

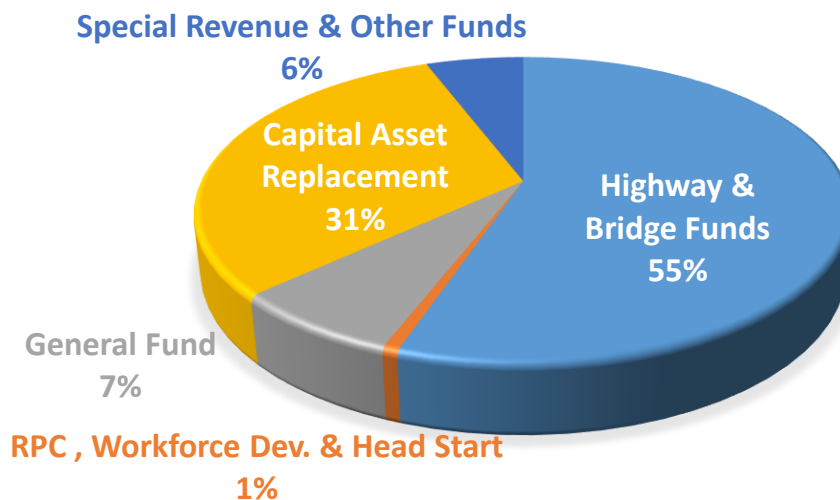
CAPITAL PURCHASES AND PROJECTS SUMMARY

OVERVIEW

The County's FY2020 capital budget of \$8.65 million includes nineteen funds with capital equipment, replacement, or improvement projects and/or purchases. An overview of the FY2020 Champaign County Capital Expenditures Budget, as distributed among the County's funds is as follows:

Capital Budget by Funds	FY2020
RPC, Workforce Development & Head Start	\$58,000
General Fund	\$628,140
Highway & Bridge Funds	\$4,774,000
Capital Asset Replacement Fund (CARF)	\$2,686,556
Special Revenue & Other Funds	\$499,417
TOTAL	\$8,646,113

FY2020 CAPITAL EXPENDITURE BUDGET BY FUND



Through the County's accounting system, established by the County Auditor, all purchases over \$5,000 are classified as capital expenditures. Therefore, purchases for technology, equipment, and vehicles – which are recurring expenses, are classified as part of the capital budget. This type of capital expenditure can be found in many of the special revenue fund budgets, the Capital Asset Replacement Fund, and the General Corporate Fund budgets.

Non-recurring capital expenditures are customarily tied to major capital projects, and are typically budgeted in the construction project budgets and/or highway funds. In FY2020, 55% of the total capital budget is in the Motor Fuel Tax, Highway, and Bridge Funds equaling \$4.77 million. These are scheduled bridge and road construction projects and replacement of capital equipment in the Highway Funds. Although there are new and different bridge and road projects each year, the Motor Fuel Tax and Bridge Funds budgets for capital projects remain at fairly constant levels.

IMPACT OF CAPITAL EXPENDITURES ON THE OPERATING BUDGET

General Corporate Fund

Predominantly, the County administers its capital improvement program through funds separate from the General Corporate Fund; therefore, most non-recurring capital project costs are segregated from the operating budget. One exception to this is the purchase of squad cars for the Sheriff's Office. The General Corporate Fund goal is to include \$230,000 annually for the purchase of new squad cars. This enables the Sheriff to turn over his entire fleet every five years. In fiscal years 2017 through 2020, the appropriation for squad car replacement was \$145,000 due to financial constraints. There was no appropriation for squad car replacement in FY2016 due to budget cuts. Unspent appropriations from other lines within the Sheriff's budget has been used to make additional squad car purchases above and beyond the original appropriation in some fiscal years when the budget allows.

The County Clerk's Operating budget for FY2020 includes \$483,140 for the purchase of election/voter registration equipment. The majority of the County's current tabulators are an older version for which production and the software operating system has been discontinued. There is also no vendor to repair the machines. This equipment purchase did put pressure of the General Fund budget in FY2020.

The level of funding required in the Capital Asset Replacement Fund can impact the General Fund, the County's main operating budget, as it is the predominant funding source for the CARF. For this reason, with the exception of FY2019, the CARF has not been fully funded for many years as there is insufficient revenue within the General Fund to both balance the General Fund budget and fully fund the CARF.

Capital Asset Replacement Fund

Capital expenditures within the Capital Asset Replacement fund comprise 31% of the FY2020 budget. Non-recurring expenditures budgeted within this fund for facility maintenance placed a greater demand on the current operating budget due to the significant increase in facilities maintenance. Per the County's Facilities Capital Plan, the level of investment in County facilities increases by \$1 million in FY2020 and is essentially sustained at the \$2+ million level until FY2029. Funding for the Capital Asset Replacement Fund predominantly comes from the General Fund and Public Safety Sales Tax Funds. In FY2020, the County was able to balance the budget despite the increased level of capital expenditures partly as a result of increased revenues; however, maintaining the level of funding required by the capital plan in future fiscal years could be challenging as operating expenditures increase, or if revenue streams decrease.

