

TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS  
A COMPONENT UNIT OF THE CITY OF  
CHAMPAIGN, ILLINOIS

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ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED  
JUNE 30, 2025

53 East Logan Street  
Champaign, IL 61820  
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<http://cctownship.com>

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS  
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

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## **FINANCIAL SECTION**

This section includes:

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

## **INDEPENDENT AUDITOR'S REPORT**

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



**INDEPENDENT AUDITOR'S REPORT**

December 17, 2025

Board of Trustees  
Town of the City of Champaign  
Champaign, Illinois

**Report on the Audit of the Financial Statements**

*Opinion*

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of the City of Champaign (the Township), Illinois, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of the City of Champaign, Illinois, as of June 30, 2025, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

*Basis for Opinions*

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor’s Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Township’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, the budgetary comparison schedules, and supplementary pension and other post-employment benefit (OPEB) schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of the City of Champaign, Illinois’ basic financial statements. The other supplementary information is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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, other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Information**

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2025, on our consideration of the Township’s internal control over financial reporting and on our tests of its compliance with certain provisions 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 Township’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 Township’s internal control over financial reporting and compliance.

*Lauterbach & Amen, LLP*  
LAUTERBACH & AMEN, LLP

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS  
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Management's Discussion and Analysis  
June 30, 2025**

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Our discussion and analysis of the Town of the City of Champaign's (the Township's) financial performance provides an overview of the Township's financial activities for the fiscal year ended June 30, 2025. Please read it in conjunction with the Township's financial statements, which can be found in the basic financial statements section of this report.

**FINANCIAL HIGHLIGHTS**

- At June 30, 2025, the Town of the City of Champaign's total assets/deferred outflow of resources exceeded total liabilities/deferred inflows of resources by \$1.9 million.
- Net position of governmental activities decreased by \$0.05 million, a 2.6 percent decrease.
- During the year, taxes and other revenues were \$3.31 million while expenses were \$3.36 million.
- The governmental funds reported combined fund balances of \$371.5 thousand, of which \$338.1 thousand was unassigned and is available for spending at the Township's discretion.

**USING THIS ANNUAL REPORT**

This Annual Report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Township as a whole and present a longer-term view of the Township's finances. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Township's operation in more detail than the government-wide statements by providing information about the Township's most significant funds.

**Government-Wide Financial Statements**

The government-wide financial statements provide readers with a broad overview of the Township's finances, in a manner similar to a private-sector business. The government wide financial statements can be found in the financial section of this report.

The Statement of Net Position reports information on all of the Township's assets/deferred outflows and liabilities/deferred inflows, 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 Township is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the Township's property tax base, is needed to assess the overall health of the Township.

The Statement of Activities presents information showing how the government'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).

The governmental activities of the Township include general government and public welfare. Property taxes and governmental revenues finance these activities.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS  
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Management's Discussion and Analysis  
June 30, 2025**

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**USING THIS ANNUAL REPORT - Continued**

**Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Township, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Township are classified as governmental funds.

**Governmental Funds**

Governmental funds are used to account for 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 Township'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 Town maintains three individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, the General Assistance Fund, and the Township Low Barrier Shelter Fund, which are considered major funds. Individual fund data for each of these major governmental funds is provided in the form of schedules elsewhere in this report.

The Township adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

**Notes to the Financial Statements**

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Township's General Fund and major special revenue funds, Illinois Municipal Retirement Fund (I.M.R.F.) pension obligations and Health Insurance Plan for Retired Employees benefit obligations. The schedules referred to earlier in connection with the capital projects fund is presented immediately following the required supplementary information on pensions.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Management’s Discussion and Analysis**  
**June 30, 2025**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of a government’s financial position. The following tables show that in the case of the Township, assets/deferred outflows exceeded liabilities/deferred inflows by \$1.9 million, a decrease of 2.6 percent from the previous year.

Net Position (in Thousands)\*

	Governmental Activities	
	2025	2024
Current and Other Assets	\$ 1,160.6	1,085.0
Capital Assets	1,817.7	1,903.7
Total Assets	2,978.3	2,988.8
Deferred Outflows	152.7	243.2
Total Assets/Deferred Outflows	3,130.9	3,232.0
Long-Term Debt Outstanding	306.9	363.4
Other Liabilities	285.8	293.5
Total Liabilities	592.7	656.9
Deferred Inflows	625.9	611.3
Inflows	1,218.6	1,268.1
Net Position		
Net Investment in Capital Assets	1,672.7	1,721.1
Restricted	21.2	26.0
Unrestricted	218.5	216.8
Total Net Position	1,912.4	1,963.9

\*Variation in values may occur due to rounding

The Township’s investment in capital assets (e.g., buildings and improvements, equipment and vehicles, and software) accounts for 87.4 percent of the Township’s net position. The Township uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

An additional portion, \$21.2 thousand or 1.2 percent of the Township’s net position, represents resources that are subject to external restrictions on how they may be used. The remaining fund balance of \$218.5 thousand, or 11.4 percent, represents unrestricted net position and may be used to meet the government’s ongoing obligations.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Management's Discussion and Analysis**  
**June 30, 2025**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued**

At the end of the current fiscal year, the Township was able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental activities.

Changes in Net Position (in Thousands)\*

	Governmental Activities	
	2025	2024
Revenues		
Program Revenues		
Charges for Services	\$ 46	13
Operating Grants and Contributions	2,024.2	1,752.2
General Revenues		
Property Taxes	993.4	944.3
Replacement Taxes	123.2	183.7
Interest Income	10.6	13.8
Miscellaneous	110.1	188.8
Total Revenues	<u>3,307.1</u>	<u>3,095.9</u>
Expenses		
General Government	3,233.7	3,042.1
Public Welfare	124.8	151.4
Total Expenses	<u>3,358.6</u>	<u>3,193.5</u>
Change in Net Position	(51.5)	(97.5)
Net Position - Beginning	<u>1,963.9</u>	<u>2,061.4</u>
Net Position - Ending	<u><u>1,912.4</u></u>	<u><u>1,963.9</u></u>

\*Variation in values may occur due to rounding

Net position of the Township's governmental activities decreased by 2.6 percent (\$1,912.4 thousand compared to \$1,963.9 thousand). Unrestricted net position, the part of net position which can be used for day-to-day operations without constraints, increased by \$1.7 thousand (\$218.5 thousand compared to \$216.8 thousand).

