209 East University Avenue just east of Downtown Champaign in 2019. The project

includes first floor commercial space with three stories of residential above. The project is valued at \$8.1 million.

- Redevelopment of multiple vacant parcels in the North Prospect area began in FY2013 to provide for relocation of the Worden Martin Carriage Center car dealerships (Ford, Nissan, Lincoln, and Mercury) from South Neil Street in Champaign and Savoy. This new location is visible from Interstate 74 and is generating additional incremental sales taxes. The City approved a development agreement to provide incentives for moving the auto dealerships and redeveloping the vacated site on South Neil. Redevelopment at this location is complete with multiple commercial businesses generating additional sales and property taxes. Open for business are a major grocery store, several restaurants, retail stores and a hotel. The development agreement will return city taxes generated from this new location and from the redevelopment of the Carriage Center property of up to \$6.2 million or over 12 years, whichever occurs first.
- The area of Champaign known as “Campustown” continues to experience significant investment and redevelopment in recent years, with many projects completed, several projects are currently under construction, others approved for development. The following projects are advancing the City’s goals for infill redevelopment. With the exception of Midtown Plaza, none of them receive direct financial incentives from the City.
 - Currently under construction is a 17-story mixed-use building at the corner of Green Street and Sixth Street. The building, to be called The Dean, will contain a 15,000-square foot Target Express store on the first two levels, the first Target Express to be built in Illinois outside of Chicago. A Jimmy John’s restaurant will also be a first-floor tenant. The upper 15 floors will contain 322 apartments with 652 beds. The project is ideally located one block from the heart of the campus of the University of Illinois. The project is being built by Core Spaces and is valued at \$40 million. It is expected to be complete by August 2020.
 - Submitted for building permit review is a large, mixed-use building proposed by Core Spaces, Inc. at the northeast corner of Sixth Street and Daniel Street just steps from the University of Illinois Quad. The project will have several retail spaces available on the first floor with 216 upper-story residential units and offices to be leased to the University of Illinois. The project will also reconstruct streetscape along Daniel Street which is an important entryway into campus. The project is estimated to have a construction value of near \$40 million. It is expected to start construction by the end of 2020.
 - Currently under construction at 32 East Green Street which will be a five-story, mixed-use building. The project is being constructed by Green Street Realty and will feature 162 total beds and 4,000 square feet of retail space.

- Recently completed in August 2019 is 707 South Fourth Street which is a large-scale student apartment development valued at \$31 million. The project was built by Opus Development Company, LLC out of Rosemont, IL. The building is 14 stories tall and contain 218 apartment units. As of October 2019 the building is 94% leased.
 - Recently completed in August 2019 is 615 South Wright Street which is a mixed-use office/residential building. The project was constructed by a local property management company, Wright Street Development. The first two floors of the building are office and the next five floors contain apartments. The project is valued at \$7.5 million.
 - Completed in 2017 is 212 East Green Street is a four-story mixed-use development with first floor commercial and upper-story apartments.
 - Completed in August 2017 is 707 South Third Street called “The Suites on Third.” 707 South Third Street is a student-oriented multi-family project by American Campus Communities which features 80 apartments and has a value of near \$15 million. This project complements a major renovation to the “Tower at Third” immediately across the street which is one of Champaign’s tallest buildings.
 - Completed in 2016 is 519 East Green Street which is a 14-story mixed-use development with first floor commercial and 40 upper story residential apartments. This project is valued at \$10 million.
 - Completed in August 2016 is the Latitude mixed-use project at 501 and 601 East University Avenue. These two buildings feature first floor commercial space and four upper-floor residential apartments within walking distance of the UofI Engineering campus. There are over 200 apartments and over 500 bedrooms in the development. The construction value was \$50 million.
 - On the edge of Campus is the Midtown neighborhood. Completed in 2018, Midtown Plaza is an urban development in the City's Midtown neighborhood. The approximately \$12 million project features two five-story, mixed-use buildings with 34,000 square feet of first floor commercial, 101 upper-story apartments, underground parking and public plaza improvements. The project caters to young, urban professionals and students. A financial incentive was provided for this project through the North Campustown TIF District.
- In late 2014 the City of Champaign, along with the City of Urbana, University of Illinois and the Champaign-Urbana Mass Transit District, were awarded a \$15.7 million federal TIGER grant to rebuild infrastructure in the core of the community including campus and its connections to downtown. The project has now been named MCORE. The City of Champaign is utilizing the funding to achieve a complete reconstruction of certain sections of Green Street, White Street and

Wright Street in the University District. The City expects the infrastructure improvements to provide further stimulus for economic development in the area. The construction of the improvements are underway and initial phases of the project were completed in 2018 including the reconstruction of Green Street from Fourth Street to Neil Street, White Street from Second Street to Wright Street, and Wright Street from Clark Street to Springfield Avenue. The project is nearly complete with reconstruction of Wright Street currently underway. The final phase of the MCORE project will be Green Street in Urbana.

- The University of Illinois Research Park (also part of the South Metro Zone) has grown over the past decade. Located on campus, the Research Park has more than 120+ companies and growing, employing 2,100 people in high-technology careers. At any given time more than 800 student interns are gaining valuable experiential learning and work experience while making real contributions to internal corporate R&D and product development programs. Multinational and/or publicly traded corporations in the Research Park include: ADM, Abbott Laboratories, AbbVie, AGCO, Ameren, Bayer, BP, Brunswick, Capital One, Caterpillar, CME Group, Corteva AgriSciences, Deere & Company, Grainger, Graybar, Littelfuse, NIVDIA, Forcepoint (a subsidiary of Raytheon) Riverbed, State Farm, Synchrony, Syngenta, and Yahoo (Verizon Media Group). The Research Park also has 70+ startup companies that are commercializing technology. EnterpriseWorks, the Research Park's 43,000-square-foot business incubator for early-stage tech firms, is operated by the University of Illinois to help launch successful scientific and research-based startup companies.
- The City entered into an agreement with Kraft Foods, Inc. and Becknell Industrial for the redevelopment of the former AC Humko industrial site located within the City's North Mattis Avenue TIF District. Kraft completed a new 730,000 square foot warehouse with a capital investment of approximately \$38-40 million. The City will provide assistance of \$3.7 million for this project by rebating property tax increment revenue created within the TIF District on the warehouse. Staff originally projected that the TIF District could achieve this reimbursement in approximately 10 years. The project is out-performing projections and the obligation will be satisfied much sooner.
- Development continues at the Curtis Road and Interstate 57 interchange in southwest Champaign. New zoning standards were adopted in January 2017 which has enticed office and commercial development. In late 2018, Carle Hospital finished construction of a project called "Carle at the Fields" in the SW quadrant. This project contains a 300,000 square foot office facility has become fully occupied for Carle and Health Alliance Insurance as of October 2018. The project is valued at \$75 million and construction of the office building will be complete in early 2018. Construction of a hotel Hampton Inn Hotel was completed in 2018 and several mixed-use buildings and surgery centers have also recently finished construction. Development of new restaurants, a gas station and other commercial uses are now locating within Carle at the Fields which has proven to be a strong regional attraction.

The City worked on the following major planning efforts during the period:

- The City continues to implement a \$23 million plan to redevelop the Bristol Place Neighborhood in northeast Champaign. This challenged 23-acre area has experienced disinvestment and declining property values over the years. To improve the area and provide new housing opportunities for residents, the City completed land acquisition and clearance utilizing Neighborhood Development and TIF funding. The City initiated this work after the City adopted a Master Plan for Bristol Park, a broader area that includes the Bristol Place neighborhood. The project was awarded Tax Credit Financing from the Illinois Housing Development Authority in Fall 2017 and a developer has been selected to build Phase I of the project. Phase I is a \$23 million project which is to provide 90 affordable housing units, new infrastructure and an enhance Boneyard Creek drainage way and amenity space. The project is under construction and is expected to be completed by 2020.
- The City's Zoning Ordinance was updated with modern standards that will further encourage responsible infill growth in the City's Downtown, Midtown and Campustown and In-Town residential areas. The amendments included eliminating the City's off-street parking requirement which has spurred new development as project can now be designed without the heavy burden of providing excess parking.
- In 2018 the Champaign City Council adopted a vision for improvement to the Neil Street Corridor entryway connecting Interstate 74 to Downtown Champaign. The vision includes narrowing the roadway to improve pedestrian safety and beautification measures to improve the image of the City for motorists entering the downtown area from the highway.
- In 2018 the Champaign City Council approved a design for a new Downtown Plaza at the intersection of Washington Street and Neil Street. Currently a City parking lot, the plaza will become a central focal point in Downtown flanked by many new commercial buildings that have been constructed in Champaign since 2004. The space will become a gathering space for visitors to Downtown Champaign which contains over 40 locally-owned restaurants and taverns.

Debt Administration

The City of Champaign is a home-rule unit of government, and as such, has no legal limitation on its debt. At year-end, the City had six general obligation bond series outstanding (including one Build America Bond issue) with outstanding principal totaling \$55.7 million. While property taxes secure these obligations, the City has paid all debt service expenses with other revenue sources. The City's current general obligation bond rating by Fitch Ratings is AAA and the rating by Moody's Investors' Services is Aaa.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Champaign for its CAFR for the fiscal year ended June 30, 2018. This was the twenty-seventh consecutive year that the City has received this prestigious award. To be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR in conformance with GAAP. The report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Management believes that the current CAFR continues to meet the Certificate of Achievement program requirements and is submitting it to GFOA to determine eligibility for another certificate.

In addition, the City received the GFOA's Distinguished Budget Presentation Award for the fiscal year beginning July 1, 2018. To qualify for the Distinguished Budget Presentation Award, the City's budget document was judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report has been made possible due to contributions from many members of the Finance Department. We would like to express our appreciation to everyone who assisted and contributed to the preparation of this report. Credit must also be given to the City Manager, Mayor, and City Council for their unfailing support in maintaining the highest standards of professionalism in the management of the City of Champaign's finances.

Respectfully submitted,



Kay Nees
Finance Director



Carrie Siems
Financial Services Manager/
City Accountant



Amanda Durst
Staff Accountant



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Champaign
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Other Supplementary Information
- Supplemental Schedules

INDEPENDENT AUDITORS' REPORT

This section includes the opinion of the City's independent auditing firm.



INDEPENDENT AUDITORS' REPORT

December 2, 2019

The Honorable City Mayor
Members of the City Council
City of Champaign, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Champaign, Illinois, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Police Pension Fund. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Police Pension Fund, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Champaign, Illinois, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents and budgetary information reported in the required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Champaign, Illinois' basic financial statements. The introductory section, combining and individual fund financial statements and budgetary comparison schedules, supplemental schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and budgetary comparison schedules and supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and budgetary comparison schedules and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Matters – Continued

Other Information – Continued

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2019, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provision of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

CITY OF CHAMPAIGN, ILLINOIS
Management's Discussion and Analysis (Unaudited)
June 30, 2019

Management's Discussion and Analysis provides an overview of the City of Champaign's financial activities for the fiscal year ended June 30, 2019. Please read it in conjunction with the transmittal letter on pages 3 - 13 and the City's financial statements, which begin on page 34.

FINANCIAL HIGHLIGHTS

- At June 30, 2019, the City's total assets exceeded its liabilities by \$329.9 million. In accordance with governmental accounting standards, this includes all the City's infrastructure assets (net of depreciation). Most of the City's net position consists of \$321.9 million investment in capital assets, net of related debt. Most capital assets are infrastructure, buildings, vehicles, and equipment. The City uses them to provide specific services but cannot easily convert these assets to spendable assets (e.g. cash) to pay for other City operations and obligations such as employee pensions and debt service.
- The City can use the remaining assets of \$8.0 million with some limitations. Restricted net position of \$26.2 million may be used for the City's ongoing obligations related to programs with external restrictions, such as programs related to Public Works, Public Safety, Culture and Recreation, Debt Service and Capital Projects. The City's \$18.2 million deficit balance for unrestricted net position represents additional future resources required to fulfill its ongoing obligations to citizens and creditors without such restrictions.
- Expenses of \$118.6 million exceeded revenues of \$111.6 million during the year, decreasing the City's total net position by \$7.0 million. The decrease in total net position consists of a \$7.2 million decrease in net position of the City's governmental activities and a \$0.2 million increase in net position related to the City's business-type activities. The decrease in the City's net position was primarily due to actuarial changes and variances in demographic data, such as hiring new employees, employees retiring or becoming disabled, retirees passing away and salary increases due to promotions within the City's Pension funds that caused an increase to the City's net pension liability. There were also actuarial changes that caused an increase to the Total Other Post Employment Benefit Plans (OPEB) liability, resulting in an unrestricted net position deficit of \$18.2 million.
- At the end of the fiscal year, the City's total fund balances in its governmental funds were \$82.1 million, a \$3.3 million decrease from the prior year fund balances of \$85.4 million. The decrease is largely attributable to the following:
 - a General Fund increase of \$0.5 million due to increased State income tax revenues due to the State reducing the share they're keeping of municipalities' portion of income taxes from 10% to 5%, along with increased interest income from the prior year;
 - an increase of \$0.6 million in the Capital Improvements Funds due to the timing of completion of capital projects;

- a decrease of \$3.6 million in the Neighborhood Development Fund due to a land donation to the developer for the Bristol Place neighborhood redevelopment project.
 - a decrease of \$1.5 million in the Vehicle Replacement Fund due to increased capital expenditures, including the purchase of a ladder truck and rescue squad for the Fire department.
- At June 30, 2019, approximately \$55.8 million (68%) of the total fund balance in governmental funds is available for spending at the government’s discretion (unassigned and committed fund balances). Of that, 52% (\$29.0 million) is in the City’s General Fund, 43% (\$24.3 million) is dedicated to capital projects, and 5% (\$2.6 million) is dedicated to special revenue funds (primarily those that support neighborhood and economic development). Approximately 85% of the unassigned and committed General Fund balance represents revenues owed the City as of June 30, 2019, but not received by June 30, 2019. The large majority of the revenues are due to the City from the State of Illinois and represent the normal amount of time it takes for the State of Illinois to collect and disburse the funds, while the other portion are real estate taxes due from Champaign County because of a delayed property tax billing for the 2018 levy year. Of the restricted funds, 25% (\$6.4 million) is restricted for capital projects, 53% (\$14.0 million) is restricted for special revenue funds, and 22% (\$5.8 million) is restricted for debt service.
 - The City had \$178.0 million in total long-term liabilities at the end of the year, 28% of which was bonded general obligation debt. Other long-term liabilities includes the net pension liability, total OPEB liability, compensated absences, landfill closure payable, Illinois Environmental Protection Agency (IEPA) loans and Section 108 guaranteed loan. The increase in long-term liabilities from the prior year is due to an increase in the net pension and OPEB liabilities this fiscal year along with IEPA loan additions.

USING THIS ANNUAL REPORT

This discussion and analysis serves as an introduction to the City of Champaign’s basic financial statements. These consist of government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information.

This financial report includes not only the City of Champaign itself (known as the “primary government”), but also two additional entities, the Champaign Police Pension Trust, and the Champaign Firefighters Pension Trust. Although legally separate, the City of Champaign has responsibility for ensuring that the funds obligations are met and includes these “blended component units” in its financial report in accordance with governmental accounting standards. Both of the pension funds issue separate annual financial reports.

This report also includes the two “discretely presented component units”: the Town of the City of Champaign (Township) and the Champaign Public Library Foundation. The membership of the governing body (Township Trustees) of the Township is the same as the membership of the City’s governing body (City Council). The Township issues a separate annual financial report. The Foundation is a not-for-profit organization established to promote community enrichment and education by encouraging private support of the Library. The Foundation is included in the City of Champaign’s report because of its relationship to the Champaign Public Library, which is included as a fund in this report.

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the City of Champaign's finances, in a manner similar to a private-sector business. The government-wide financial statements can be found on pages 34-37 of this report.

The Statement of Net Position reports information on all the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Champaign is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the City of Champaign's property tax base and the condition of the City's roads, is needed to assess the overall health of the City.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows only in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Champaign that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The governmental activities of the City of Champaign include general government (including development planning and regulation, and economic development), public safety, public works (including streets, sidewalks, bridges, storm water management, and City buildings), public health and welfare (primarily housing rehabilitation), and culture and recreation (primarily library services). The business-type activities of the City include a sanitary sewer collection system, environmental services, and parking operations.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City of Champaign, as other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Champaign can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

The term "governmental funds" refers to essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The City maintains 22 individual governmental funds. The City considers the following six as "major" funds: the General Fund, Champaign Public Library Fund, Motor Fuel Tax Fund, Debt Service Fund, Stormwater Management Fund, and Capital Improvements Fund. As such, the City presents information on these funds separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. Data from the other 16 governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual budget for its governmental funds. This report includes a budgetary comparison statement for the major funds to demonstrate compliance with the budget. The basic governmental fund financial statements can be found on pages 38-43 of this report.

Proprietary Funds

The City of Champaign maintains two different types of proprietary funds: enterprise and internal service. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Champaign utilizes enterprise funds to account for its sanitary sewer collection system, environmental services related to the multi-family recycling program, and parking operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City of Champaign's various functions.

The City of Champaign uses internal service funds to account for its fleet of vehicles and other expensive equipment, and for its insurance programs. Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Sewer, Parking, and Environmental Services Funds. The Sewer and Parking funds are considered to be major funds of the City. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual budget for its proprietary funds. This report includes a budgetary comparison statement for the major funds to demonstrate compliance with the budget. The basic proprietary fund financial statements can be found on pages 44-49 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government and include the Firefighters' and Police Pension funds. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City of Champaign's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 50-51 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to fully understand the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 52 - 143 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the City's employee pension obligations (Illinois Municipal Retirement Fund, Police Pension Fund, and Firefighters Pension Funds) as well as its OPEB obligations. Required supplementary information can be found on pages 144 - 158 of this report. The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 159-195 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

Net position may serve as a useful indicator of changes in a government's financial position over time. The table below shows that the City's assets exceeded liabilities by \$329.9 million. The largest portion of the City of Champaign's net assets (\$321.9 million, or 98%) reflects its investment in capital assets (for example, streets, sewers, land, and buildings) less any outstanding debt used to acquire those assets. The City of Champaign uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that almost all of the resources needed to repay the debt related to capital assets must be provided from other sources, since the City cannot generally use the capital assets themselves to liquidate these liabilities.

An additional \$26.2 million (8%) of the City's net position represents resources that are subject to external restrictions on their use. The remaining \$18.2 million deficit (-6%) represents unrestricted net position.

Net Position (in Millions)

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and Other Assets	\$ 117.8	\$ 116.3	\$ 9.8	\$ 9.7	\$ 127.6	\$ 126.0
Capital Assets	334.9	331.4	52.0	53.4	386.9	384.8
Total Assets	452.7	447.7	61.8	63.1	514.5	510.8
Deferred Outflows of Resources	44.2	36.1	0.9	0.5	45.1	36.6
Total Assets and Deferred Outflows of Resources	496.9	483.8	62.7	63.6	559.6	547.4
Long-Term Debt Outstanding	170.1	141.9	7.9	8.3	178.0	150.2
Other Liabilities	23.6	19.2	1.7	1.7	25.3	20.9
Total Liabilities	193.7	161.1	9.6	10.0	203.3	171.1
Deferred Inflows of Resources	26.1	38.4	0.3	1.0	26.4	39.4
Total Liabilities and Deferred Inflows of Resources	219.8	199.5	9.9	11.0	229.7	210.5
Net Position						
Net Investment in Capital Assets	277.2	279.2	44.7	44.7	321.9	323.9
Restricted	26.2	26.4	-	-	26.2	26.4
Unrestricted (Deficit)	(26.3)	(21.3)	8.1	7.9	(18.2)	(13.4)
Total Net Position	\$ 277.1	\$ 284.3	\$ 52.8	\$ 52.6	\$ 329.9	\$ 336.9

The following table shows that net position decreased by \$7.0 million over FY18.

Changes in Net Position (in millions)

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues						
Program Revenues						
Charges for Services	\$ 11.5	\$ 12.3	\$ 6.3	\$ 6.0	\$ 17.8	\$ 18.3
Operating Grants/Contributions	4.0	4.6	-	-	4.0	4.6
Capital Grants/Contributions	0.3	2.4	-	0.1	0.3	2.5
General Revenues						
Property Taxes	26.5	26.2	-	-	26.5	26.2
Sales Taxes	38.1	37.1	-	-	38.1	37.1
Income Taxes	8.4	7.3	-	-	8.4	7.3
Other General Revenues	16.1	13.9	0.4	0.3	16.5	14.2
Total Revenues	104.9	103.8	6.7	6.4	111.6	110.2
Expenses:						
General Government	17.8	19.4	-	-	17.8	19.4
Public Safety	50.1	46.3	-	-	50.1	46.3
Public Works	25.5	27.1	-	-	25.5	27.1
Public Health and Welfare	7.4	4.5	-	-	7.4	4.5
Culture and Recreation	9.3	9.4	-	-	9.3	9.4
Interest on Long-Term Debt	2.3	1.8	-	-	2.3	1.8
Parking	-	-	3.3	3.4	3.3	3.4
Sewer	-	-	2.4	2.4	2.4	2.4
Environmental Services	-	-	0.5	0.5	0.5	0.5
Total Expenses	112.4	108.5	6.2	6.3	118.6	114.8
Increase in Net Position Before Transfers	(7.5)	(4.7)	0.5	0.1	(7.0)	(4.6)
Transfers	0.3	(0.3)	(0.3)	0.3	-	-
Increase (Decrease) in Net Position	(7.2)	(5.0)	0.2	0.4	(7.0)	(4.6)
Net Position- Beginning	284.3	289.3	52.6	52.2	336.9	341.5
Net Position - Ending	\$277.1	\$284.3	\$52.8	\$52.6	\$329.9	\$336.9

The City of Champaign's total net position decreased by \$7.0 million due to a decrease of \$7.2 million in the net position of the City's governmental activities plus a \$0.2 increase in the net position of business-type activities. The decrease in governmental activities net position is

primarily due to increases in the net pension liability because of assumption changes and demographic data changes in the Police and Fire Pension Funds, as well as in increase in Total OPEB Liability due to actuarial changes. The City of Champaign can generally only use net position of business-type activities to finance sanitary sewer collection services, environmental services, and parking operations.

Net position invested in capital assets (net of debt) decreased by \$2.0 million to \$321.9 million. This is due to annual depreciation expense of \$16.7 million offsetting the capital asset additions. Restricted net position decreased by \$2.0 million to \$26.2 million, while unrestricted net position decreased by \$18.1 million. The decrease in unrestricted net position is primarily due to the fluctuations in the pension and OPEB liabilities as mentioned above.

Total revenues increased by \$1.4 million, a 1.26% increase. The change largely resulted from the following: a \$0.5 million increase in charges for services, a \$2.8 million decrease in operating and capital grants/contributions, a \$1.0 million increase in sales and use taxes, a \$2.3 million increase in other revenues and a \$1.1 million increase in income taxes. Expenses increased \$3.8 million (from \$114.8 million to \$118.6 million), primarily in Public Safety. Results for specific types of revenues and expenses are discussed below.

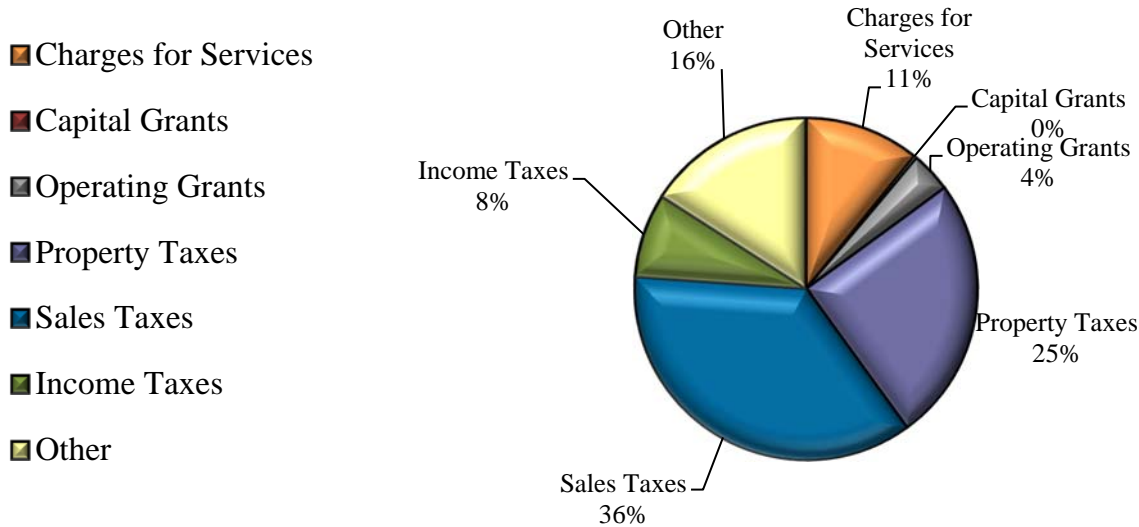
Governmental Activities

Revenues for governmental activities increased \$1.1 million (1.1%). This increase was primarily due to an increase in Interest Income due to market fluctuations. Sales and Use Taxes also increased \$1.0 million along with an increase in Income Taxes totaling \$1.1 million. The increase in Sales Taxes was largely due to the administrative fee imposed by the State being reduced from 2% to 1.5% and the increase in Income Taxes was due to the State reducing the portion they're keeping of municipalities' share of income taxes from 10% to 5%. These increases were offset by a decrease in Operating and Capital grants of \$2.8 million due to receiving some large developer contributions in the prior year.

Total expenses for governmental activities increased \$3.9 million (3.6%) to \$112.4 million primarily in Public Safety. There was an increase in Public Safety expenses of \$3.8 million, primarily due to additional staffing at the Fire Department due to the SAFER Grant award along with additional police staffing, including additional transfers to the pension funds. An increase in Public Health and Welfare expenses of \$2.9 million was due to the donation of land to the developer of the Bristol Place Redevelopment Project. These increases were offset by a decrease in Public Works of \$1.6 million, due to the timing of completion of infrastructure projects.

The chart below depicts the City's major revenue sources for governmental activities. It shows the City's reliance on sales tax revenues to fund governmental activities.

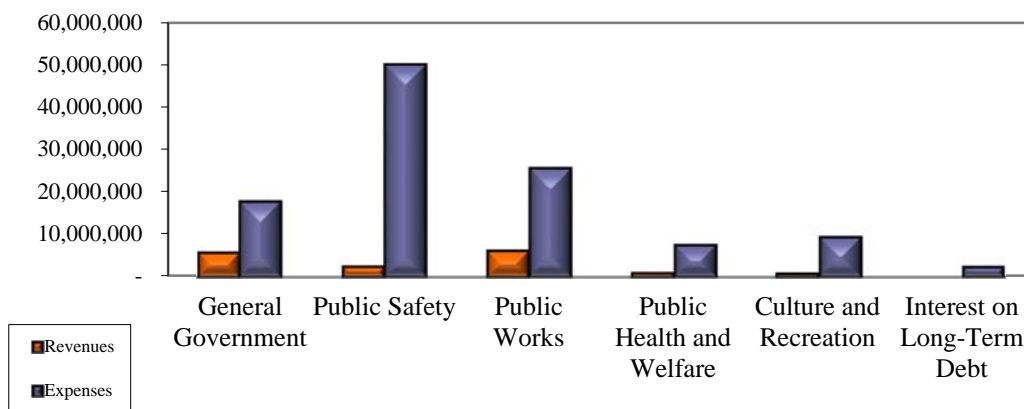
Revenues by Source - Governmental Activities



Sales tax revenues comprise 36% of all revenues for governmental activities. Significant reliance on a single revenue source, especially one subject to cyclical economic changes, results in greater revenue volatility than more diversified revenue sources. The impact on the City of Champaign, however, is somewhat mitigated by the relatively stable local economy due to the presence of the main campus of the University of Illinois in Champaign and in its twin city, Urbana.

The following chart compares program revenues with program expenses for governmental functions. Clearly, a relatively small portion of expenses for governmental functions are derived from program revenues.

Expenses and Program Revenues - Governmental Activities

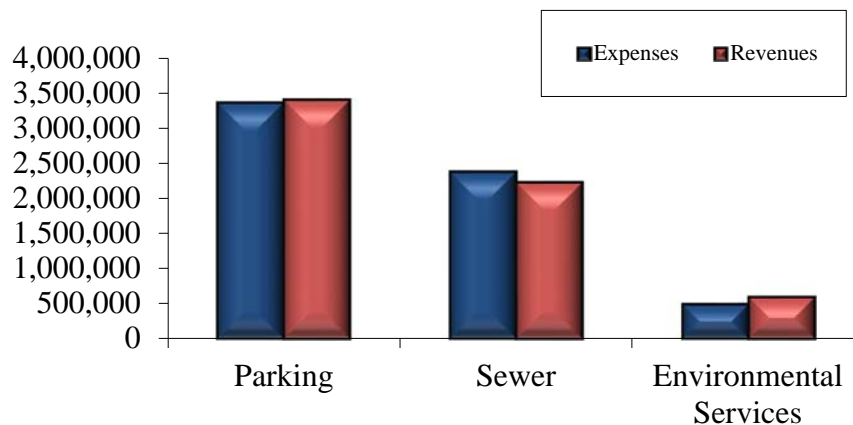


Business-Type Activities

The City realized revenues of \$6.6 million from its business-type activities: parking, sanitary sewer, and environmental services. This represents a slight decrease of \$0.2 million (3%) from the prior year.

Overall, the City's net position from business-type activities increased \$0.2 million. This largely resulted from an increase in revenues in the Parking Fund due to increased Meter Income from use of the Mobile Meter app, along with increased University of Illinois parking permit sales. This increase was offset by a decrease in transfers in of \$0.6 million. This chart depicts the expenses and program revenues of the City's business-like activities: the Parking Fund, Sewer Fund and Environmental Services Fund.

Expenses and Program Revenues - Business-Type Activities



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the City of Champaign uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The City's governmental funds provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the 2019 fiscal year, the governmental funds reported combined ending fund balances of \$82.1 million, a decrease of \$3.3 million (3.86%) from the prior year.

These changes in fund balances from the prior year are notable:

The General Fund experienced a slight increase in fund balance of \$0.5 million. The excess of revenues over expenditures increased to \$13.0 million, which was offset by net transfers to other funds of \$13.1 million. This was due to the State decreasing the portion of municipalities' share

of income tax revenue it keeps from 10% to 5%. In addition, the State decreased the administrative fee it imposes on Home Rule Sales Tax collections from 2% to 1.5%, resulting in higher revenues.

- The Capital Improvements Fund had an increase in fund balance of \$0.6 million. This increase was the result of fewer capital projects being completed during the current year.
- Non-major funds had a decrease in fund balance of \$4.9 million. This decrease was attributed to the following:
 - a \$3.6 million decrease in the Neighborhood Development Fund due to the donation of land to the developer of the Bristol Place Redevelopment Project;
 - a \$0.7 million decrease in the Downtown TIF fund due to the completion of some planned capital projects to spend-down the remaining fund balance of the now-expired TIF district;
 - a \$1.5 million decrease in the Vehicle Replacement Fund due to some large equipment purchases, including a new ladder truck and Rescue squad for the Fire Department, along with several police interceptors.

Proprietary Funds

The City of Champaign's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The City reports the Sanitary Sewer Fund as a major proprietary fund. This fund accounts for the operations of the sanitary sewer collection system. (A separate governmental entity, the Urbana & Champaign Sanitary District, performs sewage treatment and maintains the large interceptor sewers that transport sewage from the collection system to the treatment plants.) Net position slightly decreased \$0.2 million to \$35.7 million as of June 30, 2019.

The Parking Fund, another major proprietary fund, saw an increase in net position of \$0.2 million at June 30, 2019. Operating revenues increased slightly and expenses remained steady, and transfers in from other funds decreased \$0.6 million. The Fund ended the year with a net position of \$16.4 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

The following table shows budgeted and actual amounts for the General Fund:

	Original Budget	Final Budget	Actual
Revenues			
Taxes	\$ 41,430,312	\$ 41,365,822	\$ 41,133,744
Intergovernmental	28,192,836	29,850,657	29,948,964
Licenses & Permits	3,087,921	3,237,629	3,199,501
Other	4,142,427	4,100,798	4,128,087
Total Revenues	<u>76,853,496</u>	<u>78,554,906</u>	<u>78,410,296</u>
Expenditures and Transfers			
Expenditures	75,264,240	75,090,459	65,421,717
Transfers Out	13,143,691	13,214,054	13,105,443
Transfers In	(6,820,879)	(6,724,291)	(595,508)
Total Expenditures and Transfers	<u>81,587,052</u>	<u>81,580,222</u>	<u>77,931,652</u>
Change in Fund Balance	<u>\$ (4,733,556)</u>	<u>\$ (3,025,316)</u>	<u>\$ 478,644</u>

The Champaign City Council amended the General Fund budget six times during the fiscal year. The most significant amendments included the following:

- Re-appropriation of unliquidated amounts in outstanding encumbrances at the end of the prior year to authorize their expenditure in the new fiscal year. The majority of these re-budgets were for capital projects that progressed at a slower pace than had been anticipated.
- As it does each year, the City amended original budget revenues and expenditures during development of the budget for the following fiscal year. This results in a final budget that is somewhat closer to the current expectations at that point in time.

Total actual revenues of \$78.4 million were slightly below than the final (estimated) budget and approximately \$1.5 million higher than the original budget. The variance between the actual and the final budget resulted primarily from tax revenues coming in slightly below the estimates.

Total actual expenditures and transfers of \$77.9 million were 4.5% lower than the original and final budget. These variances were primarily due to lower than anticipated expenses such as lower economic incentive payments due to project delays and extended position vacancies throughout all City departments.

CAPITAL ASSETS

As shown on the following chart, the City of Champaign had a \$386.9 million investment in capital assets of its governmental and business-type activities, net of accumulated depreciation, as of June 30, 2019. Approximately 50% of this investment represents infrastructure including roads, sidewalks, bridges, and sewers, and 27% of the City's capital assets are comprised of land. Overall, the City's investment in capital assets increased by \$2.1 million or 0.6%.

Capital Assets - Net of Depreciation (in Millions)

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 99.7	\$ 99.6	\$ 5.6	\$ 5.8	\$ 105.3	\$ 105.4
Construction in Progress	39.6	28.3	-	-	39.6	28.3
Buildings	27.8	28.6	9.3	9.6	37.1	38.2
Land Improvements	1.5	1.6	1.0	1.2	2.5	2.8
Improvements and Equipment	9.7	6.8	0.4	0.4	10.1	7.2
Infrastructure	156.5	166.3	35.7	36.4	192.2	202.7
Software	0.1	0.2			0.1	0.2
Parking Meters	-	-			-	-
Total	\$ 334.9	\$ 331.4	\$ 52.0	\$ 53.4	\$ 386.9	\$ 384.8

Changes to capital assets during the 2018/19 fiscal year included the following:

- Infrastructure decreased by \$10.5 million as some significant road and drainage projects began during the current year but were not completed, resulting in depreciation of infrastructure being higher than capital additions to infrastructure.
- Construction in progress increased \$11.3 million as several new significant road and drainage projects were started during the year.
- Depreciation of capital assets by \$16.7 million.

Readers desiring more detailed information on capital assets activity should refer to the discussion in Note 3 to these financial statements on pages 77-78.