FY2020 facility improvements scheduled per the 10-Year Capital Plan are as follows:

Facility	Project
Brookens	Replace Pod 100 roof
Brookens	Replace POD 100 13 AHU; install digital controls
METCAD	Replace one AHU in west basement; install digital controls
METCAD	Replace 3 AHU in east basement; install digital controls
METCAD	Replace ballasted roof with white EPDM Rubber
METCAD	Repoint exterior masonry and replace all sealants
Satellite Jail	Replace 4 condensing units with chillers; replace coils at 4 AHU's
Satellite Jail	Replace original boilers (2)
Satellite Jail	Replace 4-AHU's

A copy of the County Facilities 10-Year Capital Plan is included near the end of the FY2020 Budget document. The plan prioritizes building envelopes, mechanicals, mechanical controls, business continuation/emergency preparedness, parking lot and sidewalk maintenance. It does not address interior

maintenance needs such as paint and carpet replacement. The plan also does not include the Sheriff's Office or downtown Correctional Center. In 2019, the County Facilities Committee has resumed discussions regarding a plan for the dilapidated facilities, which are also not ADA compliant. The FY2020 budget includes \$227,613 for preliminary planning costs related to the potential relocation of the Sheriff's Office and downtown Correctional Center.

Highway Funds

As previously stated, over 50% of the capital expenditures in the FY2020 budget are for non-recurring capital expenditures within the highway funds. Major funding sources for highway projects include property tax levies and Motor Fuel Taxes (MFT). In FY2020 a 68% increase in MFT allocations is anticipated due to an increase in motor fuel taxes. Specific projects scheduled include resurfacing of County Road 32 through the town of Gifford, repair and/or replacement of nine bridges, and eight to ten smaller county and township projects. Capital expenditures are not expected to have any impact on the entity's current and future operating budgets; although the non-financial impact of the investment in roads, bridges and guardrails will improve public transportation and safety.

CAPITAL PURCHASES PROJECTS FUNDS

This section describes the source and amount for each fund which includes capital projects/purchases in the FY2020 budget. Purchases for these funds are subject to the County's Purchasing Policy and/or to state law regarding purchases by governmental entities. The County's accounting system establishes all purchases with an initial cost of \$5,000 or more be paid for from capital expenditure line items, which means that a substantial amount of the budgeted capital within the funds that include operations are for purchase and replacement of technology, furnishings and other special equipment needs.

Fund	FY2020 Budget for Capital Projects	Funding Sources and Uses
General Fund	\$628,140	The General Corporate Fund receives revenues from property taxes, sales taxes, state shared revenues, fees, fines, intergovernmental revenue, and inter-fund transfers. The FY2020 budget for capital includes \$145,000 for the purchase of squad cars for the Sheriff's Office, and \$483,140 for the purchase of election/voter registration equipment.
Capital Asset Replacement	\$2.7 million	Created through funds transferred from the General Corporate, Public Safety Sales Tax, and special revenue funds to establish a reserve for the current and future replacement of technology, equipment and facilities. The FY2020 budget includes \$2.4 million in appropriation for facilities projects per the County Facilities 10-Year Capital Plan requiring an increased investment of \$1 million over FY2019.
County Highway	\$559,000	Property tax revenue source fund for building and maintaining county highways and purchasing highway equipment.
County Bridge	\$1.165 million	Property tax revenue source fund for building and maintaining county bridges and culverts.
County Motor Fuel Tax	\$2.7 million	State shared revenue from motor fuel taxes for

Fund	FY2020 Budget for Capital Projects	Funding Sources and Uses
		construction and maintenance of county highways.
Highway Federal Aid Matching	\$350,000	Property tax revenue source fund for leveraging Federal funds for local road projects.
Probation Services	\$35,000	Fee revenue used to fund a variety of programs, services and operational expenses for clients, the Court Services department and Champaign County.
Treasurer Automation	\$5,000	Fee generated on parcels sold at the annual tax sale, and on non-homeowner requests for duplicate bills.
Recorder Automation	\$59,600	Fee for automating records in the Recorder's Office.
Jail Commissary	\$45,000	The Jail Commissary Fund is comprised of revenue from detainee utilization of the commissary, donations and gifts, and investment interest earnings to be used for the benefit of detainees.
Courts Construction Fund	\$231,817	No current revenue source. Upon depletion of the remaining balance, the fund will be closed.
County Clerk Elections Assistant Grant	\$30,000	Federal Help America Vote Act (HAVA) and state Board of Elections (ISBE) Grant funding for election equipment, software, and allowable expenditures.
Circuit Clerk E-Citations	\$20,000	Fee to be used to defray expenses related to the establishment and maintenance of electronic citations – the process of transmitting citations and law enforcement data via electronic means to the circuit court clerk.
GIS Consortium	\$9,000	Intergovernmental joint venture, funded through membership fees and services fees.
Animal Control	\$48,000	Fee revenue and charges to the cities and village through Intergovernmental Agreements for animal impound and control services.
Head Start	\$43,000	Federally funded education and development program for low-income pre-school children and their families.
Workforce Development	\$5,000	State funded grant program for job search, career development, educational assistance and business services in four counties.
Regional Planning Comm.	\$10,000	The fund includes federal and state grants for economic development, community services, senior services, transportation engineering and police training, plus local contracts for planning and other technical assistance.
Mental Health and Developmental Disabilities Boards CILA Facilities	\$16,000	Funding is a transfer from the Developmental Disabilities Board, rent from tenants, and interest income for maintenance of the CILA facilities.

SUMMARY

The total of all capital purchases budgeted in the FY2020 Champaign County Budget is \$8.65 million, which is 6.7% of the total FY2020 budget.