Total revenues increased by 6.8 percent (\$211.1 thousand). The total cost of all programs and services increased by 5.2 percent (\$3.4 million compared to \$3.2 million). The increase in revenues is primarily due to additional grant revenue received related to the operation of low barrier homeless shelter.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS  
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

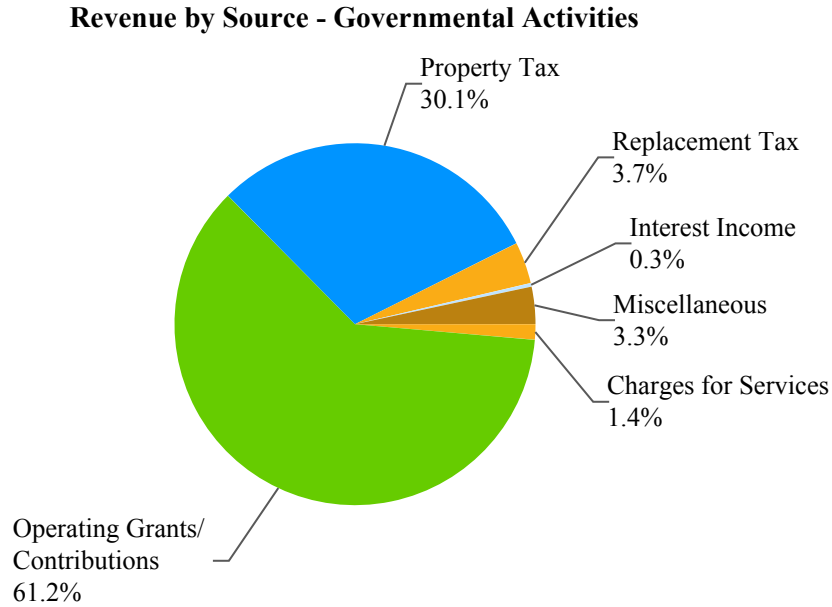
**Management's Discussion and Analysis  
June 30, 2025**

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**GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued**

The following pie chart demonstrates graphically the major revenue sources of the Township. It depicts the reliance on property taxes to fund governmental activities.



**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

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

**Governmental Funds**

The focus of the Township's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unassigned fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the governmental funds reported combined ending fund balances of \$371.5 thousand, which is higher than last year's total of \$333.0 thousand.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The General Fund expenditures were lower than the budgeted amount by \$86.1 thousand (\$853.9 thousand actual compared to \$940.0 thousand budgeted), primarily due to lower than anticipated salaries due to vacancies during the year.

General Fund revenues were lower than the budgeted amount by \$14.8 thousand. The difference is mainly because replacement taxes came in under budget by \$31.8 thousand, or 20.5%, due to the state increasing the amount of funding that they are sweeping from replacement tax revenue.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Management’s Discussion and Analysis**  
**June 30, 2025**

**CAPITAL ASSETS**

The Township’s investment in capital assets as of June 30, 2025 was \$1.8 million (net of accumulated depreciation/amortization). This investment in capital assets includes construction in progress, buildings and improvements, and equipment and vehicles.

Capital Assets - Net of Depreciation/Amortization  
(in Thousands)\*

	Governmental Activities	
	2025	2024
Buildings and Improvements	\$ 1,748.5	\$ 1,788.0
Equipment and Vehicles	64.3	81.5
Subscription Assets - Software	4.9	34.2
Totals	<u>\$ 1,817.7</u>	<u>\$ 1,903.7</u>

\*Variation in values may occur due to rounding

Additional information on the Township’s capital assets can be found in Note 3 of this report.

**DEBT ADMINISTRATION**

The Township’s total outstanding bonded debt as of June 30, 2025 is \$145.0 thousand. The following table provides a detail of this outstanding debt, comparing the current fiscal year to the previous fiscal year.

Long-Term Debt Outstanding (in Thousands)\*

	Governmental Activities	
	2025	2024
General Obligation Bonds	\$ 145.0	\$ 165.0
Subscription Arrangements	—	17.6
Totals	<u>\$ 145.0</u>	<u>\$ 182.6</u>

\*Variation in values may occur due to rounding

Additional information on the Township's long-term debt can be found in Note 3 of this report.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS  
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Management's Discussion and Analysis  
June 30, 2025**

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**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The Township receives revenues from various sources including property taxes, local, state, and federal grants as well as charitable organizations interested in supporting the mission of the Township. Property taxes remain stable as does operating expenditures. The Strides Low Barrier Shelter has grant funds available to continue operations through at least February of 2026. A tax levy referendum was placed on the ballot in Fall of 2024 and the Spring of 2025 to provide continued funding for the shelter, both of which ultimately failed. The Township will continue to seek opportunities for additional funding from grants and other funding outside of property taxes to support the services that the Township provides and the community demands.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Town of the City of Champaign's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Township Supervisor, Town of the City of Champaign, 53 East Logan Street, Champaign, IL 61820.