DEBT MANAGEMENT

The City's total outstanding bonded debt, Section 108 guaranteed loans, and IEPA loans as of June 30, 2019 (\$75.4 million) increased \$0.4 million from June 30, 2018. The following table provides a detail of this outstanding debt, comparing the current fiscal year to the previous fiscal year.

General Obligation Bonds and IEPA Loans (in Millions)

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
General Obligation Bonds	\$ 49.7	\$ 54.1	\$ 6.0	\$ 7.3	\$ 55.7	\$ 61.4
IEPA Loans Payable	15.5	9.3	0.7	0.8	16.2	10.1
Section 108 Loans Payable	3.5	3.5	-	-	3.5	3.5
Total	\$ 68.7	\$ 66.9	\$ 6.7	\$ 8.1	\$ 75.4	\$ 75.0

The City maintained the Moody's Investors Service rating of Aaa and the Fitch Ratings of AAA based on a stable economic base, diverse revenue stream, healthy fund balance levels, and strong financial management. Additional information on the City's long-term debt can be found in Note 3 on pages 80-87 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The national economy continues to see healthy growth, while the global economy is showing signs of slowing. This will have an impact on the U.S. gross domestic product which is projected to grow at a slightly lower rate in 2019, 2.0% to 2.5%, which is down from the 3.0% growth seen in 2018. As of March 2019, the national unemployment rate was down to 3.8% and consumer spending remains strong, fueled by accelerating wages and future job increases. While these positive economic growth indicators in the near term indicate sustained growth, economists are predicting an economic slowdown and a possible recession in the next two years.

On the State level, Illinois' economy continues to lag behind the national trend as well as surrounding states. University of Illinois Professor Fred Giertz created the Flash Index to provide a quick reading of the State's economy. He issues the index the first of each month using the prior month's data. An index reading above 100 indicates an expanding economy and a reading below 100 indicates a contracting economy. The March 2019 index reading shows moderate growth rate of 105.4 as the State's economy continues to maintain moderate growth seen over the last year.

Over the last three fiscal years, budget action taken by the State of Illinois has impacted the City's revenues. The State continued cuts to local revenues to balance their FY 2019/20 budget. Cuts included another one-time reduction of 5% to the local share of Income Tax, an increase in the amount of funds the State diverts from Personal Property Replacement Tax (PPRT), and the continuation of a 1.5% administration fee on the monthly collection of Home-Rule Sales Tax. These cuts indicate a concerning trend of the State balancing its budget by cutting local revenues. In particular, there is continued uncertainty around any future cuts to Income Tax as this is the third year that the State of Illinois has extended the one-time 5% cut. This is an indicator that this cut may be extended or be made permanent in future years. As a result, staff incorporated this cut as a recurring reduction in revenues in FY 2019/20.

Despite these cuts, staff project an overall increase to the City's fourteen major revenues of 1.7% for FY 2019/20. This is primary due to growth in Property Tax revenues. Below is a brief discussion of the City's top three revenue sources:

- Sales tax revenue is the City's largest revenue source. In FY 2017/18, the State of Illinois first implemented a 2.0% fee on home rule sales taxes collected by the State and remitted to the City. This fee was reduced to 1.5% with the adoption of the State FY 2018/19 budget and maintained the same rate with the adoption of the State FY 2019/20 budget. Statutory and home rule sales tax for FY 2019/20 are both projected to increase 1.0%, which is more in line with population growth but considerably lower than the City's historical average of growth between 2.0 – 5.0%. While Champaign remains a regional shipping hub, the impact of recent trends seen both nationally and locally as online sales continue to increase coupled with the State 1.5% administrative fee on home rule sales tax has resulted in a decline of sales tax collections.
- Property tax revenues are the City's second largest revenue source. The equalized assessed value (EAV) of taxable property in the City for the 2018 levy year (valued as of January 1, 2018 and collected in 2019) increased by 3.2% to \$1,815,887,000. The increase in EAV resulted from new construction values being added to the tax rolls. Under tax law applicable to the City, the EAV of taxable property should represent one-third of the market value, so the taxable value of property in the City exceeded \$5.4 billion. Residential and commercial properties made up 52% and 47%, respectively, of the EAV for the 2018 levy year.

Residential and commercial construction remains strong and businesses continue to invest in Champaign. The value of construction for building permits issued in calendar year 2018 was \$238 million slightly above the 2017 value of \$215 million. The assessed value of the new construction will go on the property tax rolls for the 2019 and later levy years. Staff expects the assessed value of taxable property for the 2019 levy year to increase by 3.0% from the prior year due to new development and improvements to existing buildings. In accordance with State of Illinois law, assessors base the EAV on property valuations for the past three years.

- State collected income taxes is the City's third largest revenue source. A portion of State income taxes is allocated to local governments on a per-capita basis. The State FY 2019/20 budget included another one-time, 5.0% reduction to the amount of Income Tax available for distribution by the State. There is continued uncertainty around future reductions to Income Tax. As a result, staff projects income tax at \$98.50 per capital for FY 2019/20, which incorporates this 5.0% reduction to income tax as a recurring cut.

The City's management considered the following factors when preparing the budget for fiscal year 2019/20:

- The City Council has a policy of adopting structurally sound, sustainable budgets where recurring revenues exceed recurring expenditures. In addition, the City budgets an unassigned General Fund balance of 10% of expenditures (minus transfers) that can be used for any unforeseen event because it is not dedicated to a specific purpose. (The policy refers to the "budgetary" basis of accounting, in which fund balances generally

include only revenue collected rather than also including amounts due to the City. As a result, the unassigned balances shown in this report significantly exceed the balances measured on a budgetary basis.)

- Budget development for FY 2019/20 was guided by fiscal policies that include keeping recurring expenditures at or below 98.5% of recurring revenues and maintaining a minimum unassigned General Fund balance of 10% of expenditures, not including transfers. The strategy to bring the adopted General Fund budget for FY 2019/20 in conformance with policy was:
 - Prepare the proposed budget consistent with the City's financial policies and service levels currently funded on a recurring basis;
 - Have safeguards to address cyclical and structural fiscal imbalances by maintaining a \$1.45 million reserve in the General Fund pending State of Illinois budget decisions; and
 - Keep the overall 2019 adopted property tax levy at the same overall rate as the 2018 extended levy of \$1.3152 per \$100 of equalized assessed value.

REQUESTS FOR INFORMATION

This financial report is designed to provide the City's citizens, customers, investors, and creditors an overview of the City's finances, and to demonstrate the City's accountability for the money it receives. Additional information regarding the City's finances can be found on the City's website at <http://champaignil.gov/departments/finance>. Questions concerning this report or requests for additional financial information should be directed to:

Kay Nees
Finance Director
102 N. Neil Street
Champaign, IL 61820
Phone: 217/403-8952
Email: kay.nees@champaignil.gov

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Proprietary Funds

Fiduciary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

CITY OF CHAMPAIGN, ILLINOIS

**Statement of Net Position
June 30, 2019**

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Totals	Champaign	Town of the
				Public Library Foundation	City of Champaign
ASSETS					
Current Assets					
Cash and Investments	\$ 79,897,307	7,579,280	87,476,587	1,934,927	660,605
Receivables - Net					
Property Taxes	21,145,292	-	21,145,292	-	533,759
Other Taxes	11,993,948	-	11,993,948	-	14,350
Accounts	2,678,759	481,269	3,160,028	7,141	-
Accrued Interest	118,007	13,209	131,216	-	-
Due from Other Governments	1,331,861	-	1,331,861	-	-
Inventory/Prepays	618,137	-	618,137	-	15,039
Total Current Assets	117,783,311	8,073,758	125,857,069	1,942,068	1,223,753
Noncurrent Assets					
Capital Assets					
Nondepreciable	139,355,845	5,598,418	144,954,263	-	-
Depreciable	568,021,607	68,454,913	636,476,520	-	918,022
Accumulated Depreciation	(372,430,470)	(22,060,781)	(394,491,251)	-	(78,468)
Total Capital Assets	334,946,982	51,992,550	386,939,532	-	839,554
Other Assets					
Notes Receivables	-	1,742,402	1,742,402	-	-
Total Noncurrent Assets	334,946,982	53,734,952	388,681,934	-	839,554
Total Assets	452,730,293	61,808,710	514,539,003	1,942,068	2,063,307
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Items - IMRF	11,216,486	831,910	12,048,396	-	481,191
Deferred Items - Police Pension	18,595,886	-	18,595,886	-	-
Deferred Items - Firefighters' Pension	13,839,344	-	13,839,344	-	-
Deferred Items - HIPRE	539,794	26,989	566,783	-	-
Total Deferred Outflows of Resources	44,191,510	858,899	45,050,409	-	481,191
Total Assets and Deferred Outflows of Resources	496,921,803	62,667,609	559,589,412	1,942,068	2,544,498

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

LIABILITIES

	Primary Government		Component Units	
	Governmental Activities	Business-Type Activities	Champaign Public Library Foundation	Town of the City of Champaign
Current Liabilities				
Accounts Payable	\$ 9,567,873	75,884	-	20,190
Retainage Payable	617,352	-	-	-
Accrued Payroll	1,137,448	30,094	-	6,912
Claims Payable	3,849,251	-	-	-
Other Liabilities	1,795,512	-	-	-
Current Portion of Long-Term Liabilities	6,611,781	1,577,630	-	22,213
Total Current Liabilities	23,579,217	1,683,608	-	49,315
Noncurrent Liabilities				
Compensated Absences Payable	5,130,156	235,468	-	8,852
Net Pension Liability - IMRF	15,945,720	1,182,670	-	560,658
Net Pension Liability - Police Pension	33,429,058	-	-	-
Net Pension Liability - Firefighters' Pension	37,653,384	-	-	-
Total OPEB Liability - HIPRE	13,827,690	691,385	-	-
Landfill Closure Payable	150,000	-	-	-
IEPA Loans Payable	14,984,146	635,451	-	-
Section 108 Guaranteed Loan Payable	3,524,000	-	-	-
General Obligation Bonds Payable - Net	45,456,701	5,180,444	-	245,000
Total Noncurrent Liabilities	170,100,855	7,925,418	-	814,510
Total Liabilities	193,680,072	9,609,026	-	863,825
Property Taxes	13,567,934	-	-	345,617
Grants	40,000	-	-	-
Deferred Items - IMRF	2,628,499	194,951	-	41,515
Deferred Items - Police Pension	7,508,058	-	-	-
Deferred Items - Firefighters' Pension	811,331	-	-	-
Deferred Items - HIPRE	1,563,279	78,163	-	-
Total Deferred Inflows of Resources	26,119,101	273,114	-	387,132
Total Liabilities and Deferred Inflows of Resources	219,799,173	9,882,140	-	1,250,957

DEFERRED INFLOWS OF RESOURCES

Property Taxes	13,567,934	-	13,567,934	-	345,617
Grants	40,000	-	40,000	-	-
Deferred Items - IMRF	2,628,499	194,951	2,823,450	-	41,515
Deferred Items - Police Pension	7,508,058	-	7,508,058	-	-
Deferred Items - Firefighters' Pension	811,331	-	811,331	-	-
Deferred Items - HIPRE	1,563,279	78,163	1,641,442	-	-
Total Deferred Inflows of Resources	26,119,101	273,114	26,392,215	-	387,132
Total Liabilities and Deferred Inflows of Resources	219,799,173	9,882,140	229,681,313	-	1,250,957
NET POSITION					
Net Investment in Capital Assets	277,189,221	44,657,892	321,847,113	-	574,554
Restricted	-	-	-	-	274,606
Tax Levy Expenses	-	-	-	-	-
Special Revenues	-	-	-	-	-
Public Works	7,411,170	-	7,411,170	-	-
Public Health and Welfare	4,619,262	-	4,619,262	-	-
Culture and Recreation	1,108,143	-	1,108,143	-	-
Public Safety	845,273	-	845,273	-	-
Debt Service	5,819,720	-	5,819,720	-	-
Capital Projects	6,406,339	-	6,406,339	-	-
Donor Restricted Purposes	-	-	-	245,617	-
Unrestricted (Deficit)	(26,276,498)	8,127,577	(18,148,921)	1,696,451	444,381
Total Net Position	277,122,630	52,785,469	329,908,099	1,942,068	1,293,541

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

CITY OF CHAMPAIGN, ILLINOIS

Statement of Activities

For the Fiscal Year Ended June 30, 2019

		Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
	Expenses			
Governmental Activities				
General Government	\$ 17,764,170	5,543,295	114,745	-
Public Safety	50,120,353	1,616,701	764,431	-
Public Works	25,516,345	3,659,285	2,207,733	265,419
Public Health and Welfare	7,455,660	11,259	849,203	-
Culture and Recreation	9,352,090	631,588	116,811	-
Interest on Long-Term Debt	2,287,894	-	-	-
Total Governmental Activities	112,496,512	11,462,128	4,052,923	265,419
Business-Type Activities				
Parking	3,371,376	3,413,052	-	-
Sewer	2,383,995	2,234,184	-	-
Environmental Services	494,480	603,829	-	-
Total Business-Type Activities	6,249,851	6,251,065	-	-
Total Primary Government	118,746,363	17,713,193	4,052,923	265,419
Component Units				
Champaign Public Library Foundation	377,632	585,689	-	-
Town of the City of Champaign	809,159	-	-	-
Total Component Units	1,186,791	585,689	-	-

General Revenues

Taxes

Property Taxes
Home Rule Sales Taxes
Utility Taxes
Telecommunications Taxes
Hotel/Motel Taxes
Food and Beverage Taxes
Foreign Fire Insurance Taxes
Local Motor Fuel Taxes
Other Taxes

Intergovernmental

State and Use Taxes
Income Taxes
Replacement Taxes

Interest Income

Miscellaneous

Internal Activity - Transfers

Change in Net Position

Net Position - Beginning

Net Position - Ending

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

Net (Expenses)/Revenues				
Governmental Activities	Primary Government		Component Units	
	Business-Type Activities	Totals	Champaign Public Library Foundation	Town of the City of Champaign
(12,106,130)	-	(12,106,130)	-	-
(47,739,221)	-	(47,739,221)	-	-
(19,383,908)	-	(19,383,908)	-	-
(6,595,198)	-	(6,595,198)	-	-
(8,603,691)	-	(8,603,691)	-	-
(2,287,894)	-	(2,287,894)	-	-
(96,716,042)	-	(96,716,042)	-	-
-	41,676	41,676	-	-
-	(149,811)	(149,811)	-	-
-	109,349	109,349	-	-
-	1,214	1,214	-	-
(96,716,042)	1,214	(96,714,828)	-	-
-	-	-	208,057	-
-	-	-	-	(809,159)
-	-	-	208,057	(809,159)
26,499,565	-	26,499,565	-	675,563
18,436,940	-	18,436,940	-	-
3,698,842	-	3,698,842	-	-
1,830,818	-	1,830,818	-	-
3,224,933	-	3,224,933	-	-
863,455	-	863,455	-	-
135,785	-	135,785	-	-
1,452,383	-	1,452,383	-	-
1,606,586	-	1,606,586	-	-
19,748,679	-	19,748,679	-	-
8,446,150	-	8,446,150	-	-
970,358	-	970,358	-	89,690
2,261,876	309,497	2,571,373	83,375	16,968
102,778	86,364	189,142	703	55,553
268,345	(268,345)	-	-	-
89,547,493	127,516	89,675,009	84,078	837,774
(7,168,549)	128,730	(7,039,819)	292,135	28,615
284,291,179	52,656,739	336,947,918	1,649,933	1,264,926
277,122,630	52,785,469	329,908,099	1,942,068	1,293,541

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

CITY OF CHAMPAIGN, ILLINOIS

**Balance Sheet - Governmental Funds
June 30, 2019**

		Special Revenue	
		Champaign	
	General	Public Library	Motor Fuel Tax
ASSETS			
Cash and Investments	\$ 17,419,798	1,061,183	2,054,984
Receivables - Net of Allowances			
Property Taxes	10,529,787	5,518,405	-
Other Taxes	11,563,526	-	149,890
Accrued Interest	34,441	-	3,457
Other	761,569	-	51,027
Due from Other Governments	3,459	-	-
Due from Other Funds	1,784,612	-	-
Prepays	31,932	-	-
Total Assets	42,129,124	6,579,588	2,259,358
LIABILITIES			
Accounts Payable	2,586,506	24,613	449,164
Retainage Payable	-	-	81,664
Accrued Payroll	1,029,292	88,265	-
Other Liabilities	-	-	-
Due to Other Funds	2,639,329	1,781,270	-
Total Liabilities	6,255,127	1,894,148	530,828
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	6,825,919	3,577,297	-
Grants	40,000	-	-
Total Deferred Inflows of Resources	6,865,919	3,577,297	-
Total Liabilities and Deferred Inflows of Resources	13,121,046	5,471,445	530,828
FUND BALANCES			
Nonspendable	31,932	-	-
Restricted	-	1,108,143	1,728,530
Committed	2,288,266	-	-
Unassigned	26,687,880	-	-
Total Fund Balances	29,008,078	1,108,143	1,728,530
Total Liabilities, Deferred Inflows of Resources and Fund Balances	42,129,124	6,579,588	2,259,358

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

Debt Service	Capital Projects		Nonmajor	Totals
	Stormwater Management	Capital Improvements		
5,808,993	18,369,173	6,819,344	19,910,140	71,443,615
-	1,158,118	844,186	3,094,796	21,145,292
-	-	-	280,532	11,993,948
10,727	12,699	10,861	31,832	104,017
-	471,852	168,841	1,224,279	2,677,568
-	1,219,455	-	108,947	1,331,861
-	-	-	-	1,784,612
-	-	-	-	31,932
5,819,720	21,231,297	7,843,232	24,650,526	110,512,845
-	1,410,794	994,753	1,396,395	6,862,225
-	255,383	121,975	158,330	617,352
-	-	-	6,666	1,124,223
-	1,795,512	-	-	1,795,512
-	-	-	3,342	4,423,941
-	3,461,689	1,116,728	1,564,733	14,823,253
-	750,749	531,268	1,882,701	13,567,934
-	-	-	-	40,000
-	750,749	531,268	1,882,701	13,607,934
-	4,212,438	1,647,996	3,447,434	28,431,187
-	-	-	-	31,932
5,819,720	-	6,195,236	11,358,278	26,209,907
-	17,018,859	-	9,844,814	29,151,939
-	-	-	-	26,687,880
5,819,720	17,018,859	6,195,236	21,203,092	82,081,658
5,819,720	21,231,297	7,843,232	24,650,526	110,512,845

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

CITY OF CHAMPAIGN, ILLINOIS

Reconciliation of Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities

June 30, 2019

Total Governmental Fund Balances	\$ 82,081,658
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Amounts reported for governmental activities in the Statement of Net Position
are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	334,946,982
Internal Service Funds	(1,898,752)

Deferred Outflows (Inflows) of Resources related to the pensions not reported in the funds.	
Deferred Items - IMRF	8,587,987
Deferred Items - Police Pension	11,087,828
Deferred Items - Firefighters' Pension	13,028,013
Deferred Items - HIPRE	(1,023,485)

Internal service funds are used by the City to charge the costs of internal service provided to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.	6,845,483
---	-----------

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(6,412,694)
Internal Service Funds	179,552
Net Pension Liability - IMRF	(15,945,720)
Net Pension Liability - Police Pension	(33,429,058)
Net Pension Liability - Firefighters' Pension	(37,653,384)
Total OPEB Liability - HIPRE	(13,827,690)
Landfill Closure and Post-Closure Payable	(230,323)
IEPA Loans Payable	(15,524,319)
Section 108 Guaranteed Loan Payable	(3,524,000)
General Obligation Bonds Payable	(49,665,000)
Unamortized Bond Premium	(500,448)

Net Position of Governmental Activities	<u>277,122,630</u>
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The notes to the financial statements are an integral part of this statement.

CITY OF CHAMPAIGN, ILLINOIS

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds
For the Fiscal Year Ended June 30, 2019**

See Following Page

CITY OF CHAMPAIGN, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended June 30, 2019**

		Special Revenue	
		Champaign	
	General	Public Library	Motor Fuel Tax
Revenues			
Taxes	\$ 41,133,744	6,995,318	-
Intergovernmental	29,948,964	203,789	2,199,857
Licenses, Permits and Fees	3,199,501	-	-
Charges for Services	1,493,703	238,399	-
Fines and Forfeitures	726,884	105,325	-
Refunds and Reimbursements from Others	1,180,347	-	713
Interest	637,173	1,962	47,834
Gifts from the Champaign			
Public Library Foundation	-	287,864	-
Miscellaneous	86,668	5,550	-
Total Revenues	78,406,984	7,838,207	2,248,404
Expenditures			
Current			
General Government	15,210,827	-	-
Public Safety	43,239,738	-	-
Public Works	6,654,441	-	398,440
Public Health and Welfare	316,711	-	-
Culture and Recreation	-	7,604,750	-
Capital Outlay	-	363,049	1,657,856
Debt Service			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
Total Expenditures	65,421,717	7,967,799	2,056,296
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	12,985,267	(129,592)	192,108
Other Financing Sources (Uses)			
Debt Issuance	-	-	-
Disposal of Capital Assets	3,312	6,000	-
Transfers In	595,508	-	-
Transfers Out	(13,105,443)	-	-
	(12,506,623)	6,000	-
Net Change in Fund Balances	478,644	(123,592)	192,108
Fund Balances - Beginning	28,529,434	1,231,735	1,536,422
Fund Balances - Ending	29,008,078	1,108,143	1,728,530

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

Debt Service	Capital Projects		Nonmajor	Totals
	Stormwater Management	Capital Improvements		
-	1,469,628	1,096,797	5,601,437	56,296,924
-	7,876	-	2,310,007	34,670,493
-	2,788,966	-	-	5,988,467
-	-	-	-	1,732,102
-	-	-	55,332	887,541
-	527,223	75,535	261,259	2,045,077
169,049	417,946	166,528	591,801	2,032,293
-	-	-	-	287,864
-	-	-	5,700	97,918
169,049	5,211,639	1,338,860	8,825,536	104,038,679
-	-	-	979,338	16,190,165
-	-	-	325,388	43,565,126
-	4,788,135	1,242,724	263,035	13,346,775
-	-	-	7,138,949	7,455,660
-	-	-	500	7,605,250
-	7,096,866	3,215,212	6,379,710	18,712,693
4,460,000	254,641	-	-	4,714,641
2,049,226	275,034	-	87,381	2,411,641
6,509,226	12,414,676	4,457,936	15,174,301	114,001,951
(6,340,177)	(7,203,037)	(3,119,076)	(6,348,765)	(9,963,272)
-	6,479,310	-	-	6,479,310
-	-	-	64,063	73,375
6,495,002	4,179,238	4,685,658	2,787,530	18,742,936
-	(3,177,199)	(957,900)	(1,391,462)	(18,632,004)
6,495,002	7,481,349	3,727,758	1,460,131	6,663,617
154,825	278,312	608,682	(4,888,634)	(3,299,655)
5,664,895	16,740,547	5,586,554	26,091,726	85,381,313
5,819,720	17,018,859	6,195,236	21,203,092	82,081,658

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

CITY OF CHAMPAIGN, ILLINOIS

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Governmental Activities

For the Fiscal Year Ended June 30, 2019

Net Change in Fund Balances - Total Governmental Funds	\$ (3,299,655)
---	-----------------------

Amounts reported for governmental activities in the Statement of Activities
are different because:

Governmental funds report capital outlays as expenditures. However, in the
Statement of Activities the cost of those assets is allocated over their estimated
useful lives and reported as depreciation expense.

Capital Outlays	18,717,472
Capital Contribution	265,419
Depreciation Expense	(15,039,663)
Disposals - Cost	(15,947,650)
Disposals - Accumulated Depreciation	15,821,964

The net effect of deferred outflows (inflows) of resources related to the pensions
not reported in the funds.

Change in Deferred Items - IMRF	13,918,185
Change in Deferred Items - Police Pension	2,075,787
Change in Deferred Items - Firefighters' Pension	4,347,962
Change in Deferred Items - HIPRE	594,272

The issuance of long-term debt provides current financial resources to
governmental funds, while the repayment of the principal on long-term
debt consumes the current financial resources of the governmental funds.

Decrease to Compensated Absences Payable	31,892
(Increase) to Net Pension Liability - IMRF	(14,387,593)
(Increase) to Net Pension Liability - Police Pension	(3,611,006)
(Increase) to Net Pension Liability - Firefighters' Pension	(8,133,934)
(Increase) to Total OPEB Liability - HIPRE	(1,153,394)
Decrease to Landfill Closure and Post-Closure Payable	41,228
Retirement of IEPA Loan Payable	254,641
Retirement of General Obligation Bonds	4,460,000
Amortization of Bond Premium	123,747
Debt Issuance	(6,479,310)

Internal service funds are used by the City to charge the costs of
internal services provided to individual funds.

The net revenue of certain activities of internal service funds is
reported with governmental activities.

231,087

Changes in Net Position of Governmental Activities

(7,168,549)

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

CITY OF CHAMPAIGN, ILLINOIS

Statement of Net Position - Proprietary Funds
June 30, 2019

See Following Page

Statement of Net Position - Proprietary Funds
June 30, 2019

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

Business-Type Activities			Governmental
	Nonmajor		Activities
Sewer	Environmental	Totals	Internal
	Services		Service
1,127,297	648,850	7,579,280	8,453,692
309,132	49,020	481,269	1,191
2,143	1,085	13,209	13,990
-	-	-	191,047
-	-	-	395,158
1,438,572	698,955	8,073,758	9,055,078
1,152,642	-	5,598,418	-
50,887,013	-	68,454,913	11,042,117
(16,445,441)	-	(22,060,781)	(9,143,365)
35,594,214	-	51,992,550	1,898,752
-	-	1,742,402	-
35,594,214	-	53,734,952	1,898,752
37,032,786	698,955	61,808,710	10,953,830
294,074	51,572	831,910	-
9,388	1,173	26,989	-
303,462	52,745	858,899	-
37,336,248	751,700	62,667,609	10,953,830
14,878	23,737	75,884	66,319
10,829	1,377	30,094	13,225
-	-	-	3,849,251
75,786	1,284	1,577,630	35,910
101,493	26,398	1,683,608	3,964,705
94,060	5,136	235,468	143,642
418,066	73,316	1,182,670	-
240,482	30,060	691,385	-
635,451	-	635,451	-
-	-	5,180,444	-
1,388,059	108,512	7,925,418	143,642
1,489,552	134,910	9,609,026	4,108,347
68,914	12,085	194,951	-
27,187	3,398	78,163	-
96,101	15,483	273,114	-
1,585,653	150,393	9,882,140	4,108,347
34,906,492	-	44,657,892	1,898,752
844,103	601,307	8,127,577	4,946,731
35,750,595	601,307	52,785,469	6,845,483

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

CITY OF CHAMPAIGN, ILLINOIS

Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds For the Fiscal Year Ended June 30, 2019

	<u>Parking</u>
Operating Revenues	
Charges for Services	<u>\$ 3,413,052</u>
Operating Expenses	
Personnel Services	1,736,575
Contractual Services	891,346
Commodities	44,646
Capital Outlay	-
Depreciation and Amortization	<u>452,300</u>
Total Operating Expenses	<u>3,124,867</u>
Operating Income (Loss)	<u>288,185</u>
Nonoperating Revenues (Expenses)	
Interest Income	262,836
Refunds and Reimbursements from Others	-
Interest Expense	(266,275)
Disposal of Capital Assets	<u>19,766</u>
	<u>16,327</u>
Income (Loss) Before Transfers	<u>304,512</u>
Transfers In	108,838
Transfers Out	<u>(226,050)</u>
	<u>(117,212)</u>
Change in Net Position	187,300
Net Position - Beginning	<u>16,246,267</u>
Net Position - Ending	<u><u>16,433,567</u></u>

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

Business-Type Activities - Enterprise Funds			Governmental
Sewer	Nonmajor	Totals	Activities
	Environmental Services		Internal Service
2,234,184	603,829	6,251,065	5,941,990
942,111	170,753	2,849,439	1,531,748
593,313	305,171	1,789,830	3,933,694
37,464	18,556	100,666	696,897
131,571	-	131,571	-
670,455	-	1,122,755	461,497
2,374,914	494,480	5,994,261	6,623,836
(140,730)	109,349	256,804	(681,846)
30,456	16,205	309,497	229,583
86,364	-	86,364	521,077
(9,081)	-	(275,356)	-
-	-	19,766	4,860
107,739	16,205	140,271	755,520
(32,991)	125,554	397,075	73,674
6,187	-	115,025	199,006
(155,338)	(1,982)	(383,370)	(41,593)
(149,151)	(1,982)	(268,345)	157,413
(182,142)	123,572	128,730	231,087
35,932,737	477,735	52,656,739	6,614,396
35,750,595	601,307	52,785,469	6,845,483

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

CITY OF CHAMPAIGN, ILLINOIS

Statement of Cash Flows - Proprietary Funds For the Fiscal Year Ended June 30, 2019

	<u>Parking</u>
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 3,562,857
Payment to Employees	(849,861)
Payment to Suppliers	<u>(1,789,877)</u>
	<u>923,119</u>
Cash Flows from Noncapital Financing Activities	
Transfers In	108,838
Transfers Out	<u>(226,050)</u>
	<u>(117,212)</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	-
Disposal of Capital Assets	275,000
Interest on Capital Debt	(266,275)
Principal on Capital Debt	<u>(1,300,000)</u>
	<u>(1,291,275)</u>
Cash Flows from Investing Activities	
Interest Received	<u>262,836</u>
Net Change in Cash and Cash Equivalents	(222,532)
Cash and Cash Equivalents - Beginning	<u>6,025,665</u>
Cash and Cash Equivalents - Ending	<u><u>5,803,133</u></u>
Reconciliation of Operating Income to Net Cash	
Provided (Used) by Operating Activities	
Operating Income	288,185
Adjustments to Reconcile Operating Income to	
Net Cash Provided by Operating Activities:	
Depreciation and Amortization Expense	452,300
Other Income/Expense	-
Other Expenses	39,821
(Increase) Decrease in Current Assets	149,805
Increase (Decrease) in Current Liabilities	<u>(6,992)</u>
Net Cash Provided by Operating Activities	<u><u>923,119</u></u>

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

Business-Type Activities - Enterprise Funds			Governmental
Sewer	Nonmajor	Totals	Activities
	Environmental Services		Internal Service
2,322,656	733,803	6,619,316	6,577,072
(509,286)	(66,599)	(1,425,746)	(1,052,867)
(1,320,956)	(422,071)	(3,532,904)	(4,576,954)
492,414	245,133	1,660,666	947,251
6,187	-	115,025	199,006
(155,338)	(1,982)	(383,370)	(41,593)
(149,151)	(1,982)	(268,345)	157,413
-	-	-	(194,586)
-	-	275,000	-
(9,081)	-	(275,356)	-
(51,623)	-	(1,351,623)	-
(60,704)	-	(1,351,979)	(194,586)
30,456	16,205	309,497	229,583
313,015	259,356	349,839	1,139,661
814,282	389,494	7,229,441	7,314,031
1,127,297	648,850	7,579,280	8,453,692
(140,730)	109,349	256,804	(681,846)
670,455	-	1,122,755	461,497
86,364	-	86,364	525,937
(518)	10,778	50,081	-
2,108	129,974	281,887	109,145
(125,265)	(4,968)	(137,225)	532,518
492,414	245,133	1,660,666	947,251

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

CITY OF CHAMPAIGN, ILLINOIS

**Statement of Fiduciary Net Position
June 30, 2019**

	<u>Pension Trust</u>
ASSETS	
Cash and Cash Equivalents	\$ 1,870,975
Investments	
U.S. Treasury Securities	23,583,090
U.S. Agency Securities	13,400,794
State and Local Securities	1,962,681
Corporate Bonds	14,597,093
Equities	73,532,821
Mutual Funds	43,672,835
Annuities	21,984,773
Real Estate Investment Portfolio	10,656,231
Mortgages	61,893
Receivables	
Accrued Interest	356,975
Other	19,824
Due from Other Funds	2,639,329
Prepays	<u>529</u>
Total Assets	208,339,843
LIABILITIES	
Accounts Payable	<u>83,454</u>
NET POSITION	
Net Position Restricted for Pensions	<u><u>208,256,389</u></u>

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

CITY OF CHAMPAIGN, ILLINOIS

Statement of Changes in Fiduciary Net Position For the Fiscal Year Ended June 30, 2019

	Pension Trust
Additions	
Contributions - Employer	\$ 10,437,788
Contributions - Plan Members	1,918,824
Other Income	203,545
Total Contributions	<u>12,560,157</u>
Investment Income	
Interest Earned	3,511,803
Net Change in Fair Value	9,457,370
	<u>12,969,173</u>
Less Investment Expenses	(557,279)
Net Investment Income	<u>12,411,894</u>
Total Additions	<u>24,972,051</u>
Deductions	
Administration	171,472
Benefits and Refunds	<u>12,904,094</u>
Total Deductions	<u>13,075,566</u>
Change in Fiduciary Net Position	11,896,485
Net Position Restricted for Pensions	
Beginning	<u>196,359,904</u>
Ending	<u><u>208,256,389</u></u>

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

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

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CITY OF CHAMPAIGN, ILLINOIS

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CITY OF CHAMPAIGN, ILLINOIS

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CITY OF CHAMPAIGN, ILLINOIS

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CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

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CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Champaign, Illinois (the City), incorporated in 1861, is a municipal corporation that operates under the Council-Manager form of government. The City's major operations include police and fire safety, street construction, reconstruction and maintenance, building code enforcement, public improvements, neighborhood and economic development, planning and zoning, parking services and general administrative services. The City is a home-rule unit of government as provided for by Illinois statutes.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the City's accounting policies established in GAAP and used by the City are described below.

REPORTING ENTITY

The City's financial reporting entity comprises the following:

Primary Government:	City of Champaign
Discretely Presented Component Units:	Champaign Public Library Foundation
	Town of the City of Champaign

In determining the financial reporting entity, the City complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the City.

Police Pension Employees Retirement System

The City's sworn police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City's Mayor, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the City is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the City, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the City's sworn police officers. The PPERS is reported as a pension trust fund.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

REPORTING ENTITY – Continued

Firefighters' Pension Employees Retirement System

The City's sworn firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a five-member pension board, with two members appointed by the Mayor, two elected from active participants of the Fund, and one elected pension beneficiary. The participants are required to contribute a percentage of salary as established by state statute and the City is obligated to fund all remaining FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the City, the FPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the City's sworn firefighters. The FPERS is reported as a pension trust fund.

Discretely Presented Component Units

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending.

Champaign Public Library Foundation

The Champaign Public Library Foundation (the Foundation) is an Illinois not-for-profit corporation, established to create a secure future for the Library and to promote community enrichment education by encouraging private support to the Library. The Foundation is a discretely presented component unit because the resources received and held by the Foundation are entirely for the direct benefit of the Library, the Library has the ability to access those resources, and those resources are significant to the Library. The assets, liabilities, net position, revenues, and expenditures of the Foundation are included in the basic financial statements of the City. The Foundation issues financial statements, which may be obtained by contacting the Champaign Public Library Foundation, 200 West Green Street, Champaign, Illinois 61820-5193.

