

March 30, 2020

To the Board of Directors and Management
Champaign-Urbana Public Health District

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Champaign-Urbana Public Health District for the year ended June 30, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated November 13, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Champaign-Urbana Public Health District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2019. We noted no transactions entered into by the Champaign-Urbana Public Health District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimate of depreciation is based on the estimated useful lives of capital assets. We evaluated the key factors and assumptions used to develop the estimated useful lives in determining that depreciation is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the collectability of receivables is based on management's past experience and knowledge of the payors. We evaluated the key factors and assumptions used to develop the estimate of the collectability of receivables in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the net pension liability is based on actuarial estimates of future rates of mortality, disability, turnover, retirement, rates of investment income, and compensation increases. We evaluated the key factors and assumptions used to develop the estimate of the net pension liability in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 30, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Champaign-Urbana Public Health District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Champaign-Urbana Public Health District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the budgetary comparison information, the IMRF schedule of changes in net pension liability and related ratios, and the IMRF schedule of employer contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 the audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Illinois Department of Human Services Grant Report, Illinois Consolidated Year-End Financial Report, and schedule of expenditures of federal awards, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the

information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of the Champaign-Urbana Public Health District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Kemper CPA Group LLP

Kemper CPA Group LLP
Certified Public Accountants and Consultants
Champaign, Illinois

CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT

**FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
June 30, 2019**

Champaign-Urbana Public Health District
June 30, 2019

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Champaign-Urbana Public Health District
June 30, 2019

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Champaign-Urbana Public Health District
Champaign, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Champaign-Urbana Public Health District, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, 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 Champaign-Urbana Public Health District as of June 30, 2019, 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.

Other Matters

Required Supplementary Information

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

The Champaign-Urbana Public Health District has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by the missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Champaign-Urbana Public Health District's basic financial statements. The Illinois Department of Human Services Grant Report and the Illinois Consolidated Year-End Financial Report are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The Illinois Department of Human Services Grant Report, Illinois Consolidated Year-End Financial Report, and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Illinois Department of Human Services Grant Report, Illinois Consolidated Year-End Financial Report, and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2020, on our consideration of the Champaign-Urbana Public Health District'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 Champaign-Urbana Public Health District'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 Champaign-Urbana Public Health District's internal control over financial reporting and compliance.

Kemper CPA Group LLP

Kemper CPA Group LLP
Certified Public Accountants and Consultants
Champaign, Illinois
March 30, 2020

FINANCIAL STATEMENTS

Champaign-Urbana Public Health District
Statement of Net Position
June 30, 2019

	Governmental Activities
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Assets and Deferred Outflows of Resources	
Assets	
Cash	\$ 3,896,253
Property Taxes Receivable, Net of Allowance - \$15,600	3,122,061
Revenues Due From State, County, and Other, Net of Allowance - \$11,365	1,234,772
Prepaid Expenses	129,967
Inventory	20,468
Capital Assets:	
Land	374,000
Construction in Progress	693,642
Other Capital Assets, Net of Accumulated Depreciation	5,677,866
Total Capital Assets	<u>6,745,508</u>
Total Assets	<u>15,149,029</u>
 Deferred Outflows of Resources	
Deferred Amount Related to Pension Liability	<u>3,580,841</u>
 Liabilities, Deferred Inflows of Resources and Net Position	
Liabilities	
Current Liabilities:	
Accounts Payable	460,498
Accrued Liabilities	167,548
Unearned Revenue - Grants	359,417
Unearned Revenue - Other	207,729
Current Portion of Long-Term Debt	269,798
Liability for Legal Settlement	<u>208,590</u>
Total Current Liabilities	<u>1,673,580</u>
Noncurrent Liabilities:	
Accrued Compensated Absences	413,262
Pension Liability	2,113,798
Noncurrent Portion of Long-Term Debt	<u>71,960</u>
Total Noncurrent Liabilities	<u>2,599,020</u>
Total Liabilities	<u>4,272,600</u>
 Deferred Inflows of Resources	
Subsequent Year's Property Tax	2,757,801
Deferred Amount Related to Pension Liability	<u>2,019,829</u>
Total Deferred Inflows of Resources	<u>4,777,630</u>
 Net Position	
Net Investment in Capital Assets	6,403,750
Restricted:	
Audit	56,816
Insurance	30,650
Retirement	138,926
Unrestricted	<u>3,049,498</u>
Total Net Position	<u><u>\$ 9,679,640</u></u>

Champaign-Urbana Public Health District
Statement of Activities
For the Year Ended June 30, 2019

Functions/Programs	Expenses	Program Revenues		Total Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental Activities				
Administration	\$ 934,556	\$ -	\$ 2,769	\$ (931,787)
Champaign County Public Health Department - Contract	687,063	125	867,528	180,590
Environmental Health	793,288	339,943	146,541	(306,804)
Infectious Disease Prevention and Management	2,330,620	141,328	1,653,406	(535,886)
Maternal and Child Health	4,370,173	144,494	3,504,721	(720,958)
Special Projects	764,856	228,399	229,381	(307,076)
Wellness and Health Promotion	2,297,829	902,981	456,152	(938,696)
Total Governmental Activities	<u>\$ 12,178,385</u>	<u>\$ 1,757,270</u>	<u>\$ 6,860,498</u>	(3,560,617)
General Revenues				
Property Taxes				3,645,353
Investment Income				15,641
Rent				102,024
Total General Revenues				<u>3,763,018</u>
Extraordinary Item				
Legal Settlement				<u>(208,590)</u>
Change in Net Position				(6,189)
Net Position, Beginning of Year				<u>9,685,829</u>
Net Position, End of Year				<u>\$ 9,679,640</u>

Champaign-Urbana Public Health District
Balance Sheet - Governmental Funds
June 30, 2019

	General Fund	IMRF	Other Governmental Funds	Total Governmental Funds
Assets				
Cash	\$ 3,482,046	\$ 139,144	\$ 275,063	\$ 3,896,253
Property Taxes Receivable, net	2,853,522	177,332	91,208	3,122,062
Revenue Due From State, County, and Others, net	1,207,353	20,768	6,652	1,234,773
Prepaid Expenses	85,864	-	44,103	129,967
Inventory	20,468	-	-	20,468
Total Assets	<u>\$ 7,649,253</u>	<u>\$ 337,244</u>	<u>\$ 417,026</u>	<u>\$ 8,403,523</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts Payable	\$ 312,914	\$ -	\$ 147,584	\$ 460,498
Accrued Liabilities	158,957	7,298	1,297	167,552
Unearned Revenue - Grants	359,417	-	-	359,417
Unearned Revenue - Other	207,729	-	-	207,729
Liability for Legal Settlement	208,590	-	-	208,590
Total Liabilities	<u>1,247,607</u>	<u>7,298</u>	<u>148,881</u>	<u>1,403,786</u>
Deferred Inflows of Resources				
Subsequent Year's Property Tax	<u>2,469,565</u>	<u>191,020</u>	<u>97,216</u>	<u>2,757,801</u>
Fund Balances				
Nonspendable:				
Inventory	20,468	-	-	20,468
Prepaid Expenses	85,864	-	44,103	129,967
Restricted:				
Audit	-	-	56,816	56,816
Insurance	-	-	30,650	30,650
Retirement	-	138,926	-	138,926
Assigned:				
Capital Projects	217,000	-	39,360	256,360
Unassigned	<u>3,608,749</u>	<u>-</u>	<u>-</u>	<u>3,608,749</u>
Total Fund Balances	<u>3,932,081</u>	<u>138,926</u>	<u>170,929</u>	<u>4,241,936</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 7,649,253</u>	<u>\$ 337,244</u>	<u>\$ 417,026</u>	<u>\$ 8,403,523</u>

Champaign-Urbana Public Health District
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2019

Total Fund Balance for Governmental Funds	\$	4,241,936
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Total Net Position Reported for Governmental Activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and therefore not reported in the funds. Those assets consist of:

Land	\$	374,000	
Construction in Progress		693,642	
Buildings and Improvements, Net of \$2,164,626			
Accumulated Depreciation		5,405,656	
Furniture, Fixtures, and Equipment, Net of \$1,795,531			
Accumulated Depreciation		272,210	6,745,508

Long-term liabilities, including bonds payable, compensated absences, and net pension liabilities, are not due and payable in the current period and therefore are not reported in the funds.		(2,868,816)
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Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore are not reported in the funds.		1,561,012
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Total Net Position of Governmental Activities	\$	9,679,640
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Champaign-Urbana Public Health District
Statement of Revenues, Expenditures, and
Changes in Fund Balances (Deficit) - Governmental Funds
For the Year Ended June 30, 2019