## **BASIC FINANCIAL STATEMENTS**

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

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS  
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Statement of Net Position  
June 30, 2025**

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**See Following Page**

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS  
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Statement of Net Position  
June 30, 2025**

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**ASSETS**

Current Assets	
Cash and Investments	\$ 545,868
Receivables - Net of Allowances	602,547
Prepays	12,154
Total Current Assets	<u>1,160,569</u>
Noncurrent Assets	
Capital Assets	
Depreciable/Amortizable	2,191,341
Accumulated Depreciation/Amortization	<u>(373,656)</u>
Total Noncurrent Assets	<u>1,817,685</u>
Total Assets	<u>2,978,254</u>

**DEFERRED OUTFLOWS OF RESOURCES**

Deferred Items - IMRF	123,225
Deferred Items - HIPRE	29,433
Total Deferred Outflows of Resources	<u>152,658</u>
Total Assets and Deferred Outflows of Resources	<u>3,130,912</u>

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**LIABILITIES**

Current Liabilities	
Accounts Payable	\$ 152,722
Accrued Payroll	99,816
Current Portion of Long-Term Debt	33,225
Total Current Liabilities	<u>285,763</u>
Noncurrent Liabilities	
Compensated Absences Payable	51,043
Net Pension Liability - IMRF	93,800
Total OPEB Liability - HIPRE	37,086
General Obligation Bonds Payable	125,000
Total Noncurrent Liabilities	<u>306,929</u>
Total Liabilities	<u>592,692</u>

**DEFERRED INFLOWS OF RESOURCES**

Property Taxes	536,571
Deferred Items - IMRF	76,059
Deferred Items - HIPRE	13,228
Total Deferred Inflows of Resources	<u>625,858</u>
Total Liabilities and Deferred Inflows of Resources	<u>1,218,550</u>

**NET POSITION**

Net Investment in Capital Assets	1,672,685
Restricted	
General	21,160
Unrestricted	<u>218,517</u>
Total Net Position	<u>1,912,362</u>

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

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2025**

	Expenses	Program Revenues			Net (Expenses)/ Revenues
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions	
Governmental Activities					
General Government	\$ 3,233,730	—	2,024,158	—	(1,209,572)
Public Welfare	124,843	45,613	—	—	(79,230)
Total Governmental Activities	<u>3,358,573</u>	<u>45,613</u>	<u>2,024,158</u>	<u>—</u>	<u>(1,288,802)</u>

General Revenues	
Taxes	
Property Tax	993,409
Intergovernmental - Unrestricted	
Replacement Tax	123,208
Interest Income	10,554
Miscellaneous	110,142
	<u>1,237,313</u>
Change in Net Position	(51,489)
Net Position - Beginning	<u>1,963,851</u>
Net Position - Ending	<u><u>1,912,362</u></u>

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

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Balance Sheet - Governmental Funds**  
**June 30, 2025**

	General	Special Revenue General Assistance	Capital Projects Township Low Barrier Shelter	Totals
<b>ASSETS</b>				
Cash and Investments	\$ 545,868	—	—	545,868
Receivables - Net of Allowances				
Property Taxes	461,036	111,143	—	572,179
Replacement Taxes	21,246	—	—	21,246
Other	—	9,122	—	9,122
Due from Other Funds	206,428	—	—	206,428
Prepays	8,892	—	3,262	12,154
Total Assets	<u>1,243,470</u>	<u>120,265</u>	<u>3,262</u>	<u>1,366,997</u>
<b>LIABILITIES</b>				
Accounts Payable	67,463	7,637	77,622	152,722
Accrued Payroll and Benefits	32,263	2,595	64,958	99,816
Due to Other Funds	—	18,726	187,702	206,428
Total Liabilities	<u>99,726</u>	<u>28,958</u>	<u>330,282</u>	<u>458,966</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	432,345	104,226	—	536,571
Total Liabilities and Deferred Inflows of Resources	<u>532,071</u>	<u>133,184</u>	<u>330,282</u>	<u>995,537</u>
<b>FUND BALANCES</b>				
Nonspendable	8,892	—	3,262	12,154
Restricted	21,160	—	—	21,160
Unassigned	681,347	(12,919)	(330,282)	338,146
Total Fund Balances	<u>711,399</u>	<u>(12,919)</u>	<u>(327,020)</u>	<u>371,460</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>1,243,470</u>	<u>120,265</u>	<u>3,262</u>	<u>1,366,997</u>

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

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

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

**June 30, 2025**

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<b>Total Governmental Fund Balances</b>	\$ 371,460
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.	1,817,685
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred Items - IMRF	47,166
Deferred Items - HIPRE	16,205
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(63,804)
Net Pension Liability - IMRF	(93,800)
Total OPEB Liability - HIPRE	(37,550)
General Obligation Bonds Payable	<u>(145,000)</u>
<b>Net Position of Governmental Activities</b>	<u><u>1,912,362</u></u>

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

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds**  
**For the Fiscal Year Ended June 30, 2025**

	General	Special Revenue General Assistance	Capital Projects Township Low Barrier Shelter	Totals
<b>Revenues</b>				
Taxes	\$ 789,441	203,968	—	993,409
Intergovernmental	123,208	—	2,024,158	2,147,366
Charges for Services	—	45,613	—	45,613
Interest Income	7,598	2,956	—	10,554
Miscellaneous	4,928	105,214	—	110,142
Total Revenues	925,175	357,751	2,024,158	3,307,084
<b>Expenditures</b>				
General Government	829,401	271,802	2,000,117	3,101,320
Public Welfare	—	124,843	—	124,843
<b>Debt Service</b>				
Principal Retirement	20,000	—	17,641	37,641
Interest and Fiscal Charges	4,468	—	360	4,828
Total Expenditures	853,869	396,645	2,018,118	3,268,632
Net Change in Fund Balances	71,306	(38,894)	6,040	38,452
Fund Balance - Beginning	640,093	25,975	(333,060)	333,008
Fund Balances - Ending	711,399	(12,919)	(327,020)	371,460

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

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the  
Governmental Funds to the Statement of Activities - Governmental Activities**  
**For the Fiscal Year Ended June 30, 2025**

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<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ 38,452</b>
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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/amortization expense.