Town of the City of Champaign

The Town of the City of Champaign (the Township) is a body corporate and politic established under Illinois Compiled Statutes governed by an elected Board of Trustees and Supervisor. The Board of Trustees is comprised of the members of the City Council of the City of Champaign, Illinois. Separate financial statements are available for the Township by contacting the Township office at 53 East Logan Street, Champaign, Illinois 61820.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION

Government-Wide Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type.

The City's police and fire safety, street construction, reconstruction and maintenance, building code enforcement, public improvements, neighborhood and economic development, planning and zoning, parking services and general administrative services are classified as governmental activities. The City's parking, sanitary sewer, and environmental services are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City's net position is reported in three parts: net investment in capital assets, restricted net position; and unrestricted net position. The City first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the City's functions and business-type activities (general government, public safety, public works, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. The net costs (by function or business-type activity) are normally covered by general revenue (property tax, sales tax, intergovernmental revenues, interest income, etc.).

The City allocates indirect costs (which have been paid through the General Fund) to the proprietary funds for personnel who perform administrative services for those funds, along with other indirect costs deemed necessary for their operations.

This government-wide focus is more on the sustainability of the City as an entity and the change in the City's net position resulting from the current year's activities.

Fund Financial Statements

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the City:

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the City:

General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The City maintains fifteen special revenue funds. The Champaign Pubic Library Fund is used to account for the operations and maintenance of the public library within the City of Champaign. The Champaign Public Library Fund is a major fund. The Motor Fuel Tax Fund is used to account for the revenues received from the City's allocation of state gasoline taxes and the expenditures for street construction and maintenance, which must be authorized by the Illinois Department of Transportation. The Motor Fuel Tax Fund is a major fund.

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Financing is provided by the annual tax levy. The Debt Service Fund is treated as a major fund.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Governmental Funds – Continued

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The City maintains five capital projects funds. The Stormwater Management Fund is used to provide a funding source for maintenance and rehabilitation of the Boneyard Creek and all related sanitary sewer and drainage facilities. The Stormwater Management Fund is a major fund. The Capital Improvements Fund accounts for all resources used for the acquisition of capital assets by the City, except those financed by Proprietary Funds or accounted for in another capital projects fund. The Capital Improvements Fund is a major fund.

Proprietary Funds

The focus of proprietary fund measurement is based upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the City:

Enterprise Funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The City maintains three enterprise funds. The Parking Fund is used to account for the provision of public parking services for commuters. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection. The Parking Fund is a major fund. The Sewer Fund is used to account for the provision of sewer repair and improvement services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection. The Sewer Fund is a major fund.

Internal Service Funds are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the City on a cost-reimbursement basis. The City maintains three internal service funds. The Fleet Services Fund is used to account for the goods and services provided by the City's municipal garage to the other operating departments of the City on a cost-reimbursement basis. The Retained Risk Fund is used to account for the City's self-insured general liability program. The Workers Compensation Fund is used to account for the City's self-insured workers compensation program.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Proprietary Funds – Continued

The City's internal service funds are presented in the proprietary funds' financial statements. Since the principal users of the internal services are the City's governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity (general government, public safety, public works, etc.).

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support City programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

Pension Trust Funds are used to account for assets held in a trustee capacity for pension benefit payments. The Police and Firefighters' Pension Funds account for the accumulation of resources to pay pension costs. Resources are contributed by members at rates fixed by state statutes and by the City through an annual property tax levy.

The City's pension trust funds are presented in the fiduciary fund financial statements. Since by definition these assets are being held for the benefit of pension participants and cannot be used to address activities or obligations of the City, these funds are not incorporated into the government-wide statements.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined below. In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus – Continued

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

All proprietary and pension trust funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows, liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net position.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The City recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues, with the exception of sales and use tax revenues, which have a ninety-day availability period. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales, income and use taxes, franchise taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

All proprietary and pension trust funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds, and of the City's internal service funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of fees intended to recover the cost of connecting new customers to the sanitary sewer collection system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits, and cash with fiscal agents. For the purpose of the proprietary funds Statement of Cash Flows, cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agents, and all highly liquid investments with an original maturity of three months or less.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Prepays/Inventories

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. Prepaids/inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepaids/inventories are recorded as expenditures when consumed rather than when purchased.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, franchise taxes, and grants. Business-type activities report utility charges as their major receivables.

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 (\$50,000 for certain assets), depending on asset class, or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the City as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation basis for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at acquisition value on the date donated.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Buildings	40 Years
Land Improvements	20 - 30 Years
Equipment and Improvements	3 - 30 Years
Infrastructure	40 - 50 Years
Software	2 - 7 Years
Library Materials	2 - 10 Years

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Compensated Absences

The City accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents an acquisition/reduction of net position that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted – All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets.”

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Annual appropriated budgets are adopted for all City funds presented herein. Budgets are adopted on a basis consistent with generally accepted accounting principles. The legal level of budgetary control is at the fund level. The City follows the statutory and local ordinance procedures in establishing the budgetary data reflected in the financial statements as follows:

During May, the City Manager submits to the City Council a proposed operating and capital budget for the fiscal year commencing the following July 1 along with revised budget estimates for the current fiscal year. These budgets include proposed expenditures and the means of financing them.

A separately issued budget document is available for public inspection prior to passage of the annual appropriation ordinance, and a public hearing is conducted in May at City Council Chambers to obtain public comment.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued

BUDGETARY INFORMATION – Continued

During June, the budget for the next fiscal year is legally enacted through the passage of an ordinance and the revised estimates for the current fiscal year budget become the adopted budget, as amended.

Formal budgetary accounting is employed as a management control for all funds of the City. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is the fund level.

The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, revisions that decrease the fund balance contingency or increase total expenditures of any fund must be approved by the City Council, with extremely limited exceptions. Annual budgetary appropriations that are unused or unencumbered lapse at year-end. The City Council approved several budget amendments during fiscal year 2019. The City does not budget for the Bristol TIF 5 Fund and the Fringe TIF 6 Fund.

EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS

The following funds had an excess of actual expenditures/expenses, exclusive of depreciation, over budget as of the date of this report:

Fund	Excess
Neighborhood Development	\$ 3,218,609
Vehicle Replacement	1,146,171
Retained Risk	245,927
Police Pension	1,093,388
Firefighters' Pension	5,952

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the City's funds. The deposits and investments of the pension trust funds are held separately from those of other funds. The City's investment policy authorizes the City to invest in all investments allowed by Illinois Compiles Statutes.

Permitted Deposits and Investments – Statutes authorize the City to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds and the Illinois Metropolitan Investment Fund.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

The deposits and investments of the Pension Funds are held separately from those of other City funds. Statutes authorize the Pension Fund to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; credit unions, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois bonds; pooled accounts managed by the Illinois Funds Market Fund (Formerly known as IPTIP, Illinois Public Treasurer's Investment Pool), or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the Federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies; and separate accounts of life insurance companies and mutual funds, the mutual funds must meet specific restrictions, provided the investment in separate accounts and mutual funds does not exceed ten percent of the Pension Fund's plan net position; and corporate bonds managed through an investment advisor, rated as investment grade by one of the two largest rating services at the time of purchase. Pension Funds with plan net position of \$2.5 million or more may invest up to forty-five percent of plan net position in separate accounts of life insurance companies and mutual funds. Pension Funds with plan net position of at least \$5 million that have appointed an investment advisor, may through that investment advisor invest up to forty-five percent of the plan net position in common and preferred stocks that meet specific restrictions. In addition, Pension Funds with plan net position of at least \$10 million that have appointed an investment advisor, may invest up to fifty percent of its net position in common and preferred stocks and mutual funds that meet specific restrictions effective July 1, 2011 and up to fifty-five percent effective July 1, 2012.

The Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, which is the price for which the investment could be sold.

The Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at the share price, the price for which the investment could be sold.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

City Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the City's deposits for governmental and business-type activities totaled \$508,069 and the bank balances totaled \$7,868,628.

Investments. At year-end, the City has the following investments:

Investment Type	Fair Value
U.S. Treasury Securities	\$ 2,000,000
U.S. Agency Securities	23,450,720
Illinois Funds	15,856,604
IMET	23,529,674
Mutual Funds	22,131,520
Totals	86,968,518

The City has the following recurring fair value measurements as of June 30, 2019:

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	Totals			
Investments by Fair Value Level				
Debt Securities				
U.S. Treasury Securities	\$ 2,000,000	2,000,000	-	-
U.S. Agency Securities	23,450,720	-	23,450,720	-
Equity Securities				
Mutual Funds	22,131,520	22,131,520	-	-
Total Investments by Fair Value Level	47,582,240	24,131,520	23,450,720	-
Investments Measured by the Net Asset Value (NAV)				
Illinois Funds	15,856,604			
IMET	23,529,674			
Total Investments Measured by NAV	39,386,278			
Total Investments Measured at Fair Value	86,968,518			

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

City Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Investments – Continued. Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's investment policy addresses interest rate risk by setting the maximum weighted average maturity of the portfolio at two years. The City's investment in the Illinois Funds and IMET has an average maturity of one to three years.

At June 30, 2019, the City held the following investments subject to interest rate risk:

Investment	Fair Value	Weighted Average Maturity (Years)
U.S. Treasury Securities	\$ 2,000,000	1.00
U.S. Agency Securities	23,450,720	0.59
	<u>25,450,720</u>	

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City limits its exposure to credit risk by limiting investments to a select group of investment types. Following are the more prominent of the allowable investments:

- Certificates of deposit fully insured by the FDIC or collateralized with City approved collateral.
- U.S. Treasury Bills and Notes
- Securities backed by the full faith and credit of the U.S. Government (such as GNMA securities) with a maximum maturity of five years.
- Obligations of the U.S. Government sponsored agencies, excluding mortgage-backed securities, with a maximum maturity of five years.
- Investment pools administered by the State of Illinois or private parties, including bank common trust funds regulated by the Comptroller of the Currency and intergovernmental investment trusts established pursuant to the Illinois Municipal code.
- AAA-rated SEC-registered money market mutual funds whose investment objectives include maintaining a one-dollar share value, and whose portfolios consist of only dollar-denominated securities, including U.S. Treasury, other government, and prime funds.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

City Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Credit Risk. – Continued.

- Managed accounts: including SEC-registered bond mutual funds and portfolios managed by investment advisors, all with weighted-average maturities under three years.

At June 30, 2019, the City held the following investments subject to credit risk:

Investment	Fair Value	Credit Rating
U.S. Treasury Securities	\$ 2,000,000	AAA
U.S. Agency Securities	23,450,720	AAA
Illinois Funds	15,856,604	AAA _m
IMET	23,529,674	AAA _f
	<u>64,836,998</u>	

Custodial Credit Risk – Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's investment policy requires that all deposits in excess of federal depository insurance are to be collateralized by a pledge of securities from the depository bank at 100 percent of the uninsured amount. At year-end, the entire amount of the City's bank balance was covered by federal depository insurance or by collateral held by the City, or its agent, in the City's name.

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At year-end, the City's investments were all held through a Securities Investor Protection Corporation (SIPC) member brokerage firm. Illinois Funds and IMET are not subject to custodial credit risk.

Concentration of Credit Risk. This is the risk of loss attributed to the magnitude of the City's investment in a single issuer. To limit this risk, the City's investment policy requires that various allowable investment categories be limited to maximum percentages in the total portfolio. The City's investment policy allows up to 50 percent of the total investment portfolio to be held in securities of U.S. Agencies and Instrumentalities, which are not backed by the full faith and credit of the United States. In addition to the securities and fair values listed above, the City also has \$22,131,520 invested in mutual funds. At year-end, the City does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Fund's deposits totaled \$100,936 and the bank balances totaled \$104,066.

Investments. The Fund's investment policy limits the amount of the portfolio that can be invested in any one investment vehicle to 65 percent equities and 55 percent bonds and fixed income with a minimum of 45 percent in equities and 35 percent in bonds and fixed income. The target for equity and bonds and fixed income is 64 percent and 36 percent, respectively. The Fund has the following investment fair values and maturities invested in fixed income securities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Securities	\$ 16,691,274	3,129,812	7,475,560	5,713,501	372,401
U.S. Agency Securities	12,902,448	-	1,790,348	2,039,679	9,072,421
State and Local Obligations	599,163	362,442	236,721	-	-
Corporate Bonds	4,063,241	-	3,192,213	871,028	-
Totals	34,256,126	3,492,254	12,694,842	8,624,208	9,444,822

The Fund has the following recurring fair value measurements as of June 30, 2019:

	Totals	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level				
Debt Securities				
U.S. Treasury Securities	\$ 16,691,274	16,691,274	-	-
U.S. Agency Securities	12,902,448	-	12,902,448	-
State and Local Obligations	599,163	-	599,163	-
Corporate Bonds	4,063,241	-	4,063,241	-
Equity Securities				
Equities	65,418,665	-	65,418,665	-
Mutual Funds	6,386,002	6,386,002	-	-
Real Estate Investment Portfolio	10,656,231	-	10,656,231	-
Total Investments by Fair Value Level	116,717,024	23,077,276	93,639,748	-

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Investments – Continued. Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate Risk. The Fund's formal investment policy utilizes institutional investors and a third-party consultant to maintain a balance of assets designated to meet its actuarial assumed rate of return while complying with statutory and investment policy guidelines. The Fund believes this process helps to diversify its investments by security type and across varying maturities in order to meet the required funding and benefits of the Fund. The investment policy does not limit the maximum maturity length of investments in the Fund. Information about the exposure of the Fund's debt type investments utilizing the segmented time distribution model and the fair value of each type of investment as June 30, 2019 is shown in the table on the previous page.

Credit Risk. The Fund's investment policy also limits its municipal debt investments to a quality rating of at least AA. The Fund's policy also requires that pension funds be invested in fixed income securities equity securities that meet specific restrictions, or mutual funds. The investments in U.S. government and agency obligations are not subject to credit risk. Other investments are invested as permitted by the Illinois Pension Code of the Illinois Compiled Statutes. Foreign currency risk, the risk that changes in exchange rates will adversely affect the fair value of an investment, is expected to be minor based on investment allocations.

At June 30, 2019, the Fund held the following investments subject to credit risk:

Investment	Fair Value	Credit Rating
Corporate Bonds	\$ 729,332	AAA
Corporate Bonds	2,431,296	AA
Corporate Bonds	902,613	A
Mutual Funds	6,386,002	AAA
State and Local Obligations	211,466	AAA
State and Local Obligations	387,697	AA
	<u>11,048,406</u>	

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Custodial Credit Risk – Deposits. The Fund's investment policy requires all bank balances to be covered by federal depository insurance (FDIC). At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance. Furthermore, the Fund's investment in U.S. Treasury and Agency securities as well as local government obligations are categorized as insured, registered, or held by the Fund or its agent in the Fund's name.

Custodial Credit Risk – Investments. To limit its exposure, the Fund requires all security transactions exposed to custodial direct risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name. Money market mutual funds and equity mutual funds are not subject to custodial credit risk.

Concentration of Credit Risk. The Fund's policy for reducing this risk is to limit any single debt security from comprising more than 10 percent of the portfolio, no more than 8 percent for large capitalization core equities at the time of purchase and no more than 10 percent of the equity allocation of the portfolio after accounting for price appreciation, no more than 5 percent for large capitalization growth equities, mid-cap value equities and small capitalization growth equities at the time of purchase and no more than 10 percent of the equity allocation of the portfolio after accounting for price appreciation for all three. In addition to the securities and fair values listed above, the Fund also has \$6,386,002 invested in mutual funds, \$65,418,665 invested in equities and \$10,656,231 invested in real estate investments. At year-end, the Fund does not have any investments over 5 percent of net position available for benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

The Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Bonds and Fixed Income	36.00%	1.60%
Equities	64.00%	6.70% - 7.40%

Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Interest Rate Risk, Fund Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Concentration of Credit Risk – Continued. The long-term expected rate of return on the Fund's investments was determined using a block method which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were 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 by the target asset allocation percentage and by adding the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of June 30, 2019 are listed in the table above.

Rate of Return

For the year ended June 30, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 8.12%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Firefighters' Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Fund's deposits totaled \$1,770,039 and the bank balances totaled \$1,770,039.

Investments. At year-end, the Fund has the following investments:

Investment Type	Fair Value
U.S. Treasury Securities	\$ 6,891,816
U.S. Agency Securities	498,346
State and Local Securities	1,363,518
Corporate Bonds	10,533,852
Common Stock	8,114,156
Mutual Funds	37,286,833
Annuities	21,984,773
Mortgages	61,893
Totals	<u>86,735,187</u>

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Investments – Continued. The Fund has the following recurring fair value measurements as of June 30, 2019:

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	Totals			
Investments by Fair Value Level				
Debt Securities				
U.S. Treasury Securities	\$ 6,891,816	6,891,816	-	-
U.S. Agency Securities	498,346	-	498,346	-
State and Local Securities	1,363,518	-	1,363,518	-
Corporate Bonds	10,533,852	-	10,533,852	-
Equity Securities				
Common Stock	8,114,156	8,114,156	-	-
Mutual Funds	37,286,833	37,286,833	-	-
Annuities	21,984,773	21,984,773	-	-
Mortgages	61,893	61,893	-	-
Total Investments by Fair Value Level	86,735,187	74,339,471	12,395,716	-

Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate Risk. The Fund limits its exposure to interest rate risk by structuring the portfolio to (1) earn the highest possible total return consistent with levels of risk prudent to the cash flow requirements of the Fund, and (2) create a stream of investment returns to insure the systematic and adequate funding of actuarially determined benefits through contributions and professional management of the Fund assets.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Interest Rate Risk – Continued. At June 30, 2019, the Fund held the following investments subject to interest rate risk:

Investment	Fair Value	Weighted Average Maturity (Years)
U.S. Treasury Securities	\$ 6,891,816	4.38
U.S. Agencies	498,346	12.99
State and Local Securities	1,363,518	9.14
Corporate Bonds	10,533,852	4.52
	<u>19,287,532</u>	

The Fund also diversifies the portfolio so that the impact of a potential drop in the market value of a particular type of security will be minimized. The Fund's policy in regard to the allocation of invested assets is established and may be amended by the Board of Trustees. Fund assets are managed with the primary objective of earning the highest possible return with a level of risk prudent to the cash flow requirements of the Fund. The Fund has established the target asset allocation and permissible percentage ranges shown in the table set forth below.

Investment	Percent Policy Minimum	Percent Policy Maximum	Percent Policy Target
Fixed Income	35.00%	40.00%	35.00%
U.S. Equity	30.00%	40.00%	35.00%
International Equity	10.00%	20.00%	15.00%
Real Estate	5.00%	15.00%	10.00%
Global Tactical Asset	0.00%	10.00%	5.00%

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Credit Risk. The Fund helps limit its exposure to credit risk by investing in securities issued by the Federal Government and also by agencies of the United States Government that are explicitly guaranteed by the United States Government.

At June 30, 2019, the Fund held the following investments subject to credit risk:

Investment	Fair Value	Credit Rating
U.S. Treasury Securities	\$ 6,891,816	No Rating and AAA
U.S. Agency Securities	498,346	No Rating
State and Local Securities	1,363,518	No Rating, Aaa
Corporate Bonds	10,533,852	Baa3-Aaa
Mortgage	<u>61,893</u>	A3
	<u><u>19,349,425</u></u>	

Custodial Credit Risk – Deposits. The Fund's investment policy does not address custodial credit risk for deposits. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance.

Custodial Credit Risk – Investments. The Fund's investment policy does not address custodial credit risk for investments. At year-end, the Fund's investments were all held through a Securities Investor Protection Corporation (SIPC) member brokerage firm.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Concentration of Credit Risk. The Fund's addresses concentration of credit risk by investing the assets in multiple asset classes and using outside investment managers with well-diversified portfolios. In addition to the securities and fair values listed above, the Fund also has \$37,286,833 invested in mutual funds, \$21,984,773 invested in annuities, and \$8,114,156 invested in equities and \$61,893 invested in mortgages. At year-end, the Fund has over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments) invested in the following:

Investment	Fair Value
MetLife Annuity	\$ 13,194,224
Principal Annuity	8,790,549
	<u>21,984,773</u>

The Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	35.00%	1.70%
U.S. Equities	35.00%	5.20%
International Equities	15.00%	5.60%
Real Estate	10.00%	5.40%
Global Tactical Asset	5.00%	2.10%
Cash and Cash Equivalents	0.00%	0.00%

Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Concentration of Credit Risk – Continued. The long-term expected rate of return on the Fund's investments was determined using building-block method in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were 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 by the target asset allocation percentage and by adding the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of June 30, 2019 are listed in the table above.

Rate of Return

For the year ended June 30, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 5.01%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

PROPERTY TAXES

Property taxes for 2018 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about June 1, and September 1. The County collects such taxes and remits them periodically. As tax collections have traditionally been strong, there is no allowance for uncollectable taxes.

NOTES RECEIVABLE

The City's Parking Fund (business-type activities) holds a note receivable from a private party resulting from the sale of land and land improvements during the fiscal year ended June 30, 2014. The balance of the note receivable was \$1,742,402 at June 30, 2019. The note receivable is payable in 25 approximately equal annual installments of principal and interest, which began in May 2017. The interest rate is variable and is equal to the trailing 12-month average for 10-year U.S. Treasury notes on the annual installment due date.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 99,611,357	127,638	-	99,738,995
Construction in Progress	28,289,463	13,001,643	1,674,256	39,616,850
	<u>127,900,820</u>	<u>13,129,281</u>	<u>1,674,256</u>	<u>139,355,845</u>
Depreciable Capital Assets				
Buildings	52,604,246	554,108	84,040	53,074,314
Land Improvements	2,404,825	-	-	2,404,825
Equipment and Improvements	28,920,815	4,990,245	1,292,576	32,618,484
Infrastructure	491,825,531	2,178,099	14,561,447	479,442,183
Software	684,041	-	202,240	481,801
	<u>576,439,458</u>	<u>7,722,452</u>	<u>16,140,303</u>	<u>568,021,607</u>
Less Accumulated Depreciation				
Buildings	24,035,767	1,332,932	93,202	25,275,497
Land Improvements	818,155	97,990	-	916,145
Equipment and Improvements	22,125,118	2,078,225	1,283,175	22,920,168
Infrastructure	325,477,103	11,963,307	14,535,763	322,904,647
Software	487,784	28,706	102,477	414,013
	<u>372,943,927</u>	<u>15,501,160</u>	<u>16,014,617</u>	<u>372,430,470</u>
Total Net Depreciable Capital Assets	<u>203,495,531</u>	<u>(7,778,708)</u>	<u>125,686</u>	<u>195,591,137</u>
Total Net Capital Assets	<u>331,396,351</u>	<u>5,350,573</u>	<u>1,799,942</u>	<u>334,946,982</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 267,604
Public Safety	908,750
Public Works	12,174,349
Culture and Recreation	1,688,960
Internal Service	<u>461,497</u>
	<u>15,501,160</u>

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements
June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Business-Type Activities

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 5,783,418	-	185,000	5,598,418
Depreciable Capital Assets				
Buildings	12,480,865	-	-	12,480,865
Land Improvements	2,900,354	-	141,775	2,758,579
Equipment and Improvements	982,098	-	-	982,098
Infrastructure	52,223,871	-	-	52,223,871
Software	9,500	-	-	9,500
	68,596,688	-	141,775	68,454,913
Less Accumulated Depreciation				
Buildings	2,875,176	307,358	-	3,182,534
Land Improvements	1,694,985	116,441	71,541	1,739,885
Equipment and Improvements	562,773	65,539	-	628,312
Infrastructure	15,785,641	714,909	-	16,500,550
Software	9,500	-	-	9,500
	20,928,075	1,204,247	71,541	22,060,781
Total Net Depreciable Capital Assets	47,668,613	(1,204,247)	70,234	46,394,132
Total Net Capital Assets	53,452,031	(1,204,247)	255,234	51,992,550

Depreciation expense was charged to business-type activities as follows:

Parking	\$ 533,792
Sewer	670,455
	<u>1,204,247</u>

CITY OF CHAMPAIGN, ILLINOIS**Notes to the Financial Statements
June 30, 2019****NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued****INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS****Interfund Transfers**

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
General	Nonmajor Governmental	\$ 445,508 (1)
General	Parking	150,000 (1)
Debt Service	General	1,774,281 (2)
Debt Service	Capital Improvements	957,900 (2)
Debt Service	Nonmajor Governmental	587,400 (2)
Debt Service	Stormwater Management	3,175,421 (2)
Stormwater Management	General	4,079,238 (3)
Stormwater Management	Nonmajor Governmental	100,000 (1)
Capital Improvements	General	4,685,658 (3)
Nonmajor Governmental	General	2,466,266 (3)
Nonmajor Governmental	Stormwater Management	1,778 (1)
Nonmajor Governmental	Nonmajor Governmental	63,968 (1)
Nonmajor Governmental	Parking	76,050 (1)
Nonmajor Governmental	Sewer	155,338 (1)
Nonmajor Governmental	Nonmajor Business-Type	1,982 (1)
Nonmajor Governmental	Fleet Services	11,234 (1)
Nonmajor Governmental	Retained Risk	10,914 (1)
Parking	General	100,000 (3)
Parking	Workers' Compensation	8,838 (1)
Sewer	Workers' Compensation	6,187 (1)
Fleet Services	Nonmajor Governmental	194,586 (1)
Fleet Services	Workers' Compensation	4,420 (1)
		<u>19,056,967</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS – Continued

Interfund Balances

Interfund balances are advances in anticipation of receipts to cover temporary cash shortages. The composition of interfund balances as of the date of this report, is as follows:

Receivable Fund	Payable Fund	Amount
General	Champaign Public Library	\$ 1,781,270
General	Nonmajor Governmental	3,342
Police Pension	General	1,933,523
Firefighters' Pension	General	705,806
		<u>4,423,941</u>

LONG-TERM DEBT

IEPA Loans Payable

The City has entered into loan agreements with the IEPA to provide low interest financing for sewerage and stormwater improvements. Final repayment schedule for the IEPA Loan #L17-5334 is not available at the time of the issuance of this report. IEPA loans currently outstanding are as follows:

Issue	Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$541,456 IEPA Loan #L17-3962 due June 23, 2031, at 1.25% payable semi-annually.	Sewer	\$ 356,658	-	25,431	331,227
\$533,169 IEPA Loan #L17-3871 due August 28, 2031, at 1.25% payable semi-annually.	Sewer	382,687	-	26,192	356,495
\$433,375 IEPA Loan #L17-4108 due October 15, 2032, at 1.25% payable semi-annually.	Stormwater Management	332,085	-	21,026	311,059

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

IEPA Loans Payable – Continued

Issue	Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$12,178,471 IEPA Loan #L17-5333 due December 11, 2038, at 1.75% payable semi-annually.	Stormwater Management	\$ 8,967,565	3,210,907	233,615	11,944,857
\$3,268,403 IEPA Loan #L17-5334 due May 15, 2040, at 1.64% payable semi-annually.	Stormwater Management	-	3,268,403	-	3,268,403
		10,038,995	6,479,310	306,264	16,212,041

Section 108 Guaranteed Loan Payable

The City's Neighborhood Development Fund has entered in a contract with the Secretary of Housing and Urban Development (HUD) under the Section 108 Guaranteed Loan Program. Section 108 Guaranteed Loan Payable currently outstanding is a follow:

Issue	Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$3,524,000 Section 108 Guaranteed Loan of 2017 due in annual installments of \$155,000 to \$271,000 plus interest at 2.54% to 3.635% through maturity on August 1, 2037.	Neighborhood Development	\$ 3,524,000	-	-	3,524,000

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

General Obligation Bonds

The government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. General obligation bonds currently outstanding are as follows:

Issue	Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$25,620,000 General Obligation (Build America) Bonds of 2010, due in annual installments of \$560,000 to \$2,670,000, plus interest at 2.00% to 5.60% through maturity on December 15, 2029.	Debt Service	\$ 22,760,000	-	1,640,000	21,120,000
\$9,900,000 General Obligation Refunding Bonds of 2012, due in annual installments of \$30,000 to \$2,100,000, plus interest at 1.00% to 2.125% through maturity on December 15, 2025.	Debt Service	8,660,000	-	355,000	8,305,000
\$8,835,000 General Obligation Refunding Bonds of 2013, due in annual installments of \$515,000 to \$1,490,000, plus interest at 1.50% to 4.00% through maturity on December 15, 2022.	Debt Service	6,165,000	-	1,345,000	4,820,000
\$8,735,000 General Obligation Refunding Bonds of 2015, due in annual installments of \$110,000 to \$1,385,000, plus interest at 2.00% to 4.00% through maturity on December 15, 2027.	Parking	7,295,000	-	1,300,000	5,995,000

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

General Obligation Bonds – Continued

Issue	Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$4,815,000 General Obligation Refunding Bonds of 2016, due in annual installments of \$65,000 to \$1,100,000, plus interest at 2.50% to 3.00% through maturity on December 15, 2023.	Debt Service	\$ 3,870,000	-	920,000	2,950,000
\$12,670,000 General Obligation Bonds of 2018, due in annual installments of \$200,000 to \$805,000, plus interest at 3.375% to 3.625% through maturity on June 30, 2043.	Debt Service	12,670,000	-	200,000	12,470,000
		61,420,000	-	5,760,000	55,660,000

Long-Term Liability Activity

For governmental activities, payments on the compensated absences, the net pension liability, and the total OPEB liability are being expended by the General Fund. Landfill Closure and Post-Closure costs are expended in the Capital Improvements Fund. Payments on the IEPA loans payable are made by the Stormwater Management Fund. The Section 108 Guaranteed Loan Payable is being paid by the Neighborhood Development Fund. The Debt Service Fund retires the general obligation bonds.

For business type activities, the compensated absences, the net pension liability, and the total OPEB liability are expended by the Parking, Sewer, and Environmental Services Funds. The IEPA loans payable are being liquidated by the Sewer Fund. The Parking Fund makes payments on the general obligation bonds.

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year-end, \$179,552 of the internal service funds' compensated absences are included in the below amounts.

CITY OF CHAMPAIGN, ILLINOIS

**Notes to the Financial Statements
June 30, 2019**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity – Continued

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences					
General	\$ 6,265,034	31,892	63,784	6,233,142	1,246,628
Internal Service	169,873	19,358	9,679	179,552	35,910
Net Pension Liability					
IMRF	1,558,127	14,387,593	-	15,945,720	-
Police Pension	29,818,052	3,611,006	-	33,429,058	-
Firefighters' Pension	29,519,450	8,133,934	-	37,653,384	-
Total OPEB Liability - HIPRE	12,674,296	1,153,394	-	13,827,690	-
Landfill Closure and Post-Closure	271,551	-	41,228	230,323	80,323
IEPA Loans Payable	9,299,650	6,479,310	254,641	15,524,319	540,173
Section 108 Guaranteed Loan Payable	3,524,000	-	-	3,524,000	-
General Obligation Bonds	54,125,000	-	4,460,000	49,665,000	4,585,000
Plus: Unamortized Bond Premium	624,195	-	123,747	500,448	123,747
	147,849,228	33,816,487	4,953,079	176,712,636	6,611,781
Business-Type Activities					
Compensated Absences	277,692	33,286	16,643	294,335	58,867
Net Pension Liability					
IMRF	118,435	1,064,235	-	1,182,670	-
Total OPEB Liability - HIPRE	633,715	57,670	-	691,385	-
IEPA Loans Payable	739,345	-	51,623	687,722	52,271
General Obligation Bonds	7,295,000	-	1,300,000	5,995,000	1,385,000
Plus: Unamortized Bond Premium	733,428	-	81,492	651,936	81,492
	9,797,615	1,155,191	1,449,758	9,503,048	1,577,630

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Landfill Closure and Post-Closure

The City's old landfill, known as the Old Champaign Landfill, is not officially closed; however, the estimated costs to be incurred for certain modifications to the site to enable it to be closed under EPA standards as of June 30, 1997 were estimated to be \$3,000,000 expected to be incurred over a four-year period beginning in calendar year 1998. After the site is closed, the City will also be required to maintain the site for 15 years, with an estimated annual cost of \$50,000. The maintenance would include testing of water quality and inspection of vegetation, drainage and site security. At year-end, the estimated remaining liability is \$230,323. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The estimates were based on a closure and post-closure care plan prepared by an environmental engineering firm and were allocated based on landfill capacity.

Total capacity of the landfill has been used and therefore, the landfill has no remaining useful life. The City has applied GASB Statement No. 18, *Accounting for Municipal Solid Waste Landfill Closure and Post-Closure Care Costs*, and has included the liability for the estimated costs to close and maintain the landfill.

Interest

For the fiscal year 2019, total interest incurred and expended by governmental funds was \$2,238,091 and \$274,881 total interest was incurred and expended by enterprise funds.

Legal Debt Margin

Article VII, Section 6(k) of the 1970 Illinois Constitution governs the computation of legal debt margin.

“The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts.”

To date the Illinois General Assembly has set no limits for home rule municipalities. The City is a home rule municipality.

CITY OF CHAMPAIGN, ILLINOIS

**Notes to the Financial Statements
June 30, 2019**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	Governmental Activities					
	IEPA Loans Payable		Section 108 Loan Payable		General Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 540,173	210,597	-	93,027	4,585,000	1,827,698
2021	549,560	201,210	-	110,527	3,835,000	1,672,784
2022	559,111	191,658	155,000	108,535	4,270,000	1,518,475
2023	568,828	181,942	161,000	104,493	4,595,000	1,358,928
2024	578,715	172,055	166,000	100,269	4,730,000	1,206,758
2025	588,774	161,995	172,000	95,802	4,040,000	1,064,949
2026	599,008	151,761	178,000	91,071	4,145,000	921,807
2027	609,421	141,349	184,000	86,003	2,430,000	787,341
2028	620,016	130,753	191,000	80,631	2,380,000	668,591
2029	630,794	119,975	197,000	74,950	2,900,000	535,152
2030	641,762	109,008	204,000	68,761	3,185,000	379,167
2031	652,921	97,849	211,000	62,099	535,000	288,657
2032	664,275	86,495	219,000	55,089	550,000	272,038
2033	663,268	74,946	227,000	47,707	570,000	253,825
2034	662,230	63,428	234,000	39,961	590,000	234,250
2035	673,869	51,788	243,000	31,827	610,000	213,619
2036	685,713	39,944	251,000	23,280	630,000	191,919
2037	697,766	27,891	260,000	14,311	650,000	169,519
2038	710,031	15,627	271,000	4,858	675,000	146,331
2039	359,681	3,147	-	-	700,000	122,268
2040	-	-	-	-	725,000	97,331
2041	-	-	-	-	750,000	71,050
2042	-	-	-	-	780,000	43,319
2043	-	-	-	-	805,000	14,591
Totals	12,255,916	2,233,418	3,524,000	1,293,201	49,665,000	14,060,367

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity – Continued

Fiscal Year	Business-Type Activities			
	IEPA Loans Payable		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2020	\$ 52,271	8,433	1,385,000	212,100
2021	52,927	7,777	1,190,000	160,600
2022	53,590	7,114	410,000	128,600
2023	54,262	6,442	435,000	111,700
2024	54,943	5,761	455,000	93,900
2025	55,631	5,073	485,000	75,100
2026	56,328	4,376	510,000	55,200
2027	57,035	3,669	545,000	34,100
2028	57,750	2,954	580,000	11,600
2029	58,475	2,229	-	-
2030	59,209	1,495	-	-
2031	59,950	754	-	-
2032	15,351	96	-	-
Totals	687,722	56,173	5,995,000	882,900

Industrial Development Revenue Bonds/Private Activity Bonds

The issuance of Industrial Development Revenue Bonds/Private Activity Bonds by the City is to finance in whole or in part the cost of the acquisition, purchase, construction, reconstruction, improvement, equipping, betterment, or extension of any economic development project in order to encourage economic development within or near the City.