	<u>General Fund</u>	<u>IMRF</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues				
Property Taxes	\$ 3,241,046	\$ 295,132	\$ 109,175	\$ 3,645,353
Licenses and Permits	298,283	-	-	298,283
Intergovernmental	6,612,001	152,666	40,817	6,805,484
Interest	15,641	-	-	15,641
Charges for Services	1,458,987	-	-	1,458,987
Miscellaneous	55,015	-	102,024	157,039
	<u>11,680,973</u>	<u>447,798</u>	<u>252,016</u>	<u>12,380,787</u>
Total Revenues				
Expenditures				
Administration	577,627	64,234	25,288	667,149
Champaign County Public Health Department - Contract	663,069	50,261	17,436	730,766
Environmental Health	756,175	57,350	27,518	841,043
Infectious Disease Prevention and Management	2,270,042	120,763	29,100	2,419,905
Maternal and Child Health	4,288,782	205,710	41,802	4,536,294
Special Projects	503,004	26,379	7,101	536,484
Wellness and Health Promotion	2,208,389	135,284	44,248	2,387,921
Debt Service:				
Principal	267,472	-	-	267,472
Interest	18,537	-	-	18,537
Capital Outlay	114,469	46	753,130	867,645
	<u>11,667,566</u>	<u>660,027</u>	<u>945,623</u>	<u>13,273,216</u>
Total Expenditures				
Excess (Deficiency) of Revenues Over Expenditures	<u>13,407</u>	<u>(212,229)</u>	<u>(693,607)</u>	<u>(892,429)</u>
Other Financing Sources (Uses)				
Transfers In	-	-	374,182	374,182
Transfers Out	(374,182)	-	-	(374,182)
	<u>(374,182)</u>	<u>-</u>	<u>374,182</u>	<u>-</u>
Total Other Financing Sources (Uses)				
Extraordinary Item				
Legal Settlement	(208,590)	-	-	(208,590)
	<u>(208,590)</u>	<u>-</u>	<u>-</u>	<u>(208,590)</u>
Net Change in Fund Balance	(569,365)	(212,229)	(319,425)	(1,101,019)
Fund Balances (Deficit), Beginning of Year	<u>4,501,446</u>	<u>351,155</u>	<u>490,354</u>	<u>5,342,955</u>
Fund Balances (Deficit), End of Year	<u>\$ 3,932,081</u>	<u>\$ 138,926</u>	<u>\$ 170,929</u>	<u>\$ 4,241,936</u>

Champaign-Urbana Public Health District
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2019

Net Change in Fund Balances — Total Governmental Funds \$ (1,101,019)

The Change in Net Position Reported for Governmental Activities in the Statement of Activities is different because:

Governmental funds report capital outlays as expenditures.

However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

522,744

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

267,472

Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported or are reported in different periods as expenditures in governmental funds.

(69,805)

Governmental funds report pension contributions as expenditures when made. However, in the Statement of Activities, pension expense is the cost of benefits earned, adjusted for member contributions, the recognition of changes in deferred outflows of resources related to pensions, and the investment experience.

374,419

Change in Net Position of Governmental Activities **\$ (6,189)**

Champaign-Urbana Public Health District
Notes to Financial Statements
June 30, 2019

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

The Champaign-Urbana Public Health District (District) was established in 1937 under the Coleman Act, which authorized the establishment and maintenance of health departments. The District is governed by the Board of Health, consisting of the Chairman of the Champaign County Board and one member from both the City of Champaign Township and the Cunningham Township. The District's public health services include, but are not limited to environmental health inspections and permits; disease tracking reporting and investigation; HIV counseling and testing, prevention and management; sexually transmitted disease testing and treatment; dental services for children; education and health promotion; preventive services and case management for women; immunizations; and array of other services to pregnant women, children, teenagers, and adults of all ages all for the residents of Champaign and Urbana except for specific intergovernmental programs.

Reporting Entity

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The financial reporting entity consists of (a) the primary government, Champaign-Urbana Public Health District, which has a separately elected governing body, is legally separate and fiscally independent of other state and local governments, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

There are no component units of Champaign-Urbana Public Health District nor is Champaign-Urbana Public Health District dependent on any other entity.

Basis of Presentation

The District's financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Champaign-Urbana Public Health District
Notes to Financial Statements
June 30, 2019

Note 1: Nature of Operations and Summary of Significant Accounting Policies
(Continued)

Basis of Presentation (Continued)

Government-wide Financial Statements

The statement of net position and the statement of activities display information about the District as a whole. These statements include the non-fiduciary financial activities of the District. These statements report those activities of the District that are governmental (i.e. generally supported by taxes and intergovernmental revenues).

The statement of net position presents the financial position of the District's governmental activities at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions (including related investment earnings) that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues of the District. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues.

Fund Financial Statements

The District maintains fund accounting in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at a more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a single column.

Champaign-Urbana Public Health District
Notes to Financial Statements
June 30, 2019

Note 1: Nature of Operations and Summary of Significant Accounting Policies
(Continued)

Basis of Presentation (Continued)

Governmental Funds

Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they are to be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets, liabilities, and deferred inflows and outflows of resources is reported as fund balance. The District's major governmental funds are the General Fund and the IMRF Fund. The General Fund is the District's primary operating fund. It is used to account for all financial transactions, except those required to be accounted for in other funds. IMRF Fund, a special revenue fund, is the District's retirement fund.

Additionally, the District reports other special revenue funds, including capital projects, which are combined as non-major funds.

Basis of Accounting/Measurement Focus

The financial statements of the District have been prepared in conformity with generally accepted accounting principles as applied to local governmental units.

Government-Wide Financial Statements

The measurement focus establishes the basis of accounting. The basis of accounting determines when transactions are recorded in the financial records and reported in the financial statements.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Non-exchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been met.

Champaign-Urbana Public Health District
Notes to Financial Statements
June 30, 2019

Note 1: Nature of Operations and Summary of Significant Accounting Policies
(Continued)

Basis of Accounting/Measurement Focus (Continued)

Government-Wide Financial Statements (Continued)

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants, categorical grants, and general revenues. Thus, when program expenses are incurred, there may be both restricted and unrestricted net assets available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical grants, and then by general revenues.

Governmental Fund Financial Statements

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Accordingly, revenues are recognized and recorded in the accounts when measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay current liabilities. Since many payors pay greater than 60 days after the services are provided, one year is a better match of revenue to expenses. A one-year availability period is used for revenue recognition for all governmental fund type revenues. Expenditures are recognized and recorded when incurred. Capital outlay is considered an expenditure in the year incurred and capital assets are not recognized and depreciated in the fund financial statements.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred inflows and outflows, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

Property Taxes

Property taxes receivable consist of the estimated collectible portion of the 2018 levy, which will be collected and recognized during the year ended June 30, 2019. The related revenue that is received during the time frame of April to March is recognized equally over twelve months, with the remainder being deferred until it is received and available for expenditures. Deferred property tax revenue as of June 30, 2019 was \$2,757,801.

Champaign-Urbana Public Health District
Notes to Financial Statements
June 30, 2019

Note 1: Nature of Operations and Summary of Significant Accounting Policies
(Continued)

Property Taxes (Continued)

The tax levy ordinance is passed by the end of December of each year. Property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments on June 1 and September 1. Champaign County bills and collects the property taxes and remits the money to the District in installments between May and November.

Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

Accounts receivable in the Governmental Funds are reported net of allowance for uncollectible, as estimated. The allowance for uncollectible is adjusted annually.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items on an accrual basis.

Inventories

The District follows the consumption method of accounting for inventories. Inventories are carried at cost, as determined using the average costing method.

Capital Assets

Capital assets are recorded at cost at the date of acquisition, or fair value at the date of donation if acquired by gift. Depreciation is computed using the straight-line method over the estimated useful life of each asset.

The capitalization thresholds used by the District are as follows:

Buildings and Improvements	\$5,000
Furniture, Fixtures and Equipment	500

Champaign-Urbana Public Health District
Notes to Financial Statements
June 30, 2019

Note 1: Nature of Operations and Summary of Significant Accounting Policies
(Continued)

Capital Assets (Continued)

The following estimated useful lives are being used by the District:

Buildings and Improvements	20 – 40 years
Furniture, Fixtures and Equipment	3 – 10 years

Long-Term Liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position.