Depreciation/Amortization Expense	(86,052)
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The net effect of deferred outflows (inflows) of resources related  
to the pensions not reported in the funds.

Change in Deferred Items - IMRF	(64,027)
Change in Deferred Items - HIPRE	(10,099)

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.

Change in Compensated Absences	(17,169)
Change in Net Pension Liability - IMRF	50,185
Change in Total OPEB Liability - RBP	(420)
Retirement of Debt	37,641

<b>Changes in Net Position of Governmental Activities</b>	<b><u>(51,489)</u></b>
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**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements**  
**June 30, 2025**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Town of the City of Champaign, Illinois (the 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.

**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.

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government. Management has determined that there are no fiduciary component units that are required to be included in the financial statements of the Township as pension trust funds and there are no discretely component units to include in the reporting entity.

**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/amortization) 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.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements**  
**June 30, 2025**

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**NOTE 1 - 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/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.

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 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.

*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 Township Low Barrier Shelter Fund, a major fund, is used to account for grant fund revenues used to operate a year-round low- barrier emergency shelter for homeless individuals throughout the community.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS  
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements  
June 30, 2025**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**BASIS OF PRESENTATION - 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.

**ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION/  
FUND BALANCE**

**Cash and Investments**

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

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS  
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements  
June 30, 2025**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION/  
FUND BALANCE - Continued**

**Cash and Investments - Continued**

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.

**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/amortized. 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/amortization on all assets is computed and recorded using the straight-line method of depreciation/amortization over the following estimated useful lives:

Buildings and Improvements	50 Years
Equipment and Vehicles	5 - 10 Years
Subscription Assets - Software	3 Years

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS  
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements  
June 30, 2025**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION/  
FUND BALANCE - Continued**

**Compensated Absences**

Township employees earn between five to twenty days of annual vacation leave, depending on their length of service with the Township. Up to ten days can be carried over to the succeeding year, and upon termination accrued vacation leave will be paid out upon termination. Sick leave can be accumulated up to a maximum of twenty workdays. Upon termination, employees can sell back a portion of their accrued sick leave one they have completed at least ten years of employment.

**Deferred Outflows/Inflows of Resources**

Deferred outflow/inflow of resources represents a consumption/acquisition of net assets 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.

**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/amortization, 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 legislation.

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 restrictions of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

**Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumption 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 expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements**  
**June 30, 2025**

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**NOTE 2 - 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.

**DEFICIT FUND BALANCE**

The following funds had deficit fund balance for the fiscal year:

Fund	Deficit
General Assistance	\$ 12,919
Township Low Barrier Shelter	327,020

**NOTE 3 - DETAIL NOTES ON ALL FUNDS**

**PROPERTY TAXES**

Property taxes for the 2024 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.

**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.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements**  
**June 30, 2025**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**DEPOSITS AND INVESTMENTS - Continued**

*Deposits.* At year-end, the carrying amount of the Township’s deposits for governmental activities totaled \$498,832 and the bank balances totaled \$522,858. Additionally, the Township has \$47,036 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 AAmmf by Fitch. 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 Township’s investment policy states that deposits in excess of the amount insured by FDIC will be collateralized at 105% of the deposit amount. At year-end \$272,858 of the bank balance of the deposits was not covered by federal depository or equivalent insurance,

*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.

*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.

**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	General Assistance	\$ 18,726
General	Township Low Barrier Shelter	<u>187,702</u>
		<u><u>206,428</u></u>

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements**  
**June 30, 2025**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**CAPITAL ASSETS**

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Depreciable/Amortizable Capital Assets</b>				
Buildings and Improvements	\$ 1,975,259	—	—	1,975,259
Equipment and Vehicles	128,223	—	—	128,223
Subscription Assets - Software	87,859	—	—	87,859
	<u>2,191,341</u>	<u>—</u>	<u>—</u>	<u>2,191,341</u>
<b>Less Accumulated Depreciation/Amortization</b>				
Buildings and Improvements	187,228	39,505	—	226,733
Equipment and Vehicles	46,685	17,261	—	63,946
Subscription Assets - Software	53,691	29,286	—	82,977
	<u>287,604</u>	<u>86,052</u>	<u>—</u>	<u>373,656</u>
 Total Net Capital Assets	 <u>1,903,737</u>	 <u>(86,052)</u>	 <u>—</u>	 <u>1,817,685</u>

Depreciation/amortization expense of \$86,052 was charged to the general government function.

**SHORT-TERM DEBT**

**Loans Payable**

The Township entered into a short-term bridge loan payable to the City of Champaign to pay for operating expenses until such a time as the property tax revenue was received. The schedule below details the changes in short-term debt for the fiscal year ended June 30, 2025.

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
\$308,692 Short-Term Bridge Loan of 2025 through June 30, 2025 which accrues no interest.	\$ —	308,692	308,692	—

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements**  
**June 30, 2025**

**NOTE 3 - 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 (Alternate Revenue Source) 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.	\$ 165,000	—	20,000	145,000

**Subscription Based Information Technology Arrangements (SBITAs)**

Township has the following Subscription Arrangements at year end:

Subscription	Start Date	End Date	Payments	Interest Rate
EccoVia Software	June 1, 2022	June 30, 2025	\$12,500 to \$18,000 Annually	1.50%

**Changes in Long-Term Liabilities**

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
Compensated Absences	\$ 46,635	17,169	—	63,804	12,761
Net Pension Liability - IMRF	143,985	—	50,185	93,800	—
Total OPEB Liability	37,130	420	—	37,550	464
General Obligation Bonds	165,000	—	20,000	145,000	20,000
Subscription Arrangements	17,641	—	17,641	—	—
	<u>410,391</u>	<u>17,589</u>	<u>87,826</u>	<u>340,154</u>	<u>33,225</u>