Industrial Development Revenue Bonds/Private Activity Bonds are not a debt of the City. The entity using the bond proceeds to finance a construction or improvement project is liable for the bonds. Since the City does not act as an agent for Industrial Development Revenue Bonds, the transactions relating to the bonds and property do not appear in the City's financial statements. The amount outstanding at year-end is not readily determinable.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION/FUND BALANCE

Net Position Classifications

Net investment in capital assets was comprised of the following as of June 30, 2019:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 334,946,982
 Add: Unspent Bond Proceeds	 8,452,345
 Less Capital Related Debt:	
Retainage Payable	(520,339)
IEPA Loan #L17-4108 of 2013	(311,059)
IEPA Loan #L17-5333 of 2016	(11,944,857)
IEPA Loan #L17-5334 of 2019	(3,268,403)
General Obligation (Build America) Bonds of 2010	(21,120,000)
General Obligation Refunding Bonds of 2012	(8,305,000)
General Obligation Refunding Bonds of 2013	(4,820,000)
General Obligation Refunding Bonds of 2016	(2,950,000)
General Obligation Bonds of 2018	(12,470,000)
Unamortized Premium	(500,448)
 Net Investment in Capital Assets	 <u>277,189,221</u>
 Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	51,992,550
 Less Capital Related Debt:	
IEPA Loan #L17-3962 of 2011	(331,227)
IEPA Loan #L17-3871 of 2011	(356,495)
General Obligation Refunding Bonds of 2015	(5,995,000)
Unamortized Premium	(651,936)
 Net Investment in Capital Assets	 <u>44,657,892</u>

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE/NET POSITION – Continued

Fund Balance Classifications

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Special Revenue		Debt Service	Capital Projects		Nonmajor	Totals
		Champaign Public Library	Motor Fuel Tax		Stormwater Management	Capital Improvements		
Fund Balances								
Nonspendable								
Prepays	\$ 31,932	-	-	-	-	-	-	31,932
Restricted								
Public Works	-	-	1,728,530	-	-	-	5,682,640	7,411,170
Public Health and Welfare	-	-	-	-	-	-	4,619,262	4,619,262
Culture and Recreation	-	1,108,143	-	-	-	-	-	1,108,143
Public Safety	-	-	-	-	-	-	845,273	845,273
Debt Service	-	-	-	5,819,720	-	-	-	5,819,720
Capital Projects	-	-	-	-	-	6,195,236	211,103	6,406,339
	-	1,108,143	1,728,530	5,819,720	-	6,195,236	11,358,278	26,209,907
Committed								
Campustown Improvements	-	-	-	-	-	-	2,606,702	2,606,702
Vehicles and Equipment	-	-	-	-	-	-	7,238,112	7,238,112
Stormwater Management	-	-	-	-	17,018,859	-	-	17,018,859
General Government	1,452,000	-	-	-	-	-	-	1,452,000
Other Capital Projects	836,266	-	-	-	-	-	-	836,266
	2,288,266	-	-	-	17,018,859	-	9,844,814	29,151,939
Unassigned	26,687,880	-	-	-	-	-	-	26,687,880
Total Fund Balances	29,008,078	1,108,143	1,728,530	5,819,720	17,018,859	6,195,236	21,203,092	82,081,658

In the governmental funds' financial statements, the City considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The City first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

Nonspendable Fund Balance. Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

Restricted Fund Balance. Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE/NET POSITION – Continued

Fund Balance Classifications – Continued

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the City Council; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

Assigned Fund Balance. Consists of amounts that are constrained by the City Council's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the City Council itself or b) a body or official to which the City Council has delegated the authority to assign amounts to be used for specific purposes. The City's highest level of decision-making authority is the City Council, who is authorized to assign amounts to a specific purpose.

Unassigned Fund Balance. Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

Minimum Fund Balance Policy. The City's policy manual states that the General Fund and Parking Fund shall include a fund balance contingency of no less than 10% of expenditures excluding transfers. This will be in addition to any amounts that may be budgeted for specific purposes (e.g. salaries contingency) and will not be available for expenditure except by City Council action.

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the government's employees. The City's health insurance is covered by third party indemnity insurance. The City is self-insured and accounts for losses and risk management expenses in two separate internal service funds, the Retained Risk Fund and the Workers Compensation Fund.

Retained Risk Fund – The City's risk management program for general liabilities encompasses a wide range of City activities, and the City has elected to retain all exposure to risk of loss up to \$250,000 with an aggregate limit of \$5,000,000 for public officials and \$10,000,000 for all other liability types arising out of the normal course of the City's activities.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

RISK MANAGEMENT – Continued

Workers Compensation Fund – The City has an agreement with a third party to provide claim administration and adjustment services for the City's self-insured workers' compensation plan. Under this plan, the City is self-insured up to \$600,000 per occurrence with no aggregate limit and has supplemental per-occurrence coverage with a commercial carrier for all amounts over \$600,000.

A claim liability is recorded in these funds when it is probable that a liability has been incurred and the amount can be reasonably estimated. Liabilities include an amount for claims that have been incurred and reported. An estimate is not provided for incurred but not reported claims and the estimated claims do not include incremental claim adjustment expenses.

The claims liability is not an exact amount as it depends on many complex factors such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claims trends, and other economic and social factors. The ultimate outcomes are not determinable in relation to claims for which a liability has been recorded in these internal services funds at June 30, 2019. It is the opinion of the City's management that resolution of these matters will not have a significant impact beyond the liabilities recorded at June 30, 2019. The amount of settlements in both funds did not exceed insurance coverage in fiscal year 2019 or the previous two fiscal years.

Changes in the claim liability amounts in fiscal years 2019 and 2018 were as follows:

	Retained Risk	Workers' Compensation	Totals
Claims Liability - June 30, 2017	\$ 275,564	2,305,074	2,580,638
Claims Incurred	1,420,626	2,806,585	4,227,211
Claims Paid	(905,112)	(2,540,456)	(3,445,568)
Claims Liability - June 30, 2018	791,078	2,571,203	3,362,281
Claims Incurred	1,381,665	1,805,047	3,186,712
Claims Paid	(1,088,266)	(1,611,476)	(2,699,742)
Claims Liability - June 30, 2019	1,084,477	2,764,774	3,849,251

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

CONTINGENT LIABILITIES

Litigation

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

RELATED PARTY TRANSACTIONS

The Champaign Public Library Fund, a major special revenue fund, provided donated services to the Champaign Public Library Foundation. Donated services consist of salaries of Library personnel assigned to perform management and fundraising services for the Foundation. For the fiscal year ended June 30, 2019, the amount contributed and included as in-kind revenue and expense in the financial statements of the Foundation totaled \$36,294.

The Foundation provided financial support to the Champaign Public Library Fund for its programs and materials acquisitions. The total revenue from the Foundation recorded by the Champaign Public Library Fund for the fiscal year ended June 30, 2019 was \$287,864.

CONSTRUCTION COMMITMENTS

Through the date of this report, the City has the following significant construction or repair project commitments. The expenditures/expenses for these commitments will be incurred mainly in fiscal year 2020 from capital project funds.

Purpose	Commitment
MCORE Wright/Armory Project	\$ 10,523,990
Boneyard Creek North Branch Improvements	5,856,339
Green Street (4th to Neil) Construction	4,290,006
Phase 3 West Washington Drainage Improvements	3,990,538
2019 Bituminous Street Improvements	2,018,729
Prospect Avenue (Windsor to Savoy)	1,060,000
Bradley Avenue (Prospect to McKinley)	813,837
Bradley Avenue Bridge Approaches	800,000
2019 Sewer Lining Project	716,323
2019 Storm Sewer Cleaning and Televising	517,362

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES

Champaign-Urbana Solid Waste Disposal System

The City participates in the Champaign-Urbana Solid Waste Disposal System (CUSWDS) which consists of the cities of Champaign and Urbana. CUSWDS operated a sanitary landfill for the disposal of the solid waste generated in the metropolitan area, with revenues derived primarily from user charges. The co-directors of CUSWDS are the City Manager of the City of Champaign and the Mayor of Urbana, who have equal voting rights with respect to the operations of the landfill. The annual operating budget of the landfill is to be approved by both City Councils.

Effective June 1, 1987, CUSWDS ceased operations, however, it is responsible for overseeing the closing and maintenance of the landfill site until the year 2022. Financial participation in CUSWDS is based on the relative populations of Champaign and Urbana. Champaign is responsible for 61.8 percent, and Urbana is responsible for 38.2 percent of the CUSWDS's obligations.

Separate financial statements are available for CUSWDS by contacting the City of Urbana, Illinois Finance Department (Lead Agency) at 400 South Vine, Urbana, Illinois 61801. Summary financial information for CUSWDS as of and for the year ended June 30, 2019 is as follows:

Total Assets	<u>\$ 293,889</u>	Total Revenues	46,107
		Total Expenses	<u>41,626</u>
Total Liabilities	99,622		
		Net Income	4,481
Total Fund Balance	<u>194,267</u>		
		Total Fund Balance - Beginning	<u>189,786</u>
Total Liabilities			
and Fund Balance	<u>293,889</u>	Total Fund Balance - Ending	<u>194,267</u>

HOME Program

The federal HOME Investment Partnerships Act funds were granted to the Urbana Consortium for affordable housing activities. The Consortium consists of the City of Urbana, the City of Champaign and Champaign County. Urbana serves as lead entity of the Consortium. As such, Urbana is responsible for reporting to the Department of Housing and Urban Development (HUD) and ensuring that all HOME expenditures meet HUD guidelines. Urbana receives 10 percent of the fund to cover administrative costs and expenses related to HOME-funded activities in Urbana, Champaign and Champaign County.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

HOME Program – Continued

Federal regulations require set-aside of HOME funds for exclusive use by certain private non-profit organizations known as community housing development organizations (CHDO). The set-aside is calculated as 15 percent of each year's grant. The CHDO set-aside funds are allocated by consensus of Urbana, Champaign and Champaign County. The Consortium currently recognizes and funds one CHDO, the Habitat for Humanity of Champaign County.

Separate financial statements are available for the HOME program by contacting the Finance Department of the City of Urbana, Illinois (Lead Agency) at 400 South Vine, Urbana, Illinois 61801. Summary financial information for HOME Program as of and for the year ended June 30, 2019 is as follows:

Total Assets	<u>\$ 868,946</u>	Total Revenues	772,730
Total Liabilities	325,106	Total Expenses	<u>788,459</u>
Total Deferred Inflows of Resources	624,844	Net Income	(15,729)
Total Fund Balance	<u>(81,004)</u>	Total Fund Balance - Beginning	<u>(65,275)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>868,946</u>	Total Fund Balance - Ending	<u>(81,004)</u>

Metropolitan Computer Aided Dispatch (METCAD)

The City participates in the Metropolitan Computer Aided Dispatch (METCAD) which consists of the cities of Champaign and Urbana, the Village of Rantoul, Champaign County and the University of Illinois. METCAD is a consolidated metropolitan emergency dispatching service, with revenues derived primarily from service charges. The METCAD Policy Board consists of two representatives from each member. One of the two representatives is designated as an "administrative representative" and the other is an employee of the police or fire department. The Board also includes a representative from a rural fire protection district and a representative from a rural police department. The annual operating budget must be unanimously approved by all the administrative representatives of the members. The City of Champaign is the Lead Agency, and is therefore responsible for the overall administrative operation of METCAD. METCAD participates in the City's risk management program and bargaining unit contracts. Each member is responsible for a pro-rata share of METCAD's operating budget and expenses based on a cost-sharing formula established by the members and approved annually by a vote of the administrative representatives of the members.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

Metropolitan Computer Aided Dispatch (METCAD) – Continued

Separate financial statements are available for METCAD by contacting the City of Champaign, Illinois Finance Department (Lead Agency) at 102 North Neil Street, Champaign, Illinois 61820. Summary financial information for METCAD as of and for the year ended June 30, 2019 is as follows:

Total Assets	\$ 11,977,770	Total Revenues	6,825,744
Total Deferred Outflows of Resources	<u>1,734,308</u>		
Total Assets/Deferred Outflows of Resources	<u>13,712,078</u>	Total Expenses	<u>6,015,050</u>
		Net Income	810,694
Total Liabilities	3,258,430		
Total Deferred Inflows of Resources	<u>410,490</u>	Total Fund Balance	
Total Liabilities/Deferred Inflows of Resources	3,668,920	Beginning as Restated	<u>9,232,464</u>
		Total Fund Balance - Ending	<u>10,043,158</u>
Total Fund Balance	<u>10,043,158</u>		
Total Liabilities/Deferred Inflows of Resources and Fund Balance	<u>13,712,078</u>		

SALES TAX REBATE AGREEMENTS

The City of Champaign has entered into various tax rebate agreements with local developers and corporations under municipal code. Under these agreements, the City rebates a portion of sales, real estate, hotel and motel, food and beverage, and TIF taxes. For the fiscal year ended June 30, 2019, the City rebated a total of \$2,857,224 in taxes under these agreements.

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The City contributes to four defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system, the Sheriff's Law Enforcement Personnel Fund (SLEP), which is administered by the IMRF, the Police Pension Plan which is a single-employer pension plan, and the Firefighters' Pension Plan which is a single-employer pension plan. A separate report is issued for the Police Pension Plan and Firefighters' Pension Plan and may be obtained by writing to the City at 102 North Neil Street, Champaign, Illinois 61820. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

The aggregate amount of pension expense recognized for the three pension plans is:

IMRF	
City	\$ 2,579,433
METCAD	433,306
Police Pension	7,870,536
Firefighters' Pension	7,888,443
	<u>18,771,718</u>

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

Plan Administration. All employees (other than those covered by the Police and Firefighters' Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Benefits Provided. IMRF has three benefit plans. The vast majority of IMRF members participate in the regular plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date). All three IMRF benefit plans have two tiers. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount 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 employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount 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.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Plan Membership. As of December 31, 2018, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	351
Inactive Plan Members Entitled to but not yet Receiving Benefits	139
Active Plan Members	<u>332</u>
Total	<u><u>822</u></u>

A detailed breakdown of IMRF membership for inactive members for the City and METCAD is unavailable. The above numbers include all inactive members.

Contributions. As set by statute, the City's Regular Plan Members are required to contribute 4.50% 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 City's, and METCAD's annual contribution rate for the fiscal year-ended June 30, 2019 were 10.06%, and 10.14%, respectively, of covered payroll.

Net Pension Liability. The City's net pension liability was measured as of December 31, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2018, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	3.39% to 14.25%
Cost of Living Adjustments	2.50%
Inflation	2.50%

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Actuarial Assumptions – Continued. For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

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 are 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	Long-Term Expected Real Rate of Return
Fixed Income	28.00%	3.75%
Domestic Equities	37.00%	7.15%
International Equities	18.00%	7.25%
Real Estate	9.00%	6.25%
Blended	7.00%	3.20% - 8.50%
Cash and Cash Equivalents	1.00%	2.50%

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, and the discount rate in the prior valuation was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the City calculated using the discount rate as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
City	\$ 33,256,346	17,128,390	3,879,728
METCAD	4,737,805	2,440,165	552,718
Net Pension Liability	37,994,151	19,568,555	4,432,446

CITY OF CHAMPAIGN, ILLINOIS**Notes to the Financial Statements****June 30, 2019****NOTE 4 – OTHER INFORMATION – Continued****EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued****Illinois Municipal Retirement Fund (IMRF) – Continued****Changes in the Net Pension Liability**

	City	METCAD	Totals
Total Pension Liability			
Service Cost	\$ 1,893,465	269,749	2,163,214
Interest	8,763,564	1,263,378	10,026,942
Differences Between Expected and Actual Experience	(313,829)	(44,709)	(358,538)
Change of Assumptions	3,559,778	507,137	4,066,915
Benefit Payments, Including Refunds of Member Contributions	(5,367,101)	(764,614)	(6,131,715)
Net Change in Total Pension Liability	8,535,877	1,230,941	9,766,818
Total Pension Liability - Beginning	119,322,679	16,354,126	135,676,805
Total Pension Liability - Ending	127,858,556	17,585,067	145,443,623
Plan Fiduciary Net Position			
Contributions - Employer	2,217,304	315,884	2,533,188
Contributions - Members	909,663	129,594	1,039,257
Net Investment Income	(6,190,326)	(881,893)	(7,072,219)
Benefit Payments, Including Refunds of Member Contributions	(5,367,101)	(764,614)	(6,131,715)
Other (Net Transfer)	1,514,509	215,762	1,730,271
Net Change in Plan Fiduciary Net Position	(6,915,951)	(985,267)	(7,901,218)
Plan Net Position - Beginning	117,646,117	16,130,169	133,776,286
Plan Net Position - Ending	110,730,166	15,144,902	125,875,068
Employer's Net Pension Liability	17,128,390	2,440,165	19,568,555

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

For the year ended December 31, 2018, the City recognized pension expense of \$2,579,433 and METCAD recognized pension expense of \$433,306. At June 30, 2019, the City and METCAD reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

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

	City		METCAD		
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 964,549	(809,849)	137,413	(115,374)	176,739
Change in Assumptions	2,735,487	(2,013,601)	389,706	(286,864)	824,728
Net Difference Between Projected and Actual	7,393,891	-	1,053,357	-	8,447,248
Total Pension Expense to be Recognized in Future Periods	11,093,927	(2,823,450)	1,580,476	(402,238)	9,448,715
Pension Contributions Made Subsequent to the Measurement Date	954,469	-	135,977	-	1,090,446
Total Deferred Amounts Related to IMRF	12,048,396	(2,823,450)	1,716,453	(402,238)	10,539,161

\$954,469 for the City and \$135,977 for METCAD reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2020.

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:

Fiscal Year	Net Deferred Outflows of Resources		
	City	METCAD	Totals
2020	\$ 2,297,285	327,278	2,624,563
2021	1,236,615	176,172	1,412,787
2022	1,541,792	219,648	1,761,440
2023	3,194,785	455,140	3,649,925
2024	-	-	-
Thereafter	-	-	-
Totals	8,270,477	1,178,238	9,448,715

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan

Plan Descriptions

Plan Administration. The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The City accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the City Mayor, one member is elected by pension beneficiaries and two members are elected by active police employees.

Plan Membership. At June 30, 2019, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	123
Inactive Plan Members Entitled to but not yet Receiving Benefits	8
Active Plan Members	<u>126</u>
Total	<u><u>257</u></u>

Benefits Provided. The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of $\frac{1}{2}$ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officer salary for the pension purposes was capped at \$106,800 (\$112,408 for calendar year 2017), plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions. Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the City to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended June 30, 2019, the City's contribution was 60.89% of covered payroll.

Concentrations. At year-end, the Pension Fund does not have any investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of June 30, 2019, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	6.75%
Salary Increases	Graded by Service 11.00% Initially to Ultimate Rate of 3.50%
Cost of Living Adjustments	2.50%
Inflation	2.50%

Mortality rates were based on the RP-2014 with Blue Collar Adjustment projected from 2013 with scale MP2018.

Discount Rate

The discount rate used to measure the total pension liability was 6.75%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF CHAMPAIGN, ILLINOIS**Notes to the Financial Statements****June 30, 2019****NOTE 4 – OTHER INFORMATION – Continued****EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued****Police Pension Plan – Continued****Discount Rate Sensitivity**

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

		1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability	\$	286,493	33,429,058	84,381,464

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at June 30, 2018	\$ 140,022,182	110,204,130	29,818,052
Changes for the Year:			
Service Cost	2,924,735	-	2,924,735
Interest on the Total Pension Liability	9,388,653	-	9,388,653
Difference Between Expected and Actual Experience of the Total Pension Liability	604,901	-	604,901
Changes of Assumptions	6,251,278	-	6,251,278
Contributions - Employer	-	6,335,317	(6,335,317)
Contributions - Employees	-	1,039,267	(1,039,267)
Contributions - Other	-	202,060	(202,060)
Net Investment Income	-	8,101,657	(8,101,657)
Benefit Payments, including Refunds of Employee Contributions	(6,838,214)	(6,838,214)	-
Administrative Expense	-	(119,740)	119,740
Net Changes	12,331,353	8,720,347	3,611,006
Balances at June 30, 2019	152,353,535	118,924,477	33,429,058

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

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

For the year ended June 30, 2019, the City recognized a pension expense of \$7,870,536. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 6,381,604	(3,532,489)	2,849,115
Change in Assumptions	11,009,229	-	11,009,229
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,205,053	(3,975,569)	(2,770,516)
Total Deferred Amounts Related to Police	18,595,886	(7,508,058)	11,087,828

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:

Fiscal Year	Net Deferred Outflows of Resources
2020	\$ 3,922,642
2021	2,565,752
2022	2,517,028
2023	1,780,589
2024	301,817
Thereafter	-
Totals	11,087,828

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan

Plan Descriptions

Plan Administration. The Firefighters' Pension Plan is a single-employer defined benefit pension plan that covers all sworn firefighter personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The City accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the City Mayor, one member is elected by pension beneficiaries and two members are elected by active fire employees.

Plan Membership. At June 30, 2019, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	100
Inactive Plan Members Entitled to but not yet Receiving Benefits	4
Active Plan Members	<u>106</u>
Total	<u><u>210</u></u>

Benefits Provided. The following is a summary of the Firefighters' Pension Plan as provided for in Illinois State Statutes.

The Firefighters' Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of $\frac{1}{2}$ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for the pension purposes was capped at \$106,800 (\$112,408 for calendar year 2017), plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions. Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the City to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended June 30, 2019, the City's contribution was 46.41% of covered payroll.

Significant Investments. At year end, the Pension Plan has investments (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments) in any one organization that represent 5 percent or more of net plan position available for benefits as follows:

Investment	Amount
MetLife Annuity	\$ 13,194,224
Principal Annuity	8,790,549

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of June 30, 2019, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	6.75%
Salary Increases	Graded by Years of Service
Cost of Living Adjustments	2.50%
Inflation	2.50%

Mortality rates were based on the RP-2014 with Blue Collar Adjustment projected from 2013 with scale MP2018.

Discount Rate

The discount rate used to measure the total pension liability was 6.75%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability	\$ 55,424,171	37,653,384	23,192,357

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at June 30, 2018	\$ 115,675,224	86,155,774	29,519,450
Changes for the Year:			
Service Cost	2,367,502	-	2,367,502
Interest on the Total Pension Liability	7,746,100	-	7,746,100
Difference Between Expected and Actual Experience of the Total Pension Liability	2,290,351	-	2,290,351
Changes of Assumptions	4,971,999	-	4,971,999
Contributions - Employer	-	4,102,471	(4,102,471)
Contributions - Employees	-	879,557	(879,557)
Contributions - Other	-	1,485	(1,485)
Net Investment Income	-	4,310,237	(4,310,237)
Benefit Payments, including Refunds of Employee Contributions	(6,065,880)	(6,065,880)	-
Administrative Expense	-	(51,732)	51,732
Net Changes	11,310,072	3,176,138	8,133,934
Balances at June 30, 2019	126,985,296	89,331,912	37,653,384

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

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

For the year ended June 30, 2019, the City recognized a pension expense of \$7,888,443. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 4,201,880	-	4,201,880
Change in Assumptions	7,305,912	(180,298)	7,125,614
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	2,331,552	(631,033)	1,700,519
Total Deferred Amounts Related to Firefighters'	13,839,344	(811,331)	13,028,013

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:

Fiscal Year	Net Deferred Outflows of Resources
2020	\$ 4,770,975
2021	2,041,273
2022	2,333,069
2023	2,094,727
2024	1,624,801
Thereafter	163,168
Totals	13,028,013

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

Plan Descriptions

The City's defined benefit OPEB plan, Health Insurance Plan for Retired Employees (HIPRE), provides OPEB for all permanent full-time general and public safety employees of the City. HIPRE is a single-employer defined benefit OPEB plan administered by the City. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the City Council. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided. The City provides limited health care insurance coverage to its eligible retired employees. Such coverage is provided for retired employees until they reach age 65. Retired employees are required to pay 100% of the premiums for such coverage.

All health care benefits are provided through the City's health insurance plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the City's plan becomes secondary.

Plan Membership. As of June 30, 2019, the measurement date, the following employees were covered by the benefit terms:

	City	METCAD	Totals
Inactive Plan Members Currently Receiving Benefits	55	2	57
Inactive Plan Members Entitled to but not yet Receiving Benefits	16	-	16
Active Plan Members	412	35	447
Totals	483	37	520

Total OPEB Liability

The City's total OPEB liability was measured as of June 30, 2019, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Total OPEB Liability – Continued

Actuarial Assumptions and Other Inputs – Continued.

Inflation	3.00%
Salary Increases	3.00%
Discount Rate	3.51%
Healthcare Cost Trend Rates	6.50% for 2019, decreasing 0.5% per year to an ultimate rate of 4.5% for 2023 and later years
Retirees' Share of Benefit-Related Costs	100% of the Blended Cost of Coverage

The discount rate was based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate.

Mortality rates were based on the RP2014 Blue Collar base rates projected to 2018 using sale MP2017 for Police and Fire

Change in the Total OPEB Liability

	City	METCAD	Totals
Balance at June 30, 2018	\$ 13,308,011	324,994	13,633,005
Changes for the Year:			
Service Cost	662,479	20,401	682,880
Interest on the Total Pension Liability	538,789	13,363	552,152
Changes of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience	-	-	-
Changes of Assumptions or Other Inputs	510,130	12,641	522,771
Benefit Payments	(500,334)	(16,523)	(516,857)
Net Changes	1,211,064	29,882	1,240,946
Balance at June 30, 2019	14,519,075	354,876	14,873,951

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

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

The following presents the total OPEB liability, calculated using a Single Discount Rate of 3.51%, as well as what the total OPEB liability would be if it were calculated using a Single Discount Rate that is one percentage point lower or one percentage point higher:

	1% Decrease (2.51%)	Current Discount Rate (3.51%)	1% Increase (4.51%)
City	\$ 16,130,414	14,519,075	13,139,845
METCAD	410,515	354,876	315,528
Total OPEB Liability	16,540,929	14,873,951	13,455,373

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

The following presents the total OPEB liability, calculated using a Healthcare Trend Rate of 7.00%, as well as what the total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is one percentage point lower or one percentage point higher:

	(6.00% decreasing to 3.50%)	Cost Trend Rates (7.00% decreasing to 4.50%)	(8.00% decreasing to 5.50%)
City	\$ 12,860,748	14,519,075	16,511,944
METCAD	304,269	354,876	425,066
Total OPEB Liability	13,165,017	14,873,951	16,937,010

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

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

For the year ended June 30, 2019, City recognized OPEB expense of \$587,079 and METCAD recognized OPEB expense of \$18,146. At June 30, 2019, City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	City		METCAD		
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 104,184	(817,931)	-	(3,823)	(717,570)
Change in Assumptions	462,599	(823,511)	17,855	(4,429)	(347,486)
Net Difference Between Projected and Actual	-	-	-	-	-
Total Deferred Amounts Related to OPEB	566,783	(1,641,442)	17,855	(8,252)	(1,065,056)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year	Net Deferred Outflows		
	Outflows/(Inflows) of Resources		
	City	METCAD	Totals
2020	\$ (113,855)	905	(112,950)
2021	(113,855)	905	(112,950)
2022	(113,855)	905	(112,950)
2023	(113,855)	905	(112,950)
2024	(113,855)	905	(112,950)
Thereafter	(505,384)	5,078	(500,306)
Totals	(1,074,659)	9,603	(1,065,056)

SUBSEQUENT EVENT

On November 6, 2019, the City authorized the issuance of \$16,610,000 General Obligation Refunding Bonds of 2019, due in annual installments of \$910,000 to \$2,440,000 plus interest at 5.00% through December 15, 2029.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 5 – DISCRETELY PRESENTED COMPONENT UNIT – CHAMPAIGN PUBLIC LIBRARY FOUNDATION

NATURE OF ORGANIZATION

The Champaign Public Library Foundation (the Foundation) is a not-for-profit organization organized under the laws of the State of Illinois to develop philanthropic support for the Champaign Public Library (the Library). The Foundation is considered a component unit of the Library under the accounting standards followed by the Library; however, the Foundation is a separate legal entity. The Foundation's only program relates to the support of the operational and capital needs of the Library that lack adequate funding through the Library's available resources. The Foundation's major sources of revenue and support are contributions from donors and investment income.

The Foundation is reported as a discretely presented component unit of the Champaign Public Library, Illinois. This report represents the financial activity of the Foundation for the fiscal year ended June 30, 2019.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting in which revenue is recognized when earned and expenses are recognized when incurred.

Net Assets

The Foundation's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. Net assets of Foundation and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Foundation's management and the board of directors.

Net Assets with Donor Restrictions – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the Statement of Activities.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 5 – DISCRETELY PRESENTED COMPONENT UNIT – CHAMPAIGN PUBLIC LIBRARY FOUNDATION – Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Cash and Investments

For the purpose of the Statement of Financial Position and Statement of Cash Flows, the Foundation's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of purchase.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Foundation categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Investment Income

The Foundation records investment income earned on temporarily and permanently restricted assets as temporarily restricted revenue.

Contributed Services

Contributed services are reported as contribution revenue and as assets or expenses only if the services create or enhance a non-financial asset (for example, property and equipment) or:

- Would typically need to be purchased by the Foundation if the services had not been provided by contribution.
- Require specialized skills.
- Are provided by individuals with those skills.

Promises to Give

Promises to give consist of unconditional promises to give to the Foundation. The carrying amount of promises to give may be recorded by a valuation allowance based on management's assessment of the collectability of specific promise to give balances.

Income Taxes

The Foundation is exempt from income tax under IRC section 501(c)(3), and similarly, is exempt from State of Illinois taxes under the Illinois Tax Act Section 205(a), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Foundation has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Foundation has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. There was no unrelated business income for the year ended June 30, 2019.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 5 – DISCRETELY PRESENTED COMPONENT UNIT – CHAMPAIGN PUBLIC LIBRARY FOUNDATION – Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Income Taxes – Continued

The Foundation's Forms 990, *Return of Organization Exempt from Income Tax*, are subject to examination by the IRS, generally, for three years after they were filed. Annual filings with the State of Illinois are, similarly, subject to examination.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the schedules of functional expenses. Functional expenses which are not directly attributable to one function are allocated between programs, management and general, and fundraising services based on the number of employees involved, the amount of time spent, the percentage of their salary associated with the time and on estimated made by the Foundation's management.

Budgetary Information

The budget is prepared on the same basis and uses the same accounting principles as are used to prepare the financial statements. The budget is authorized by the board of directors which is reviewed bimonthly against actual revenue and expenses by the board's Finance Committee. The Finance Committee discussed with staff the provisions for generating revenue, assuring long-term solvency, and maintaining services. Their recommendations are presented to the board of directors for discussion and decision making. One supplemental appropriation was made during the year.

The Foundation had an excess of \$4,928 of actual expenses over budget as of the date of this report.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 5 – DISCRETELY PRESENTED COMPONENT UNIT – CHAMPAIGN PUBLIC LIBRARY FOUNDATION – Continued

CASH AND INVESTMENTS

At year-end the carrying amount of the Foundation's cash deposits totaled \$109,025 and the bank balances totaled \$137,768. The entire balance of deposits was fully insured by federal deposit insurance.

The Foundation's investments at June 30, 2019 consisted of the following:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasury Obligations	\$ 121,853	-	90,273	31,580	-
U.S. Agency Obligations	151,033	-	20,230	127,781	3,022
Corporate Stock	305,181	20,151	178,001	107,029	-
Certificates of Deposits	40,006	40,006	-	-	-
	618,073	60,157	288,504	266,390	3,022

In addition to the above, the Foundation had \$723,050 invested in mutual funds and \$484,779 invested in common stock.

The Foundation's investment income was comprised of the following:

Interest Income	\$ 19,399
Net Realized and Unrealized Gains/(Losses)	44,668
Dividends	19,308
	<u>83,375</u>

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 5 – DISCRETELY PRESENTED COMPONENT UNIT – CHAMPAIGN PUBLIC LIBRARY FOUNDATION – Continued

CASH AND INVESTMENTS – Continued

All investments are at risk of loss of market value due to numerous economic factors. Investments in debt securities are also at risk of loss due to the potential default of the issuer of the debt. Credit ratings provide a measure of the creditworthiness of debt issuers. Credit ratings are assigned by various third-party credit rating agencies and fall into the following categories, which are presented from the least risk to the most risk: Prime, High Grade, Upper Medium Grade, Lower Medium Grade, Non-investment Grade, Highly Speculative, Substantial Risk, Extremely Speculative, and In Default.

The Foundation's debt backed investments at June 30, 2019 have the following ratings:

Prime	\$ -
High Grade	148,011
Upper Medium Grade	20,151
Lower Medium Grade	285,030
Not Rated	<u>164,881</u>
	<u>618,073</u>

AVAILABILITY AND LIQUIDITY

The following represents Foundation's financial assets at June 30, 2019:

Financial Assets at Year End:	
Cash and Investments	\$ 1,934,927
Contributions Receivable	<u>7,141</u>
Total Financial Assets	<u>1,942,068</u>
Less Amounts not Available to be used within one Year:	
Net Assets with Donor Restrictions	245,617
Quasi Endowment Established by the Board	<u>1,667,549</u>
	<u>1,913,166</u>
Financial Assets Available to Meet General Expenditures over the Next Twelve Months	<u>28,902</u>

The Foundation's goal is to maintain cash equivalents of 0% to 10% with a 2% being the Foundation's target.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 5 – DISCRETELY PRESENTED COMPONENT UNIT – CHAMPAIGN PUBLIC LIBRARY FOUNDATION – Continued

FAIR VALUE MEASUREMENTS

The fair values of assets measured on a recurring basis at June 30, 2019 are as follows:

	Level 1	Level 2	Level 3	Total
Investment Securities	\$ 844,903	980,999	-	1,825,902

Level 1 – Fair value measurements are based on quoted market prices in active markets for identical assets.

Level 2 – Fair value measurements are based on significant other observable inputs.

Level 3 – Fair value measurements are based on significant unobservable inputs.

There were no changes in the valuation techniques used for measuring fair value during the year ended June 30, 2019.

