

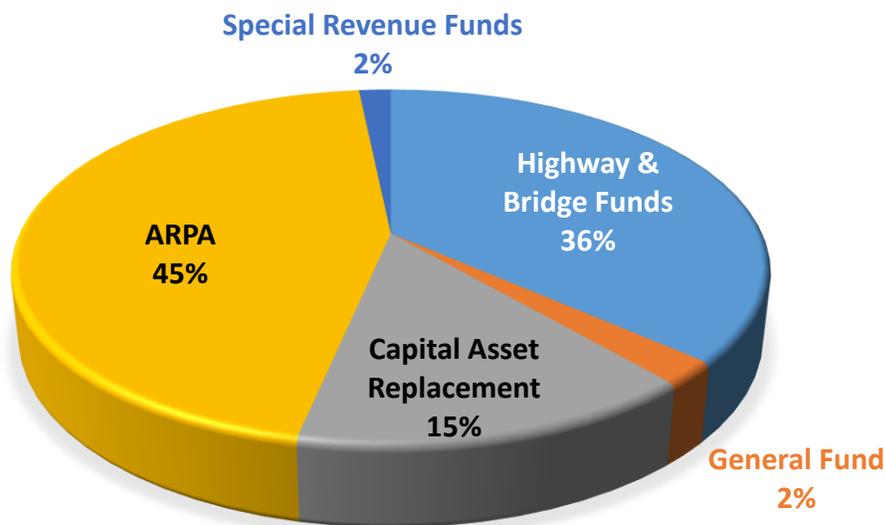
CAPITAL PURCHASES AND PROJECTS SUMMARY

OVERVIEW

County Board Resolution #8509 approved in 2013, establishes the capital threshold for capital assets owned by the County. Equipment purchases over \$5,000, building and land improvements over \$25,000, infrastructure over \$100,000, and land of any value are classified as capital assets. 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 (CARF), 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 FY2022, 36% of the total capital budget is in Highway funds. 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 Highway budgets for capital projects remain at relatively consistent levels, although FY2022 includes significant grant funding for IDOT REBUILD projects. Forty-five percent of the total capital budget is from American Rescue Plan Act (ARPA) funds and is predominantly for equipment except for a Head Start facility purchase.

FY2022 CAPITAL BUDGET BY FUND



PROJECT FUNDING PROCESS

Funding for county facility projects is based on the Capital Facilities Plan recommended by the Facilities Committee and approved by the County Board [Capital Facilities Plan](#). The plan was established after a comprehensive Facilities Condition Assessment was conducted in 2015 and is continuously updated by the Facilities Committee based on the continual evaluation of facilities by the Facilities Director. The plan prioritizes building envelopes, mechanicals, mechanical controls, business continuation/emergency preparedness, parking lot and sidewalk maintenance. It does not include the Sheriff's Office or downtown Correctional Center. A special County committee has been formed to identify a plan for those facilities.

Funding for equipment, technology and vehicles is based on replacement schedules established within the Capital Asset Replacement Fund based on the life expectancy of the items, or for large-scale technology and software purchases, based on the County's IT Plan. The IT Plan was approved by the County Board based on the recommendation of the Information Technology Planning Committee [Technology Plan](#).

Highway Projects are identified and prioritized as part of the County’s Pavement Management Program, which is a five-year plan reviewing annually by the Highway Committee. Recommendations for American Rescue Act Plan (ARPA) funding was recommended by the Finance Committee of the Whole following a series of study sessions [ARPA Study Sessions](#).

The County’s FY2022 capital budget of \$15 million includes fifteen funds with facility projects, maintenance, capital equipment purchases and replacement, and improvement projects and/or purchases. An overview of the Champaign County Capital Expenditures appropriation, as distributed among the County’s funds is as follows:

Capital Budget by Funds	FY2022
General Fund	\$370,000
Highway & Bridge Funds	\$6,370,000
Capital Asset Replacement Fund (CARF)	\$2,560,023
American Rescue Act Plan (ARPA)	\$7,856,494
Special Revenue & Other Funds	\$284,740
TOTAL	\$17,441,257

IMPACT OF CAPITAL EXPENDITURES ON OPERATING BUDGETS

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 annual purchase of squad cars for the Sheriff’s Office. In FY2022, the County Clerk’s operating budget includes \$225,000 for the purchase of election equipment.