In the fund financial statements, governmental fund types recognize the face amount of debt issued as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

See Note 4 for further disclosures related to the Long-Term Liabilities.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Illinois Municipal Retirement Fund (IMRF) and additions to/deductions from IMRF's fiduciary net position have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows of Resources

The District reports decreases in net position or fund equity that relate to future periods as deferred outflows of resources in a separate section of its government-wide statements of net position or governmental fund balance sheet. The District has one type of item which occurs related to its IMRF pension liability. The District has deferred outflows related to pension expense to be recognized in future periods and for pension contributions to the pension plan for the period January 1, 2019, through June 30, 2019.

Champaign-Urbana Public Health District
Notes to Financial Statements
June 30, 2019

Note 1: Nature of Operations and Summary of Significant Accounting Policies
(Continued)

Deferred Inflows of Resources

The District's governmental activities and governmental fund financial statements report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position that applies to a future period. The District will not recognize the related revenue until a future event occurs. The District has two types of items which occur related to revenue recognition. Property tax receivables are recorded in the current year, but the revenue will be recorded in the subsequent year in the fund statements, as it is not legally available as of fiscal year end. The District also reports deferred inflows of resources related to the pension plan.

Net Position

Net position of the District is classified in three components. Net investment in capital assets consist of capital assets net of accumulated depreciation, reduced by the outstanding balances of borrowings used to finance the purchase or construction of those assets. Restricted expendable net position is noncapital assets that must be used for a particular purpose as specified by creditors or grantors external to the District, including amounts deposited with trustees as required by bond indentures, reduced by the outstanding balances of any related borrowings. Unrestricted net position is remaining assets less remaining liabilities that do not meet the definition of net investment in capital assets, or restricted expendable.

Fund Balance

Within the fund financial statements, governmental funds report fund balance as non-spendable, restricted, committed, assigned, or unassigned. Non-spendable fund balances are amounts that cannot be spent because they are not in spendable form or legally or contractually required to remain intact. Restricted fund balances are amounts that are constrained for a specific purpose through restrictions of external parties or by constitutional provision or enabling legislation.

Committed fund balances are constrained for specific purposes imposed by formal action of the government's highest level of decision-making authority through legislation, ordinance, board resolution or board approval at a regular or special meeting. This action must occur prior to the end of the fiscal year in order to be valid. There are no committed fund balances as of June 30, 2019.

Champaign-Urbana Public Health District
Notes to Financial Statements
June 30, 2019

Note 1: Nature of Operations and Summary of Significant Accounting Policies
(Continued)

Fund Balance (Continued)

Assigned fund balance amounts that are constrained by the government's intent to be used for a specific purpose but are neither restricted nor committed. Intent should be expressed by the governing body itself, or a body or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. Assigned fund balance consists of future costs for capital projects. Unassigned fund balance is the residual classification for the government's general fund including all amounts that are not constrained as previously reported in the other classifications.

The District's policy is to maintain a minimum fund balance of twenty-five percent (25%) of budgeted expenditures. The priority for spending unrestricted resources when any of these amounts are available for expenditure should first reduce any committed amounts, followed by the assigned amounts, and then unassigned.

If the unrestricted fund balance is projected to fall below the minimum level previously stated at any given point in time, then the District Board of Health could look at utilizing specific revenue sources, such as one-time revenue sources, fee revenues or budget surpluses to replenish the fund balance back up to the minimum level established by policy. If this is not feasible, then the Board of Health should approve a plan to replenish the unrestricted fund balance as soon as economic conditions allow, however preferably no later than three years after deficit occurs, in order to sustain financial viability.

In the event that the unrestricted fund balance exceeds the minimum fund balance established by policy, then the excess may be utilized for any lawful purpose as determined by the Board of Health. It is recommended that the first priority for utilizing the unassigned fund balance be to fund any deficit fund balance if applicable to meet the minimum 25% funding level, transfer funds to the building improvement/capital projects fund, and use as beginning cash balance in support of annual budget, if necessary. The Board of Health recognizes that any such funds should be appropriated for non-recurring expenditures as they represent prior year surpluses that may or may not recur in the future.

Champaign-Urbana Public Health District
Notes to Financial Statements
June 30, 2019

Note 1: Nature of Operations and Summary of Significant Accounting Policies
(Continued)

Fund Balance (Continued)

Subsequent to June 30, 2019, the Board of Health adopted the fiscal year 2020 budget which utilizes excess fund balance to budget for major capital improvements, including replacement of flooring in the Environmental Health and Finance departments. The total of these expenditures budgeted to be used from fund balance is \$217,000.

Note 2: Deposits

Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. The District's deposit policy for custodial credit risk requires that all funds on deposit in excess of Federal Deposit Insurance Corporation limits must be secured by some form of collateral, witnessed by a written agreement and held at an independent third party institution in the name of the District. At June 30, 2019, none of the District's bank balance of \$3,951,135 was exposed to custodial credit risk.

Champaign-Urbana Public Health District
Notes to Financial Statements
June 30, 2019

Note 3: Capital Assets

Capital assets activity for the year ended June 30, 2019 was:

	Beginning Balance	Additions	Disposals	Ending Balance
Capital assets not being depreciated:				
Land	\$ 374,000	\$ -	\$ -	\$ 374,000
Construction in Progress	6,459	687,183	-	693,642
	<u>380,459</u>	<u>687,183</u>	<u>-</u>	<u>1,067,642</u>
Capital assets being depreciated:				
Buildings and Improvements	7,500,857	69,425		7,570,282
Furniture, Fixtures and Equipment	2,003,704	111,037	(47,000)	2,067,741
Total assets being depreciated	<u>9,504,561</u>	<u>180,462</u>	<u>(47,000)</u>	<u>9,638,023</u>
	<u>9,885,020</u>	<u>867,645</u>	<u>(47,000)</u>	<u>10,705,665</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(1,911,808)	(252,818)	-	(2,164,626)
Furniture, Fixtures and Equipment	<u>(1,750,448)</u>	<u>(92,083)</u>	<u>47,000</u>	<u>(1,795,531)</u>
	<u>(3,662,256)</u>	<u>(344,901)</u>	<u>47,000</u>	<u>(3,960,157)</u>
Net Capital Assets	<u>\$ 6,222,764</u>	<u>\$ 522,744</u>	<u>\$ -</u>	<u>\$ 6,745,508</u>

Depreciation expense was charged to the following functions on the Statement of Activities:

Administration	\$ 38,664
Champaign County Public Health Department – Contract	111
Environmental Health	1,906
Infectious Disease Prevention and Management	11,588
Maternal and Child Health	6,612
Special Projects	252,675
Wellness and Health Promotion	<u>33,345</u>
Total	<u>\$ 344,901</u>

Champaign-Urbana Public Health District
Notes to Financial Statements
June 30, 2019

Note 4: Long-Term Liabilities

The following is a summary of long-term liabilities (excluding pension liability) for the District for the year ended June 30, 2019:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Current Portion</u>
General Obligation Refunding Debt					
Certificates	\$ 580,876	\$ -	\$ (252,018)	\$ 328,860	\$ 261,793
Capital Lease Obligations	28,353	-	(15,489)	12,864	8,005
Accrued Compensated Absences	343,457	69,805	-	413,262	-
Total	<u>\$ 952,686</u>	<u>\$ 69,805</u>	<u>\$ (267,507)</u>	<u>\$ 754,986</u>	<u>\$ 269,798</u>

See Note 6 for disclosures related to pension liability.

See Note 7 for further disclosures related to the accrued compensated absences.

Champaign-Urbana Public Health District
Notes to Financial Statements
June 30, 2019

Note 4: Long-Term Liabilities (Continued)

General Obligation Bonds Payable and General Obligation Refunding Debt Certificates

On October 26, 2006, the District issued \$4,000,000 of general obligation bonds. Proceeds from the issuance of these bonds were used to purchase and remodel a new operating facility.

On January 19, 2015, the Board of Health refinanced the general obligation bonds with refunding debt certificates. The new debt certificates were issued with a principal balance of \$1,371,231 at an interest rate of 3.9536%, maturing fiscal year 2021 and are due in monthly installments.

