

April 14, 2021

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, 2020. 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 11, 2020. 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, 2020. 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 April 14, 2021.

### *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 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, 2020**

**Champaign-Urbana Public Health District**  
**June 30, 2020**

<b>Independent Auditor's Report .....</b>	<b>1-3</b>
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**FINANCIAL STATEMENTS**

Statement of Net Position .....	4
Statement of Activities .....	5
Balance Sheet – Governmental Funds.....	6
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position .....	7
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds .....	8
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	9
Notes to Financial Statements .....	10-33

**REQUIRED SUPPLEMENTARY INFORMATION**

Schedule of Employer Contributions Illinois Municipal Retirement Fund .....	34
Schedule of Changes in the Net Pension Liability and Related Ratios Illinois Municipal Retirement Fund .....	35-36
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual—General Fund .....	37
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual—IMRF .....	38
Notes to Required Supplementary Information.....	39-40

**OTHER SUPPLEMENTARY INFORMATION**

Illinois Consolidated Year-End Financial Report.....	41-44
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**Champaign-Urbana Public Health District**  
**June 30, 2020**

**SINGLE AUDIT SECTION**

Schedule of Expenditures of Federal Awards .....	45-47
Notes to Schedule of Expenditures of Federal Awards .....	48
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 <i>Government</i> <i>Auditing Standards</i> .....	49-50
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance .....	51-52
Schedule of Findings and Questioned Costs .....	53-57

## 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, 2020, 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, 2020, 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 Consolidated Year-End Financial Report is presented for purposes of additional analysis and is 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 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 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 April 14, 2021, 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 solely 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  
April 14, 2021

## **FINANCIAL STATEMENTS**

**Champaign-Urbana Public Health District**  
**Statement of Net Position**  
**June 30, 2020**

	<u>Governmental Activities</u>
<b>Assets and Deferred Outflows of Resources</b>	
<b>Assets</b>	
Cash	\$ 2,160,657
Property Taxes Receivable, Net of Allowance - \$25,300	4,007,540
Revenues Due From State, County, and Other, Net of Allowance - \$68,957	1,976,875
Prepaid Expenses	141,982
Inventory	17,238
Capital Assets:	
Land	374,000
Construction in Progress	7,960
Other Capital Assets, Net of Accumulated Depreciation	6,038,725
Total Capital Assets	<u>6,420,685</u>
<b>Deferred Outflows of Resources</b>	
Deferred Amount Related to Pension Liability	<u>2,630,444</u>
Total Assets and Deferred Outflows of Resources	<u><u>\$ 17,355,421</u></u>
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>	
<b>Liabilities</b>	
Current Liabilities:	
Accounts Payable	\$ 341,771
Accrued Liabilities	256,618
Unearned Revenue - Grants	147,056
Unearned Revenue - Other	3,396
Current Portion of Long-Term Debt	<u>69,505</u>
Total Current Liabilities	<u>818,346</u>
Noncurrent Liabilities:	
Accrued Compensated Absences	478,297
Pension Liability	249,364
Noncurrent Portion of Long-Term Debt	<u>2,476</u>
Total Noncurrent Liabilities	<u>730,137</u>
Total Liabilities	<u>1,548,483</u>
<b>Deferred Inflows of Resources</b>	
Subsequent Year's Property Tax	2,876,996
Deferred Amount Related to Pension Liability	<u>3,017,779</u>
Total Deferred Inflows of Resources	<u>5,894,775</u>
<b>Net Position</b>	
Net Investment in Capital Assets	6,348,704
Restricted:	
Audit	64,495
Insurance	99,966
Retirement	247,600
Unrestricted	<u>3,151,398</u>
Total Net Position	<u>9,912,163</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u><u>\$ 17,355,421</u></u>

**Champaign-Urbana Public Health District**  
**Statement of Activities**  
**For the Year Ended June 30, 2020**

Functions/Programs	Expenses	Program Revenues		Total Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
<b>Governmental Activities</b>				
Administration	\$ 845,534	\$ 419	\$ -	\$ (845,115)
Champaign County Public Health				
Department - Contract	867,390	-	1,037,106	169,716
Environmental Health	789,673	254,842	153,965	(380,866)
Maternal and Child Health	4,179,947	91,997	3,309,157	(778,793)
Special Projects	1,432,749	192,630	996,929	(243,190)
Teen & Adult Services	2,771,313	126,866	1,885,736	(758,711)
Wellness and Health Promotion	2,229,384	1,002,640	368,274	(858,470)
Total Governmental Activities	<u>\$ 13,115,990</u>	<u>\$ 1,669,394</u>	<u>\$ 7,751,167</u>	<u>(3,695,429)</u>
<b>General Revenues</b>				
Property Taxes				3,801,311
Investment Income				16,977
Rent				109,664
Total General Revenues				<u>3,927,952</u>
<b>Change in Net Position</b>				232,523
<b>Net Position, Beginning of Year</b>				<u>9,679,640</u>
<b>Net Position, End of Year</b>				<u>\$ 9,912,163</u>