NET ASSETS

Without Donor Restrictions

Net Assets without donor restrictions as of June 30, 2019 was comprised of the following:

Board Designated	
Endowment	\$ 1,283,549
Schwartz Fund for Library Memorial	327,843
Moyer Fund	56,157
Undesignated	<u>28,902</u>
Total	<u>1,696,451</u>

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 5 – DISCRETELY PRESENTED COMPONENT UNIT – CHAMPAIGN PUBLIC LIBRARY FOUNDATION – Continued

NET ASSETS – Continued

With Donor Restrictions

Net Assets with donor restrictions as of June 30, 2019 was comprised of the following:

R. D. Burnham Endowment - Library Materials	\$ 12,204
J. F. Burnham Endowment - Library Materials	12,141
Richard McDonald Trust	59,957
Friends of the Library	7,200
Miscellaneous Gifts	21,774
Teen Fund	678
Décor Fund	1,071
Children's Programming	19,652
Technology	2,244
Adult Program	21,175
AS Launch Resource	17,169
Great Author Series Fund	4,287
Mother Goose Gift Fund	28,784
Mother Goose Books	17,281
R. D. Burnham Trust	10,000
J. F. Burnham Trust	10,000
	<hr/>
Total	<u>245,617</u>

ENDOWMENTS

The Foundation has endowment funds established for the purpose of funding the acquisition of Library materials and to support Library programs. The endowments consist of donor-specific funds as well as Board designated funds. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Foundation's management believes it is following the Uniform Prudent Management of Institutional Funds Act adopted by the State of Illinois based on consultations with an attorney. As a result, the Foundation classifies as permanently restricted net positions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those assets are appropriated for expenditure by the Foundation. The Board of Trustees annually approves the appropriation of endowment assets for expenditure.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 5 – DISCRETELY PRESENTED COMPONENT UNIT – CHAMPAIGN PUBLIC LIBRARY FOUNDATION – Continued

ENDOWMENTS – Continued

The Foundation has adopted an investment policy, approved the Board of Trustees, for endowment assets that attempts to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of these endowment assets over the long-term. The investment policy establishes an achievable return objective through diversification of asset classes. The current long-term return objective is to return a percentage equivalent with nationally recognized indexes for each investment category. Actual returns in any given year may vary from this objective. To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places an emphasis on equity-based investments and high quality fixed income securities to achieve its long-term return objectives within prudent risk parameters.

Endowment net assets composition by type of fund at June 30, 2019 was as follows:

	Without Donor Restrictions	With Donor Restrictions	Totals
Donor-Restricted	\$ -	44,345	44,345
Unrestricted - Board Designated	1,283,549	-	1,283,549
	1,283,549	44,345	1,327,894

The implied-time restricted temporarily restricted balance will be reclassified to unrestricted-Board designated as the related unconditional promises to give are collected in future periods.

Changes in endowment funds for the fiscal year ended June 30, 2019 were as follows:

	Without Donor Restrictions	With Donor Restrictions	Totals
Endowment Net Assets - Beginning	\$ 992,533	48,363	1,040,896
Contributions	250,544	-	250,544
Interest and Dividends	24,897	1,001	25,898
Net Appreciation (Depreciation)	44,448	(3,920)	40,528
Expenditures	(28,873)	(1,099)	(29,972)
Endowment Net Assets - Ending	1,283,549	44,345	1,327,894

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 5 – DISCRETELY PRESENTED COMPONENT UNIT – CHAMPAIGN PUBLIC LIBRARY FOUNDATION – Continued

PROMISES TO GIVE

Promises to give consist of the following at June 30, 2019:

Current Portion	\$ 7,141
Non-Current Portion (Receivable from 1 to 3 Years)	<u>-</u>
Total	<u><u>7,141</u></u>

All promises to give are considered collectible, thus no allowance for uncollectible promises to give has been recorded. The Foundation has not discounted the non-current promises to give as the estimated discount amount is immaterial.

RELATED PARTY TRANSACTIONS

The Library provided donated services to the Foundation. Donated services consist of salaries and benefits of Library personnel assigned to perform management and fund raising serviced for the Foundation. For the fiscal year ended June 30, 2019, the amount contributed and included as in-kind revenue totaled \$36,294. An expense is included in the Statement of Activities with \$11,434 in “management and general” expense and \$24,860 in “fund raising” expense.

The Foundation provided \$287,864 of monetary support to the Library for materials and programs. This amount is included in program services expenses.

CONCENTRATIONS

Contributions from one donor accounted for \$73,300, or approximately 13.3 percent of the total support and revenue for the year ended June 30, 2019.

NOTE 6 – DISCRETELY PRESENTED COMPONENT UNIT – TOWN OF THE CITY OF CHAMPAIGN

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of the City of Champaign, Illinois (Township) are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Township’s accounting policies established in GAAP and used by the Township are described below.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 6 – DISCRETELY PRESENTED COMPONENT UNIT – TOWN OF THE CITY OF CHAMPAIGN – Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

REPORTING ENTITY

The Township is a body corporate and politic established under Illinois Compiled Statutes governed by an elected Board of Trustees and an elected Supervisor. The Township is considered to be a component unit of the City of Champaign, Illinois. The members of the Township Board of Trustees are the members of the City Council of the City of Champaign, Illinois.

BASIS OF PRESENTATION

Government-Wide Statements

The Township's basic financial statements include both government-wide (reporting the Township as a whole) and fund financial statements (reporting the Township's major funds).

In the government-wide Statement of Net Position, the governmental activities columns are: (a) presented on a consolidated basis, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Township's net position is reported in three parts: net investment in capital assets; restricted net position; and unrestricted net position. The Township first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Township's functions (general government and public welfare). The functions are supported by general government revenues (property and replacement taxes, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs by function are normally covered by general revenue (property and replacement taxes, certain intergovernmental revenues, etc.).

This government-wide focus is more on the sustainability of the Township as an entity and the change in the Township's net position resulting from the current year's activities.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 6 – DISCRETELY PRESENTED COMPONENT UNIT – TOWN OF THE CITY OF CHAMPAIGN – Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements

The financial transactions of the Township are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues, and expenditures.

The emphasis in fund financial statements is on the major governmental funds. Nonmajor funds are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Township or meets the following criteria:

Total assets, liabilities, revenues, or expenditures of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets, liabilities, revenues, or expenditures of the individual governmental fund are at least 5 percent of the corresponding total for all governmental funds combined.

The various funds are reported by generic classification within the financial statements. The following fund type is used by the Township:

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Township:

General Fund is the general operating fund of the Township. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Township maintains one major special revenue fund, the General Assistance Fund, which is used to account for property tax revenues used to provide basic needs assistance to Township citizens that meet specific need criteria.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 6 – DISCRETELY PRESENTED COMPONENT UNIT – TOWN OF THE CITY OF CHAMPAIGN – Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus as defined below. In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

The accounting objectives of the “economic resources” measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows, liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to estimate reasonably the amount. Available means collectible within the current period or within sixty days after year-end. The Township recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest, which are recognized when due.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 6 – DISCRETELY PRESENTED COMPONENT UNIT – TOWN OF THE CITY OF CHAMPAIGN – Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY

Cash and Investments

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits, and cash with a fiscal agent.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Township categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the Township's investments are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes and personal property replacement taxes.

Prepays

Prepays are valued at cost, which approximates market. The cost of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements.

Compensated Absences

The Township accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick leave by benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as "terminal leave" prior to retirement. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 6 – DISCRETELY PRESENTED COMPONENT UNIT – TOWN OF THE CITY OF CHAMPAIGN – Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Township as a whole. When purchased, such assets are recorded as expenditures in the governmental funds. Infrastructure such as streets, traffic signals and signs is capitalized. The valuation basis for general capital assets is historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Buildings and Improvements	50 Years
Equipment and Vehicles	3 - 20 Years

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents an acquisition/reduction of net position that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time. As of year-end, the Township reports property taxes related to next year's levy as a deferred inflow of resources.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 6 – DISCRETELY PRESENTED COMPONENT UNIT – TOWN OF THE CITY OF CHAMPAIGN – Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY – Continued

Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Legal budgets are prepared in the form of an appropriations ordinance for Township funds using the same accounting basis and practices that are used to account for and prepare financial statements. Unexpended appropriations lapse at the end of the fiscal year. Once a budget is approved, it can be amended at the function and fund level by approval of a majority of the members of the Board of Trustees (Board) after a public notice and hearing. Appropriations transfers between budget line items may be presented to the Board at their regular meetings. Each transfer must have Board approval. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is at the fund level.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 6 – DISCRETELY PRESENTED COMPONENT UNIT – TOWN OF THE CITY OF CHAMPAIGN – Continued

DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The Township maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments."

Permitted Deposits and Investments – Statutes authorize the Township to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds.

Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end the carrying amount of the Township's deposits totaled \$47,628 and the bank balances totaled \$61,715. Additionally, the Township has \$612,977 invested in the Illinois Funds at year-end, with an average maturity of less than one year.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Township's investment policy states that the portfolio shall remain sufficiently liquid to meet all operating costs which may be reasonably anticipated.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law allows for the investment of funds in Illinois Funds. The Township's investment in the Illinois Funds was rated AAAM by Standard & Poor's. The Township's investment policy does not further limit investment instrument choices.

Custodial Credit Risk – Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the Township's deposits may not be returned to it. The entire amount of the bank balances of deposits were covered by federal depository insurance. The Township's investment policy states that deposits in excess of the amount insured by FDIC will be collateralized at 105% of the deposit amount.

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Township's investment in Illinois Funds is not subject to credit risk.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 6 – DISCRETELY PRESENTED COMPONENT UNIT – TOWN OF THE CITY OF CHAMPAIGN – Continued

DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Concentration of Credit Risk. This is the risk of loss attributed to the magnitude of the Township's investment in a single issuer. The Township's investment policy states that the portfolio shall be diversified to avoid unreasonable risks.

PROPERTY TAXES

Property taxes for the 2018 levy attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are collected in two installments in June and September. The County collects such taxes and remits them periodically.

CAPITAL ASSETS

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Depreciable Capital Assets				
Buildings and Improvements	\$ 902,558	-	-	902,558
Equipment and Vehicles	15,464	-	-	15,464
	918,022	-	-	918,022
Less Accumulated Depreciation				
Buildings and Improvements	44,953	18,051	-	63,004
Equipment and Vehicles	15,464	-	-	15,464
	60,417	18,051	-	78,468
Total Depreciable Capital Assets	857,605	(18,051)	-	839,554

Depreciation expense was charged to the general government function.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 6 – DISCRETELY PRESENTED COMPONENT UNIT – TOWN OF THE CITY OF CHAMPAIGN – Continued

DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

General Obligation Bonds

The government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligations bonds are direct obligations and pledge the full faith and credit of the government. General obligation bonds currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
\$325,000 General Obligation Refunding (ARS) Bonds of 2015, due in annual installments of \$20,000 to \$25,000 plus interest at 0.825% to 3.25% through December 15, 2030.	\$ 285,000	-	20,000	265,000

Changes in Long-Term Liabilities

Changes in long-term liabilities during the fiscal year were as follows:

	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due Within One Year
Compensated Absences	\$ 10,848	434	217	11,065	2,213
Net Pension Liability - IMRF	50,223	510,435	-	560,658	-
General Obligation Bonds	285,000	-	20,000	265,000	20,000
	346,071	510,869	20,217	836,723	22,213

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 6 – DISCRETELY PRESENTED COMPONENT UNIT – TOWN OF THE CITY OF CHAMPAIGN – Continued

DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	Governmental Activities	
	General Obligation Bonds	
	Principal	Interest
2020	\$ 20,000	6,538
2021	20,000	6,218
2022	20,000	5,833
2023	20,000	5,407
2024	20,000	4,947
2025	20,000	4,467
2026	20,000	3,967
2027	25,000	3,381
2028	25,000	2,694
2029	25,000	1,969
2030	25,000	1,206
2031	25,000	406
Totals	265,000	47,033

Legal Debt Margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

Assessed Valuation - 2018	<u>\$ 1,736,769,382</u>
Bonded Debt Limit - 8.625% of Assessed Value	149,796,359
Amount of Debt Applicable to Limit	<u>-</u>
Legal Debt Margin	<u>149,796,359</u>

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 6 – DISCRETELY PRESENTED COMPONENT UNIT – TOWN OF THE CITY OF CHAMPAIGN – Continued

DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS

In the governmental fund financial statements, the Township considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Township first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	General Assistance	Totals
Fund Balances			
Nonspendable - Prepaids	\$ 8,030	7,009	15,039
Restricted			
Property Tax Levies			
IMRF	41,312	-	41,312
Social Security	8,640		8,640
General Assistance	-	224,654	224,654
	49,952	224,654	274,606
Unassigned	561,389	-	561,389
Total Fund Balances	619,371	231,663	851,034

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 6 – DISCRETELY PRESENTED COMPONENT UNIT – TOWN OF THE CITY OF CHAMPAIGN – Continued

OTHER INFORMATION

RELATED PARTY TRANSACTIONS

During the year ended June 30, 2014, the Township, a component unit of the City, entered into an agreement with the City to pay the City for legal, financial and payroll, human resources, and information technologies services provided to the Township. Under the terms of the agreement, the Township will annually compensate the City for these services \$25,000 plus an annual increase, at the same rate as any cost of living compensation increase provided by the City to its non-bargaining unit employees. The agreement may be terminated by the City Manager or Township Supervisor upon written notice not less than 60 days prior to the desired termination date, or it may be terminated at any time upon the mutual agreement of the City Manager and Township Supervisor.

RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; employee health; and natural disasters. These risks are covered by insurance purchased from independent third parties. Claims from these risks have not exceeded commercial insurance coverage during the current fiscal year and the previous three fiscal years.

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund (IMRF)

The Township'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 Township's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 6 – DISCRETELY PRESENTED COMPONENT UNIT – TOWN OF THE CITY OF CHAMPAIGN – Continued

OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Description

Plan Administration. All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

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

All three IMRF benefit plans have two tiers. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount 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 employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount 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.

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 6 – DISCRETELY PRESENTED COMPONENT UNIT – TOWN OF THE CITY OF CHAMPAIGN – Continued

OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Description – Continued

Plan Membership. As of December 31, 2018, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	10
Inactive Plan Members Entitled to but not yet Receiving Benefits	3
Active Plan Members	<u>6</u>
Total	<u>19</u>

Contributions. As set by statute, the Township'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 Township's annual contribution rate for calendar year 2018 was 9.19% of covered payroll.

Net Pension Liability. The Township's net pension liability was measured as of December 31, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The following are the methods and assumptions used to determine total pension liability at December 31, 2018

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	3.39% to 14.25%
Cost of Living Adjustments	2.50%
Inflation	2.50%

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 6 – DISCRETELY PRESENTED COMPONENT UNIT – TOWN OF THE CITY OF CHAMPAIGN – Continued

OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Description – Continued

Actuarial Assumptions – Continued. For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

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 are 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	Long-Term Expected Real Rate of Return
Fixed Income	28.00%	3.75%
Domestic Equities	37.00%	7.15%
International Equities	18.00%	7.25%
Real Estate	9.00%	6.25%
Blended	7.00%	3.20% - 8.50%
Cash and Cash Equivalents	1.00%	2.50%

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 6 – DISCRETELY PRESENTED COMPONENT UNIT – TOWN OF THE CITY OF CHAMPAIGN – Continued

OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, and the discount rate in the prior valuation was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Township contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Town calculated using the discount rate as well as what the Town's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 834,431	560,658	331,177

CITY OF CHAMPAIGN, ILLINOIS**Notes to the Financial Statements****June 30, 2019****NOTE 6 – DISCRETELY PRESENTED COMPONENT UNIT – TOWN OF THE CITY OF CHAMPAIGN – Continued****OTHER INFORMATION – Continued****EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued****Illinois Municipal Retirement Fund (IMRF) – Continued****Changes in the Net Pension Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2017	\$ 2,248,945	2,198,722	50,223
Changes for the Year:			
Service Cost	26,839	-	26,839
Interest on the Total Pension Liability	162,965	-	162,965
Changes of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience of the Total Pension Liability	285,102	-	285,102
Changes of Assumptions	61,142	-	61,142
Contributions - Employer	-	30,586	(30,586)
Contributions - Employees	-	14,784	(14,784)
Net Investment Income	-	(134,093)	134,093
Benefit Payments, including Refunds of Employee Contributions	(179,005)	(179,005)	-
Other (Net Transfer)	-	114,336	(114,336)
Net Changes	357,043	(153,392)	510,435
Balances at December 31, 2018	2,605,988	2,045,330	560,658

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

For the year ended June 30, 2019, the Township recognized pension expense of \$43,410. At June 30, 2019, the Township reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 6 – DISCRETELY PRESENTED COMPONENT UNIT – TOWN OF THE CITY OF CHAMPAIGN – Continued

OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

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

	Deferred Outflows Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 248,674	(11,567)	237,107
Changes of Assumptions	44,173	(29,948)	14,225
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	173,658	-	173,658
Total Expenses to be Recognized in Future Periods	466,505	(41,515)	424,990
Pension Contributions Made Subsequent to the Measurement Date	14,686	-	14,686
Total Deferred Amounts Related to Pensions	481,191	(41,515)	439,676

\$14,686 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2020.

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:

Fiscal Year	Net Deferred Outflows of Resources
2020	\$ 147,135
2021	131,953
2022	86,249
2023	59,653
2024	-
Thereafter	-
Total	424,990

CITY OF CHAMPAIGN, ILLINOIS

Notes to the Financial Statements

June 30, 2019

NOTE 6 – DISCRETELY PRESENTED COMPONENT UNIT – TOWN OF THE CITY OF CHAMPAIGN – Continued

OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

The Township has evaluated its potential other post-employment benefits liability. Former employees who choose to retain their rights to health insurance through the Township are required to pay 100% of the current premium. However, there is minimal participation. As the Township provides no explicit benefit, and there is minimal participation, there is no material implicit subsidy to calculate in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*. Therefore, the Township has not recorded a liability as of June 30, 2019.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Employer Contributions
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Firefighters' Pension Fund
- Schedule of Changes in the Employer's Net Pension Liability
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Firefighters' Pension Fund
- Schedule of Investment Returns
 - Police Pension Fund
 - Firefighters' Pension Fund
- Schedule of Changes in the Employer's Total OPEB Liability
 - Other Post-Employment Benefit Plan
- Budgetary Comparison Schedule
 - General Fund
 - Champaign Public Library – Special Revenue Fund
 - Motor Fuel Tax – Special Revenue Fund

Notes to the Required Supplementary Information

Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles.

CITY OF CHAMPAIGN, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information

Schedule of Employer Contributions

June 30, 2019

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll	
2015	\$ 2,302,849	\$ 2,345,108	\$ 42,259	\$ 19,749,991	11.87%	
2016	2,384,351	2,392,432	8,081	20,697,493	11.56%	
2017	2,453,608	2,473,560	19,952	20,881,771	11.85%	
2018	2,550,240	2,556,777	6,537	22,635,499	11.30%	
2019	City	2,045,707	2,072,778	27,071	20,597,034	10.06%
	METCAD	280,965	297,449	16,484	2,934,319	10.14%
		2,326,672	2,370,227	43,555	23,531,353	10.07%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	25 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.75%
Salary Increases	3.75% - 14.50%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012).

Notes:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

Fiscal years prior to 2019 include the total of all components of the City.

CITY OF CHAMPAIGN, ILLINOIS

Police Pension Fund

Required Supplementary Information Schedule of Employer Contributions June 30, 2019

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 2,633,417	\$ 4,821,859	\$ 2,188,442	\$ 9,287,288	51.92%
2016	5,397,540	5,455,449	57,909	9,322,883	58.52%
2017	5,537,776	5,513,902	(23,874)	9,121,573	60.45%
2018	5,905,900	5,681,991	(223,909)	10,016,927	56.72%
2019	6,714,713	6,335,317	(379,396)	10,404,063	60.89%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	15 Years
Asset Valuation Method	Market
Inflation	2.50%
Salary Increases	Graded by Services (11.00% Initially to Ultimate Rate of 3.50%)
Investment Rate of Return	6.75%
Retirement Age	See the Notes to the Financial Statements
Mortality	RP2014 Base Rates with Blue Collar Adjustment Projected from 2013 with Scale MP2018

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

CITY OF CHAMPAIGN, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information Schedule of Employer Contributions June 30, 2019

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 3,362,615	\$ 3,362,615	\$ -	\$ 7,519,024	44.72%
2016	3,340,104	3,363,170	23,066	7,555,524	44.51%
2017	3,742,561	3,573,094	(169,467)	8,441,756	42.33%
2018	3,849,646	3,958,950	109,304	8,676,454	45.63%
2019	4,057,504	4,102,471	44,967	8,839,306	46.41%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	12 Years
Asset Valuation Method	Market
Inflation	2.50%
Salary Increases	Graded by Years of Service
Investment Rate of Return	6.75%
Retirement Age	See the Notes to the Financial Statements
Mortality	RP2014 Base Rates with Blue Collar Adjustment Projected from 2013 with Scale MP2018

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

CITY OF CHAMPAIGN, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information

Schedule of Changes in the Employer's Net Pension Liability

June 30, 2019

	12/31/2014	12/31/2015
	Total	Total
Total Pension Liability		
Service Cost	\$ 2,181,205	2,104,786
Interest	8,162,719	8,887,573
Differences Between Expected and Actual Experience	299,483	1,612,174
Change of Assumptions	4,058,888	155,526
Benefit Payments, Including Refunds of Member Contributions	(4,518,312)	(5,163,995)
Net Change in Total Pension Liability	10,183,983	7,596,064
Total Pension Liability - Beginning	110,004,808	120,188,791
Total Pension Liability - Ending	120,188,791	127,784,855
Plan Fiduciary Net Position		
Contributions - Employer	\$ 2,345,108	2,392,432
Contributions - Members	910,509	939,468
Net Investment Income	6,562,095	561,347
Benefit Payments, Including Refunds of Member Contributions	(4,518,312)	(5,163,995)
Other (Net Transfer)	(320,716)	(816,950)
Net Change in Plan Fiduciary Net Position	4,978,684	(2,087,698)
Plan Net Position - Beginning	108,206,683	113,185,367
Plan Net Position - Ending	113,185,367	111,097,669
Employer's Net Pension Liability	\$ 7,003,424	16,687,186
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	94.17%	86.94%
Covered Payroll	\$ 19,749,991	20,697,493
Employer's Net Pension Liability as a Percentage of Covered Payroll	35.46%	80.62%

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

Calendar years prior to 2018 include the total of all components of the City.

12/31/2016	12/31/2017	12/31/2018		
Total	Total	City	METCAD	Totals
2,235,320	2,234,306	1,893,465	269,749	2,163,214
9,444,081	9,742,239	8,763,564	1,263,378	10,026,942
(2,250,036)	1,834,656	(313,829)	(44,709)	(358,538)
(315,449)	(4,083,877)	3,559,778	507,137	4,066,915
(5,289,506)	(5,659,784)	(5,367,101)	(764,614)	(6,131,715)
3,824,410	4,067,540	8,535,877	1,230,941	9,766,818
127,784,855	131,609,265	119,322,679	16,354,126	135,676,805
131,609,265	135,676,805	127,858,556	17,585,067	145,443,623
2,473,560	2,711,417	2,217,304	315,884	2,533,188
980,972	1,016,304	909,663	129,594	1,039,257
7,685,512	20,335,250	(6,190,326)	(881,893)	(7,072,219)
(5,289,506)	(5,659,784)	(5,367,101)	(764,614)	(6,131,715)
221,678	(1,796,786)	1,514,509	215,762	1,730,271
6,072,216	16,606,401	(6,915,951)	(985,267)	(7,901,218)
111,097,669	117,169,885	117,646,117	16,130,169	133,776,286
117,169,885	133,776,286	110,730,166	15,144,902	125,875,068
14,439,380	1,900,519	17,128,390	2,440,165	19,568,555
89.03%	98.60%	86.60%	86.12%	86.55%
20,881,771	22,203,496	20,214,742	2,879,856	23,094,598
69.15%	8.56%	84.73%	84.73%	84.73%

CITY OF CHAMPAIGN, ILLINOIS

Police Pension Fund

Required Supplementary Information Schedule of Changes in the Employer's Net Pension Liability June 30, 2019

	<u>06/30/2015</u>
Total Pension Liability	
Service Cost	\$ 2,171,771
Interest	7,678,454
Differences Between Expected and Actual Experience	-
Change of Assumptions	-
Benefit Payments, Including Refunds of Member Contributions	<u>(5,426,618)</u>
Net Change in Total Pension Liability	4,423,607
Total Pension Liability - Beginning	<u>112,405,512</u>
Total Pension Liability - Ending	<u><u>116,829,119</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 4,821,825
Contributions - Members	927,339
Contributions - Other	-
Net Investment Income	3,445,949
Benefit Payments, Including Refunds of Member Contributions	(5,426,618)
Administrative Expense	<u>(141,932)</u>
Net Change in Plan Fiduciary Net Position	3,626,563
Plan Net Position - Beginning	<u>85,653,177</u>
Plan Net Position - Ending	<u><u>89,279,740</u></u>
Employer's Net Pension Liability	<u><u>\$ 27,549,379</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	76.42%
Covered Payroll	\$ 9,287,288
Employer's Net Pension Liability as a Percentage of Covered Payroll	296.64%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

06/30/2016	06/30/2017	06/30/2018	06/30/2019
2,122,846	2,264,854	2,437,155	2,924,735
8,109,707	8,220,880	8,352,705	9,388,653
(8,649,377)	(2,530,314)	7,209,090	604,901
10,422,712	212,058	3,761,241	6,251,278
(5,985,440)	(6,204,629)	(6,550,425)	(6,838,214)
6,020,448	1,962,849	15,209,766	12,331,353
116,829,119	122,849,567	124,812,416	140,022,182
122,849,567	124,812,416	140,022,182	152,353,535
5,455,449	5,513,902	5,681,991	6,335,317
933,363	966,280	1,021,305	1,039,267
110,988	12,411	96,752	202,060
233,038	10,351,737	9,695,329	8,101,657
(5,985,440)	(6,204,629)	(6,550,425)	(6,838,214)
(154,341)	(154,449)	(98,871)	(119,740)
593,057	10,485,252	9,846,081	8,720,347
89,279,740	89,872,797	100,358,049	110,204,130
89,872,797	100,358,049	110,204,130	118,924,477
32,976,770	24,454,367	29,818,052	33,429,058
73.16%	80.41%	78.70%	78.06%
9,322,883	9,121,573	10,016,927	10,404,063
353.72%	268.09%	297.68%	321.31%

CITY OF CHAMPAIGN, ILLINOIS**Firefighters' Pension Fund****Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
June 30, 2019**

	<u>06/30/2015</u>
Total Pension Liability	
Service Cost	\$ 1,776,979
Interest	5,760,180
Differences Between Expected and Actual Experience	-
Change of Assumptions	4,046,064
Benefit Payments, Including Refunds of Member Contributions	<u>(4,748,865)</u>
Net Change in Total Pension Liability	6,834,358
Total Pension Liability - Beginning	<u>84,662,723</u>
Total Pension Liability - Ending	<u><u>91,497,081</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 3,362,615
Contributions - Members	694,767
Contributions - Other	678
Net Investment Income	2,037,091
Benefit Payments, Including Refunds of Member Contributions	(4,748,865)
Administrative Expense	<u>(61,622)</u>
Net Change in Plan Fiduciary Net Position	1,284,664
Plan Net Position - Beginning	<u>74,565,824</u>
Plan Net Position - Ending	<u><u>75,850,488</u></u>
Employer's Net Pension Liability	<u><u>\$ 15,646,593</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.90%
Covered Payroll	\$ 7,519,024
Employer's Net Pension Liability as a Percentage of Covered Payroll	208.09%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

06/30/2016	06/30/2017	06/30/2018	06/30/2019
1,965,034	2,011,581	2,331,133	2,367,502
6,352,931	7,080,233	7,395,817	7,746,100
5,224,377	550,784	1,584,900	2,290,351
5,672,078	192,458	(266,706)	4,971,999
(4,995,612)	(5,234,076)	(5,686,789)	(6,065,880)
14,218,808	4,600,980	5,358,355	11,310,072
91,497,081	105,715,889	110,316,869	115,675,224
105,715,889	110,316,869	115,675,224	126,985,296
3,363,170	3,573,094	3,958,950	4,102,471
744,085	811,922	884,669	879,557
1,335	795	411	1,485
1,500,853	6,705,381	4,848,328	4,310,237
(4,995,612)	(5,234,076)	(5,686,789)	(6,065,880)
(33,824)	(53,644)	(83,762)	(51,732)
580,007	5,803,472	3,921,807	3,176,138
75,850,488	76,430,495	82,233,967	86,155,774
76,430,495	82,233,967	86,155,774	89,331,912
29,285,394	28,082,902	29,519,450	37,653,384
72.30%	74.54%	74.48%	70.35%
7,555,524	8,441,756	8,676,454	8,839,306
387.60%	332.67%	340.22%	425.98%

CITY OF CHAMPAIGN, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Investment Returns
June 30, 2019**

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2014	13.95%
2015	3.88%
2016	(0.30%)
2017	11.62%
2018	9.64%
2019	8.12%

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

CITY OF CHAMPAIGN, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information

Schedule of Investment Returns

June 30, 2019

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2014	13.39%
2015	2.84%
2016	2.12%
2017	8.96%
2018	5.89%
2019	5.01%

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

CITY OF CHAMPAIGN, ILLINOIS

Other Post-Employment Benefit Plan

Required Supplementary Information

Schedule of Changes in the Employer's Total OPEB Liability

June 30, 2019

	6/30/18		6/30/19	
	Total	City	METCAD	Totals
Total OPEB Liability				
Service Cost	\$ 724,310	662,479	20,401	682,880
Interest	518,074	538,789	13,363	552,152
Changes in Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	(861,501)	-	-	-
Change of Assumptions or Other Inputs	(997,825)	510,130	12,641	522,771
Benefit Payments	(483,044)	(500,334)	(16,523)	(516,857)
Net Change in Total OPEB Liability	(1,099,986)	1,211,064	29,882	1,240,946
Total OPEB Liability - Beginning	14,732,991	13,308,011	324,994	13,633,005
Total OPEB Liability - Ending	13,633,005	14,519,075	354,876	14,873,951
Covered Payroll	\$ 34,256,345	30,593,435	1,999,559	32,592,994
Total OPEB Liability as a Percentage of Covered Payroll	39.80%	47.46%	17.75%	45.64%

Notes:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

Changes of Benefit Terms. There was no change in the retirees' share of health insurance premiums.

Changes of Assumptions. Changes of assumptions and other inputs reflect the effects of changes in the trend rate each period. The following are the trend rates used in each period:

Fiscal Year	Medical
2020	6.00%
2021	5.50%
2022	5.00%
2023	4.50%
2024	4.50%
2025	4.50%
2026	4.50%
2027	4.50%
2028	4.50%
2029	4.50%
Ultimate	4.50%

In 2019, there was no change in the healthcare trend rates from the prior year.

CITY OF CHAMPAIGN, ILLINOIS

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended June 30, 2019

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 41,430,312	41,365,822	41,133,744
Intergovernmental	28,192,836	29,850,657	29,948,964
Licenses, Permits and Fees	3,087,921	3,237,629	3,199,501
Charges for Services	1,646,549	1,611,058	1,493,703
Fines and Forfeitures	910,900	841,900	726,884
Refunds and Reimbursements from Others	1,218,728	1,214,795	1,180,347
Interest	265,200	335,100	637,173
Miscellaneous	91,050	87,945	86,668
Total Revenues	76,843,496	78,544,906	78,406,984
Expenditures			
Current			
General Government	18,840,991	19,884,974	15,210,827
Public Safety	44,160,915	44,139,545	43,239,738
Public Works	11,894,324	10,669,549	6,654,441
Public Health and Welfare	368,010	396,391	316,711
Total Expenditures	75,264,240	75,090,459	65,421,717
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,579,256	3,454,447	12,985,267
Other Financing Sources (Uses)			
Disposal of Capital Assets	10,000	10,000	3,312
Transfers In	6,820,879	6,724,291	595,508
Transfers Out	(13,143,691)	(13,214,054)	(13,105,443)
	(6,312,812)	(6,479,763)	(12,506,623)
Net Change in Fund Balance	(4,733,556)	(3,025,316)	478,644
Fund Balance - Beginning			28,529,434
Fund Balance - Ending			29,008,078

CITY OF CHAMPAIGN, ILLINOIS

Champaign Public Library - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended June 30, 2019

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 7,109,926	7,010,832	6,995,318
Intergovernmental			
Replacement Taxes	75,168	75,168	86,978
Other Grants	62,934	101,319	116,811
Charges for Services	226,600	230,200	238,399
Fines and Forfeitures	172,500	108,000	105,325
Interest	2,605	2,283	1,962
Gifts from the Champaign			
Public Library Foundation	275,466	320,553	287,864
Miscellaneous	3,279	19,221	5,550
Total Revenues	<u>7,928,478</u>	<u>7,867,576</u>	<u>7,838,207</u>
Expenditures			
Current			
Culture and Recreation	7,693,074	7,748,409	7,604,750
Capital Outlay	351,275	383,800	363,049
Total Expenditures	<u>8,044,349</u>	<u>8,132,209</u>	<u>7,967,799</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(115,871)	(264,633)	(129,592)
Other Financing Sources			
Disposal of Capital Assets	-	-	6,000
Net Change in Fund Balance	<u>(115,871)</u>	<u>(264,633)</u>	(123,592)
Fund Balance - Beginning			<u>1,231,735</u>
Fund Balance - Ending			<u>1,108,143</u>

CITY OF CHAMPAIGN, ILLINOIS**Motor Fuel Tax - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Motor Fuel Tax Allotment	\$ 2,120,064	2,103,852	2,129,140
Grants	-	70,715	70,717
Refunds and Reimbursements from Others			
Reimbursements from Outside Agencies	-	-	713
Interest	15,150	18,566	47,834
Total Revenues	2,135,214	2,193,133	2,248,404
Expenditures			
Public Works			
Personnel Services	345,493	332,600	270,889
Contractual Services	267,853	345,467	127,551
Capital Outlay	2,397,200	2,870,304	1,657,856
Total Expenditures	3,010,546	3,548,371	2,056,296
Net Change in Fund Balance	(875,332)	(1,355,238)	192,108
Fund Balance - Beginning			1,536,422
Fund Balance - Ending			1,728,530

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
- Combining Statements – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Major Enterprise Funds
- Budgetary Comparison Schedule – Nonmajor Enterprise Fund
- Combining Statements – Internal Service Funds
- Budgetary Comparison Schedules – Internal Service Funds
- Combining Statements – Pension Trust Funds
- Budgetary Comparison Schedules – Pension Trust Funds
- Consolidated Year-End Financial Report

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

GENERAL FUND

The General Fund is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major Fund.

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital projects funds) that are legally restricted to expenditures for specified purposes.

Champaign Public Library Fund

The Champaign Public Library Fund is used to account for the operations and maintenance of the public library within the City of Champaign. The Champaign Public Library Fund is a major fund.

Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for the revenues received from the City's allocation of state gasoline taxes and the expenditures for street construction and maintenance, which must be authorized by the Illinois Department of Transportation. The Motor Fuel Tax Fund is a major fund.

Community Development Fund

The Community Development Fund is used to account for the federal revenue received under the Community Development Block Grant Program. These funds are used to preserve the City's housing stock and to eliminate blight, primarily for the benefit of citizens with low to moderate incomes. The Community Development Fund is a nonmajor fund. Activities include:

- ☐ Acquisition and demolition of dilapidated structures
- ☐ Rehabilitation of substandard homes
- ☐ Capital improvements within eligible areas
- ☐ Relocation of individuals or families displaced by redevelopment
- ☐ Public Service

Food and Beverage Tax Fund

The Food and Beverage Tax Fund is used to account for the revenues derived from a 0.5% tax on food and alcoholic beverages for immediate consumption. Revenues are used to fund infrastructure and building improvements in the University of Illinois Campustown area. The Food and Beverage Tax Fund is a nonmajor fund.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

SPECIAL REVENUE FUNDS – Continued

North Campus Area TIF District Fund

The North Campus Area TIF District Fund is used to account for incremental property tax revenues and incremental sales tax collections from properties located in the North Campus Area Tax Increment Financing (TIF) District. Established in 2002, the City's third TIF District funds are being used to reduce or eliminate blight in the North Campustown area and provide grants for businesses. The North Campus Area TIF District Fund is a nonmajor fund.