The debt service requirements as of June 30, 2019, are as follows:

<u>Fiscal Year</u>	<u>Total To Be Paid</u>	<u>Principal</u>	<u>Interest</u>
2020	269,809	261,793	8,016
2021	67,495	67,067	428
	<u>\$ 337,304</u>	<u>\$ 328,860</u>	<u>\$ 8,444</u>

Interest expense was charged to the following functions on the Statement of Activities:

Administration	\$ 3,583
Champaign County Public Health Department – Contract	1,194
Environmental Health	1,347
Infectious Disease Prevention and Management	2,908
Maternal and Child Health	5,236
Special Projects	790
Wellness and Health Promotion	<u>3,479</u>
Total	<u><u>\$ 18,537</u></u>

Champaign-Urbana Public Health District
Notes to Financial Statements
June 30, 2019

Note 4: Long-Term Liabilities (Continued)

Capital Lease Obligations

The District is obligated under leases accounted for as capital leases. Assets under capital leases at June 30, 2019 totaled \$6,601, net of accumulated depreciation of \$69,551.

On August 22, 2015, the Board of Health entered into a lease agreement with Xerox replacing all copiers under the previous capital lease with R.K. Dixon. The present value of the future minimum lease payments was \$71,883 at the date of acquisition.

On July 18, 2017 the Board of Health entered into a lease agreement with Everbank subsequently named TIAA Commercial, Inc. for two copiers. The present value of the future minimum lease payments was \$11,771 at the date of acquisition.

The following is a schedule by year of future minimum lease payments under the capital leases together with the present value of the future minimum lease payments as of June 30, 2019.

Fiscal Year	Amount
2020	8,005
2021	2,417
2022	2,476
Present Value of Future Minimum Lease Payments	\$ 12,898

Note 5: Operating Leases

The District is obligated to leases accounted for as operating leases. Rental expense incurred in the fiscal year ended June 30, 2019 was \$46,811. The following is a schedule of future minimum rental payments required under operating leases that have initial or remaining non-cancelable lease terms in excess of one year as of June 30, 2019:

Fiscal Year	Amount
2020	\$ 38,700
	\$ 38,700

Champaign-Urbana Public Health District
Notes to Financial Statements
June 30, 2019

Note 6: Pension Plan

IMRF Plan Description

The District's defined benefit pension plan, a multi-employer agent plan, for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The District'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. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided

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

All three IMRF benefit plans have two tiers. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Champaign-Urbana Public Health District
Notes to Financial Statements
June 30, 2019

Note 6: Pension Plan (Continued)

Benefits Provided (Continued)

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
- ½ of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

As of December 31, 2018, the following employees were covered by the benefit terms:

	<u>IMRF</u>
Retirees and Beneficiaries currently receiving benefits	86
Inactive Plan Members entitled to but not yet receiving benefits	98
Active Plan Members	<u>110</u>
Total	<u><u>294</u></u>

Contributions

As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2018 was 8.64%. For the calendar year ended 2018, the District contributed \$693,496 to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Champaign-Urbana Public Health District
Notes to Financial Statements
June 30, 2019

Note 6: Pension Plan (Continued)

Net Pension Liability

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

Actuarial Assumptions

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

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.50%.
- **Salary Increases** were expected to be 3.39% to 14.25%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2017 valuation according to an experience study from years 2014 to 2016.
- **Mortality** For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Champaign-Urbana Public Health District
Notes to Financial Statements
June 30, 2019

Note 6: Pension Plan (Continued)

Actuarial Assumptions (Continued)

- 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:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	37.0%	7.15%
International Equity	18.0%	7.25%
Fixed Income	28.0%	3.75%
Real Estate	9.0%	6.25%
Alternative Investments	7.0%	3.20% - 8.50%
Cash Equivalents	<u>1.0%</u>	2.50%
Total	<u>100.0%</u>	

Champaign-Urbana Public Health District
Notes to Financial Statements
June 30, 2019

Note 6: Pension Plan (Continued)

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 3.71%, and the resulting single discount rate is 7.25%.

Champaign-Urbana Public Health District
Notes to Financial Statements
June 30, 2019

Note 6: Pension Plan (Continued)

Changes in the Net Pension Liability (Asset)

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (Asset) (A) - (B)
Balances at December 31, 2017	\$ 19,775,754	\$ 20,497,905	\$ (722,151)
Changes for the year:			
Service Cost	469,155	-	469,155
Interest on the Total Pension Liability	1,467,148	-	1,467,148
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	657,908	-	657,908
Changes of Assumptions	639,735	-	639,735
Contributions - Employer	-	693,496	(693,496)
Contributions - Employees	-	245,527	(245,527)
Net Investment Income	-	(997,252)	997,252
Benefit Payments, including Refunds of Employee Contributions	(896,657)	(896,657)	-
Other (Net Transfer)	-	456,226	(456,226)
Net Changes	<u>2,337,289</u>	<u>(498,660)</u>	<u>2,835,949</u>
Balances at December 31, 2018	<u><u>\$ 22,113,043</u></u>	<u><u>\$ 19,999,245</u></u>	<u><u>\$ 2,113,798</u></u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Lower (6.25%)	Current (7.25%)	1% Higher (8.25%)
Net Pension Liability (Asset)	\$ 5,033,351	\$ 2,113,800	\$ (263,807)

Champaign-Urbana Public Health District
Notes to Financial Statements
June 30, 2019

Note 6: Pension Plan (Continued)

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

For the year ended June 30, 2019, the District recognized pension expense of \$286,391. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net (Inflows) Outflows of Resources</u>
<i>Deferred Amounts to be Recognized in Pension Expense in Future Periods</i>			
Differences between expected and actual experience	\$ 597,257	\$ 587,472	\$ 9,785
Changes of assumptions	481,617	341,529	140,088
Net difference between projected and actual earnings on pension plan investments	<u>2,320,086</u>	<u>1,090,828</u>	<u>1,229,258</u>
Total Deferred Amounts to be recognized in pension expense in future periods	3,398,960	2,019,829	1,379,131
<i>Pension Contributions made subsequent to the Measurement Date</i>	<u>181,881</u>	<u>-</u>	<u>181,881</u>
Total Deferred Amounts Related to Pensions	<u>\$ 3,580,841</u>	<u>\$2,019,829</u>	<u>\$ 1,561,012</u>

\$181,881 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020.

Champaign-Urbana Public Health District
Notes to Financial Statements
June 30, 2019

Note 6: Pension Plan (Continued)

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

Other 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:

<u>Year Ending December 31</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2019	\$ 440,359
2020	126,826
2021	301,286
2022	510,660
2023	-
Thereafter	-
Total	<u>\$ 1,379,131</u>

Note 7: Compensated Absences

Eligible employees accrue paid time off and sick leave time at the end of each month. The District allows employees to carry forward any unused paid time off on their anniversary date as long as it does not exceed thirty-five days. Upon separation, the District will pay for all accumulated paid time off. Employees are not paid for unused sick leave upon termination.

As of June 30, 2019, the liability for accrued vacation is \$413,262.

Note 8: Deferred Compensation Plan

The District offers all full-time employees a deferred compensation plan established in accordance with the requirements of Internal Revenue Code Section 457. The assets of the plan are held in trust, as described in IRC Section 457 (g) for the exclusive benefit of the participant (employees) and their beneficiaries. The custodian of the trust holds the custodial account for the beneficiaries of this Section 457 plan, and the assets may not be diverted to any other use. In accordance with the governmental accounting standards, plan balances and activities are not reflected in the District's financial statements.

Champaign-Urbana Public Health District
Notes to Financial Statements
June 30, 2019

Note 9: Other Post Employment Benefits

Plan Description. The District offers other post employment benefits (OPEB) for all of its retirees through the District's Group Health insurance, defined benefit plan administered by Local Government Health Plan that meet all of the specified criteria: (1) must be less than age 65, (2) retire through Illinois Municipal Retirement Fund (IMRF), and (3) elect coverage at the time of retirement. Spouses of eligible members are also eligible to sign up as long as they do so at the time the employee retires.

Once the retiree and/or spouse reach age 65 years, they are automatically terminated from the plan, unless they waive coverage prior to that. Once the retiree waives coverage, they are no longer eligible under the OPEB plan. The premiums are paid 100 percent by the retiree.

There was no OPEB benefit obligation as of June 30, 2019 that was required to be recorded.

Note 10: Risk Management

Significant losses are covered by commercial insurance for all major programs: property, liability and workers' compensation. During the year ended June 30, 2019, there were no significant reductions in coverage. Also, there have been no settlement amounts which have exceeded insurance coverage in the past three years.

Note 11: Commitments and Contingencies

Claims and Litigation

The District is frequently involved in various claims and pending legal actions related to matters arising from the ordinary conduct of business. The District administration believes the ultimate disposition of the actions will not have a material effect on the financial statements of the District.