**Champaign-Urbana Public Health District**  
**Balance Sheet - Governmental Funds**  
**June 30, 2020**

	<b>General Fund</b>	<b>IMRF</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets</b>				
Cash and Cash Equivalents	\$ 1,758,960	\$ 178,252	\$ 223,445	\$ 2,160,657
Property Taxes Receivable, net	3,646,632	236,993	123,916	4,007,541
Revenue Due From State, County, and Others, net	1,925,756	40,290	10,830	1,976,876
Prepaid Expenses	99,872	-	42,110	141,982
Inventory	17,238	-	-	17,238
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	\$ 7,448,458	\$ 455,535	\$ 400,301	\$ 8,304,294
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$ 341,771	\$ -	\$ -	\$ 341,771
Accrued Liabilities	242,516	12,031	2,075	256,622
Unearned Revenue - Grants	147,056	-	-	147,056
Unearned Revenue - Other	2,333	-	1,063	3,396
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	733,676	12,031	3,138	748,845
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Deferred Inflows of Resources</b>				
Subsequent Year's Property Tax	2,578,658	195,904	102,434	2,876,996
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Fund Balances</b>				
<b>Nonspendable:</b>				
Inventory	17,238	-	-	17,238
Prepaid Expenses	99,872	-	42,110	141,982
<b>Restricted:</b>				
Audit	-	-	64,495	64,495
Insurance	-	-	57,856	57,856
Retirement	-	247,600	-	247,600
<b>Assigned:</b>				
Capital Projects	433,776	-	130,268	564,044
<b>Unassigned</b>	3,585,238	-	-	3,585,238
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balances	4,136,124	247,600	294,729	4,678,453
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 7,448,458	\$ 455,535	\$ 400,301	\$ 8,304,294
	<hr/>	<hr/>	<hr/>	<hr/>

**Champaign-Urbana Public Health District**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Statement of Net Position**  
**June 30, 2020**

<b>Total Fund Balance for Governmental Funds</b>	<b>\$ 4,678,453</b>
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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		7,960	
Buildings and Improvements, Net of \$2,444,801			
Accumulated Depreciation		5,829,094	
Furniture, Fixtures, and Equipment, Net of \$1,807,736			
Accumulated Depreciation		209,631	6,420,685

Long-term liabilities, including bonds payable, compensated absences, and net pension liability are not due and payable in the current period and therefore are not reported in the funds.	(799,640)
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Deferred outflows and inflows of resources related to pensions are applicable to future periods; therefore, are not reported in the funds.	(387,335)
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<b>Total Net Position of Governmental Activities</b>	<b>\$ 9,912,163</b>
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**Champaign-Urbana Public Health District**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Governmental Funds**  
**For the Year Ended June 30, 2020**

	<b>General Fund</b>	<b>IMRF</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Revenues</b>				
Property Taxes	\$ 3,299,032	\$ 335,002	\$ 167,277	\$ 3,801,311
Licenses and Permits	230,594	-	-	230,594
Intergovernmental	7,508,527	187,425	45,500	7,741,452
Interest	16,977	-	-	16,977
Charges for Services	1,438,801	-	-	1,438,801
Miscellaneous	10,539	-	108,839	119,378
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	12,504,470	522,427	321,616	13,348,513
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Expenditures</b>				
Administration	537,856	41,072	16,677	595,605
Champaign County Public Health Department - Contract	816,911	38,096	19,745	874,752
Environmental Health	734,275	31,523	25,824	791,622
Maternal and Child Health	4,065,349	110,965	37,639	4,213,953
Special Projects	1,116,776	30,524	8,452	1,155,752
Teen & Adult Services	2,651,200	82,576	28,757	2,762,533
Wellness and Health Promotion	2,086,032	78,997	42,791	2,207,820
Debt Service:				
Principal	269,777	-	-	269,777
Interest	8,245	-	-	8,245
Capital Outlay	14,006	-	17,931	31,937
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	12,300,427	413,753	197,816	12,911,996
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net Change in Fund Balance</b>	204,043	108,674	123,800	436,517
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Fund Balances, Beginning of Year</b>	3,932,081	138,926	170,929	4,241,936
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Fund Balances, End of Year</b>	\$ 4,136,124	\$ 247,600	\$ 294,729	\$ 4,678,453
	<hr/>	<hr/>	<hr/>	<hr/>