Payments on the net pension liability, the total OPEB liability, and the general obligation bonds are being made by the General Fund. The subscription arrangements are being paid by the Township Low Barrier Shelter Fund.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements**  
**June 30, 2025**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT - Continued**

**Legal Debt Margin**

Chapter 50, Section 405/1 of the Illinois Compiled Statutes provides "...no county having a population of less than 500,000 and no township, school district or other municipal corporation having a population of less than 300,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 2.875% 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 governmental unit's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

Assessed Valuation - 2024	<u>\$ 2,458,722,485</u>
Legal Debt Limit - 2.875% of Equalized Assessed Value	70,688,271
Amount of Debt Applicable to Limit	<u>—</u>
Legal Debt Margin	<u>70,688,271</u>

**Debt Service Requirements to Maturity**

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

Fiscal Year	General Obligation Bonds	
	Principal	Interest
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	<u>145,000</u>	<u>13,623</u>

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements**  
**June 30, 2025**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**FUND BALANCE CLASSIFICATIONS**

In the governmental funds 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.

*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.

*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 Board of Trustees; 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 Board of Trustees' intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Trustees itself or b) a body or official to which the Board of Trustees has delegated the authority to assign amounts to be used for specific purposes. The Township's highest level of decision-making authority is the Board of Trustees, 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 Town Fund and deficit fund balances of other governmental funds.

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

	General	Special Revenue General Assistance	Capital Projects Township Low Barrier Shelter	Totals
Fund Balances				
Nonspendable				
Prepays	\$ 8,892	—	3,262	12,154
Restricted				
Property Tax Levies IMRF	21,160	—	—	21,160
Unassigned	681,347	(12,919)	(330,282)	338,146
Total Fund Balances	711,399	(12,919)	(327,020)	371,460

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS  
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements  
June 30, 2025**

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**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**NET POSITION CLASSIFICATIONS**

Net investment in capital assets was comprised of the following as of year-end:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation/Amortization	\$ 1,817,685
Less Capital Related Debt:	
General Obligation (Alternate Revenue Source) Bonds of 2015	<u>(145,000)</u>
Net Investment in Capital Assets	<u><u>1,672,685</u></u>

**NOTE 4 - 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.

On July 1, 2021, the Township and the City formalized an amendment to the agreement. Under the terms of the amended agreement, the annual amount of the payment for services will be calculated at the beginning of each new fiscal year by averaging the estimated labor costs determined by the City's Township Quarterly Reports from the prior two fiscal years and adding a 15% multiplier. The Township will render payment to the City on a quarterly basis.

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.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS  
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements  
June 30, 2025**

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**NOTE 4 - OTHER INFORMATION - Continued**

**CONTINGENT LIABILITIES**

**Litigation**

From time to time, the Township is party to various pending claims and legal proceedings with respect to employment, civil rights, property taxes and other matters. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the Township attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Township's financial position or results of operations.

**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 Township expects such amounts, if any, to be immaterial.

**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 Annual Comprehensive 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](http://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.

**Plan Descriptions**

*Plan Administration.* All employees (other than those covered by the Police 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).

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
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**Notes to the Financial Statements**  
**June 30, 2025**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Plan Descriptions - Continued**

*Benefits Provided - Continued.* IMRF provides two tiers of pension benefits. 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.

*Plan Membership.* As of December 31, 2024, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	7
Inactive Plan Members Entitled to but not yet Receiving Benefits	32
Active Plan Members	<u>39</u>
Total	<u><u>78</u></u>

*Contributions.* As set by statute, the Township’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. For the year-ended June 30, 2025, the Township’s contribution was 5.54% of covered payroll.

*Net Pension Liability.* The Township’s net pension liability was measured as of December 31, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS  
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements  
June 30, 2025**

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**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Plan Descriptions - Continued**

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation performed, as of December 31, 2024, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	2.85% to 13.75%
Cost of Living Adjustments	2.75%
Inflation	2.25%

For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

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:

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
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**Notes to the Financial Statements**  
**June 30, 2025**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Plan Descriptions - Continued**

*Actuarial Assumptions - Continued*

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	24.50%	5.20%
Domestic Equities	33.50%	4.35%
International Equities	18.00%	5.40%
Real Estate	10.50%	6.40%
Blended	12.50%	4.85% - 6.25%
Cash and Cash Equivalents	1.00%	3.60%

**Discount Rate**

The discount rate used to measure the total pension liability was 7.25%, 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 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 period of projected benefit payments to determine the total pension liability.

**Discount Rate Sensitivity**

The following is a sensitivity analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents the net pension liability/(asset) of the Township calculated using the discount rate as well as what the Township's net pension liability/(asset) 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%)
Net Pension Liability/(Asset) \$	402,296	93,800	(149,232)

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements**  
**June 30, 2025**

**NOTE 4 - 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, 2023	\$ 2,812,403	2,668,418	143,985
Changes for the Year:			
Service Cost	121,111	—	121,111
Interest on the Total Pension Liability	200,814	—	200,814
Difference Between Expected and Actual Experience of the Total Pension Liability	6,436	—	6,436
Changes of Assumptions	—	—	—
Contributions - Employer	—	107,539	(107,539)
Contributions - Employees	—	81,349	(81,349)
Net Investment Income	—	258,612	(258,612)
Benefit Payments, Including Refunds of Employee Contributions	(206,211)	(206,211)	—
Other (Net Transfer)	—	(68,954)	68,954
Net Changes	122,150	172,335	(50,185)
Balances at December 31, 2024	2,934,553	2,840,753	93,800

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements**  
**June 30, 2025**

**NOTE 4 - 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**

For the year ended June 30, 2025, the Township recognized pension expense of \$106,178. At June 30, 2025, the Township 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	\$ 23,229	(71,222)	(47,993)
Change in Assumptions	—	(4,837)	(4,837)
Net Difference Between Projected and Actual	60,035	—	60,035
Total Expense to be Recognized in Future Periods	83,264	(76,059)	7,205
Contributions Made Subsequent to the Measurement Date	39,961	—	39,961
 Total Deferred Amounts Related to IMRF	 123,225	 (76,059)	 47,166

\$39,961 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, 2026. 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/ (Inflows) of Resources
2026	\$ 13,696
2027	66,728
2028	(35,326)
2029	(24,066)
2030	(11,567)
Thereafter	(2,260)
Totals	7,205

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements**  
**June 30, 2025**

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**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS**

**General Information about the OPEB Plan**

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

*Benefits Provided.* The Township provides limited health care insurance coverage of 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 Township’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 Township’s plan becomes secondary.