Carle Foundation Hospital and Presence Health have lawsuits requesting to be exempt from the real estate property tax for various years covering 2003–2012. In February 2020, the court found that Carle was entitled to partial tax exemptions on some disputed properties for tax years 2005–2011. A liability of \$208,590 has therefore been recognized in these financial statements. To be classified as a contingent liability in the financial statements, an item must be probable and estimable. The District does not believe the liabilities for the remaining litigated properties meet the probability test at this time; regarding the unresolved dispute with Carle Foundation Hospital and Presence Health, the District estimates an additional liability of \$119,721 to Presence Health and \$139,438 to Carle Foundation that is not recognized in the financial statements.

Champaign-Urbana Public Health District
Notes to Financial Statements
June 30, 2019

Note 12: Other Required Disclosures

Generally accepted accounting principles require disclosure, as part of the basic financial statements of certain information concerning individual funds including:

- a) Transfers between funds for the year ended June 30, 2019 were as follows:

Fund	Transfer In	Transfer Out
General	\$ -	\$ 374,182
IMRF	-	-
Audit	-	-
Insurance	60,295	-
Capital Improvement	<u>313,887</u>	<u>-</u>
	<u>\$ 374,182</u>	<u>\$ 374,182</u>

The transfers occurred to provide operating cash to replenish fund balances.

- b) Due to/from other funds at June 30, 2019 were as follows:

There were no due to/from other funds as of June 30, 2019.

- c) Deficit fund balances of individual funds:

There were no deficit fund balances as of June 30, 2019.

- d) Excess expenditures over budget:

General fund expenditures exceeded budget for the fiscal year by \$941,778. This occurred because noncash vouchers received and used related to the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), Vaccine For Children Program and 317 Program were recorded as expenditures in the financial statements in the amount of \$1,289,264, \$74,631, and \$25,804, respectively, which were not accounted for in the budget process since they are not a cash expenditure.

REQUIRED SUPPLEMENTARY INFORMATION

**Champaign-Urbana Public Health District
Schedule of Employer Contributions
Illinois Municipal Retirement Fund**

<u>Calendar Year Ended December 31,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Valuation Payroll</u>	<u>Actual Contribution as a Percentage of Covered Valuation Payroll</u>
2014	\$ 460,236	\$ 495,655	\$ (35,419)	\$4,759,418	10.41%
2015	495,395	495,395	-	5,321,109	9.31%
2016	456,068	456,068	-	5,044,996	9.04%
2017	458,538	458,538	-	4,978,702	9.21%
2018	443,496	693,496	(250,000)	5,133,057	13.51%

Additional years will be added to this schedule until 10 years of data is presented.

Champaign-Urbana Public Health District
Schedule of Changes in the Net Pension Liability and Related Ratios
Illinois Municipal Retirement Fund

Calendar Year Ended December 31,	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total Pension Liability			
Service Cost	\$ 469,155	\$ 528,182	\$ 564,055
Interest on the Total Pension Liability	1,467,150	1,477,396	1,436,386
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual			
Experience of the Total Pension Liability			
Assumptions	657,908	(657,099)	(595,910)
Changes of Assumptions	639,735	(590,899)	(25,484)
Benefit Payments, including Refunds			
of Employee Contributions	<u>(896,657)</u>	<u>(832,703)</u>	<u>(847,040)</u>
Net Change in Total Pension Liability	2,337,291	(75,123)	532,007
Total Pension Liability – Beginning	<u>19,775,754</u>	<u>19,850,877</u>	19,318,870
			<u>\$19,850,877.0</u>
Total Pension Liability – Ending (A)	<u>\$22,113,045</u>	<u>\$19,775,754</u>	<u>0</u>
Plan Fiduciary Net Position			
Contributions - Employer	\$ 693,496	\$ 458,538	\$ 456,068
Contributions - Employees	245,527	264,130	227,025
Net Investment Income	(997,252)	3,149,568	1,177,753
Benefit Payments, including Refunds of			
Employee Contributions	(896,657)	(832,703)	(847,040)
Other (Net Transfer)	<u>456,226</u>	<u>(700,548)</u>	<u>103,835</u>
Net Change in Plan Fiduciary Net Position	(498,660)	2,338,985	1,117,641
Plan Fiduciary Net Position - Beginning	<u>20,497,905</u>	<u>18,158,920</u>	<u>17,041,279</u>
Plan Fiduciary Net Position – Ending (B)	<u>\$19,999,245</u>	<u>\$20,497,905</u>	<u>\$18,158,920</u>
Net Pension Liability – Ending (A) – (B)	\$ 2,113,800	\$ (722,151)	\$ 1,691,957
Plan Fiduciary Net Position as a Percentage of			
the Total Pension Liability	90.44%	103.65%	91.48%
Covered Valuation Payroll	\$ 5,133,057	\$ 4,978,702	\$ 5,044,996
Net Pension Liability as a Percentage of Covered			
Valuation Payroll	41.18%	(14.50%)	33.54%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

Continued on next page

Champaign-Urbana Public Health District
Schedule of Changes in the Net Pension Liability and Related Ratios
Illinois Municipal Retirement Fund

Continued from previous page

Calendar Year Ended December 31,	<u>2015</u>	<u>2014</u>
Total Pension Liability		
Service Cost	\$ 515,493	\$ 553,162
Interest on the Total Pension Liability	1,310,260	1,197,165
Changes of Benefit Terms	-	-
Differences Between Expected and Actual		
Experience of the Total Pension Liability		
Assumptions	641,232	(80,532)
Changes of Assumptions	25,724	609,347
Benefit Payments, including Refunds		
of Employee Contributions	<u>(772,462)</u>	<u>(732,266)</u>
Net Change in Total Pension Liability	1,720,247	1,546,876
Total Pension Liability – Beginning	<u>17,598,623</u>	<u>16,051,747</u>
Total Pension Liability – Ending (A)	<u>\$19,318,870</u>	<u>\$17,598,623</u>
Plan Fiduciary Net Position		
Contributions - Employer	\$ 495,395	\$ 495,655
Contributions - Employees	239,450	230,338
Net Investment Income	85,313	979,329
Benefit Payments, including Refunds of		
Employee Contributions	(772,462)	(732,266)
Other (Net Transfer)	<u>(87,827)</u>	<u>50,651</u>
Net Change in Plan Fiduciary Net Position	(40,131)	1,023,707
Plan Fiduciary Net Position - Beginning	<u>17,081,410</u>	<u>16,057,703</u>
Plan Fiduciary Net Position – Ending (B)	<u>\$17,041,279</u>	<u>\$17,081,410</u>
Net Pension Liability – Ending (A) – (B)	\$ 2,277,591	\$ 517,213
Plan Fiduciary Net Position as a Percentage of		
the Total Pension Liability	88.21%	97.06%
Covered Valuation Payroll	\$ 5,321,109	\$ 4,759,418
Net Pension Liability as a Percentage of Covered		
Valuation Payroll	42.80%	10.87%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

Champaign-Urbana Public Health District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
General Fund
For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)
Revenues				
Property Taxes	\$ 3,214,547	\$ 3,214,547	\$ 3,241,046	\$ 26,499
Intergovernmental	5,593,482	5,593,482	6,612,001	1,018,519
Charges for Services	1,906,965	1,906,965	1,757,270	(149,695)
Miscellaneous Income	12,195	12,195	70,656	58,461
Total Revenues	10,727,189	10,727,189	11,680,973	953,784
Expenditures				
Administration	1,663,665	1,663,665	577,627	1,086,038
Champaign County Public		-		
Health Department - Contract	583,863	583,863	663,069	(79,206)
Environmental Health	639,766	639,766	756,175	(116,409)
Infectious Disease		-		
Prevention and Management	2,230,405	2,230,405	2,270,042	(39,637)
Maternal and Child Health	2,913,571	2,913,571	4,288,782	(1,375,211)
Special Projects	537,606	537,606	503,004	34,602
Wellness and Health Promotion	1,822,122	1,822,122	2,208,389	(386,267)
Debt Service:		-		
Principal	267,129	267,129	267,472	(343)
Interest	18,556	18,556	18,537	19
Capital Outlay	49,105	49,105	114,469	(65,364)
Total Expenditures	10,725,788	10,725,788	11,667,566	(941,778)
Excess (Deficiency) of Revenues Over Expenditures	1,401	1,401	13,407	12,006
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	(615,565)	(615,565)	(374,182)	241,383
Total Transfers	(615,565)	(615,565)	(374,182)	241,383
Net Change in Fund Balance	\$ (614,164)	\$ (614,164)	(360,775)	\$ 253,389
Fund Balance, Beginning of Year			4,501,446	
Fund Balance, End of Year			\$ 4,140,671	