**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, 2020**

<b>Net Change in Fund Balances — Total Governmental Funds</b>	\$	436,517
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**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 depreciation exceeded capital outlays in the current period.		(324,824)
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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.		269,777
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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.		(65,035)
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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.		(83,912)
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<b>Change in Net Position of Governmental Activities</b>	\$	<u><u>232,523</u></u>
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**Champaign-Urbana Public Health District**  
**Notes to Financial Statements**  
**June 30, 2020**

**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, 2020**

**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, 2020**

**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, 2020**

**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 except property taxes, which are recognized pro rata over the 12-month period for which they were levied and are collected prior to the end of that period. 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 2019 levy, which will be collected and recognized during the year ended June 30, 2020. 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, 2020 was \$2,876,996.

**Champaign-Urbana Public Health District**  
**Notes to Financial Statements**  
**June 30, 2020**

**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:

Infrastructure	\$50,000
Buildings and Improvements	5,000
Furniture, Fixtures and Equipment	5,000

**Champaign-Urbana Public Health District**  
**Notes to Financial Statements**  
**June 30, 2020**

**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, 2020, through June 30, 2020.

**Champaign-Urbana Public Health District**  
**Notes to Financial Statements**  
**June 30, 2020**

**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, 2020.

**Champaign-Urbana Public Health District**  
**Notes to Financial Statements**  
**June 30, 2020**

**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, 2020**

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

***Fund Balance*** (Continued)

Subsequent to June 30, 2020, the Board of Health adopted the fiscal year 2021 budget which utilizes excess fund balance to budget for major capital improvements, including replacement of flooring in the Environmental Health and Maternal and Child Health divisions, East Wing Basement remodel, Environmental Health Office and Central Intake remodel, and a new entrance and ramp for the East Wing. The total expenditures budgeted to be used from fund balance is \$433,776.

***Subsequent Events***

Management has evaluated subsequent events through April 14, 2021, the date when the financial statements were available to be issued.

**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, 2020, none of the District's bank balance of \$2,258,764 was exposed to custodial credit risk.

**Champaign-Urbana Public Health District**  
**Notes to Financial Statements**  
**June 30, 2020**

**Note 3: Capital Assets**

Capital assets activity for the year ended June 30, 2020 was:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Capital assets not being depreciated:					
Land	\$ 374,000	\$ -	\$ -	\$ -	\$ 374,000
Construction in Progress	693,642	-	-	(685,682)	7,960
	<u>1,067,642</u>	<u>-</u>	<u>-</u>	<u>(685,682)</u>	<u>381,960</u>
Capital assets being depreciated:					
Buildings and Improvements	7,570,282	17,931	-	685,682	8,273,895
Furniture, Fixtures and Equipment	2,067,741	14,006	(64,380)	-	2,017,367
Total assets being depreciated	<u>9,638,023</u>	<u>31,937</u>	<u>(64,380)</u>	<u>685,682</u>	<u>10,291,262</u>
	<u>10,705,665</u>	<u>31,937</u>	<u>(64,380)</u>	<u>-</u>	<u>10,673,222</u>
Less Accumulated Depreciation:					
Buildings and Improvements	(2,164,626)	(280,175)	-	-	(2,444,801)
Furniture, Fixtures and Equipment	<u>(1,795,531)</u>	<u>(76,585)</u>	<u>64,380</u>	<u>-</u>	<u>(1,807,736)</u>
	<u>(3,960,157)</u>	<u>(356,760)</u>	<u>64,380</u>	<u>-</u>	<u>(4,252,537)</u>
Net Capital Assets	<u>\$ 6,745,508</u>	<u>\$ (324,823)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,420,685</u>

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

Administration	\$ 34,627
Champaign County Public Health Department – Contract	357
Environmental Health	159
Infectious Disease Prevention and Management	7,197
Maternal and Child Health	3,951
Special Projects	278,792
Wellness and Health Promotion	<u>31,677</u>
<b>Total</b>	<u>\$ 356,760</u>

**Champaign-Urbana Public Health District**  
**Notes to Financial Statements**  
**June 30, 2020**

**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, 2020:

	Beginning Balance	Additions	Deductions	Ending Balance	Current Portion
General Obligation Refunding Debt Certificates	\$ 328,860	\$ -	\$ (261,772)	\$ 67,088	\$ 67,088
Capital Lease Obligations	12,864	-	(8,005)	4,859	2,417
Accrued Compensated Absences	413,262	65,035		478,297	-
Total	<u>\$ 754,986</u>	<u>\$ 65,035</u>	<u>\$ (269,777)</u>	<u>\$ 550,243</u>	<u>\$ 69,505</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, 2020**