*Plan Membership.* As of June 30, 2025, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	1
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	<u>28</u>
Total	<u><u>29</u></u>

**Total OPEB Liability**

The Township’s total OPEB liability was measured as of June 30, 2025, and was determined by an actuarial valuation as of the same date.

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements**  
**June 30, 2025**

**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	5.20%
Healthcare Cost Trend Rates	Initial rate of 6.00% decreasing 0.25% to 0.50% per year to an ultimate rate of 4.50% for 2030 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 for Police and Fire were according to PubS-2010 base rates projected fully generationally using scale MP2021. For all others the PubG-2010 base rates projected fully generationally using same MP2021 were used.

**Change in the Total OPEB Liability**

	<u>Total OPEB Liability</u>
Balance at June 30, 2024	<u>\$ 37,130</u>
Changes for the Year:	
Service Cost	7,722
Interest on the Total OPEB Liability	1,465
Difference Between Expected and Actual Experience	(3,686)
Changes of Assumptions or Other Inputs	(4,617)
Benefit Payments	(464)
Net Changes	<u>420</u>
Balance at June 30, 2025	<u><u>37,550</u></u>

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Notes to the Financial Statements**  
**June 30, 2025**

**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS - Continued**

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

The discount rate used to measure the total pension liability was 5.20%, while the prior year used a discount rate of 3.69%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

		Current Discount Rate	
	1% Decrease (4.20%)	(5.20%)	1% Increase (6.20%)
Total OPEB Liability	\$ 40,121	37,550	35,139

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

The following presents the total OPEB liability, calculated using a variable Healthcare Trend Rate, 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:

		Healthcare Cost Trend Rates	
	1% Decrease (Varies)	(Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 34,369	37,550	41,232

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
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**Notes to the Financial Statements**  
**June 30, 2025**

**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, 2025, the Township recognized OPEB expense of \$10,983. At June 30, 2025, Township reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 28,330	(7,140)	21,190
Change in Assumptions	1,103	(6,088)	(4,985)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	—	—
<b>Total Deferred Amounts Related to OPEB</b>	<b>29,433</b>	<b>(13,228)</b>	<b>16,205</b>

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 of Resources
2026	\$ 1,796
2027	1,796
2028	1,796
2029	1,796
2030	1,796
Thereafter	7,225
<b>Total</b>	<b>16,205</b>

## **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 Employer Contributions  
Illinois Municipal Retirement Fund - Last Ten Fiscal Years
- Schedule of Changes in the Employer's Net Pension Liability/(Asset)  
Illinois Municipal Retirement Fund - Last Ten Measurement Years
- Schedule of Changes in the Employer's Total OPEB Liability  
Health Insurance Plan for Retired Employees
- Budgetary Comparison Schedule - General Fund
- Budgetary Comparison Schedule - General Assistance - Special Revenue Fund

Notes to the Required Supplementary Information

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

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Illinois Municipal Retirement Fund**  
**Schedule of Employer Contributions - Last Ten Fiscal Years**  
**June 30, 2025**

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
2016	\$ 34,917	\$ 34,917	\$ —	\$ 364,095	9.59%
2017	35,362	35,362	—	364,573	9.70%
2018	30,708	30,708	—	325,598	9.43%
2019	29,648	29,648	—	322,452	9.19%
2020	49,117	49,117	—	380,419	12.91%
2021	71,735	71,735	—	463,960	15.46%
2022	63,588	63,588	—	484,295	13.13%
2023	112,594	112,594	—	1,148,838	9.80%
2024	138,895	138,895	—	1,772,071	7.84%
2025	92,336	92,336	—	1,667,623	5.54%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	19 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.75% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
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**Illinois Municipal Retirement Fund**

**Schedule of Changes in the Employer's Net Pension Liability/(Asset) - Last Ten Measurement Years**

**June 30, 2025**

	12/31/2015	12/31/2016	12/31/2017
Total Pension Liability			
Service Cost	\$ 35,572	36,028	35,532
Interest	144,799	155,542	157,489
Differences Between Expected and Actual Experience	39,547	(75,254)	89,013
Change of Assumptions	6,802	(6,752)	(60,275)
Benefit Payments, Including Refunds of Member Contributions	(77,211)	(73,553)	(109,811)
Net Change in Total Pension Liability	149,509	36,011	111,948
Total Pension Liability - Beginning	1,951,477	2,100,986	2,136,997
Total Pension Liability - Ending	2,100,986	2,136,997	2,248,945
Plan Fiduciary Net Position			
Contributions - Employer	\$ 34,917	35,362	30,609
Contributions - Members	16,385	16,406	14,408
Net Investment Income	9,554	132,905	301,312
Benefit Payments, Including Refunds of Member Contributions	(77,211)	(73,553)	(109,811)
Other (Net Transfer)	(17,490)	(45,759)	6,932
Net Change in Plan Fiduciary Net Position	(33,845)	65,361	243,450
Plan Net Position - Beginning	1,923,756	1,889,911	1,955,272
Plan Net Position - Ending	1,889,911	1,955,272	2,198,722
Employer's Net Pension Liability/(Asset)	\$ 211,075	181,725	50,223
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	89.95%	91.50%	97.77%
Covered Payroll	\$ 364,095	364,573	320,187
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	57.97%	49.85%	15.69%

*Changes of Assumptions.* Changes in assumptions related to the discount rate were made in 2015 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2017 and 2023.