Neighborhood Development Fund

The Neighborhood Development Fund is used to account for the revenues derived from a tax on utility usage to fund the construction and rehabilitation of capital improvements and housing projects, which eliminate blight and conditions of deterioration throughout the City. The Neighborhood Development Fund is a nonmajor fund.

Downtown TIF Fund

The Downtown TIF Fund is used to account for the revenues derived from the property tax on increased assessed valuation of property in the City's Downtown area. Established in 1981 under the Real Property Tax Increment Redevelopment Act, the funds are used within the district for capital improvement projects, grants for businesses and other revitalization activities aimed at reducing or eliminating the blighted conditions. The Downtown TIF Fund is a nonmajor fund.

East University Avenue TIF Fund

The East University Avenue TIF Fund is used to account for incremental property tax revenues and incremental sales tax collections from properties located in the East University Avenue area. Established in 1986, the City's second Tax Increment Financing District funds are being used to reduce or eliminate blight in the East University Avenue area and provide grants for businesses. The East University Avenue TIF Fund is a nonmajor fund.

Urban Development Action Grant Fund

The Urban Development Action Grant Fund is used to account for the revenues received under the Urban Development Action Grant Program. These funds are used to promote economic development and neighborhood conservation and revitalization through activities designed to benefit low and moderate-income persons. The Urban Development Action Grant Fund is a nonmajor fund.

Foreign Fire Insurance Tax Fund

The Foreign Fire Insurance Tax Fund is used to account for the revenues received from a tax on fire insurance policies sold by foreign (out of state) insurance companies, and to account for the expenditures of those revenues for the operation and maintenance of the fire department. The Foreign Fire Insurance Tax Fund is a nonmajor fund.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

SPECIAL REVENUE FUNDS – Continued

Narcotics Forfeitures Fund

The Narcotics Forfeitures Fund is used to account for the revenues generated through street enforcement action against suspected and known drug dealers and users. Through declaration of the court, money or property seized during enforcement action is forfeited to the City and is used for the enforcement of the Cannabis Control Act and the Controlled Substance Act. The Narcotics Forfeitures Fund is a nonmajor fund.

Local Motor Fuel Tax Fund

The Local Motor Fuel Tax Fund is used to account for the revenues derived from the City's four cent per gallon tax on retail purchases of gasoline in the City. The tax is also charged on bulk fuel purchases (including those made by the City itself) if the fuel is stored within the City limits. By ordinance, the funds provide additional resources to help pay for transportation infrastructure projects per the City's 10-year Street Improvement plan. The Local Motor Fuel Tax Fund is a nonmajor fund.

N. Mattis TIF Fund

The N. Mattis TIF Fund is used to account for incremental property tax revenues from properties located in the North Mattis Tax Increment Financing (TIF) District. Established in 2014, the TIF District Funds are being used to assist in the construction of a 730,000 square foot Kraft Warehouse project on the former AC Humko site. Additionally, Mattis Avenue right-of-way, the Wirco plant, and Glen Park are included in the TIF boundaries in an attempt in further other improvements and redevelopment to the area. The N. Mattis TIF Fund is a nonmajor fund.

Bristol TIF 5 Fund

The Bristol TIF 5 Fund is used to account for incremental property tax revenues generated from the Bristol Park redevelopment in the Bistol Park and Garwood neighborhoods. Established in 2017, these funds are used to pay back the Section 108 loans used for the redevelopment as well as reinvestment back into the neighborhoods to stabilize existing homes as well as make needed repairs and upgrades to public infrastructure in the area. The Bristol TIF 5 Fund is a nonmajor fund.

Fringe TIF 6 Fund

The Fringe TIF 6 Fund is used to account for revenues derived from the property tax on increased assessed valuation of property in areas to the North and South of the current Downtown TIF Fund. Established in 2017, the funds are used within the district to encourage infill and redevelopment of these areas such as upgrading utilities and infrastructure, providing incentive for building renovations, and preparing land for redevelopment. The Fringe TIF 6 Fund is a nonmajor fund.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

DEBT SERVICE FUND

The Debt Service Fund is used account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Financing is provided by the annual tax levy. The Debt Service Fund is a major fund.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for all resources used for the acquisition of capital facilities by a governmental unit except those financed by Proprietary and Trust Funds.

Stormwater Management Fund

The Stormwater Management Fund is used to provide a funding source for maintenance and rehabilitation of the Boneyard Creek and all related sanitary sewer and drainage facilities. The Stormwater Management Fund is a major fund.

Capital Improvements Fund

The Capital Improvements Fund is used to account for all resources used for the acquisition of capital assets by the City, except those financed by Proprietary Funds or accounted for in another capital projects fund. The Capital Improvements Fund is a major fund.

Vehicle Replacement Fund

The Vehicle Replacement Fund is used to account for the resources allocated to provide a source of capital funds to replace vehicles on a timely schedule. The Vehicle Replacement Fund is a nonmajor fund.

Library Improvement Fund

The Library Improvement Fund is used to account for a funding source for maintenance and capital improvement activities for the Champaign Public Library. The Library Improvement Fund is a nonmajor fund.

Equipment Replacement Fund

The Equipment Replacement Fund is used to account for the resources allocated to provide funding for the long-term replacement program for major capital equipment, other than vehicles, owned and operated by the City. The Equipment Replacement Fund is a nonmajor fund.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

ENTERPRISE FUNDS

The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose.

Parking Fund

The Parking Fund is used to account for the provision of public parking services for commuters. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection. The Parking Fund is a major fund.

Sewer Fund

The Sewer Fund is used to account for the provision of sewer repair and improvement services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection. The Sewer Fund is a major fund.

Environmental Services Fund

The Environmental Services Fund is used to account for the revenues and expenses related to the City's multi-family recycling program, as well as other sustainability programs. The Environmental Services Fund is a nonmajor fund.

INTERNAL SERVICE FUNDS

The Internal Service Funds are used to account for the financing of goods or services provided by one department or agency of the City, to other departments or agencies or other governmental units, on a cost-reimbursement basis.

Fleet Services Fund

The Fleet Services Fund is used to account for the goods and services provided by the City's municipal garage to the other operating departments of the City on a cost-reimbursement basis.

Retained Risk Fund

The Retained Risk Fund is used to account for the City's self-insured general liability program.

Workers Compensation Fund

The Workers Compensation Fund is used to account for the City's self-insured workers compensation program.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

PENSION TRUST FUNDS

The Pension Trust Funds are used to account for assets held in a trustee capacity for pension benefit payments.

Police Pension Fund

The Police Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to sworn officers on the police force at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by an annual actuarial study.

Firefighters' Pension Fund

The Firefighters' Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to sworn officers of the fire department at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by an annual actuarial study.

CITY OF CHAMPAIGN, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual For the Fiscal Year Ended June 30, 2019

	Budget		Actual
	Original	Final	
Taxes			
Property Taxes	\$ 13,603,337	13,409,286	13,344,299
Home Rule Sales Taxes	18,293,673	18,674,754	18,436,940
Utility Taxes	2,598,669	2,685,824	2,690,168
Telecommunications Taxes	1,906,219	1,766,544	1,830,818
Hotel/Motel Taxes	3,407,199	3,203,753	3,224,933
Other Taxes	1,621,215	1,625,661	1,606,586
Total Taxes	41,430,312	41,365,822	41,133,744
Intergovernmental			
State Sales and Use Taxes	18,894,171	19,783,923	19,748,679
Income Taxes	7,765,069	7,935,285	8,446,150
Replacement Taxes	884,634	820,000	883,380
Public Safety Grants	597,962	1,255,729	756,010
Other Grants	51,000	55,720	114,745
Total Intergovernmental	28,192,836	29,850,657	29,948,964
Licenses, Permits and Fees			
Licenses and Permits	2,179,528	2,379,620	2,335,031
Public Safety Service Fees	908,393	858,009	864,470
Total Licenses, Permits and Fees	3,087,921	3,237,629	3,199,501
Charges for Services	1,646,549	1,611,058	1,493,703
Fines and Forfeitures	910,900	841,900	726,884
Refunds and Reimbursements from Others	1,218,728	1,214,795	1,180,347
Interest	265,200	335,100	637,173
Miscellaneous	91,050	87,945	86,668
Total Revenues	76,843,496	78,544,906	78,406,984

CITY OF CHAMPAIGN, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual For the Fiscal Year Ended June 30, 2019

	Budget		Actual
	Original	Final	
General Government			
Mayor and Council	\$ 205,480	201,505	193,714
City Manager's Office	1,941,873	2,054,072	1,496,818
Legal	1,304,654	1,305,641	1,163,646
Finance	2,190,815	2,309,964	1,463,380
Human Resources	1,659,208	1,267,868	641,748
Risk Management	3,447,716	3,447,716	3,599,490
Planning	4,092,856	4,867,153	3,554,432
Neighborhood Services	1,193,662	1,184,690	758,201
Information Technologies	2,804,727	3,246,365	2,339,398
Total General Government	18,840,991	19,884,974	15,210,827
Public Safety			
Police	25,144,487	25,283,851	24,726,587
Fire	19,016,428	18,855,694	18,513,151
Total Public Safety	44,160,915	44,139,545	43,239,738
Public Works	11,894,324	10,669,549	6,654,441
Public Health and Welfare	368,010	396,391	316,711
Total Expenditures	75,264,240	75,090,459	65,421,717

CITY OF CHAMPAIGN, ILLINOIS**Debt Service Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ 47,850	47,850	169,049
Expenditures			
Debt Service			
Principal Retirement	4,460,000	4,460,000	4,460,000
Interest and Fiscal Charges	2,049,226	2,049,226	2,049,226
Total Expenditures	6,509,226	6,509,226	6,509,226
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,461,376)	(6,461,376)	(6,340,177)
Other Financing Sources			
Transfers In	6,495,002	6,495,002	6,495,002
Net Change in Fund Balance	33,626	33,626	154,825
Fund Balance - Beginning			5,664,895
Fund Balance - Ending			5,819,720

CITY OF CHAMPAIGN, ILLINOIS

Stormwater Management - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended June 30, 2019

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 1,470,614	1,472,971	1,469,628
Intergovernmental			
Grants	5,790,194	6,828,204	7,876
Licenses, Permits and Fees	2,952,137	2,952,137	2,788,966
Refunds and Reimbursements from Others			
Reimbursements from Outside Agencies	1,212,995	1,256,369	527,223
Interest	70,700	320,000	417,946
Total Revenues	11,496,640	12,829,681	5,211,639
Expenditures			
Public Works			
Personnel Services	2,401,300	2,431,135	2,334,033
Contractual Services	2,410,264	4,650,752	2,453,469
Commodities	1,040	1,040	633
Capital Outlay	16,086,307	18,512,491	7,096,866
Debt Service			
Principal Retirement	-	-	254,641
Interest and Fiscal Charges	-	-	275,034
Total Expenditures	20,898,911	25,595,418	12,414,676
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,402,271)	(12,765,737)	(7,203,037)
Other Financing Sources (Uses)			
Debt Issuance	-	-	6,479,310
Transfers In	4,135,570	4,215,749	4,179,238
Transfers Out	(3,175,421)	(3,175,421)	(3,177,199)
	960,149	1,040,328	7,481,349
Net Change in Fund Balance	(8,442,122)	(11,725,409)	278,312
Fund Balance - Beginning			16,740,547
Fund Balance - Ending			17,018,859

CITY OF CHAMPAIGN, ILLINOIS

Capital Improvements - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended June 30, 2019

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 1,040,859	1,042,221	1,096,797
Intergovernmental			
Grants	276,116	287,874	-
Refunds and Reimbursements from Others	72,490	75,534	75,535
Interest	52,520	57,000	166,528
Total Revenues	1,441,985	1,462,629	1,338,860
Expenditures			
Public Works			
Personnel Services	220,518	210,872	242,435
Contractual Services	1,214,251	2,331,314	997,770
Commodities	32,500	64,332	2,519
Capital Outlay	5,618,383	8,626,636	3,215,212
Total Expenditures	7,085,652	11,233,154	4,457,936
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,643,667)	(9,770,525)	(3,119,076)
Other Financing Sources (Uses)			
Transfers In	4,648,982	4,685,658	4,685,658
Transfers Out	(957,900)	(957,900)	(957,900)
	3,691,082	3,727,758	3,727,758
Net Change in Fund Balance	(1,952,585)	(6,042,767)	608,682
Fund Balance - Beginning			5,586,554
Fund Balance - Ending			6,195,236

CITY OF CHAMPAIGN, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet
June 30, 2019

						Special	
	Community Development	Food and Beverage Tax	North Campus Area TIF District	Neighborhood Development	Downtown TIF	East University Avenue TIF	Urban Development Action Grant
ASSETS							
Cash and Investments	\$ 268,679	747,406	933,528	1,693,105	-	1,211,008	826,351
Receivables - Net of Allowances							
Property Taxes	-	-	1,234,796	-	-	199,488	-
Other Taxes	-	69,355	-	87,972	-	-	-
Accrued Interest	-	798	1,176	3,024	-	1,516	1,401
Other	-	1,196,180	-	-	-	-	-
Due from Other Governments	63,919	-	-	-	-	-	45,028
Total Assets	332,598	2,013,739	2,169,500	1,784,101	-	1,412,012	872,780
LIABILITIES							
Accounts Payable	55,182	566,252	-	4,736	-	306,000	10,213
Retainage Payable	-	142,773	-	-	-	-	-
Accrued Payroll	6,666	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-
Total Liabilities	61,848	709,025	-	4,736	-	306,000	10,213
DEFERRED INFLOWS OF RESOURCES							
Property Taxes	-	-	867,512	-	-	122,811	-
Total Liabilities and Deferred Inflows of Resources	61,848	709,025	867,512	4,736	-	428,811	10,213
FUND BALANCES							
Restricted	270,750	-	-	1,779,365	-	983,201	862,567
Committed	-	1,304,714	1,301,988	-	-	-	-
Total Fund Balances	270,750	1,304,714	1,301,988	1,779,365	-	983,201	862,567
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	332,598	2,013,739	2,169,500	1,784,101	-	1,412,012	872,780

Revenue									
Foreign Fire Insurance Tax	Narcotics Forfeitures	Local Motor Fuel Tax	N. Mattis TIF	Bristol TIF 5	Fringe TIF 6	Capital Projects			Totals
						Vehicle Replacement	Library Improvements	Equipment Replacement	
286,385	549,746	5,670,226	145,670	81,722	-	3,913,681	71,946	3,510,687	19,910,140
-	-	-	1,059,538	18,142	187,862	-	394,970	-	3,094,796
-	-	123,205	-	-	-	-	-	-	280,532
499	971	9,557	275	135	-	6,401	227	5,852	31,832
-	28,099	-	-	-	-	-	-	-	1,224,279
-	-	-	-	-	-	-	-	-	108,947
286,884	578,816	5,802,988	1,205,483	99,999	187,862	3,920,082	467,143	3,516,539	24,650,526
10,937	9,490	104,791	130,285	-	-	72,089	-	126,420	1,396,395
-	-	15,557	-	-	-	-	-	-	158,330
-	-	-	-	-	-	-	-	-	6,666
-	-	-	-	-	3,342	-	-	-	3,342
10,937	9,490	120,348	130,285	-	3,342	72,089	-	126,420	1,564,733
-	-	-	529,769	10,342	96,227	-	256,040	-	1,882,701
10,937	9,490	120,348	660,054	10,342	99,569	72,089	256,040	126,420	3,447,434
275,947	569,326	5,682,640	545,429	89,657	88,293	-	211,103	-	11,358,278
-	-	-	-	-	-	3,847,993	-	3,390,119	9,844,814
275,947	569,326	5,682,640	545,429	89,657	88,293	3,847,993	211,103	3,390,119	21,203,092
286,884	578,816	5,802,988	1,205,483	99,999	187,862	3,920,082	467,143	3,516,539	24,650,526

CITY OF CHAMPAIGN, ILLINOIS

Nonmajor Governmental Funds

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2019**

						Special	
	Community Development	Food and Beverage Tax	North Campus Area TIF District	Neighborhood Development	Downtown TIF	East University Avenue TIF	Urban Development Action Grant
Revenues							
Taxes	\$ -	863,455	1,701,943	1,008,674	-	217,426	-
Intergovernmental	719,064	-	-	55,000	-	-	75,139
Fines and Forfeitures	-	-	-	-	-	-	-
Refunds and Reimbursements from Others	11,259	-	-	-	-	-	-
Interest	-	29,143	32,206	51,172	10,933	25,962	23,523
Miscellaneous	1,160	-	-	1,184	-	-	3,356
Total Revenues	731,483	892,598	1,734,149	1,116,030	10,933	243,388	102,018
Expenditures							
Current							
General Government	-	902,641	46,246	-	-	-	-
Public Safety	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-
Public Health and Welfare	767,735	-	1,044,838	4,304,232	29,688	24,200	38,948
Culture and Recreation	-	-	-	-	-	-	-
Capital Outlay	-	20,570	200,000	300,672	730,609	-	-
Debt Service							
Interest and Fiscal Charges	-	-	-	87,381	-	-	-
Total Expenditures	767,735	923,211	1,291,084	4,692,285	760,297	24,200	38,948
Excess (Deficiency) of Revenues Over (Under) Expenditures	(36,252)	(30,613)	443,065	(3,576,255)	(749,364)	219,188	63,070
Other Financing Sources (Uses)							
Disposal of Capital Assets	-	-	-	-	-	-	-
Transfers In	43,152	-	-	-	-	-	-
Transfers Out	(3,320)	-	(587,400)	(23,503)	-	-	(19,649)
	39,832	-	(587,400)	(23,503)	-	-	(19,649)
Net Change in Fund Balances	3,580	(30,613)	(144,335)	(3,599,758)	(749,364)	219,188	43,421
Fund Balances - Beginning	267,170	1,335,327	1,446,323	5,379,123	749,364	764,013	819,146
Fund Balances - Ending	270,750	1,304,714	1,301,988	1,779,365	-	983,201	862,567

Revenue									
Foreign Fire Insurance Tax	Narcotics Forfeitures	Local Motor Fuel Tax	N. Mattis TIF	Bristol TIF 5	Fringe TIF 6	Capital Projects			Totals
						Vehicle Replacement	Library Improvements	Equipment Replacement	
135,785	-	-	1,022,318	48,945	103,190	-	499,701	-	5,601,437
-	8,421	1,452,383	-	-	-	-	-	-	2,310,007
-	55,332	-	-	-	-	-	-	-	55,332
-	-	-	-	-	-	-	-	250,000	261,259
8,593	17,885	148,121	12,633	1,901	84	118,280	4,710	106,655	591,801
-	-	-	-	-	-	-	-	-	5,700
144,378	81,638	1,600,504	1,034,951	50,846	103,274	118,280	504,411	356,655	8,825,536
-	-	-	24,143	-	6,308	-	-	-	979,338
126,536	198,852	-	-	-	-	-	-	-	325,388
-	-	199,837	-	-	-	63,198	-	-	263,035
-	-	-	913,308	-	16,000	-	-	-	7,138,949
-	-	-	-	-	-	-	500	-	500
-	-	256,083	-	-	-	3,355,545	-	1,516,231	6,379,710
-	-	-	-	-	-	-	-	-	87,381
126,536	198,852	455,920	937,451	-	22,308	3,418,743	500	1,516,231	15,174,301
17,842	(117,214)	1,144,584	97,500	50,846	80,966	(3,300,463)	503,911	(1,159,576)	(6,348,765)
-	-	-	-	-	-	64,063	-	-	64,063
-	-	-	-	-	-	1,914,868	-	829,510	2,787,530
-	(17,496)	-	(100,000)	-	-	(194,586)	(445,508)	-	(1,391,462)
-	(17,496)	-	(100,000)	-	-	1,784,345	(445,508)	829,510	1,460,131
17,842	(134,710)	1,144,584	(2,500)	50,846	80,966	(1,516,118)	58,403	(330,066)	(4,888,634)
258,105	704,036	4,538,056	547,929	38,811	7,327	5,364,111	152,700	3,720,185	26,091,726
275,947	569,326	5,682,640	545,429	89,657	88,293	3,847,993	211,103	3,390,119	21,203,092

CITY OF CHAMPAIGN, ILLINOIS

Community Development - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budget		
	Original	Final	Actual
Revenues			
Intergovernmental	\$ 658,933	1,326,751	719,064
Refunds and Reimbursements from Others			
Reimbursements from Outside Agencies	10,000	12,000	11,259
Miscellaneous	2,000	2,000	1,160
Total Revenues	670,933	1,340,751	731,483
Expenditures			
Public Health and Welfare			
Personnel Services	475,117	301,620	385,748
Contractual Services	36,767	48,450	377,952
Commodities	298,460	511,212	4,035
Total Expenditures	810,344	861,282	767,735
Excess (Deficiency) of Revenues Over (Under) Expenditures	(139,411)	479,469	(36,252)
Other Financing Sources (Uses)			
Transfers In	-	-	43,152
Transfers Out	(4,426)	(4,426)	(3,320)
	(4,426)	(4,426)	39,832
Net Change in Fund Balance	(143,837)	475,043	3,580
Fund Balance - Beginning			267,170
Fund Balance - Ending			270,750

CITY OF CHAMPAIGN, ILLINOIS**Food and Beverage Tax - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Food and Beverage Tax	\$ 904,655	894,937	863,455
Refunds and Reimbursements from Others			
Reimbursements from Outside Agencies	3,018,210	6,519,218	-
Interest	42,420	22,959	29,143
Total Revenues	3,965,285	7,437,114	892,598
Expenditures			
General Government			
Personnel Services	385,829	397,342	312,287
Contractual Services	1,343,999	2,092,290	588,449
Commodities	5,850	13,554	1,905
Capital Outlay	7,118,964	6,622,166	20,570
Total Expenditures	8,854,642	9,125,352	923,211
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,889,357)	(1,688,238)	(30,613)
Other Financing Sources			
Disposal of Capital Assets	4,450,000	-	-
Net Change in Fund Balance	(439,357)	(1,688,238)	(30,613)
Fund Balance - Beginning			1,335,327
Fund Balance - Ending			1,304,714

CITY OF CHAMPAIGN, ILLINOIS

North Campus Area TIF District - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended June 30, 2019

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 1,373,668	1,373,668	1,701,943
Interest	8,181	23,656	32,206
Total Revenues	1,381,849	1,397,324	1,734,149
Expenditures			
General Government			
Personnel	46,246	46,246	46,246
Public Health and Welfare			
Contractual Services	275,400	1,350,238	1,044,838
Capital Outlay	-	200,000	200,000
Total Expenditures	321,646	1,596,484	1,291,084
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,060,203	(199,160)	443,065
Other Financing (Uses)			
Transfers Out	(587,400)	(587,400)	(587,400)
Net Change in Fund Balance	472,803	(786,560)	(144,335)
Fund Balance - Beginning			1,446,323
Fund Balance - Ending			1,301,988

CITY OF CHAMPAIGN, ILLINOIS

Neighborhood Development - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended June 30, 2019

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Utility Taxes	\$ 961,352	1,007,184	1,008,674
Intergovernmental	55,000	55,000	55,000
Interest	5,000	16,320	51,172
Miscellaneous	-	-	1,184
Total Revenues	1,021,352	1,078,504	1,116,030
Expenditures			
Public Health and Welfare			
Personnel Services	484,042	484,042	364,315
Contractual Services	297,826	481,555	3,912,909
Commodities	40,000	31,079	27,008
Capital Outlay	161,754	385,000	300,672
Debt Service			
Interest and Fiscal Charges	80,000	92,000	87,381
Total Expenditures	1,063,622	1,473,676	4,692,285
Excess (Deficiency) of Revenues Over (Under) Expenditures	(42,270)	(395,172)	(3,576,255)
Other Financing Sources (Uses)			
Transfers In	80,000	-	-
Transfers Out	-	-	(23,503)
	80,000	-	(23,503)
Net Change in Fund Balance	37,730	(395,172)	(3,599,758)
Fund Balance - Beginning			5,379,123
Fund Balance - Ending			1,779,365

CITY OF CHAMPAIGN, ILLINOIS

Downtown TIF - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ -	5,272	10,933
Expenditures			
Public Health and Welfare			
Contractual Services	-	29,688	29,688
Capital Outlay	-	783,727	730,609
Total Expenditures	-	813,415	760,297
Net Change in Fund Balance	-	(808,143)	(749,364)
Fund Balance - Beginning			749,364
Fund Balance - Ending			-

CITY OF CHAMPAIGN, ILLINOIS**East University Avenue TIF - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 139,781	139,781	217,426
Interest	14,140	14,305	25,962
Total Revenues	153,921	154,086	243,388
Expenditures			
Public Health and Welfare			
Personnel Services	15,704	7,653	-
Contractual Services	674,750	674,200	24,200
Total Expenditures	690,454	681,853	24,200
Net Change in Fund Balance	(536,533)	(527,767)	219,188
Fund Balance - Beginning			764,013
Fund Balance - Ending			983,201

CITY OF CHAMPAIGN, ILLINOIS**Urban Development Action Grant - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Grants	\$ 165,233	889,680	75,139
Refunds and Reimbursements from Others			
Reimbursements from Outside Agencies	10,000	10,000	-
Interest	9,090	9,090	23,523
Miscellaneous	3,900	3,900	3,356
Total Revenues	188,223	912,670	102,018
Expenditures			
Public Health and Welfare			
Contractual Services	1,117,489	292,731	38,948
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(929,266)	619,939	63,070
Other Financing (Uses)			
Transfers Out	(22,952)	(12,048)	(19,649)
Net Change in Fund Balance	(952,218)	607,891	43,421
Fund Balance - Beginning			819,146
Fund Balance - Ending			862,567

CITY OF CHAMPAIGN, ILLINOIS

Foreign Fire Insurance Tax - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended June 30, 2019

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Foreign Fire Insurance Tax	\$ 124,838	124,838	135,785
Interest	3,030	4,186	8,593
Total Revenues	127,868	129,024	144,378
Expenditures			
Public Safety			
Personnel Services	22,780	26,780	19,588
Contractual Services	49,200	51,950	36,541
Commodities	146,434	96,434	70,407
Total Expenditures	218,414	175,164	126,536
Net Change in Fund Balance	(90,546)	(46,140)	17,842
Fund Balance - Beginning			258,105
Fund Balance - Ending			275,947

CITY OF CHAMPAIGN, ILLINOIS

Narcotics Forfeitures - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended June 30, 2019

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental	\$ -	500	8,421
Fines and Forfeitures			
Drug Forfeitures	75,000	75,000	55,332
Interest	8,585	9,972	17,885
Total Revenues	83,585	85,472	81,638
Expenditures			
Public Safety			
Personnel Services	-	-	35,133
Contractual Services	158,550	159,678	119,413
Commodities	47,794	47,294	44,306
Total Expenditures	206,344	206,972	198,852
Excess (Deficiency) of Revenues Over (Under) Expenditures	(122,759)	(121,500)	(117,214)
Other Financing (Uses)			
Transfers Out	(17,496)	(17,496)	(17,496)
Net Change in Fund Balance	(140,255)	(138,996)	(134,710)
Fund Balance - Beginning			704,036
Fund Balance - Ending			569,326

CITY OF CHAMPAIGN, ILLINOIS**Local Motor Fuel Tax - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Local Motor Fuel Tax	\$ 1,405,326	1,478,764	1,452,383
Refunds and Reimbursements from Others	15,605	327,960	-
Interest	34,340	51,115	148,121
Total Revenues	1,455,271	1,857,839	1,600,504
Expenditures			
Public Works			
Personnel Services	38,644	38,672	41,575
Contractual Services	285,000	163,998	158,262
Capital Outlay	3,746,726	3,157,831	256,083
Total Expenditures	4,070,370	3,360,501	455,920
Net Change in Fund Balance	(2,615,099)	(1,502,662)	1,144,584
Fund Balance - Beginning			4,538,056
Fund Balance - Ending			5,682,640

CITY OF CHAMPAIGN, ILLINOIS

N. Mattis TIF - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Tax	\$ 925,561	925,561	1,022,318
Interest	6,767	6,805	12,633
Total Revenues	932,328	932,366	1,034,951
Expenditures			
General Government			
Personnel Services	124,143	124,143	24,143
Public Health and Welfare			
Contractual Services	895,285	996,308	913,308
Total Expenditures	1,019,428	1,120,451	937,451
Excess (Deficiency) of Revenues Over (Under) Expenditures	(87,100)	(188,085)	97,500
Other Financing (Uses)			
Transfers Out	-	-	(100,000)
Net Change in Fund Balance	(87,100)	(188,085)	(2,500)
Fund Balance - Beginning			547,929
Fund Balance - Ending			545,429

CITY OF CHAMPAIGN, ILLINOIS

Vehicle Replacement - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended June 30, 2019

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ 52,520	63,220	118,280
Expenditures			
Public Works			
Contractual Services	259,590	119,590	63,198
Capital Outlay	2,330,307	2,152,982	3,355,545
Total Expenditures	2,589,897	2,272,572	3,418,743
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,537,377)	(2,209,352)	(3,300,463)
Other Financing Sources (Uses)			
Disposal of Capital Assets	300,369	181,925	64,063
Transfers In	1,891,552	1,917,060	1,914,868
Transfers Out	-	-	(194,586)
	2,191,921	2,098,985	1,784,345
Net Change in Fund Balance	(345,456)	(110,367)	(1,516,118)
Fund Balance - Beginning			5,364,111
Fund Balance - Ending			3,847,993

CITY OF CHAMPAIGN, ILLINOIS**Library Improvements - Capital Projects Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 508,883	502,873	499,701
Interest	1,100	2,130	4,710
Total Revenues	509,983	505,003	504,411
Expenditures			
Culture and Recreation			
Contractual Services	850	850	500
Excess (Deficiency) of Revenues Over (Under) Expenditures	509,133	504,153	503,911
Other Financing (Uses)			
Transfers Out	(445,508)	(445,508)	(445,508)
Net Change in Fund Balance	63,625	58,645	58,403
Fund Balance - Beginning			152,700
Fund Balance - Ending			211,103

CITY OF CHAMPAIGN, ILLINOIS

Equipment Replacement - Capital Projects Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budget		Actual
	Original	Final	
Revenues			
Refunds and Reimbursements from Others	\$ -	250,000	250,000
Interest	40,400	49,185	106,655
Total Revenues	40,400	299,185	356,655
Expenditures			
Capital Outlay	696,745	3,364,474	1,516,231
Excess (Deficiency) of Revenues Over (Under) Expenditures	(656,345)	(3,065,289)	(1,159,576)
Other Financing Sources			
Transfers In	823,557	829,510	829,510
Net Change in Fund Balance	167,212	(2,235,779)	(330,066)
Fund Balance - Beginning			3,720,185
Fund Balance - Ending			3,390,119

CITY OF CHAMPAIGN, ILLINOIS

Parking - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual For the Fiscal Year Ended June 30, 2019

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Parking Fees	\$ 3,013,092	3,068,000	3,413,052
Operating Expenses			
Personnel Services	1,666,335	1,753,769	1,736,575
Contractual Services	2,347,711	2,589,447	891,346
Commodities	205,490	137,478	44,646
Capital Outlay	26,286	12,952	-
Depreciation and Amortization	-	-	452,300
Total Operating Expenses	4,245,822	4,493,646	3,124,867
Operating Income (Loss)	(1,232,730)	(1,425,646)	288,185
Nonoperating Revenues (Expenses)			
Interest Income	70,700	90,000	262,836
Disposal of Capital Asset	111,410	385,372	19,766
Interest Expense	(265,800)	(265,800)	(266,275)
	(83,690)	209,572	16,327
Income (Loss) Before Transfers	(1,316,420)	(1,216,074)	304,512
Transfers In	8,838	8,838	108,838
Transfers Out	(76,050)	(76,050)	(226,050)
	(67,212)	(67,212)	(117,212)
Change in Net Position	(1,383,632)	(1,283,286)	187,300
Net Position - Beginning			16,246,267
Net Position - Ending			16,433,567

CITY OF CHAMPAIGN, ILLINOIS

Sewer - Enterprise Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Sewer Charges	\$ 2,330,001	2,263,671	2,234,184
Operating Expenses			
Personnel Services	1,188,986	904,127	942,111
Contractual Services	580,764	758,479	593,313
Commodities	114,452	52,548	37,464
Capital Outlay	448,860	1,167,300	131,571
Depreciation	-	-	670,455
Total Operating Expenses	2,333,062	2,882,454	2,374,914
Operating (Loss)	(3,061)	(618,783)	(140,730)
Nonoperating Revenues (Expenses)			
Interest Income	6,161	10,180	30,456
Refunds and Reimbursements from Others	6,250	59,690	86,364
Interest Expense	-	-	(9,081)
	12,411	69,870	107,739
Income (Loss) Before Transfers	9,350	(548,913)	(32,991)
Transfers In	-	-	6,187
Transfers Out	(123,338)	(155,338)	(155,338)
	(123,338)	(155,338)	(149,151)
Change in Net Position	(113,988)	(704,251)	(182,142)
Net Position - Beginning			35,932,737
Net Position - Ending			35,750,595

CITY OF CHAMPAIGN, ILLINOIS

Environmental Services - Nonmajor Enterprise Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Recycling Fee	\$ 594,050	623,943	603,829
Operating Expenses			
Personnel Services	175,271	159,097	170,753
Contractual Services	390,129	466,601	305,171
Commodities	15,800	18,300	18,556
Total Operating Expenses	581,200	643,998	494,480
Operating Income (Loss)	12,850	(20,055)	109,349
Nonoperating Revenues			
Interest Income	4,545	4,753	16,205
Income (Loss) Before Transfers	17,395	(15,302)	125,554
Transfers Out	(1,982)	(1,982)	(1,982)
Change in Net Position	15,413	(17,284)	123,572
Net Position - Beginning			477,735
Net Position - Ending			601,307

CITY OF CHAMPAIGN, ILLINOIS

Internal Service Funds

Combining Statement of Net Position June 30, 2019

	Fleet Services	Retained Risk	Workers Compensation	Totals
ASSETS				
Current Assets				
Cash and Investments	\$ 60,159	4,517,185	3,876,348	8,453,692
Receivables - Net of Allowances				
Accounts	1,191	-	-	1,191
Accrued Interest	147	7,472	6,371	13,990
Inventory	191,047	-	-	191,047
Prepays	-	298,727	96,431	395,158
Total Current Assets	252,544	4,823,384	3,979,150	9,055,078
Noncurrent Assets				
Capital Assets				
Depreciable	11,042,117	-	-	11,042,117
Accumulated Depreciation	(9,143,365)	-	-	(9,143,365)
Total Noncurrent Assets	1,898,752	-	-	1,898,752
Total Assets	2,151,296	4,823,384	3,979,150	10,953,830
LIABILITIES				
Current Liabilities				
Accounts Payable	66,245	74	-	66,319
Accrued Payroll	13,225	-	-	13,225
Claims Payable	-	1,084,477	2,764,774	3,849,251
Compensated Absences Payable	35,910	-	-	35,910
Total Current Liabilities	115,380	1,084,551	2,764,774	3,964,705
Noncurrent Liabilities				
Compensated Absences Payable	143,642	-	-	143,642
Total Liabilities	259,022	1,084,551	2,764,774	4,108,347
NET POSITION				
Investment in Capital Assets	1,898,752	-	-	1,898,752
Unrestricted (Deficit)	(6,478)	3,738,833	1,214,376	4,946,731
Total Net Position	1,892,274	3,738,833	1,214,376	6,845,483