**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, 2020, are as follows:

<u>Fiscal Year</u>	<u>Total To Be Paid</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 67,495	\$ 67,088	\$ 407
	<u>\$ 67,495</u>	<u>\$ 67,088</u>	<u>\$ 407</u>

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

Administration	\$ 1,478
Champaign County Public Health Department – Contract	521
Environmental Health	558
Infectious Disease Prevention and Management	1,577
Maternal and Child Health	2,060
Special Projects	561
Wellness and Health Promotion	<u>1,490</u>
<b>Total</b>	<u><u>\$ 8,245</u></u>

**Champaign-Urbana Public Health District**  
**Notes to Financial Statements**  
**June 30, 2020**

**Note 4: Long-Term Liabilities (Continued)**

**Capital Lease Obligations**

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 book value of assets under the capital lease at June 30, 2020, totaled \$2,354, net of accumulated depreciation of \$9,417.

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, 2020.

Fiscal Year	Amount
2021	\$ 2,417
2022	2,476
Present Value of Future Minimum Lease Payments	<u>\$ 4,893</u>

**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, 2020 was \$42,366. 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, 2020:

Fiscal Year	Amount
2021	\$ 39,140
2022	1,641
2023	1,641
	<u>\$ 42,422</u>

**Champaign-Urbana Public Health District**  
**Notes to Financial Statements**  
**June 30, 2020**

**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](http://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, 2020**

**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, 2019, the following employees were covered by the benefit terms:

	<b><u>IMRF</u></b>
Retirees and Beneficiaries currently receiving benefits	90
Inactive Plan Members entitled to but not yet receiving benefits	99
Active Plan Members	<u>113</u>
<b>Total</b>	<u><u>302</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 2019 was 6.51%. For the calendar year ended 2019, the District contributed \$366,352 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, 2020**

**Note 6: Pension Plan (Continued)**

**Net Pension Liability**

The District's net pension liability was measured as of December 31, 2019. 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, 2019:

- 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 3.35% 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, 2020**

**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:

<b><u>Asset Class</u></b>	<b><u>Portfolio Target Percentage</u></b>	<b><u>Long-Term Expected Real Rate of Return</u></b>
Domestic Equity	37.0%	5.75%
International Equity	18.0%	6.50%
Fixed Income	28.0%	3.25%
Real Estate	9.0%	5.20%
Alternative Investments	7.0%	3.60% - 7.60%
Cash Equivalents	<u>1.0%</u>	1.85%
Total	<u>100.0%</u>	

**Champaign-Urbana Public Health District**  
**Notes to Financial Statements**  
**June 30, 2020**

**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 2.75%, and the resulting single discount rate is 7.25%.

**Champaign-Urbana Public Health District**  
**Notes to Financial Statements**  
**June 30, 2020**

**Note 6: Pension Plan (Continued)**

**Changes in the Net Pension Liability (Asset)**

	<b>Total Pension Liability (A)</b>	<b>Plan Fiduciary Net Position (B)</b>	<b>Net Pension Liability (Asset) (A) - (B)</b>
<b>Balances at December 31, 2018</b>	\$ 22,113,045	\$ 19,999,245	\$ 2,113,800
<b>Changes for the year:</b>			
Service Cost	539,626	-	539,626
Interest on the Total Pension Liability	1,591,946	-	1,591,946
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	289,833	-	289,833
Changes of Assumptions	-	-	-
Contributions - Employer	-	366,352	(366,352)
Contributions - Employees	-	257,577	(257,577)
Net Investment Income	-	3,649,797	(3,649,797)
Benefit Payments, including Refunds of Employee Contributions	(849,953)	(849,953)	-
Other (Net Transfer)	-	12,116	(12,116)
Net Changes	<u>1,571,452</u>	<u>3,435,889</u>	<u>1,864,437</u>
<b>Balances at December 31, 2019</b>	<u><u>\$ 23,684,497</u></u>	<u><u>\$ 23,435,134</u></u>	<u><u>\$ 249,363</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:

	<b>1% Lower (6.25%)</b>	<b>Current (7.25%)</b>	<b>1% Higher (8.25%)</b>
<b>Net Pension Liability (Asset)</b>	\$ 3,396,819	\$ 249,363	\$(2,316,322)