12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024
26,839	31,258	34,383	40,397	43,379	104,021	121,111
162,965	183,905	175,042	183,155	185,506	197,047	200,814
285,102	(168,785)	77,497	(55,576)	37,235	(76,530)	6,436
61,142	—	(21,742)	—	—	(6,699)	—
(179,005)	(170,003)	(170,372)	(142,191)	(131,880)	(142,632)	(206,211)
357,043	(123,625)	94,808	25,785	134,240	75,207	122,150
2,248,945	2,605,988	2,482,363	2,577,171	2,602,956	2,737,196	2,812,403
2,605,988	2,482,363	2,577,171	2,602,956	2,737,196	2,812,403	2,934,553
30,586	30,020	70,589	70,487	66,148	157,891	107,539
14,784	14,878	19,891	21,203	26,343	77,398	81,349
(134,093)	403,995	313,615	413,025	(344,634)	253,748	258,612
(179,005)	(170,003)	(170,372)	(142,191)	(131,880)	(142,632)	(206,211)
114,336	(213,971)	26,140	(80,726)	1,684	52,442	(68,954)
(153,392)	64,919	259,863	281,798	(382,339)	398,847	172,335
2,198,722	2,045,330	2,110,249	2,370,112	2,651,910	2,269,571	2,668,418
2,045,330	2,110,249	2,370,112	2,651,910	2,269,571	2,668,418	2,840,753
560,658	372,114	207,059	(48,954)	467,625	143,985	93,800
78.49%	85.01%	91.97%	101.88%	82.92%	94.88%	96.80%
328,535	330,615	442,014	471,167	585,387	1,719,940	1,675,068
170.65%	112.55%	46.84%	(10.39%)	79.88%	8.37%	5.60%

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Health Insurance Plan for Retired Employees**  
**Schedule of Changes in the Employer's Total OPEB Liability**  
**June 30, 2025**

	6/30/2023	6/30/2024	6/30/2025
Total OPEB Liability			
Service Cost	\$ —	4,907	7,722
Interest	—	1,319	1,465
Difference Between Expected and Actual Experience	36,694	(4,359)	(3,686)
Change of Assumptions or Other Inputs	(2,329)	1,293	(4,617)
Benefit Payments	—	(395)	(464)
Net Change in Total OPEB Liability	34,365	2,765	420
Total OPEB Liability - Beginning	—	34,365	37,130
Total OPEB Liability - Ending	34,365	37,130	37,550
Covered-Employee Payroll	\$ 1,361,465	1,429,619	1,422,115
Total OPEB Liability as a Percentage of Covered-Employee Payroll	2.52%	2.60%	2.64%

Notes:

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

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

*Changes of Assumptions.* There were changes of assumptions related to the discount rate from 2023-2025.

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2025**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 770,000	770,000	789,441
Intergovernmental			
Replacement Taxes	155,000	155,000	123,208
Interest Income	10,000	10,000	7,598
Miscellaneous	5,000	5,000	4,928
Total Revenues	<u>940,000</u>	<u>940,000</u>	<u>925,175</u>
Expenditures			
General Government			
Administrative	433,141	433,141	373,529
Assessor's Office	476,634	476,634	455,872
Capital Outlay	5,500	5,500	—
Debt Service			
Principal Retirement	20,000	20,000	20,000
Interest and Fiscal Charges	4,713	4,713	4,468
Total Expenditures	<u>939,988</u>	<u>939,988</u>	<u>853,869</u>
Net Change in Fund Balance	<u>12</u>	<u>12</u>	71,306
Fund Balance - Beginning			<u>640,093</u>
Fund Balance - Ending			<u><u>711,399</u></u>

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**General Assistance - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2025**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 227,000	227,000	203,968
Charges for Services			
Township Expense Reimbursement	25,000	25,000	45,613
Interest Income	2,800	2,800	2,956
Miscellaneous	120,000	120,000	105,214
Total Revenues	<u>374,800</u>	<u>374,800</u>	<u>357,751</u>
Expenditures			
General Government			
Administrative	298,793	298,793	271,802
Public Welfare			
Relief Assistance	120,000	120,000	124,843
Total Expenditures	<u>418,793</u>	<u>418,793</u>	<u>396,645</u>
Net Change in Fund Balance	<u>(43,993)</u>	<u>(43,993)</u>	(38,894)
Fund Balance - Beginning			<u>25,975</u>
Fund Balance - Ending			<u>(12,919)</u>

## **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 schedules include:

- Budgetary Comparison Schedules - Major Governmental Funds
  - General Fund
  - General Assistance - Special Revenue Fund
  - Township Low Barrier Shelter - Capital Projects Fund

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**General Fund**  
**Schedule of Expenditures - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2025**

	Budget		Actual
	Original	Final	
General Government			
Administrative			
Salaries	\$ 240,970	240,970	202,874
Group Medical and Life Insurance	39,257	39,257	43,776
Township IMRF/SURS Payments	15,470	15,470	5,766
Township FICA Payments	18,434	18,434	15,125
Township SUI Payments	510	510	264
Office Supplies	2,500	2,500	1,846
Activity Specific Supplies	1,000	1,000	—
Motor Vehicle Fuel and Parts	1,200	1,200	340
Small Tools and Equipment	1,500	1,500	251
Professional Services	—	—	4,488
Professional Memberships	1,000	1,000	1,684
Professional Development	2,500	2,500	39
Miscellaneous Contractual Services	75,000	75,000	68,657
Printing and Document Processing	3,300	3,300	2,854
Disposal and Recycling Services	2,500	2,500	2,269
Postage and Express Charges	300	300	564
Insurance Premiums	8,700	8,700	12,495
Utilities	5,000	5,000	5,984
Repairs and Maintenance Services	1,500	1,500	2,525
Contingency	12,500	12,500	1,728
	<u>433,141</u>	<u>433,141</u>	<u>373,529</u>
Assessor's Office			
Salaries	306,712	306,712	295,682
Group Medical and Life Insurance	52,335	52,335	75,048
Township IMRF/SURS Payments	19,049	19,049	12,477
Township FICA Payments	22,698	22,698	14,937
Township SUI Payments	680	680	577
Office Supplies	2,010	2,010	1,157
Activity Specific Supplies	15,000	15,000	4,304
Motor Vehicle Parts	1,000	1,000	297
Small Tools and Equipment	500	500	2,430
Professional Services	1,350	1,350	1,799