Champaign-Urbana Public Health District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
IMRF
For the Year Ended June 30, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)
Revenues				
Property Taxes	\$ 312,030	\$ 312,030	\$ 295,132	\$ (16,898)
Intergovernmental	237,845	237,845	152,666	(85,179)
Total Revenues	549,875	549,875	447,798	(102,077)
Expenditures				
Administration	573,223	573,223	64,234	508,989
Champaign County Public				
Health Department - Contract	31,194	31,194	50,261	(19,067)
Environmental Health	31,726	31,726	57,350	(25,624)
Infectious Disease				
Prevention and Management	75,883	75,883	120,763	(44,880)
Maternal and Child Health	144,150	144,150	205,710	(61,560)
Special Projects	13,010	13,010	26,379	(13,369)
Wellness and Health Promotion	86,140	86,140	135,284	(49,144)
Capital Outlay	-	-	46	-
Total Expenditures	955,326	955,326	660,027	295,345
Excess (Deficiency) of Revenues Over Expenditures	(405,451)	(405,451)	(212,229)	193,268
Other Financing Sources (Uses)				
Transfers In	291,016	291,016	-	291,016
Transfers Out	-	-	-	-
	291,016	291,016	-	291,016
Net Change in Fund Balance	\$ (114,435)	\$ (114,435)	(212,229)	\$ 484,284
Fund Balance, Beginning of Year			351,155	
Fund Balance, End of Year			\$ 138,926	

**Champaign-Urbana Public Health District
Notes to Required Supplementary Information
For the Year Ended June 30, 2019**

Note 1 – Appropriated Budget

An appropriated budget is legally adopted on an annual fiscal year basis for the General Fund. The level of budgetary control is by the fund. Funds are budgeted annually under the modified accrual basis of accounting.

Note 2 – Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2018 Contribution Rate*

Valuation Date:

Notes	Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.
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Methods and Assumptions Used to Determine 2018 Contribution Rates:

<i>Actuarial Cost Method:</i>	Aggregate Entry Age Normal
<i>Amortization Method:</i>	Level Percentage of Payroll, Closed
<i>Remaining Amortization Period:</i>	25-year closed period until remaining reaches 10 years (then 10-year rolling period).
<i>Asset Valuation Method:</i>	5-year smoothed market; 20% corridor
<i>Wage Growth:</i>	3.50%
<i>Price Inflation:</i>	2.75%
<i>Salary Increases:</i>	3.75% to 14.50%, including inflation
<i>Investment Rate of Return:</i>	7.50%
<i>Retirement Age:</i>	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2014 valuation pursuant to an experience study of the period 2011 to 2013.

**Champaign-Urbana Public Health District
Notes to Required Supplementary Information
For the Year Ended June 30, 2019**

**Note 2 – Summary of Actuarial Methods and Assumptions Used in the Calculation of the
2018 Contribution Rate* (Continued)**

Methods and Assumptions Used to Determine 2018 Contribution Rates: (Continued)

Mortality:

For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes:

There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2016 actuarial valuation; note two year lag between valuation and rate setting.

OTHER SUPPLEMENTARY INFORMATION



GRANT CLOSE OUT REPORT

Grantee Name: Champaign-Urbana Public Health District

FEIN Number: 376005435

Reporting period for July 1 through June 30, 2019

Program Name: Teen Pregnancy Prevention IPREP

Grant/Contract Number: FCSXP01830

CFSA NUMBER:	444-80-0687	444-	444-	444-	Total
A. PROGRAM INCOME	\$ 118,000	\$	\$	\$	\$ 118,000
B. INTEREST EARNED	\$	\$	\$	\$	\$
C. DIRECT PROGRAM EXPENSES	\$ 107,273	\$	\$	\$	\$ 107,273
D. INDIRECT COSTS	\$ 10,727	\$	\$	\$	\$ 10,727
E. UNALLOWABLE COSTS	\$	\$	\$	\$	\$
F. OTHER APPROVED USES	\$	\$	\$	\$	\$
G. TOTAL ALLOWABLE COSTS	\$ 118,000	\$	\$	\$	\$ 118,000
H. REFUND	\$	\$	\$	\$	\$

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By signing [authorizing] this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the [related] expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise.

Unallowable costs includes, but not limited to: compensation of governing body, entertainment, associate dues, meetings and conventions, fundraising, bad debt, charity and grants, inventories, depreciation of IDHS funded assets, in-kind expenses, alcoholic beverages, personal automobile, fines and penalties, personal use items, lobbying, unallowable interest, unallowable relocation, gratuities, political contributions, related party transactions, or cost where conflict of interest exists.

Printed Name: Amanda Knight

Title: Director of Finance

Signature: [Signature]

Date: 12-16-19



GRANT CLOSE OUT REPORT

Grantee Name: Champaign-Urbana Public Health District

FEIN Number: 376005435

Reporting period for July 1 through June 30, 2019

Program Name: WIC Breastfeeding Peer Counseling

Grant/Contract Number: FCSXQ01164

CFSA NUMBER:	444- 80-0670	444-	444-	444-	Total
A. PROGRAM INCOME	\$ 23,192	\$	\$	\$	\$ 23,192
B. INTEREST EARNED	\$ 0	\$	\$	\$	\$ 0
C. DIRECT PROGRAM EXPENSES	\$ 21,084	\$	\$	\$	\$ 21,084
D. INDIRECT COSTS	\$ 2,108	\$	\$	\$	\$ 2,108
E. UNALLOWABLE COSTS	\$ 0	\$	\$	\$	\$ 0
F. OTHER APPROVED USES	\$ 0	\$	\$	\$	\$ 0
G. TOTAL ALLOWABLE COSTS	\$ 23,192	\$	\$	\$	\$ 23,192
H. REFUND	\$ 0	\$	\$	\$	\$ 0

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Printed Name: Amanda Knight

Title: Director of Finance

Signature: [Signature]

Date: 12-16-19



GRANT CLOSE OUT REPORT

Grantee Name: Champaign-Urbana Public Health District

FEIN Number: 376005435

Reporting period for July 1 through June 30, 2019

Program Name: <u>Farmer's Market Nutrition Program</u>		Grant/Contract Number: <u>FCSXQ01247</u>					
CFSA NUMBER:		444-80-0671		444-		444-	Total
A. PROGRAM INCOME	\$	1,000	\$		\$		1,000
B. INTEREST EARNED	\$	0	\$		\$		0
C. DIRECT PROGRAM EXPENSES	\$	909	\$		\$		909
D. INDIRECT COSTS	\$	91	\$		\$		91
E. UNALLOWABLE COSTS	\$	0	\$		\$		0
F. OTHER APPROVED USES	\$	0	\$		\$		0
G. TOTAL ALLOWABLE COSTS	\$	1,000	\$		\$		1,000
H. REFUND	\$	0	\$		\$		0

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Printed Name: Amanda Knight

Title: Director of Finance

Signature: [Signature]

Date: 12-16-19



GRANT CLOSE OUT REPORT

Grantee Name: Champaign-Urbana Public Health District

FEIN Number: 376005435

Reporting period for July 1 through June 30, 2019

Program Name: Healthy Families Illinois

Grant/Contract Number: FCSX504913

CFSA NUMBER:		444- 80-0660		444-		444-		444-		Total
A. PROGRAM INCOME	\$	183,512	\$		\$		\$		\$	183,512
B. INTEREST EARNED	\$	0	\$		\$		\$		\$	0
C. DIRECT PROGRAM EXPENSES	\$	167,042	\$		\$		\$		\$	167,042
D. INDIRECT COSTS	\$	16,470	\$		\$		\$		\$	16,470
E. UNALLOWABLE COSTS	\$	0	\$		\$		\$		\$	0
F. OTHER APPROVED USES	\$	0	\$		\$		\$		\$	0
G. TOTAL ALLOWABLE COSTS	\$	183,512	\$		\$		\$		\$	183,512
H. REFUND	\$	0	\$		\$		\$		\$	0

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Printed Name: Amanda Knight

Title: Director of Finance

Signature: [Signature]