CITY OF CHAMPAIGN, ILLINOIS

Internal Service Funds

Combining Statement of Revenues, Expenses and Changes in Net Position For the Fiscal Year Ended June 30, 2019

	Fleet Services	Retained Risk	Workers Compensation	Totals
Operating Revenues				
Charges for Services	\$ 2,131,280	1,125,815	2,684,895	5,941,990
Operating Expenses				
Personnel Services	1,017,768	51,824	462,156	1,531,748
Contractual Services	452,283	1,618,940	1,862,471	3,933,694
Commodities	696,897	-	-	696,897
Depreciation	461,497	-	-	461,497
Total Operating Expenses	2,628,445	1,670,764	2,324,627	6,623,836
Operating Income (Loss)	(497,165)	(544,949)	360,268	(681,846)
Nonoperating Revenues				
Interest Income	1,663	128,797	99,123	229,583
Refunds and Reimbursements from Others	13,784	229,387	277,906	521,077
Miscellaneous	4,860	-	-	4,860
	20,307	358,184	377,029	755,520
Income (Loss) Before Transfers	(476,858)	(186,765)	737,297	73,674
Transfers In	199,006	-	-	199,006
Transfers Out	(11,234)	(10,914)	(19,445)	(41,593)
	187,772	(10,914)	(19,445)	157,413
Changes in Net Position	(289,086)	(197,679)	717,852	231,087
Net Position - Beginning	2,181,360	3,936,512	496,524	6,614,396
Net Position - Ending	1,892,274	3,738,833	1,214,376	6,845,483

CITY OF CHAMPAIGN, ILLINOIS

Combining Statement of Cash Flows - Internal Service Funds For the Fiscal Year Ended June 30, 2019

	Fleet Services	Retained Risk	Workers Compensation	Totals
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 2,145,183	1,447,332	2,984,557	6,577,072
Payments to Employees	(538,887)	(51,824)	(462,156)	(1,052,867)
Payments to Suppliers	(1,581,908)	(1,326,146)	(1,668,900)	(4,576,954)
	24,388	69,362	853,501	947,251
Cash Flows from Noncapital Financing Activities				
Transfers In	199,006	-	-	199,006
Transfers Out	(11,234)	(10,914)	(19,445)	(41,593)
	187,772	(10,914)	(19,445)	157,413
Cash Flows from Capital and Related Financing Activities				
Purchase of Capital Assets	(194,586)	-	-	(194,586)
Cash Flows from Investing Activities				
Interest Received	1,663	128,797	99,123	229,583
Net Change in Cash and Cash Equivalents	19,237	187,245	933,179	1,139,661
Cash and Cash Equivalents - Beginning	40,922	4,329,940	2,943,169	7,314,031
Cash and Cash Equivalents - Ending	60,159	4,517,185	3,876,348	8,453,692
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	(497,165)	(544,949)	360,268	(681,846)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation Expense	461,497	-	-	461,497
Other Income	18,644	229,387	277,906	525,937
(Increase) Decrease in Current Assets	(4,741)	92,130	21,756	109,145
Increase (Decrease) in Current Liabilities	46,153	292,794	193,571	532,518
Net Cash Provided by Operating Activities	24,388	69,362	853,501	947,251

CITY OF CHAMPAIGN, ILLINOIS

Fleet Services - Internal Service Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 2,128,642	2,034,756	2,131,280
Operating Expenses			
Personnel Services	1,048,178	960,982	1,017,768
Contractual Services	265,132	353,932	452,283
Commodities	901,288	790,754	696,897
Capital Outlay	6,939	117,688	-
Depreciation	-	-	461,497
Total Operating Expenses	2,221,537	2,223,356	2,628,445
Operating (Loss)	(92,895)	(188,600)	(497,165)
Nonoperating Revenues			
Interest Income	-	600	1,663
Refunds and Reimbursements from Others	5,000	10,000	13,784
Miscellaneous	-	4,650	4,860
	5,000	15,250	20,307
(Loss) Before Transfers	(87,895)	(173,350)	(476,858)
Transfers In	-	-	199,006
Transfers Out	(5,281)	(11,234)	(11,234)
	(5,281)	(11,234)	187,772
Change in Net Position	(93,176)	(184,584)	(289,086)
Net Position - Beginning			2,181,360
Net Position - Ending			1,892,274

CITY OF CHAMPAIGN, ILLINOIS

Retained Risk - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual For the Fiscal Year Ended June 30, 2019

	Budget		
	Original	Final	Actual
Operating Revenues			
Charges for Services	\$ 1,283,467	1,187,046	1,125,815
Operating Expenses			
Personnel Services	51,824	51,824	51,824
Contractual Services	1,373,013	1,373,013	1,618,940
Total Operating Expenses	1,424,837	1,424,837	1,670,764
Operating (Loss)	(141,370)	(237,791)	(544,949)
Nonoperating Revenues			
Interest Income	24,510	55,600	128,797
Refunds and Reimbursements from Others	124,276	124,276	229,387
	148,786	179,876	358,184
Income (Loss) Before Transfers	7,416	(57,915)	(186,765)
Transfers Out	(12,000)	(12,000)	(10,914)
Change in Net Position	(4,584)	(69,915)	(197,679)
Net Position - Beginning			3,936,512
Net Position - Ending			3,738,833

CITY OF CHAMPAIGN, ILLINOIS

Workers Compensation - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual For the Fiscal Year Ended June 30, 2019

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 2,724,399	2,691,706	2,684,895
Operating Expenses			
Personnel Services	555,449	555,449	462,156
Contractual Services	2,140,396	2,140,396	1,862,471
Total Operating Expenses	2,695,845	2,695,845	2,324,627
Operating Income (Loss)	28,554	(4,139)	360,268
Nonoperating Revenues			
Interest Income	31,136	39,800	99,123
Refunds and Reimbursements from Others	444,709	444,709	277,906
	475,845	484,509	377,029
Income Before Transfers	504,399	480,370	737,297
Transfers Out	(45,077)	(45,077)	(19,445)
Change in Net Position	459,322	435,293	717,852
Net Position - Beginning			496,524
Net Position - Ending			1,214,376

CITY OF CHAMPAIGN, ILLINOIS**Pension Trust Funds****Combining Statement of Fiduciary Net Position
June 30, 2019**

	Police Pension	Firefighters' Pension	Totals
ASSETS			
Cash and Cash Equivalents	\$ 100,936	1,770,039	1,870,975
Investments			
U.S. Treasury Securities	16,691,274	6,891,816	23,583,090
U.S. Agency Securities	12,902,448	498,346	13,400,794
State and Local Securities	599,163	1,363,518	1,962,681
Corporate Bonds	4,063,241	10,533,852	14,597,093
Equities	65,418,665	8,114,156	73,532,821
Mutual Funds	6,386,002	37,286,833	43,672,835
Annuities	-	21,984,773	21,984,773
Real Estate Investment Portfolio	10,656,231	-	10,656,231
Mortgages	-	61,893	61,893
Receivables			
Accrued Interest	213,002	143,973	356,975
Other	19,824	-	19,824
Due From Other Funds	1,933,523	705,806	2,639,329
Prepays	529	-	529
Total Assets	118,984,838	89,355,005	208,339,843
LIABILITIES			
Accounts Payable	60,361	23,093	83,454
NET POSITION			
Net Position Restricted for Pensions	118,924,477	89,331,912	208,256,389

CITY OF CHAMPAIGN, ILLINOIS

Pension Trust Funds

Combining Statement of Changes in Fiduciary Net Position For the Fiscal Year Ended June 30, 2019

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - Employer	\$ 6,335,317	4,102,471	10,437,788
Contributions - Plan Members	1,039,267	879,557	1,918,824
Other Income	202,060	1,485	203,545
Total Contributions	7,576,644	4,983,513	12,560,157
Investment Income			
Interest Earned	1,788,892	1,722,911	3,511,803
Net Change in Fair Value	6,685,163	2,772,207	9,457,370
	8,474,055	4,495,118	12,969,173
Less Investment Expenses	(372,398)	(184,881)	(557,279)
Net Investment Income	8,101,657	4,310,237	12,411,894
Total Additions	15,678,301	9,293,750	24,972,051
Deductions			
Administration	119,740	51,732	171,472
Benefits and Refunds	6,838,214	6,065,880	12,904,094
Total Deductions	6,957,954	6,117,612	13,075,566
Change in Fiduciary Net Position	8,720,347	3,176,138	11,896,485
Net Position Restricted for Pensions			
Beginning	110,204,130	86,155,774	196,359,904
Ending	118,924,477	89,331,912	208,256,389

CITY OF CHAMPAIGN, ILLINOIS

Police Pension - Pension Trust Fund

Schedule of Changes in Fiduciary Net Position - Budget and Actual For the Fiscal Year Ended June 30, 2019

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 6,092,354	6,236,964	6,335,317
Contributions - Plan Members	-	-	1,039,267
Other Income	-	-	202,060
Total Contributions	6,092,354	6,236,964	7,576,644
Investment income			
Interest Earned	-	-	1,788,892
Net Change in Fair Value	-	-	6,685,163
	-	-	8,474,055
Less Investment Expenses	-	-	(372,398)
Net Investment Income	-	-	8,101,657
Total Additions	6,092,354	6,236,964	15,678,301
Deductions			
Administration	-	-	119,740
Benefits and Refunds	6,092,354	6,236,964	6,838,214
Total Deductions	6,092,354	6,236,964	6,957,954
Change in Fiduciary Net Position	-	-	8,720,347
Net Position Restricted for Pensions			
Beginning			110,204,130
Ending			118,924,477

CITY OF CHAMPAIGN, ILLINOIS

Firefighters' Pension - Pension Trust Fund

Schedule of Changes in Fiduciary Net Position - Budget and Actual For the Fiscal Year Ended June 30, 2019

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 3,893,248	4,045,964	4,102,471
Contributions - Plan Members	840,000	838,560	879,557
Other Income	1,000	1,000	1,485
Total Contributions	4,734,248	4,885,524	4,983,513
Investment income			
Interest Earned	1,300,000	1,122,000	1,722,911
Net Change in Fair Value	4,500,000	2,000,000	2,772,207
	5,800,000	3,122,000	4,495,118
Less Investment Expenses	(175,000)	(215,000)	(184,881)
Net Investment Income	5,625,000	2,907,000	4,310,237
Total Additions	10,359,248	7,792,524	9,293,750
Deductions			
Administration	99,745	68,145	51,732
Benefits and Refunds	5,630,000	6,013,396	6,065,880
Total Deductions	5,729,745	6,081,541	6,117,612
Change in Fiduciary Net Position	4,629,503	1,710,983	3,176,138
Net Position Restricted for Pensions			
Beginning			86,155,774
Ending			89,331,912

CITY OF CHAMPAIGN, ILLINOIS

**Consolidated Year-End Financial Report
June 30, 2019**

CSFA #	Program Name	State	Federal	Other	Totals
494-00-1000	Illinois Transportation Enhancement Program	\$ 70,716	-	-	70,716
494-00-1488	Motor Fuel Tax Program	2,056,297	-	-	2,056,297
494-10-0343	State & Community Highway Safety National Priority Safety Program	-	14,918	-	14,918
532-00-1406	USEPA Capitalization Grants for Drinking Water State Revolving Funds	4,317,865	1,316,914	670,979	6,305,758
546-00-1406	Edward Byrne (JAG) FFY 13	-	208,113	-	208,113
546-00-1469	Edward Byrne (JAG) FFY 16	-	13,788	-	13,788
546-00-2094	Edward Byrne (JAG) FFY 17	-	18,187	-	18,187
	Other Grant Programs and Activities	-	1,277,009	360,332	1,637,341
	All Other Costs Not Allocated	-	-	108,421,245	108,421,245
	Totals	6,444,878	2,848,929	109,452,556	118,746,363

SUPPLEMENTAL SCHEDULES

CITY OF CHAMPAIGN, ILLINOIS

Long-Term Debt Requirements

IEPA Loan #L17-3962 of 2011

June 30, 2019

Date of Issue	September 2, 2011
Date of Maturity	June 23, 2031
Authorized Issue	\$514,456
Interest Rate	1.25%
Interest Dates	December 23 and June 23
Principal Maturity Dates	December 23 and June 23
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2020	\$ 25,750	4,060	29,810
2021	26,073	3,737	29,810
2022	26,400	3,410	29,810
2023	26,731	3,079	29,810
2024	27,066	2,744	29,810
2025	27,405	2,405	29,810
2026	27,749	2,061	29,810
2027	28,097	1,713	29,810
2028	28,449	1,361	29,810
2029	28,806	1,004	29,810
2030	29,168	642	29,810
2031	29,533	277	29,810
	331,227	26,493	357,720

CITY OF CHAMPAIGN, ILLINOIS

Long-Term Debt Requirements

IEPA Loan #L17-3871 of 2011

June 30, 2019

Date of Issue	November 15, 2011
Date of Maturity	August 28, 2031
Authorized Issue	\$533,169
Interest Rate	1.25%
Interest Dates	August 28 and February 28
Principal Maturity Dates	August 28 and February 28
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2020	\$ 26,521	4,373	30,894
2021	26,854	4,040	30,894
2022	27,190	3,704	30,894
2023	27,531	3,363	30,894
2024	27,877	3,017	30,894
2025	28,226	2,668	30,894
2026	28,579	2,315	30,894
2027	28,938	1,956	30,894
2028	29,301	1,593	30,894
2029	29,669	1,225	30,894
2030	30,041	853	30,894
2031	30,417	477	30,894
2032	15,351	96	15,447
	356,495	29,680	386,175

CITY OF CHAMPAIGN, ILLINOIS

Long-Term Debt Requirements

IEPA Loan #L17-4108 of 2013

June 30, 2019

Date of Issue	April 15, 2013
Date of Maturity	October 15, 2032
Authorized Issue	\$433,375
Interest Rate	1.25%
Interest Dates	October 15 and April 15
Principal Maturity Dates	October 15 and April 15
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2020	\$ 21,290	3,822	25,112
2021	21,557	3,555	25,112
2022	21,828	3,284	25,112
2023	22,101	3,011	25,112
2024	22,378	2,734	25,112
2025	22,659	2,453	25,112
2026	22,943	2,169	25,112
2027	23,230	1,882	25,112
2028	23,522	1,590	25,112
2029	23,816	1,296	25,112
2030	24,115	997	25,112
2031	24,418	694	25,112
2032	24,725	387	25,112
2033	12,477	79	12,556
	311,059	27,953	339,012

CITY OF CHAMPAIGN, ILLINOIS

Long-Term Debt Requirements

IEPA Loan #L17-5333 of 2017

June 30, 2019

Date of Issue	April 3, 2017
Date of Maturity	December 11, 2038
Authorized Issue	\$12,178,471
Interest Rate	1.75%
Interest Dates	June 11 and December 11
Principal Maturity Dates	June 11 and December 11
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2020	\$ 518,883	206,775	725,658
2021	528,003	197,655	725,658
2022	537,283	188,374	725,657
2023	546,727	178,931	725,658
2024	556,337	169,321	725,658
2025	566,115	159,542	725,657
2026	576,065	149,592	725,657
2027	586,191	139,467	725,658
2028	596,494	129,163	725,657
2029	606,978	118,679	725,657
2030	617,647	108,011	725,658
2031	628,503	97,155	725,658
2032	639,550	86,108	725,658
2033	650,791	74,867	725,658
2034	662,230	63,428	725,658
2035	673,869	51,788	725,657
2036	685,713	39,944	725,657
2037	697,766	27,891	725,657
2038	710,031	15,627	725,658
2039	359,681	3,147	362,828
	11,944,857	2,205,465	14,150,322

CITY OF CHAMPAIGN, ILLINOIS

Long-Term Debt Requirements

Section 108 Loan of 2017

June 30, 2019

Date of Issue	December 28, 2017
Date of Maturity	August 1, 2037
Authorized Issue	\$3,524,000
Interest Rates	2.54% - 3.635%
Interest Dates	August 1 and February 1
Principal Maturity Date	August 1
Payable at	Busey Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2020	\$ -	93,027	93,027
2021	-	110,527	110,527
2022	155,000	108,535	263,535
2023	161,000	104,493	265,493
2024	166,000	100,269	266,269
2025	172,000	95,802	267,802
2026	178,000	91,071	269,071
2027	184,000	86,003	270,003
2028	191,000	80,631	271,631
2029	197,000	74,950	271,950
2030	204,000	68,761	272,761
2031	211,000	62,099	273,099
2032	219,000	55,089	274,089
2033	227,000	47,707	274,707
2034	234,000	39,961	273,961
2035	243,000	31,827	274,827
2036	251,000	23,280	274,280
2037	260,000	14,311	274,311
2038	271,000	4,858	275,858
	3,524,000	1,293,201	4,817,201

CITY OF CHAMPAIGN, ILLINOIS

Long-Term Debt Requirements

General Obligation (Build America) Bonds of 2010 June 30, 2019

Date of Issue	March 16, 2010
Date of Maturity	December 15, 2029
Authorized Issue	\$25,620,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% - 5.60%
Interest Dates	December 15 and June 15
Principal Maturity Date	December 15
Payable at	Amalgamated Bank of Chicago, IL

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2020	\$ 1,430,000	1,016,710	2,446,710
2021	1,285,000	957,446	2,242,446
2022	1,600,000	891,812	2,491,812
2023	1,790,000	814,690	2,604,690
2024	1,790,000	733,245	2,523,245
2025	1,995,000	647,136	2,642,136
2026	2,060,000	549,735	2,609,735
2027	2,080,000	444,160	2,524,160
2028	2,020,000	336,060	2,356,060
2029	2,400,000	215,520	2,615,520
2030	2,670,000	74,760	2,744,760
	21,120,000	6,681,274	27,801,274

CITY OF CHAMPAIGN, ILLINOIS

Long-Term Debt Requirements

General Obligation Refunding Bonds of 2012

June 30, 2019

Date of Issue	December 15, 2012
Date of Maturity	December 15, 2025
Authorized Issue	\$9,900,000
Denomination of Bonds	\$5,000
Interest Rates	1.00% - 2.125%
Interest Dates	December 15 and June 15
Principal Maturity Date	December 15
Payable at	Deutsche Bank National Trust Company, Chicago, IL

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2020	\$ 390,000	164,382	554,382
2021	410,000	156,382	566,382
2022	440,000	147,882	587,882
2023	1,505,000	128,432	1,633,432
2024	2,100,000	92,382	2,192,382
2025	1,715,000	54,232	1,769,232
2026	1,745,000	18,541	1,763,541
	8,305,000	762,233	9,067,233

CITY OF CHAMPAIGN, ILLINOIS

Long-Term Debt Requirements

General Obligation Refunding Bonds of 2013

June 30, 2019

Date of Issue	December 15, 2013
Date of Maturity	December 15, 2022
Authorized Issue	\$8,835,000
Denomination of Bonds	\$5,000
Interest Rates	1.50% - 4.00%
Interest Dates	December 15 and June 15
Principal Maturity Date	December 15
Payable at	Amalgamated Bank of Chicago, IL

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2020	\$ 1,380,000	165,200	1,545,200
2021	1,435,000	108,900	1,543,900
2022	1,490,000	50,400	1,540,400
2023	515,000	10,300	525,300
	<u>4,820,000</u>	<u>334,800</u>	<u>5,154,800</u>

CITY OF CHAMPAIGN, ILLINOIS

Long-Term Debt Requirements

General Obligation Refunding Bonds of 2015

June 30, 2019

Date of Issue	April 9, 2015
Date of Maturity	December 15, 2027
Authorized Issue	\$8,735,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% - 4.00%
Interest Dates	December 15 and June 15
Principal Maturity Date	December 15
Payable at	Amalgamated Bank of Chicago, IL

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2020	\$ 1,385,000	212,100	1,597,100
2021	1,190,000	160,600	1,350,600
2022	410,000	128,600	538,600
2023	435,000	111,700	546,700
2024	455,000	93,900	548,900
2025	485,000	75,100	560,100
2026	510,000	55,200	565,200
2027	545,000	34,100	579,100
2028	580,000	11,600	591,600
	<hr/>	<hr/>	<hr/>
	5,995,000	882,900	6,877,900

CITY OF CHAMPAIGN, ILLINOIS

Long-Term Debt Requirements

General Obligation Refunding Bonds of 2016

June 30, 2019

Date of Issue	October 13, 2016
Date of Maturity	December 15, 2023
Authorized Issue	\$4,815,000
Denomination of Bonds	\$5,000
Interest Rates	2.50% - 3.00%
Interest Dates	December 15 and June 15
Principal Maturity Date	December 15
Payable at	Amalgamated Bank of Chicago, IL

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2020	\$ 1,100,000	72,000	1,172,000
2021	415,000	49,275	464,275
2022	440,000	36,450	476,450
2023	475,000	22,725	497,725
2024	520,000	7,800	527,800
	<hr/>		
	2,950,000	188,250	3,138,250

CITY OF CHAMPAIGN, ILLINOIS

Long-Term Debt Requirements

General Obligation Bonds of 2018 June 30, 2019

Date of Issue	April 12, 2018
Date of Maturity	June 30, 2043
Authorized Issue	\$12,670,000
Denomination of Bonds	\$5,000
Interest Rates	3.375% - 3.625%
Interest Dates	December 15 and June 15
Principal Maturity Date	December 15
Payable at	Amalgamated Bank of Chicago, IL

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2020	\$ 285,000	409,406	694,406
2021	290,000	400,781	690,781
2022	300,000	391,931	691,931
2023	310,000	382,781	692,781
2024	320,000	373,331	693,331
2025	330,000	363,581	693,581
2026	340,000	353,531	693,531
2027	350,000	343,181	693,181
2028	360,000	332,531	692,531
2029	500,000	319,632	819,632
2030	515,000	304,407	819,407
2031	535,000	288,657	823,657
2032	550,000	272,038	822,038
2033	570,000	253,825	823,825
2034	590,000	234,250	824,250
2035	610,000	213,619	823,619
2036	630,000	191,919	821,919
2037	650,000	169,519	819,519
2038	675,000	146,331	821,331
2039	700,000	122,268	822,268
2040	725,000	97,331	822,331
2041	750,000	71,050	821,050
2042	780,000	43,319	823,319
2043	805,000	14,591	819,591
	12,470,000	6,093,810	18,563,810

STATISTICAL SECTION

(Unaudited)

This part of the comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue sources.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

CITY OF CHAMPAIGN, ILLINOIS

Net Position by Component - Last Ten Fiscal Years June 30, 2019 (Unaudited)

	2010	2011	2012
Governmental Activities			
Net Investment in Capital Assets	\$ 316,864,651	312,109,692	306,167,963
Restricted	37,896,845	29,228,834	31,795,116
Unrestricted	18,697,531	35,555,990	38,770,974
Total Governmental Activities Net Position	373,459,027	376,894,516	376,734,053
Business-Type Activities			
Net Investment in Capital Assets	42,201,436	43,150,685	42,383,871
Unrestricted	5,144,409	4,905,953	5,880,892
Total Business-Type Activities Net Position	47,345,845	48,056,638	48,264,763
Primary Government			
Net Investment in Capital Assets	359,066,087	355,260,377	348,551,834
Restricted	37,896,845	29,228,834	31,795,116
Unrestricted	23,841,940	40,461,943	44,651,866
Total Primary Government Net Position	420,804,872	424,951,154	424,998,816

Data Source: City of Champaign Records

(1) Fiscal year 2010 through fiscal year 2012 present debt issuance costs under pre GASB 65 format and include the Town of the City of Champaign as a blended component unit.

2013 (1)	2014	2015	2016	2017	2018	2019
299,054,577	293,270,586	288,386,303	284,910,342	279,719,372	279,222,849	277,189,221
25,269,121	23,975,609	19,166,539	21,265,067	22,595,176	28,237,786	26,209,907
46,922,526	50,771,795	1,999,960	(2,598,033)	(6,144,936)	(23,169,456)	(26,276,498)
371,246,224	368,017,990	309,552,802	303,577,376	296,169,612	284,291,179	277,122,630
42,389,079	42,872,605	43,055,588	43,377,852	43,675,607	44,684,258	44,657,892
5,001,037	8,271,682	8,389,441	8,566,980	9,250,753	7,972,481	8,127,577
47,390,116	51,144,287	51,445,029	51,944,832	52,926,360	52,656,739	52,785,469
341,443,656	336,143,191	331,441,891	328,288,194	323,394,979	323,907,107	321,847,113
25,269,121	23,975,609	19,166,539	21,265,067	22,595,176	28,237,786	26,209,907
51,923,563	59,043,477	10,389,401	5,968,947	3,105,817	(15,196,975)	(18,148,921)
418,636,340	419,162,277	360,997,831	355,522,208	349,095,972	336,947,918	329,908,099

CITY OF CHAMPAIGN, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years
June 30, 2019 (Unaudited)

	2010	2011	2012 (1)	2013 (2)	2014	2015	2016	2017	2018	2019
Expenses										
Governmental Activities										
General Government	\$ 25,053,945	11,908,847	12,005,620	10,966,280	12,378,559	14,436,613	19,407,055	19,833,483	19,427,083	17,764,170
Public Safety	33,518,572	34,675,122	34,868,337	34,047,633	36,070,103	38,230,052	41,786,659	43,698,512	46,258,749	50,120,353
Public Works	10,361,197	28,106,711	36,180,015	36,883,136	33,604,217	34,121,391	27,381,028	31,913,866	27,174,223	25,516,345
Public Health and Welfare	3,116,510	5,652,333	4,256,322	3,632,531	3,632,085	3,726,961	3,370,511	4,817,597	4,514,184	7,455,660
Culture and Recreation	8,100,600	8,211,390	8,099,384	8,307,345	8,137,450	7,622,802	8,422,823	8,470,298	9,404,507	9,352,090
Interest on Long-Term Debt	1,937,398	2,547,854	2,580,612	2,333,208	2,558,973	2,963,178	2,026,707	1,610,392	1,778,874	2,287,894
Total Governmental Activities Expenses	82,088,222	91,102,257	97,990,290	96,170,133	98,381,387	101,100,997	102,394,783	110,362,148	108,557,620	112,496,512
Business-Type Activities										
Parking	2,482,144	3,305,432	3,176,006	3,285,006	3,144,952	3,336,986	3,437,858	3,422,189	3,445,750	3,371,376
Sewer	2,007,743	1,712,616	1,947,803	2,207,155	1,945,858	2,277,476	2,266,374	2,401,384	2,345,300	2,383,995
Environmental Services	21,305	429,440	381,176	399,330	376,721	419,703	520,511	603,490	485,957	494,480
Total Business-Type Activities Expenses	4,511,192	5,447,488	5,504,985	5,891,491	5,467,531	6,034,165	6,224,743	6,427,063	6,277,007	6,249,851
Total Primary Government Expenses	86,599,414	96,549,745	103,495,275	102,061,624	103,848,918	107,135,162	108,619,526	116,789,211	114,834,627	118,746,363
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	2,989,633	3,533,997	3,703,660	4,502,141	4,436,347	4,489,627	5,296,196	5,533,315	5,675,619	5,543,295
Public Safety	2,010,723	2,290,542	2,296,558	2,143,246	2,164,285	2,088,106	1,986,940	2,291,946	2,039,173	1,616,701
Public Works	2,615,881	2,703,356	1,159,277	673,770	2,869,200	3,221,030	3,216,588	3,305,008	3,177,933	3,659,285
Public Health and Welfare	147,126	62,943	161,708	418,818	241,780	10,868	17,323	33,894	512,617	11,259
Culture and Recreation	307,097	394,785	375,358	362,977	391,688	557,260	590,959	578,963	899,401	631,588
Operating Grants/Contributions	4,319,548	4,364,750	3,068,753	3,333,250	4,306,317	4,705,253	4,377,136	6,894,941	4,580,244	4,052,923
Capital Grants/Contributions	6,521,242	10,308,912	13,990,073	5,564,307	3,681,256	123,807	-	1,719,045	2,401,575	265,419
Total Governmental Activities Program Revenues	18,911,250	23,659,285	24,755,387	16,998,509	18,090,873	15,195,951	15,485,142	20,357,112	19,286,562	15,780,470
Business-Type Activities										
Charges for Services										
Parking	2,879,411	2,803,093	2,837,241	2,867,094	3,001,898	2,856,875	2,892,747	3,179,767	3,165,782	3,413,052
Sewer	2,043,484	2,042,869	2,133,379	1,959,663	2,080,612	2,067,234	2,135,865	2,203,102	2,235,792	2,234,184
Environmental Services	-	286,388	521,234	533,866	551,567	545,468	562,364	584,610	609,313	603,829
Operating Grants/Contributions	-	434,802	6,000	-	-	-	-	-	-	-
Capital Grants/Contributions	-	506,751	408,839	99,060	-	-	298,415	63,933	103,240	-
Total Business-Type Activities Program Revenues	4,922,895	6,073,903	5,906,693	5,459,683	5,634,077	5,469,577	5,889,391	6,031,412	6,114,127	6,251,065
Total Primary Government Program Revenues	23,834,145	29,733,188	30,662,080	22,458,192	23,724,950	20,665,528	21,374,533	26,388,524	25,400,689	22,031,535

	2010	2011	2012 (1)	2013 (2)	2014	2015	2016	2017	2018	2019
Net (Expenses) Revenues										
Governmental Activities	\$ (63,176,972)	(67,442,972)	(73,234,903)	(79,171,624)	(80,290,514)	(85,905,046)	(86,909,641)	(90,005,036)	(89,271,058)	(96,716,042)
Business-Type Activities	411,703	626,415	401,708	(431,808)	166,546	(564,588)	(333,352)	(395,651)	(162,880)	1,214
Total Primary Government Net (Expenses) Revenues	(62,765,269)	(66,816,557)	(72,833,195)	(79,603,432)	(80,123,968)	(86,469,634)	(87,244,993)	(90,400,687)	(89,433,938)	(96,714,828)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property Taxes	22,897,278	23,710,716	23,596,172	23,013,015	22,734,630	22,890,767	23,786,101	25,754,708	26,168,034	26,499,565
Home Rule Sales Taxes	-	-	14,589,041	14,755,821	15,911,703	17,978,195	18,273,051	18,398,426	18,228,771	18,436,940
Utility Taxes	3,100,689	3,256,595	3,141,430	3,447,290	3,571,097	3,464,485	3,277,166	3,472,324	3,652,655	3,698,842
Telecommunications Taxes	2,716,397	2,532,760	2,595,279	2,404,207	2,410,268	2,403,152	2,183,756	1,992,281	1,866,240	1,830,818
Hotel/Motel Taxes	1,425,198	1,491,306	1,621,938	1,677,045	1,819,069	2,038,467	2,141,217	3,062,244	3,156,316	3,224,933
Food and Beverage Taxes	606,686	620,163	1,212,132	1,229,223	1,413,873	743,750	828,261	802,294	833,628	863,455
Foreign Fire Insurance Taxes	-	-	106,073	102,057	112,647	118,221	122,291	119,917	124,838	135,785
Local Motor Fuel Taxes	-	-	219,569	1,223,010	1,190,528	1,333,063	1,371,967	1,378,590	1,384,907	1,452,383
Other Taxes	848,583	888,324	247,679	221,186	401,435	1,177,163	1,524,108	1,513,082	1,482,488	1,606,586
Intergovernmental										
Income Taxes	6,593,639	6,905,954	7,844,998	8,512,203	8,649,490	8,409,157	8,118,812	7,664,889	7,278,364	8,446,150
Sales Taxes	29,154,241	30,218,339	16,570,642	16,933,670	17,285,575	17,726,613	18,498,669	18,169,594	18,945,221	19,748,679
Replacement Taxes	-	-	-	-	-	953,718	751,050	1,086,411	874,236	970,358
Interest Income	960,673	624,958	794,728	(173,585)	787,049	465,229	710,878	211,155	537,696	2,261,876
Miscellaneous	640,612	650,294	436,029	945,528	527,604	58,224	72,028	131,627	32,466	102,778
Internal Activity - Transfers	332,782	(20,948)	98,730	421,366	247,312	(750,885)	(725,140)	(1,160,269)	(269,158)	268,345
Total Governmental Activities	69,276,778	70,878,461	73,074,440	74,712,036	77,062,280	79,009,319	80,934,215	82,597,273	84,296,702	89,547,493
Business-Type Activities										
Interest Income	106,615	63,430	78,935	(21,523)	72,789	52,889	78,893	89,027	178,922	309,497
Miscellaneous	-	-	(173,788)	50	3,762,148	61,556	31,122	127,883	132,029	86,364
Internal Activity - Transfers	(332,782)	20,948	(98,730)	(421,366)	(247,312)	750,885	725,140	1,160,269	269,158	(268,345)
Total Business-Type Activities	(226,167)	84,378	(193,583)	(442,839)	3,587,625	865,330	835,155	1,377,179	580,109	127,516
Total Primary Government	69,050,611	70,962,839	72,880,857	74,269,197	80,649,905	79,874,649	81,769,370	83,974,452	84,876,811	89,675,009
Changes in Net Position										
Governmental Activities	6,099,806	3,435,489	(160,463)	(4,459,588)	(3,228,234)	(6,895,727)	(5,975,426)	(7,407,763)	(4,974,356)	(7,168,549)
Business-Type Activities	185,536	710,793	208,125	(874,647)	3,754,171	300,742	499,803	981,528	417,229	128,730
Total Primary Government	6,285,342	4,146,282	47,662	(5,334,235)	525,937	(6,594,985)	(5,475,623)	(6,426,235)	(4,557,127)	(7,039,819)

Data Source: City of Champaign Records

(1) Sales Taxes for 2010-2011 includes Home Rule Sales Taxes, Other Taxes for 2010-2011 includes Foreign Fire Insurance Taxes, Local Motor Fuel Taxes began in 2012.

(2) Fiscal year 2010-2012 present debt issuance costs under pre GASB 65 format and present the Town of the City of Champaign as a blended component unit. In fiscal year 2013 debt issuance costs are expensed and the Town of the City of Champaign is a discretely presented component unit.

CITY OF CHAMPAIGN, ILLINOIS

Fund Balances of Governmental Funds - Last Ten Fiscal Years June 30, 2019 (Unaudited)

	2010	2011	2012
General Fund			
Reserved	\$ 18,134	-	-
Unreserved	15,139,248	-	-
Nonspendable	-	11,966	84,928
Committed	-	-	5,929,744
Unassigned	-	18,892,865	15,752,744
Total General Fund	15,157,382	18,904,831	21,767,416
All Other Governmental Funds			
Reserved	21,472,480	-	-
Unreserved, Reported in:			
Special Revenues Funds	15,102,368	-	-
Capital Projects Funds	17,433,134	-	-
Nonspendable	-	940	-
Restricted	-	28,100,740	27,782,905
Committed	-	18,249,898	13,542,973
Unassigned	-	(1,004,699)	(1,335,033)
Total All Other Governmental Funds	54,007,982	45,346,879	39,990,845
Total Governmental Funds	69,165,364	64,251,710	61,758,261

Data Source: City of Champaign Records

Note: GASB 54 was implemented in fiscal year 2011.

(1) Fiscal year 2010 through fiscal year 2012 present the Town of the City of Champaign as a blended component unit. In fiscal year 2013, the Town of the City of Champaign is a discretely presented component unit.