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**General Fund**  
**Schedule of Expenditures - Budget and Actual - Continued**  
**For the Fiscal Year Ended June 30, 2025**

	Budget		Actual
	Original	Final	
General Government - Continued			
Assessor's Office - Continued			
Professional Development	\$ 2,500	2,500	2,500
Professional Memberships	2,000	2,000	1,928
Misc. Contractual Services	31,000	31,000	30,649
Printing and Document Processing	2,500	2,500	1,595
Postage and Express Charges	—	—	217
Utilities	9,000	9,000	10,426
Repair and Maintenance Services	5,000	5,000	80
Construction Improvements	800	800	280
Contingency	2,500	2,500	(511)
	<u>476,634</u>	<u>476,634</u>	<u>455,872</u>
Total General Government	<u>909,775</u>	<u>909,775</u>	<u>829,401</u>
Capital Outlay	<u>5,500</u>	<u>5,500</u>	<u>—</u>
Debt Service			
Principal Retirement	20,000	20,000	20,000
Interest and Fiscal Charges	4,713	4,713	4,468
	<u>24,713</u>	<u>24,713</u>	<u>24,468</u>
Total Expenditures	<u>939,988</u>	<u>939,988</u>	<u>853,869</u>

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS**  
**A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**General Assistance - Special Revenue Fund**  
**Schedule of Expenditures - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2025**

	Budget		Actual
	Original	Final	
General Government			
Administrative			
Salaries	\$ 57,125	57,125	57,369
Group Medical and Life Insurance	13,086	13,086	10,359
Township IMRF/SURS Payments	3,667	3,667	3,204
Township FICA	4,370	4,370	4,181
Township SUI Payments	170	170	132
Office Supplies	1,000	1,000	538
Small Tools and Equipment	—	—	251
Professional Memberships	100	100	—
Professional Development	1,300	1,300	—
Misc. Contractual Services	217,175	217,175	195,241
Printing and Document Processing	800	800	476
Contingency	—	—	51
Total General Government	298,793	298,793	271,802
Public Welfare			
Relief Assistance			
Emergency	120,000	120,000	124,843
Total Expenditures	418,793	418,793	396,645

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS  
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Township Low Barrier Shelter - Capital Projects Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2025**

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Grants	\$ 2,301,894	2,301,894	2,024,158
Expenditures			
General Government			
Administrative	2,281,894	2,281,894	2,000,117
Capital Outlay	20,000	20,000	—
Debt Service			
Principal Retirement	—	—	17,641
Interest and Fiscal Charges	—	—	360
Total Expenditures	2,301,894	2,301,894	2,018,118
Net Change in Fund Balance	—	—	6,040
Fund Balance - Beginning			(333,060)
Fund Balance - Ending			(327,020)

**TOWN OF THE CITY OF CHAMPAIGN, ILLINOIS  
A COMPONENT UNIT OF THE CITY OF CHAMPAIGN**

**Township Low Barrier Shelter - Capital Projects Fund  
Schedule of Expenditures - Budget and Actual  
For the Fiscal Year Ended June 30, 2025**

	Budget		Actual
	Original	Final	
General Government			
Administrative			
Salaries	\$ 1,373,283	1,373,283	1,263,904
Group Medical and Life Insurance	308,654	308,654	256,825
Township IMRF/SURS Payments	88,165	88,165	70,889
Township FICA Payments	105,056	105,056	94,670
Township SUI Payments	5,636	5,636	5,797
Office Supplies	45,000	45,000	30,120
Office Furniture	5,000	5,000	117
Computer Hardware & Software	3,000	3,000	—
Emergency Grant	—	—	8,790
Activity Specific Supplies	—	—	94,918
Small Tools and Equipment	2,500	2,500	4,908
Professional Services	27,000	27,000	5,332
Professional Memberships	100	100	781
Professional Development	20,000	20,000	3,267
Miscellaneous Contractual Services	50,000	50,000	2,323
Printing and Document Processing	2,500	2,500	429
Disposal and Recycling Services	6,000	6,000	—
Insurance Premiums	—	—	297
Utilities	75,000	75,000	127,740
Repair and Maintenance Services	30,000	30,000	26,668
Contingency	135,000	135,000	2,342
Total General Government	2,281,894	2,281,894	2,000,117
Capital Outlay	20,000	20,000	—
Debt Service			
Principal Retirement	—	—	17,641
Interest and Fiscal Charges	—	—	360
Total Debt Service	—	—	18,001
Total Expenditures	2,301,894	2,301,894	2,018,118

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENTAL AUDITING STANDARDS***



**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENTAL AUDITING STANDARDS**

December 17, 2025

Board of Trustees  
Town of the City of Champaign  
Champaign, Illinois

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of the City of Champaign (the Township), a discretely presented component unit of the City of Champaign, Illinois, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated December 17, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Township’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Township’s internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District’s financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Town of the City of Champaign, Illinois  
December 17, 2025

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Lauterbach & Amen, LLP*

LAUTERBACH & AMEN, LLP