Date: 12-16-19



GRANT CLOSE OUT REPORT

Grantee Name: Champaign-Urbana Public Health District

FEIN Number: 376005435

Reporting period for July 1 through June 30, 2019

Program Name: <u>Family Case Management</u>		Grant/Contract Number: <u>FCSXU03239</u>							
CFSA NUMBER:		444- <u>80-0678</u>		444-		444-		444-	Total
A. PROGRAM INCOME	\$	<u>497,040</u>	\$		\$		\$		<u>497,040</u>
B. INTEREST EARNED	\$	<u>0</u>	\$		\$		\$		<u>0</u>
C. DIRECT PROGRAM EXPENSES	\$	<u>451,855</u>	\$		\$		\$		<u>451,855</u>
D. INDIRECT COSTS	\$	<u>45,185</u>	\$		\$		\$		<u>45,185</u>
E. UNALLOWABLE COSTS	\$	<u>0</u>	\$		\$		\$		<u>0</u>
F. OTHER APPROVED USES	\$	<u>0</u>	\$		\$		\$		<u>0</u>
G. TOTAL ALLOWABLE COSTS	\$	<u>497,040</u>	\$		\$		\$		<u>497,040</u>
H. REFUND	\$	<u>0</u>	\$		\$		\$		<u>0</u>

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Printed Name: Armanda Knight

Title: Director of Finance

Signature: [Signature]

Date: 12-16-19



GRANT CLOSE OUT REPORT

Grantee Name: Champaign - Urbana Public Health District

FEIN Number: 376005435

Reporting period for July 1 through June 30, 2019

Program Name: <u>Community Youth Services</u>		Grant/Contract Number: <u>FCSXP05207</u>					
CFSA NUMBER:		444- <u>80-0846</u>		444-		444-	Total
A. PROGRAM INCOME	\$	<u>43,273</u>	\$		\$		<u>43,273</u>
B. INTEREST EARNED	\$	<u>0</u>	\$		\$		<u>0</u>
C. DIRECT PROGRAM EXPENSES	\$	<u>39,938</u>	\$		\$		<u>39,938</u>
D. INDIRECT COSTS	\$	<u>3,335</u>	\$		\$		<u>3,335</u>
E. UNALLOWABLE COSTS	\$	<u>0</u>	\$		\$		<u>0</u>
F. OTHER APPROVED USES	\$	<u>0</u>	\$		\$		<u>0</u>
G. TOTAL ALLOWABLE COSTS	\$	<u>43,273</u>	\$		\$		<u>43,273</u>
H. REFUND	\$	<u>0</u>	\$		\$		

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Printed Name: Amanda Knight

Title: Director of Finance

Signature: [Signature]

Date: 12-16-19



GRANT CLOSE OUT REPORT

Grantee Name: Champaign - Urbana Public Health District

FEIN Number: 376005435

Reporting period for July 1 through June 30, 2019

Program Name: High Risk Infant Follow-up/Heathworks Grant/Contract Number: FCSXU05017

CFSA NUMBER:	444- 80-1675	444-	444-	444-	Total
A. PROGRAM INCOME	\$ 92,050	\$	\$	\$	92,050
B. INTEREST EARNED	\$ 0	\$	\$	\$	0
C. DIRECT PROGRAM EXPENSES	\$ 83,682	\$	\$	\$	83,682
D. INDIRECT COSTS	\$ 8,368	\$	\$	\$	8,368
E. UNALLOWABLE COSTS	\$ 0	\$	\$	\$	0
F. OTHER APPROVED USES	\$ 0	\$	\$	\$	0
G. TOTAL ALLOWABLE COSTS	\$ 92,050	\$	\$	\$	92,050
H. REFUND	\$ 0	\$	\$	\$	0

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By signing [authorizing] this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the [related] expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise.

Unallowable costs includes, but not limited to: compensation of governing body, entertainment, associate dues, meetings and conventions, fundraising, bad debt, charity and grants, inventories, depreciation of IDHS funded assets, in-kind expenses, alcoholic beverages, personal automobile, fines and penalties, personal use items, lobbying, unallowable interest, unallowable relocation, gratuities, political contributions, related party transactions, or cost where conflict of interest exists.

Printed Name: Amanda Knight

Title: Director of Finance

Signature: [Signature]

Date: 12-16-19



GRANT CLOSE OUT REPORT

Grantee Name: Champaign-Urbana Public Health District

FEIN Number: 376005435

Reporting period for July 1 through June 30, 2019

Program Name: <u>WIC Supplemental Nutrition</u>		Grant/Contract Number: <u>FCSXQ00824</u>					
CFSA NUMBER:		444-80-0668		444-		444-	Total
A. PROGRAM INCOME	\$	632,157	\$		\$		632,157
B. INTEREST EARNED	\$	0	\$		\$		0
C. DIRECT PROGRAM EXPENSES	\$	553,110	\$		\$		553,110
D. INDIRECT COSTS	\$	79,047	\$		\$		79,047
E. UNALLOWABLE COSTS	\$	0	\$		\$		0
F. OTHER APPROVED USES	\$	0	\$		\$		0
G. TOTAL ALLOWABLE COSTS	\$	632,157	\$		\$		632,157
H. REFUND	\$	0	\$		\$		0

ADD TABLE

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By signing [authorizing] this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the [related] expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise.

Unallowable costs includes, but not limited to: compensation of governing body, entertainment, associate dues, meetings and conventions, fundraising, bad debt, charity and grants, inventories, depreciation of IDHS funded assets, in-kind expenses, alcoholic beverages, personal automobile, fines and penalties, personal use items, lobbying, unallowable interest, unallowable relocation, gratuities, political contributions, related party transactions, or cost where conflict of interest exists.

Printed Name: Amanda Knight

Title: Director of Finance

Signature: [Signature]

Date: 12-16-19

Illinois Grant Accountability and Transparency Act Grantee Portal - Audit Consolidated Year-End Financial Report

[Grantee Portal](#) / [Audit Reviews](#) / [Audit](#) / CYEFR

[Add a Program](#)
[Certify & Submit](#)

	CSFA #	Program Name	\$ State	\$ Federal	\$ Other	\$ Total
View	418-00-1334	Health Care Networks	128,288	0	0	128,288
View	444-26-1537	State Targeted Response to the Opioid Crisis Grants	0	175,251	0	175,251
View	444-26-1565	Tobacco Enforcement Program	10,890	0	0	10,890
View	444-26-1755	Illinois State Opioid Response (SOR) Grant	0	26,087	0	26,087
View	444-80-0660	Healthy Families Illinois	183,513	0	0	183,513
View	444-80-0668	Supplemental Nutrition Program for Women, Infants and Children - WIC Program	0	1,921,421	0	1,921,421
View	444-80-0670	Supplemental Nutrition Program for Women, Infants and Children - Breastfeeding Peer Counselor Program	0	23,192	0	23,192

Totals:	1,704,071	4,000,758	7,568,387	13,273,216
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View	444-80-0671	Supplemental Nutrition Program for Women, Infants, and Children - Farmers Market	0	1,000	0	1,000
View	444-80-0687	Teen Pregnancy Prevention Program- Personal Responsibility Education Program	0	118,000	0	118,000
View	444-80-0846	Community Youth Services	43,273	0	0	43,273
View	444-80-1674	Bureau of Maternal and Child Health - Family Case Management	497,040	0	0	497,040
View	444-80-1675	Bureau of Maternal and Child Health- High Risk Infant Follow-Up/Healthworks	81,925	10,125	0	92,050
View	478-00-0251	Medical Assistance Program	0	198,511	0	198,511
View	482-00-0263	Public Health Emergency Preparedness	0	138,284	13,828	152,112
View	482-00-0901	Local Health Protection Grant	259,661	0	0	259,661
View	482-00-0902	Tanning Program	800	0	0	800
View	482-00-0903	Body Art Establishment Inspection Grant Program	5,550	0	0	5,550
Totals:			1,704,071	4,000,758	7,568,387	13,273,216

View	482-00-0904	Vector Surveillance and Control Grants	19,885	0	0	19,885
View	482-00-0911	Illinois Tobacco-Free Communities	110,312	55,266	0	165,577
View	482-00-0919	Preschool Vision and Hearing	4,585	0	0	4,585
View	482-00-0924	Illinois Family Planning Program	21,321	39,205	0	60,526
View	482-00-0931	Communities of Color Special At Risk Populations	1,205	0	0	1,205
View	482-00-1024	Immunization Coverage Levels	0	0	0	0
View	482-00-1032	Ryan White Part B Lead Agents	0	1,032,567	0	1,032,567
View	482-00-1034	Safe Drinking Water	0	1,750	0	1,750
View	482-00-1535	Direct HIV/HCV Testing	12,650	0	0	12,650
View	482-00-1578	Body Art and Tanning Inspection Program	0	0	0	0
View	482-00-1598	Adolescent Health Program	0	85,572	0	85,572
View	482-00-1599	Summer Food and CACFP Program	0	150	0	150
View	482-00-2083	Pre-exposure Prophylaxis (PrEP)	35,000	0	0	35,000
Totals:			1,704,071	4,000,758	7,568,387	13,273,216