2013 (1)	2014	2015	2016	2017	2018	2019
-	-	-	-	-	-	-
-	-	-	-	-	-	-
6,936	7,840	5,000	5,000	5,000	102,360	31,932
5,948,495	4,782,422	4,782,422	2,184,153	3,140,816	2,586,223	2,288,266
16,959,305	18,825,634	21,931,926	27,636,246	26,324,950	25,840,851	26,687,880
22,914,736	23,615,896	26,719,348	29,825,399	29,470,766	28,529,434	29,008,078
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	904	922,828	24,090	31,857	7,600	-
22,525,215	23,651,274	19,166,539	20,243,612	22,595,176	28,237,786	26,209,907
16,484,170	17,983,469	17,467,572	17,703,866	18,980,326	28,606,493	26,863,673
(8,933)	(1,264)	-	(42,946)	(1,787,570)	-	-
39,000,452	41,634,383	37,556,939	37,928,622	39,819,789	56,851,879	53,073,580
61,915,188	65,250,279	64,276,287	67,754,021	69,290,555	85,381,313	82,081,658

CITY OF CHAMPAIGN, ILLINOIS

General Governmental Revenues by Source - Last Ten Fiscal Years June 30, 2019 (Unaudited)

Source	2010	2011	2012 (1)
Taxes	\$ 69,279,954	71,560,163	47,081,634
Intergovernmental	5,260,527	7,870,080	38,945,527
Licenses, Permits and Fees	1,744,435	1,977,598	2,246,450
Charges for Services	1,159,820	1,290,356	1,371,033
Fines and Forfeitures	1,590,640	1,900,865	1,870,090
Interest	890,755	592,275	731,249
Miscellaneous	3,850,283	3,999,546	2,219,038
Totals	83,776,414	89,190,883	94,465,021

Data Source: City of Champaign Records

(1) Prior to fiscal year 2012, the Taxes source line included the City's share of state mandated taxes. For fiscal year 2012, state mandated taxes that are shared with the City are included in the Intergovernmental source line.

(2) Fiscal year 2010 through fiscal year 2012 present the Town of the City of Champaign as a blended component unit. In fiscal year 2013, the Town of the City of Champaign is a discretely presented component unit.

2013 (2)	2014	2015	2016	2017	2018	2019
47,851,668	49,163,815	50,720,243	52,049,450	55,019,190	55,512,970	56,296,924
36,150,885	36,744,548	33,668,999	33,204,135	35,352,992	33,025,813	34,670,493
2,729,502	5,115,136	5,358,561	5,528,135	5,532,489	5,935,179	5,988,467
1,488,166	1,379,330	1,515,345	1,694,591	1,679,515	1,596,620	1,732,102
1,631,882	1,614,896	1,534,450	1,443,904	1,687,638	1,351,295	887,541
(164,202)	716,771	413,664	634,091	188,657	485,989	2,032,293
2,672,955	2,058,459	1,691,984	1,932,300	2,490,464	2,915,421	2,430,859
92,360,856	96,792,955	94,903,246	96,486,606	101,950,945	100,823,287	104,038,679

CITY OF CHAMPAIGN, ILLINOIS

General Governmental Expenditures by Function - Last Ten Fiscal Years June 30, 2019 (Unaudited)

Function	2010	2011	2012
General Government	\$ 12,555,079	11,119,970	11,326,473
Public Safety	32,900,497	33,839,760	35,201,783
Public Works	11,475,962	12,558,433	11,146,743
Public Health and Welfare	3,220,880	5,642,467	4,254,972
Culture and Recreation	6,498,950	6,342,081	6,174,125
Capital Outlay	21,888,965	18,929,824	24,221,572
Debt Service			
Principal Retirement	2,780,000	2,935,000	2,595,000
Interest and Fiscal Charges	1,850,598	2,969,447	2,601,211
Totals	93,170,931	94,336,982	97,521,879

Data Source: City of Champaign Records

(1) Fiscal year 2010 through fiscal year 2012 present the Town of the City of Champaign as a blended component unit. In fiscal year 2013, the Town of the City of Champaign is a discretely presented component unit.

2013 (1)	2014	2015	2016	2017	2018	2019
11,347,102	11,756,913	12,255,091	13,831,252	16,142,063	15,976,621	16,190,165
35,388,151	36,550,234	38,019,093	38,951,740	41,226,728	42,415,348	43,565,126
11,310,904	11,807,033	12,797,443	12,486,275	12,301,764	13,842,169	13,346,775
3,625,974	3,603,569	3,210,761	3,370,298	4,817,597	4,514,184	7,455,660
6,435,257	6,302,083	6,501,836	6,577,785	6,828,855	7,660,891	7,605,250
18,044,785	17,581,341	16,263,714	10,560,728	15,405,858	17,355,617	18,712,693
3,440,000	4,084,756	3,520,004	3,640,255	3,775,509	3,225,766	4,714,641
2,406,660	2,303,847	2,029,397	1,915,859	1,711,224	1,887,444	2,411,641
91,998,833	93,989,776	94,597,339	91,334,192	102,209,598	106,878,040	114,001,951

CITY OF CHAMPAIGN, ILLINOIS

Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years June 30, 2019 (Unaudited)

	2010	2011	2012 (1)
Revenues			
Taxes	\$ 69,279,954	71,560,163	47,081,634
Intergovernmental	5,260,527	7,870,080	38,945,527
Licenses and Permits	1,744,435	1,977,598	2,246,450
Charges for Services and Fees	1,159,820	1,290,356	1,371,033
Fines and Forfeits	1,590,640	1,900,865	1,870,090
Investment Income	890,755	592,275	731,249
Miscellaneous	3,850,283	3,999,546	2,219,038
Total Revenues	83,776,414	89,190,883	94,465,021
Expenditures			
General Government	12,555,079	11,119,970	11,326,473
Public Safety	32,900,497	33,839,760	35,201,783
Public Works	11,475,962	12,558,433	11,146,743
Public Welfare	3,220,880	5,642,467	4,254,972
Culture and Recreation	6,498,950	6,342,081	6,174,125
Capital Outlay	21,888,965	18,929,824	24,221,572
Debt Service			
Principal	2,780,000	2,935,000	2,595,000
Interest and Fiscal Charges	1,850,598	2,969,447	2,601,211
Total Expenditures	93,170,931	94,336,982	97,521,879
Excess of Revenues Over (Under) Expenditures	(9,394,517)	(5,146,099)	(3,056,858)
Other Financing Sources (Uses)			
Disposal of Capital Assets	98,722	145,529	264,737
Debt Issuance	25,620,000	-	107,499
Debt Issuance Premium	-	-	-
Discount on Debt Issuance	-	-	-
Payment to Escrow Agent	-	-	-
Transfers In	25,437,333	29,009,545	22,069,394
Transfers Out	(24,481,232)	(28,922,628)	(21,878,221)
	26,674,823	232,446	563,409
Net Change in Fund Balances	17,280,306	(4,913,653)	(2,493,449)
Debt Service as a Percentage of Noncapital Expenditures	6.08%	7.77%	6.22%

Data Source: City of Champaign Records

(1) Prior to fiscal year 2012, the Taxes source line included the City's share of state mandated taxes. For fiscal year, state mandated taxes that are shared with the City are included in the Intergovernmental source line.

(2) Fiscal year 2010 through fiscal year 2012 present the Town of the City of Champaign as a blended component unit. In fiscal year 2013, the Town of the City of Champaign is a discretely presented component unit.

2013 (2)	2014	2015	2016	2017	2018	2019
47,851,668	49,163,815	50,720,243	52,049,450	55,019,190	55,512,970	56,296,924
36,150,885	36,744,548	33,668,999	33,204,135	35,352,992	33,025,813	34,670,493
2,729,502	5,115,136	5,358,561	5,528,135	5,532,489	5,935,179	5,988,467
1,488,166	1,379,330	1,515,345	1,694,591	1,679,515	1,596,620	1,732,102
1,631,882	1,614,896	1,534,450	1,443,904	1,687,638	1,351,295	887,541
(164,202)	716,771	413,664	634,091	188,657	485,989	2,032,293
2,672,955	2,058,459	1,691,984	1,932,300	2,490,464	2,915,421	2,430,859
92,360,856	96,792,955	94,903,246	96,486,606	101,950,945	100,823,287	104,038,679
11,347,102	11,756,913	12,255,091	13,831,252	16,142,063	15,976,621	16,190,165
35,388,151	36,550,234	38,019,093	38,951,740	41,226,728	42,415,348	43,565,126
11,310,904	11,807,033	12,797,443	12,486,275	12,301,764	13,842,169	13,346,775
3,625,974	3,603,569	3,210,761	3,370,298	4,817,597	4,514,184	7,455,660
6,435,257	6,302,083	6,501,836	6,577,785	6,828,855	7,660,891	7,605,250
18,044,785	17,581,341	16,263,714	10,560,728	15,405,858	17,355,617	18,712,693
3,440,000	4,084,756	3,520,004	3,640,255	3,775,509	3,225,766	4,714,641
2,406,660	2,303,847	2,029,397	1,915,859	1,711,224	1,887,444	2,411,641
91,998,833	93,989,776	94,597,339	91,334,192	102,209,598	106,878,040	114,001,951
362,023	2,803,179	305,907	5,152,414	(258,653)	(6,054,753)	(9,963,272)
54,937	74,503	212,501	190,580	94,051	148,629	73,375
9,900,000	8,835,000	-	-	7,810,755	22,165,810	6,479,310
188,917	663,077	-	-	284,317	-	-
-	-	-	-	-	(15,177)	-
(10,081,042)	(9,373,962)	-	-	(4,991,875)	-	-
19,066,306	18,217,094	17,095,094	18,618,977	17,602,941	23,694,317	18,742,936
(18,559,072)	(17,883,800)	(18,587,494)	(20,484,237)	(19,005,002)	(23,848,068)	(18,632,004)
570,046	531,912	(1,279,899)	(1,674,680)	1,795,187	22,145,511	6,663,617
932,069	3,335,091	(973,992)	3,477,734	1,536,534	16,090,758	(3,299,655)
6.71%	7.25%	6.48%	6.74%	5.97%	5.90%	7.48%

CITY OF CHAMPAIGN, ILLINOIS

Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years June 30, 2019 (Unaudited)

Tax Levy Year	Residential Property	Farm
2009	\$ 904,749,950	\$ 472,480
2010	902,553,042	515,170
2011	884,706,072	557,110
2012	865,569,902	1,576,320
2013	847,340,982	592,580
2014	851,045,102	695,500
2015	856,408,738	740,150
2016	882,584,262	763,690
2017	915,487,400	837,790
2018	951,230,397	841,840

Data Source: Champaign County Clerk

Commercial Property	Industrial Property	Total	Railroad	Total Assessed Value	Total Direct Tax Rate
\$ 620,905,933	\$ 13,330,860	\$ 1,539,459,223	\$ 747,330	\$ 1,540,206,553	1.2942
624,502,192	13,537,720	1,541,108,124	807,525	1,541,915,649	1.2942
626,671,114	12,351,850	1,524,286,146	907,361	1,525,193,507	1.3084
636,365,774	12,924,540	1,516,436,536	928,108	1,517,364,644	1.3152
630,793,322	12,509,040	1,491,235,924	920,989	1,492,156,913	1.3152
649,483,032	12,555,370	1,513,779,004	905,966	1,514,684,970	1.3152
668,528,346	12,700,150	1,538,377,384	992,773	1,539,370,157	1.3152
765,794,104	12,999,440	1,662,141,496	942,423	1,663,083,919	1.3152
829,611,966	13,832,840	1,759,769,996	1,024,136	1,760,794,132	1.3152
848,898,174	13,949,900	1,814,920,311	966,689	1,815,887,000	1.3152

CITY OF CHAMPAIGN, ILLINOIS

Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years June 30, 2019 (Unaudited)

	2009	2010	2011
City of Champaign			
Corporate	0.1678	0.1062	0.0902
Library	0.3940	0.3940	0.3903
Library Capital	0.0282	0.0282	0.0279
Fire Pension	0.1941	0.2221	0.2321
Police Pension	0.2099	0.2326	0.2560
IMRF and Social Security	0.1545	0.1610	0.1602
Capital Improvement	0.1457	0.1501	0.1517
Total Direct Tax Rate	1.2942	1.2942	1.3084
Overlapping Rates			
County	0.7487	0.7688	0.7841
Forest Preserve	0.0790	0.0817	0.0843
Township	0.0357	0.0371	0.0385
Park	0.6300	0.6529	0.6789
Public Health	0.1071	0.1075	0.1102
Parkland College	0.5082	0.5064	0.5120
School Unit 4	3.6546	3.7238	3.8805
Mass Transit	0.2619	0.2725	0.2831
Total Overlapping Tax Rate	6.0252	6.1507	6.3716
Total Direct and Overlapping Tax Rates	7.3194	7.4449	7.6800

Note: Tax rates per \$100 of assessed value.

Data Source: Champaign County Clerk

2012	2013	2014	2015	2016	2017	2018
0.0788	0.0667	0.0611	0.0493	0.0777	0.1048	0.0932
0.3940	0.3940	0.3940	0.3940	0.3940	0.3940	0.3940
0.0282	0.0282	0.0282	0.0282	0.0282	0.0282	0.0282
0.2206	0.2075	0.2058	0.1987	0.2061	0.1971	0.1972
0.2676	0.2873	0.3018	0.3211	0.3049	0.3024	0.3262
0.1735	0.1771	0.1722	0.1703	0.1584	0.1487	0.1404
0.1525	0.1544	0.1521	0.1536	0.1459	0.1400	0.1360
1.3152	1.3152	1.3152	1.3152	1.3152	1.3152	1.3152
0.8138	0.8511	0.8636	0.8672	0.8458	0.8481	0.8157
0.0880	0.0931	0.0944	0.0947	0.0923	0.0925	0.0927
0.0404	0.0405	0.0414	0.0419	0.0392	0.0393	0.0398
0.7088	0.7645	0.7264	0.7443	0.7149	0.7149	0.7149
0.1163	0.1259	0.1290	0.1307	0.1267	0.1276	0.1040
0.5191	0.5253	0.5259	0.5460	0.5436	0.5411	0.5339
4.1185	4.3014	4.3884	4.4117	4.2704	5.0299	5.0510
0.2966	0.3198	0.3282	0.3332	0.3235	0.3274	0.3313
6.7015	7.0216	7.0973	7.1697	6.9564	7.7208	7.6833
8.0167	8.3368	8.4125	8.4849	8.2716	9.0360	8.9985

CITY OF CHAMPAIGN, ILLINOIS

Principal Property Tax Payers - Current Tax Levy Year and Nine Tax Levy Years Ago June 30, 2019 (Unaudited)

Taxpayer	2018			2009		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Champaign Market Place, LLC	\$ 25,302,880	1	1.39%	\$ 24,444,330	1	1.59%
Campus Property Management	17,586,140	2	0.97%	21,281,070	2	1.38%
Bankier Family	15,581,530	3	0.86%	10,618,880	4	0.69%
Kraft Heinz Foods Co	11,544,870	4	0.64%			
Shapland Realty, LLC	11,070,350	5	0.61%	13,098,220	3	0.85%
JSM Management	10,703,310	6	0.59%			
Edward Rose Development Co	10,465,170	7	0.58%			
Illini North Development	9,899,010	8	0.55%			
Regency Consolidated	9,693,660	9	0.53%			
Burnham310/ 310 E Springfield	8,461,570	10	0.47%			
Shaub Properties Inc				8,600,850	5	0.56%
Baytowne Apartments, LLC				7,561,680	6	0.49%
The Carle Foundation				7,381,290	7	0.48%
Pickus Companies				7,251,030	8	0.47%
Christie Management Co, Inc.				6,604,310	9	0.43%
JSM Apartments				6,152,760	10	0.40%
	<u>130,308,490</u>		<u>7.19%</u>	<u>112,994,420</u>		<u>7.34%</u>

Data Source: Champaign County Clerk

CITY OF CHAMPAIGN, ILLINOIS

Property Tax Levies and Collections - Last Ten Fiscal Years June 30, 2019 (Unaudited)

Fiscal Year	Taxes Levied for the Fiscal Year		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date				
			Amount	Percentage of Levy		Amount	Percentage of Levy			
	2010	\$	19,933,353	\$	10,004,754	50.19%	\$	9,796,232	\$	19,800,986
2011		19,955,472		10,142,608	50.83%		9,751,085		19,893,693	99.69%
2012		19,955,632		10,263,484	51.43%		9,654,576		19,918,060	99.81%
2013		19,956,380		10,153,014	50.88%		9,702,010		19,855,024	99.49%
2014		19,624,848		10,473,408	53.37%		9,150,352		19,623,760	99.99%
2015		19,921,137		10,469,237	52.55%		9,427,437		19,896,674	99.88%
2016		20,245,796		10,574,287	52.23%		9,636,153		20,231,644	99.93%
2017		21,872,880		11,576,429	52.93%		10,254,166		21,830,594	99.81%
2018		23,157,964		12,240,465	52.86%		10,739,062		22,979,527	99.23%
2019		23,882,546		12,969,761	54.31%		N/A		12,969,761	54.31%

Data Source: County and City Records

N/A - Not Available

CITY OF CHAMPAIGN, ILLINOIS

Sales Tax Received by Category - Last Ten Calendar Years June 30, 2019 (Unaudited)

Category	2009	2010	2011
General Merchandise	\$ 2,571,836	2,592,147	2,488,434
Food	1,409,871	1,453,832	1,499,005
Drinking and Eating Places	2,022,982	2,009,411	2,042,900
Apparel	799,113	811,156	975,565
Furniture & H.H. & Radio	1,006,897	1,154,011	1,096,111
Lumber, Building, Hardware	1,077,637	1,052,656	1,041,389
Automobile and Filling Stations	1,566,039	1,918,715	2,063,443
Drugs and Miscellaneous Retail	1,975,840	1,880,667	2,046,349
Agriculture and All Others	1,707,077	1,755,000	1,629,123
Manufacturers	119,401	140,445	128,876
Totals	14,256,693	14,768,040	15,011,195

Data Source: Illinois Department of Revenue

2012	2013	2014	2015	2016	2017	2018
2,681,530	2,590,028	3,152,480	3,176,060	2,458,573	2,280,890	2,295,415
1,490,672	1,499,354	1,650,917	1,834,227	2,513,771	2,712,082	2,786,491
2,168,354	2,296,178	2,554,374	2,657,714	2,717,581	2,781,018	2,836,065
845,987	809,728	756,262	758,962	785,537	807,114	813,815
1,144,328	1,085,959	1,031,746	1,122,310	1,089,032	1,072,890	1,098,374
1,134,468	1,168,866	1,253,563	1,283,067	1,311,954	1,308,706	1,279,513
2,127,087	2,260,116	1,652,998	1,490,394	1,533,400	1,493,214	1,737,332
2,186,632	2,256,731	2,205,189	2,296,471	2,345,468	2,288,780	2,307,519
1,582,576	1,637,618	1,581,944	1,379,229	1,445,934	1,597,266	1,747,477
131,022	140,159	154,134	162,673	163,802	178,694	186,723
15,492,656	15,744,737	15,993,607	16,161,107	16,365,053	16,520,654	17,088,724

CITY OF CHAMPAIGN, ILLINOIS

Home Rule Sales Tax Received by Category - Last Ten Calendar Years June 30, 2019 (Unaudited)

Category	2009	2010	2011
General Merchandise	\$ 2,486,242	2,527,660	2,406,416
Food	761,275	835,709	932,175
Drinking and Eating Places	2,492,659	2,470,599	2,509,983
Apparel	996,992	1,013,729	1,143,061
Furniture & H.H. & Radio	1,250,897	1,425,124	1,360,107
Lumber, Building, Hardware	1,338,120	1,309,623	1,294,313
Automobile and Filling Stations	756,238	848,242	921,020
Drugs and Miscellaneous Retail	1,785,076	1,782,879	1,826,640
Agriculture and All Others	1,705,600	1,751,901	1,722,071
Manufacturers	128,327	158,273	145,061
Totals	13,701,426	14,123,739	14,260,847
City Home Rule Sales Tax Rate	1.25%	1.25%	1.25%

Data Source: Illinois Department of Revenue

2012	2013	2014	2015	2016	2017	2018
2,528,109	2,405,867	3,157,047	3,130,838	2,552,498	2,383,895	2,389,200
854,100	843,764	1,111,991	1,282,153	1,772,111	1,962,964	2,135,589
2,661,957	2,817,779	3,743,411	3,909,656	4,002,120	4,091,863	4,175,618
1,057,267	1,012,001	1,132,307	1,138,094	1,178,237	1,209,541	1,219,497
1,420,943	1,344,492	1,548,281	1,669,278	1,605,613	1,581,603	1,618,264
1,410,299	1,452,687	1,871,196	1,913,704	1,947,998	1,933,268	1,880,738
966,496	839,285	657,234	632,143	639,203	644,133	681,403
1,927,733	1,977,709	2,389,120	2,446,479	2,429,983	2,335,036	2,226,733
1,722,713	1,748,319	1,995,818	1,704,506	1,784,942	1,957,917	2,162,374
147,441	159,695	212,156	225,261	230,202	251,915	269,150
14,697,058	14,601,598	17,818,561	18,052,112	18,142,906	18,352,136	18,758,566
1.25%	1.25%	1.50%	1.50%	1.50%	1.50%	1.50%

CITY OF CHAMPAIGN, ILLINOIS

Direct and Overlapping Sales Tax Rates - Last Ten Fiscal Years June 30, 2019 (Unaudited)

Category	2010	2011	2012
City Direct Rate	1.00%	1.00%	1.00%
City Home Rule Rate	1.25%	1.25%	1.25%
County Direct Rate	0.25%	0.25%	0.25%
County Public Safety	0.25%	0.25%	0.25%
County School Facility Tax	1.00%	1.00%	1.00%
State Rate	5.00%	5.00%	5.00%
Totals	8.75%	8.75%	8.75%

Data Source: Illinois Department of Revenue

2013	2014	2015	2016	2017	2018	2019
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
1.25%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
8.75%	9.00%	9.00%	9.00%	9.00%	9.00%	9.00%

CITY OF CHAMPAIGN, ILLINOIS

Ratios of Outstanding Debt by Type - Last Ten Fiscal Years June 30, 2019 (Unaudited)

Fiscal Year	Governmental Activities			Business-Type Activities	
	IEPA Loan	General Obligation Bonds	Section 108	IEPA Loan	General Obligation Bonds
2010	\$ -	\$ 67,862,553	\$ -	\$ 410,424	\$ 13,037,169
2011	-	64,906,954	-	346,486	13,015,013
2012	107,499	62,291,355	-	1,316,623	12,992,857
2013	433,375	59,884,673	-	1,201,009	12,485,702
2014	413,619	56,567,619	-	1,082,826	11,828,545
2015	393,615	52,885,138	-	962,008	11,629,172
2016	373,360	49,156,332	-	864,882	10,759,546
2017	3,348,606	45,407,942	-	790,329	9,439,920
2018	9,299,650	54,749,195	3,524,000	739,345	8,028,428
2019	15,524,319	50,165,448	3,524,000	687,722	6,646,936

Data Source: City of Champaign Records

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Total Primary Government	Total Equalized Assessed Value (EAV)	Percentage of EAV	Personal Income	Percentage of Personal Income	Population	Per Capita
\$ 81,310,146	\$ 1,540,206,553	5.28%	\$ 2,623,279,186	3.10%	75,254	\$ 1,080.48
78,268,453	1,541,915,649	5.08%	2,788,129,890	2.81%	81,055	965.62
76,708,334	1,525,193,507	5.03%	3,018,974,530	2.54%	81,055	946.37
74,004,759	1,517,364,644	4.88%	3,225,259,462	2.29%	82,517	896.84
69,892,609	1,492,156,913	4.68%	3,475,611,000	2.29%	83,424	837.80
65,869,933	1,514,684,970	4.35%	3,260,710,464	2.14%	83,424	789.58
61,154,120	1,539,370,157	3.97%	3,378,148,752	1.81%	86,096	710.30
58,986,797	1,663,083,919	3.55%	3,713,521,731	1.59%	86,637	680.85
76,340,618	1,760,794,132	4.34%	3,796,297,440	2.01%	87,432	873.14
76,548,425	1,815,887,000	4.22%	3,905,406,585	1.96%	88,029	869.58

CITY OF CHAMPAIGN, ILLINOIS

Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years June 30, 2019 (Unaudited)

Fiscal Year	Total General Obligation Bonds	Less: Amounts Available for Debt Service	Net General Bonded Debt Outstanding	Percentage of Equalized Assessed Value (1)	Per Capita (2)
2010	\$ 80,899,722	\$ 2,510,000	\$ 78,389,722	5.09%	\$ 1,041.67
2011	77,921,967	2,595,000	75,326,967	4.89%	929.33
2012	75,284,212	3,915,000	71,369,212	4.68%	880.50
2013	72,370,375	4,700,000	67,670,375	4.46%	820.08
2014	68,396,164	4,210,000	64,186,164	4.30%	769.40
2015	64,514,310	3,828,496	60,685,814	4.01%	727.44
2016	59,915,878	4,686,535	55,229,343	3.59%	641.49
2017	54,847,862	4,135,728	50,712,134	3.05%	585.34
2018	62,777,623	5,664,895	57,112,728	3.24%	653.22
2019	56,812,384	5,819,720	50,992,664	2.73%	579.27

Data Source: City of Champaign Records

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See the Ratios of Outstanding Debt by Type schedule for equalized assessed value data.

(2) Population can be found in the Demographics and Economic Statistics schedule.

CITY OF CHAMPAIGN, ILLINOIS

Schedule of Direct and Overlapping Bonded Debt June 30, 2019 (Unaudited)

Governmental Unit	Gross Debt	Percentage of Debt Applicable to City	City's Share of Debt (1)
City of Champaign	\$ 69,213,766	100.00%	\$ 69,213,766
Champaign County	18,720,000	47.09%	8,815,248
Champaign Park District	1,147,100	100.00%	1,147,100
Champaign School District #4	187,061,152	80.34%	150,284,930
Champaign Urbana Public Health District	328,860	78.44%	257,958
Parkland College	49,510,000	32.26%	15,971,926
Champaign County Forest Preserve	384,826	43.38%	166,938
Total Overlapping Debt	257,151,938		176,644,099
Total Direct and Overlapping Debt	326,365,704		245,857,865

Data Source: City of Champaign

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This estimate produces a schedule that recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

(1) Computed by dividing the City's assessed value by the assessed value of the overlapping governments and multiplying this rate by the overlapping governments' outstanding debt. An overlapping government unit is any that levies a tax on a citizen of the City. This schedule does not include revenue-supported debt.

CITY OF CHAMPAIGN, ILLINOIS

Pledged-Revenue Coverage - Last Ten Fiscal Years
June 30, 2019 (Unaudited)

Fiscal Year	Property and Sales Tax Revenues	Principal	Interest	Coverage
2010	\$ -	\$ -	\$ -	-
2011	-	-	-	-
2012	-	-	-	-
2013	-	-	-	-
2014	-	-	-	-
2015	-	-	-	-
2016	-	-	-	-
2017	-	-	-	-
2018	-	-	-	-
2019	-	-	-	-

Data Source: City of Champaign Records

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. The City has not had revenue bonds outstanding for any of the last ten fiscal years.

CITY OF CHAMPAIGN, ILLINOIS

Demographic and Economic Statistics - Last Ten Fiscal Years June 30, 2019 (Unaudited)

Fiscal Year	(1) Population	Personal Income (in Thousands)	(2) Per Capita Personal Income	(3) Median Age	(4) School Enrollment	(5) Unemployment Rate
2010	75,254	\$ 2,623,279	\$ 34,859	24.0	9,497	9.5%
2011	81,055	2,788,130	34,398	26.0	9,421	9.0%
2012	81,055	3,018,975	37,246	25.0	9,496	9.0%
2013	82,517	3,225,259	39,086	26.0	9,362	9.3%
2014	83,424	3,260,710	39,086	26.0	9,477	8.5%
2015	83,424	3,475,611	41,662	26.5	9,589	6.4%
2016	86,096	3,378,149	39,237	26.3	9,345	5.4%
2017	86,637	3,713,522	42,863	27.1	10,092	4.8%
2018	87,432	3,796,297	43,420	27.1	9,975	4.6%
2019	88,029	3,905,407	44,365	27.2	10,212	4.5%

Data Sources:

- (1) Population for 2013-2019 is a census estimate. Population for 2011-2012 is from the 2010 census. Population for 2007-2010 is from a special census.
- (2) U. S. Department of Commerce Bureau of Economic Analysis
- (3) U.S. Census Bureau
- (4) Champaign Unit 4 School District
- (5) U.S. Department of Labor, Bureau of Labor Statistics

CITY OF CHAMPAIGN, ILLINOIS

Principal Employers - Prior Fiscal Year and Nine Fiscal Years Ago June 30, 2019 (Unaudited)

Employer	2018			2010		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
University of Illinois at Urbana-Champaign (1)	13,934	1	32.0%	11,676	1	27.50%
Champaign Unit 4 Schools	1,664	2	3.8%	1,351	2	3.40%
Kraft Heinz (2)	925	3	2.1%	1,300	3	3.30%
Christie Clinic Association	916	4	2.1%	700	6	1.80%
Fedex	815	5	1.9%			
Parkland College	741	6	1.7%	1,200	4	3.00%
Plastipak	735	7	1.7%	810	5	2.00%
City of Champaign	630	8	1.4%	633	8	1.60%
Busey Bank	525	9	1.2%			
Hobbico Inc				700	7	1.80%
Devonshire Group, LLC				555	9	1.40%
Horizon Hobby, Inc.				550	10	1.40%
	<u>20,885</u>		<u>47.9%</u>	<u>19,475</u>		<u>47.20%</u>

Data Sources: Economic Development Commission and Bureau of Labor Statistics

Notes:

- (1) The University of Illinois' administration and main campus are located in both Champaign and Urbana
- (2) Located in an unincorporated area adjacent to the City

In 2019, the City was unable to obtain the top 10 employer data for fiscal year 2019 and has instead shown the top 9 employer data from fiscal year 2018.

CITY OF CHAMPAIGN, ILLINOIS

Full-Time Equivalent City Government Employees by Function/Program - Last Ten Fiscal Years June 30, 2019 (Unaudited)

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government										
Administration	9	8	8	10	10	10	12	13	14	14
Economic Development	2	2	2	-	-	-	-	-	1	1
Legal	10	8	9	9	9	9	11	11	11	11
Finance	16	16	15	15	15	15	15	15	15	15
Personnel Services	6	6	5	5	6	5	6	6	6	6
Risk Management	2	2	1	1	1	1	1	1	1	1
Planning	12	10	10	10	11	10	10	10	10	10
Neighborhood Services	12	10	10	10	11	10	10	10	10	10
Information Technology	10	10	9	10	9	10	11	11	11	10
UC2B	-	-	-	3	-	-	-	-	-	-
Public Safety										
Police										
Sworn	118	120	120	120	120	120	123	124	126	126
Civilian	37	33	31	31	31	31	31	31	31	27
Fire										
Sworn	108	107	107	107	107	107	110	110	110	107
Civilian	14	13	12	12	12	12	12	12	12	12
Public Works										
Engineering	22	19	20	20	20	20	22	23	23	23
Transportation	14	14	13	13	14	14	14	14	14	14
Other	44	39	39	40	38	41	42	43	45	45
Public Health & Welfare	7	6	6	5	5	5	5	5	5	4
Culture & Recreation	82	82	74	74	72	70	71	75	76	77
Parking	15	15	15	15	15	15	14	14	14	14
Sewer	10	8	8	8	8	8	8	8	8	8
Environmental Services	-	1	2	2	2	1	3	3	2	2
Totals	550	529	516	520	515	514	531	539	545	537

Data Source: City of Champaign Records

CITY OF CHAMPAIGN, ILLINOIS

**Operating Indicators by Function/Program - Last Ten Fiscal Years
June 30, 2019 (Unaudited)**

Function/Program	2010	2011	2012
Public Safety			
Fire (1)			
Number of Fire Calls	228	274	274
Number of EMS/Rescue Calls	3,532	3,518	3,518
ISO Rating	2	2	2
Police			
Arrests	6,151	6,185	6,185
Parking Violations	1,621	1,563	1,563
Traffic Violations (1)	8,186	8,486	8,486
Public Works			
Street Resurfacing Miles	10.40	11.10	11
Potholes Repaired	17,768	22,401	22,401
Street Lights Maintained	3,367	3,470	3,470
Community Development			
Number of Building Permits Issued	505	494	494
Number of Building Inspections	2,837	2,735	2,735
Culture & Recreation			
Total Circulation	2,640,627	2,495,499	2,495,499
Materials (Print and Non-Print)	374,005	373,054	373,054
Library Cards Issued	6,316	5,840	5,840
Library Visits - Main Library /Bookmobile	804,424	912,582	912,582
Library Visits - Douglass Branch	61,210	61,404	61,404

Data Source: City of Champaign Records

2013	2014	2015	2016	2017	2018	2019
241	319	229	223	264	247	222
4,027	4,286	4,643	4,824	4,922	5,190	5,038
2	2	2	2	1	1	1
6,352	5,090	4,618	4,770	4,449	6,298	4,259
780	691	643	708	526	732	389
5,587	5,219	5,200	6,348	4,619	5,847	5,558
6	6	5	7	5	4	5
21,015	28,561	17,920	17,214	18,660	20,150	18,650
3,578	3,589	3,639	3,626	3,816	4,047	4,206
485	560	529	606	598	550	606
2,868	3,024	3,133	3,534	4,122	3,679	3,630
2,236,736	2,040,502	2,055,278	1,898,964	1,806,350	1,600,000	2,022,768
429,943	448,363	375,278	445,309	439,924	376,611	385,372
5,300	4,587	4,466	4,346	4,559	3,749	3,453
999,651	904,111	851,629	771,635	746,409	775,481	788,466
50,655	49,329	33,828	27,615	29,683	20,512	25,151

CITY OF CHAMPAIGN, ILLINOIS

Capital Asset Statistics by Function/Program - Last Ten Fiscal Years June 30, 2019 (Unaudited)

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	5	5	5	6	6	6	6	6	6	6
Public Works										
Streets (Miles)	696	696	718	718	720	719	719	626	626	627
Streetlights	3,367	3,470	3,513	3,578	3,589	3,639	3,626	3,816	4,047	4,206
Sewer										
Sanitary										
Sewers (Miles)	209	211	213	214	214	214	215	215	215	299
Manholes	5,216	5,275	5,325	5,350	5,350	5,350	5,362	5,367	5,377	5,356

Data Source: City of Champaign Records

CITY OF CHAMPAIGN, ILLINOIS

City Awards Received June 30, 2019 (Unaudited)

Award Received	Awarded by
Distinguished Budget Presentation Award	Government Finance Officers Association
Certificate of Achievement for Excellence in Financial Reporting	Government Finance Officers Association
3 Star Library	Library Journal
Tree City USA	Arbor Day Foundation
Project of the Year - MCORE Phase 1 ,2 & 3	IL Chapter of APWA
Project of the Year - West Washington Phase 2 Drainage Improvement	IL Chapter of APWA
Illinois Honors Award - MCORE Phases 1, 2 & 3	American Consulting Engineers Council
Best Practice Award - Parking Requirement Elimination	Illinois Chapter of American Planning Association