The level of funding required in the Capital Asset Replacement Fund often impacts the General Fund, the County’s main operating budget, as it is the predominant funding source for the CARF. In years where there is insufficient revenue within the General Fund to both balance the operating budget and fully fund CARF, cuts are often made in CARF. Since implementation of the County Facility and County IT Plans, the County has strived to fund those planned projects. The exception is the scheduled replacement of the Justice Case Management System planned for 2022. System replacement is expected to cost up to \$15 million. The County will engage the services of a consultant in FY2022 to assist with the study of the current system, replacement options and recommendations. When cuts are necessary, “reserve” funding for items scheduled for replacement in future fiscal years, such as equipment, may not be fully funded. The FY2022 Budget includes reserve funding for CARF items scheduled for replacement in future fiscal years.

Public Safety Sales Tax Fund

The Public Safety Sales Tax Fund is also a prominent source of CARF funding. A significant portion of Public Safety Sales tax revenues are used to pay debt service payments, leaving limited resources available for other public safety costs including capital. The implementation of Level the Playing Field legislation has increased sales tax revenue and in FY2022 the budget includes reserve funding for public safety eligible items scheduled in CARF.

Highway Fund

Major funding sources for highway projects include property tax levies, Motor Fuel Taxes (MFT), and grants. Specific projects scheduled include seven major bridge projects and eight to ten smaller County and

Township projects, as well as a major road rebuild. Because most highway projects are funded outside of the Highway operations budget, capital expenditures are not expected to have an 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 FY2022 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 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	Capital Project Budgets	Funding Sources and Uses
General Fund	\$370,000	The General Fund receives revenue from property tax, sales tax, state shared revenues, fees, fines, intergovernmental revenue, and transfers. The capital budget includes \$145,000 for the purchase of Sheriff's squad cars and \$85,000 for election equipment.
Capital Asset Replacement	\$2.56 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 budget includes appropriation for projects per the County Facilities Plan and Capital Asset Replacement Plan.
County Highway	\$710,000	Property tax revenue source fund for building and maintaining county highways and purchasing highway equipment. Appropriation includes a drainage project and heavy equipment purchase.
County Bridge	\$1.26 million	Property tax revenue source fund for building and maintaining county bridges and culverts. FY2022 plans include the replacement of eight bridges and up to ten smaller county and township projects.
County Motor Fuel Tax	\$100,000	State shared revenue from motor fuel taxes for construction and maintenance of county highways.
Highway IDOT REBUILD Grant	\$4.3 million	IDOT Illinois REBUILD grant funding for transportation projects with an average useful life great or equal to thirteen years.
Probation Services	\$36,500	Fee revenue used to fund programs, services, and operational expenses for clients of Court Services in Champaign County.
Recorder Automation	\$55,600	Fee for automating records in the Clerk/Recorder's Office.
Jail Commissary	\$45,000	Revenue from detainee utilization of the commissary, donations and gifts, and interest earnings to be used for the benefit of detainees.
Court Document Storage	\$5,640	Court fees defray the cost of establishing and maintaining a document storage system, including the cost of converting paper files to micrographic or electronic storage.
Circuit Clerk E-Citations	\$20,000	Fee used to defray expenses related to the establishment and maintenance of electronic citations – the process of electronically transmitting citations and law enforcement data to the circuit clerk.
Regional Planning Comm.	\$90,000	The fund includes federal and state grants for economic development, community services, transportation engineering, police training, and

Fund	Capital Project Budgets	Funding Sources and Uses
		local contracts for planning and technical assistance.
Animal Control	\$22,000	Animal registration fees and contract with the cities and villages fund the operations of Animal Control.
MHB/DDB CILA Facilities	\$10,000	Funding is a transfer from the Developmental Disabilities Board and interest income for maintenance of the CILA facilities.
ARPA	\$7,856,494	American Rescue Plan Act funds appropriated in FY2022 for various capital projects and purchases identified within the General County ARPA budget (840-075).

SUMMARY

The total of all capital appropriation budgeted is \$17.4 million, which is 9.7% of the total FY2022 budget.