View	482-00-2104	Local Health Department Overdoses Surveillance and Response Grant	0	0	0	0
View	482-00-2107	Harm Reduction Community Linkages Project	0	0	0	0
View	586-18-0410	Summer Food Service Program	0	70,165	0	70,165
View	586-18-0520	Early Childhood Block Grant	288,174	0	0	288,174
View	588-20-0442	State Indoor Radon Grants	0	2,653	1,769	4,422
View		Other grant programs and activities		101,559	1,203,793	1,305,351
View		All other costs not allocated			6,348,997	6,348,997
Totals:			1,704,071	4,000,758	7,568,387	13,273,216

Please note the following:

- The CYEFR may be per-populated with programs based on existing awards in the GATA system. These programs cannot be removed. If no spending occurred in a program leave the amounts at zero.
- Any grant expenditures not associated with funding received through the State of Illinois are to be entered in "Other grant programs and activities". The expenditures must be identified as federal (direct or pass-through) or other funding.
- All other expenditures not associated with state or federal dollars are to be entered in "All other costs not allocated".
- The grand total must account for all expenditures for the fiscal year and must tie to the audited financials.

SINGLE AUDIT SECTION

Champaign-Urbana Public Health District
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019

Federal Agency Pass-through Entity/ Cluster Title/ Program	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Agriculture			
Child Nutrition Cluster			
Passed through Illinois Department of Public Health Summer Food Service Program For Children	10.559	85280110F	\$ 150
Passed through Illinois State Board of Education Summer Food Service Program For Children	10.559	2018-09010059P00	40,363
	10.559	2019-09010059P00	29,802
Subtotal CFDA #10.559			<u>70,315</u>
Total Child Nutrition Cluster			<u>70,315</u>
Passed through Illinois Department of Human Services Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	FCSXQ00824	632,157
	10.557	FCSXQ01164	23,192
Special Supplemental Nutrition Program for Women, Infants, and Children - noncash	10.557	N/A	1,289,264
M Subtotal CFDA #10.557			<u>1,944,613</u>
WIC Farmers' Market Nutrition Program (FMNP)	10.572	FCSXQ01247	1,000
Total U.S. Department of Agriculture			<u>2,015,928</u>
U.S. Environmental Protection Agency			
Passed through Illinois Emergency Management Agency			
State Indoor Radon Grant	66.032	18CHAM Radon	321
	66.032	19CHAM Radon	2,332
Subtotal CFDA #66.032			<u>2,653</u>
Passed through Illinois Department of Public Health			
Performance Partnership Grants	66.605	85380110F	137
	66.605	95380110G	375
Passed through Champaign County Board of Health	66.605	85380109F	300
	66.605	95380109G	938
Subtotal CFDA #66.605			<u>1,750</u>
Total U.S. Environmental Protection Agency			<u>4,403</u>

Champaign-Urbana Public Health District
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019

Federal Agency Pass-through Entity/ Cluster Title/ Program	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Health and Human Services			
Passed through Illinois Department of Human Services Affordable Care Act (ACA) Personal Responsibility Education Program	93.092	FCSXP01830	<u>118,000</u>
Social Services Block Grant	93.667	FCSXU05017	<u>10,125</u>
Opioid STR	93.788	43CXZ03194	<u>201,338</u>
Passed through the Association of Food & Drug Officials			
Food and Drug Administration Research	93.103	G-T-1709-05459	<u>1,123</u>
Passed through Illinois Department of Public Health Family Planning Services	93.217	96180047G	<u>39,205</u>
Immunization Grants - noncash	93.268	N/A	<u>100,436</u>
State Public Health Approaches for Ensuring Quitline Capacity - Funded in part by Prevention and Public Health Funds (PPHF)	93.735	83281010F	<u>55,266</u>
Ryan White Care Act Title II	93.917	75780028E	818,785
	93.917	75780028E	213,782
Subtotal CFDA #93.917			<u>1,032,567</u>
Maternal and Child Health Services Block Grant to the States	93.994		<u>85,572</u>
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	97180010G	80,983
Passed through Champaign County Board of Health	93.074	97180009G	57,301
Subtotal CFDA #93.074			<u>138,284</u>
Medicaid Cluster			
Passed through Illinois Department of Healthcare and Family Services			
Medical Assistance Program	93.778	SFY2019	198,511
Total Medicaid Cluster			<u>198,511</u>
Total U.S. Department of Health and Human Services			<u>1,980,427</u>
Total Expenditures of Federal Awards			<u>\$ 4,000,758</u>

(M) Denotes Major Program

Champaign-Urbana Public Health District
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019

Federal Agency Pass-through Entity/ Cluster Title/ Program	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
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Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the District under programs of the federal government for the year ended June 30, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the District.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3 - Subrecipients

The Champaign-Urbana Public Health District provided federal awards to subrecipients as follows:

Program	CFDA Number	Subrecipient	Federal Amount Provided
Opioid STR	93.788	Clark County Health Dept.	\$ 2,300
Opioid STR	93.788	Coles County Health Dept.	2,758
Opioid STR	93.788	Cumberland County Health Dept.	1,076
Opioid STR	93.788	Douglas County Health Dept.	6,388
Opioid STR	93.788	Edgar County Health Dept.	1,280
Opioid STR	93.788	Ford County Health Dept.	2,986
			<u>\$ 16,788</u>

Note 4 - Loans

There were no federal loans, loan guarantees or insurance outstanding at June 30, 2019 and during the year then ended.

Note 5 - Indirect Cost Rate

The District has elected to use the 10% de minimus indirect cost rate as allowed under the Uniform Guidance.

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

Board of Directors
Champaign-Urbana Public Health District
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 Champaign-Urbana Public Health District, as of and for the year then ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Champaign-Urbana Public Health District's basic financial statements and have issued our report thereon dated March 30, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Champaign-Urbana Public Health District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Champaign-Urbana Public Health District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 entity'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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Champaign-Urbana Public Health 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 determination of financial statement amounts. 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*.

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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kemper CPA Group LLP

Kemper CPA Group LLP
Certified Public Accountants and Consultants
Champaign, Illinois
March 30, 2020

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE
UNIFORM GUIDANCE

Board of Directors
Champaign-Urbana Public Health District
Champaign, Illinois

Report on Compliance for Each Major Federal Program

We have audited Champaign-Urbana Public Health District's compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of Champaign-Urbana Public Health District's major federal programs for the year ended June 30, 2019. Champaign-Urbana Public Health District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Champaign-Urbana Public Health District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Champaign-Urbana Public Health District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Champaign-Urbana Public Health District's compliance.

Opinion on Each Major Federal Program

In our opinion, Champaign-Urbana Public Health District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control over Compliance

Management of Champaign-Urbana Public Health District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Champaign-Urbana Public Health District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Champaign-Urbana Public Health District's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Kemper CPA Group LLP

Kemper CPA Group LLP
Certified Public Accountants and Consultants
Champaign, Illinois
March 30, 2020

CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2019

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

- | | |
|---|------------|
| 1. Type of auditor’s report issued on financial statements | Unmodified |
| 2. During the audit of the financial statements, were any significant deficiencies in internal control disclosed? | No |
| 3. If so, were any such deficiencies considered material weaknesses? | N/A |
| 4. Did the audit disclose any instances of noncompliance that would be considered material to the financial statements? | No |

Federal Awards

- | | |
|---|---------------|
| 1. Were any significant deficiencies in internal control over major programs disclosed? | No |
| 2. If so, were any such deficiencies considered material weaknesses? | N/A |
| 3. Type of report issued on compliance for major programs | Unmodified |
| 4. Any findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | No |
| 5. Major Program:
Special Supplemental Nutrition Program for Women,
Infants, and Children | CFDA # 10.557 |
| 6. Dollar threshold to distinguish between Type A and Type B programs | \$ 750,000 |
| 7. Does auditee qualify as a low-risk auditee? | Yes |

CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2019

SECTION II – FINANCIAL STATEMENT FINDINGS

There are no financial statement findings for the year ended June 30, 2019.

CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2019

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There are no federal award findings for the year ended June 30, 2019.

CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2019

SECTION IV – SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS

There were no audit findings for the year ended June 30, 2018.

CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2019

**SECTION V – CORRECTIVE ACTION PLAN FOR CURRENT-YEAR
FINDINGS**

There are no audit findings for the year ended June 30, 2019.