**Champaign-Urbana Public Health District**  
**Notes to Financial Statements**  
**June 30, 2020**

**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, 2020, the District recognized pension expense of \$492,671. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>	<b><u>Net (Inflows) Outflows of Resources</u></b>
<i><b>Deferred Amounts to be Recognized in Pension Expense in Future Periods</b></i>			
Differences between expected and actual experience	\$ 539,598	\$ 317,680	\$ 221,918
Changes of assumptions	314,963	206,795	108,168
Net difference between projected and actual earnings on pension plan investments	<u>1,551,593</u>	<u>2,493,304</u>	<u>(941,711)</u>
Total Deferred Amounts to be recognized in pension expense in future periods	2,406,154	3,017,779	(611,625)
<i><b>Pension Contributions made subsequent to the Measurement Date</b></i>	<u>224,290</u>	<u>-</u>	<u>224,290</u>
<b>Total Deferred Amounts Related to Pensions</b>	<u><b>\$ 2,630,444</b></u>	<u><b>\$3,017,779</b></u>	<u><b>\$ (387,335)</b></u>

\$224,290 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, 2021.

**Champaign-Urbana Public Health District**  
**Notes to Financial Statements**  
**June 30, 2020**

**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:

<b><u>Year Ending December 31</u></b>	<b><u>Net Deferred Outflows (Inflows) of Resources</u></b>
2020	\$ (240,550)
2021	(66,090)
2022	136,537
2023	(441,522)
2024	-
Thereafter	-
Total	<u>\$ (611,625)</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. In the year ended June 30, 2020, this threshold was waived under a temporary emergency policy in response to the COVID-19 pandemic. 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, 2020, the liability for accrued vacation is \$478,297.

**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, 2020**

**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, 2020 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, 2020, 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. 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; the District estimates a 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, 2020**

**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, 2020 were as follows:

There were no transfers between funds as of June 30, 2020.

- b) Due to/from other funds at June 30, 2020 were as follows:

There were no due to/from other funds as of June 30, 2020.

- c) Deficit fund balances of individual funds:

There were no deficit fund balances as of June 30, 2020.

- d) Excess expenditures over budget:

General fund expenditures exceeded budget for the fiscal year by \$432,690. 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 \$1,251,389, \$49,145, and \$10,081, respectively, which were not accounted for in the budget process since they are not a cash expenditure.

**Champaign-Urbana Public Health District**  
**Notes to Financial Statements**  
**June 30, 2020**

**Note 13: Effect of COVID-19 Pandemic on Champaign-Urbana Public Health District**

On March 11, 2020, the World Health Organization (WHO) recognized COVID-19 as a global pandemic, prompting many national, regional, and local governments to implement preventative or protective measures. As a result, COVID-19 and the related restrictive measures have had a significant adverse impact upon many sectors of the economy. For Public Health COVID-19 has meant continuing regular services while addressing the enormous burden of pandemic as well.

The ultimate financial impact of the COVID-19 pandemic on the Champaign-Urbana Public Health District is likely to be determined by factors which are uncertain, unpredictable, and outside of the control of the District. The situation surrounding COVID-19 remains fluid, and if disruptions do arise, they could materially adversely future revenues.

As of the issuance of this audit report, Champaign-Urbana Public Health District has successfully implemented our Pandemic Preparedness Plan. Fortunately, we received several grants for the COVID Crisis, Contact Tracing and Vaccine Administration. As the pandemic began the impact on some of our services were substantial, while other areas continued to proceed via different delivery methods. One example, was the temporary closure of our Dental Clinic and reduction in Environmental Health Licensing and Permits due to closures and limited re-opening of restaurants. During this time, we successfully diverted our current staff to COVID Crisis and Contact Tracing activities. As the pandemic continued, we hired an additional 92 part-time and full time staff to assist with COVID mitigation activities. As we are now nearing conclusion of the pandemic, we have again reallocated staff back to their main responsibilities or to the Vaccine Administration Clinics.



## **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%
2019	366,352	366,352	-	5,627,522	6.51%

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>2019</u>	<u>2018</u>	<u>2017</u>
<b>Total Pension Liability</b>			
Service Cost	\$ 539,626	\$ 469,155	\$ 528,182
Interest on the Total Pension Liability	1,591,946	1,467,150	1,477,396
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual			
Experience of the Total Pension Liability	289,833	657,908	(657,099)
Changes of Assumptions	-	639,735	(590,899)
Benefit Payments, including Refunds			
of Employee Contributions	<u>(849,953)</u>	<u>(896,657)</u>	<u>(832,703)</u>
<b>Net Change in Total Pension Liability</b>	1,571,452	2,337,291	( 75,123)
<b>Total Pension Liability – Beginning</b>	<u>22,113,045</u>	<u>19,775,754</u>	<u>19,850,877</u>
<b>Total Pension Liability – Ending (A)</b>	<u>\$23,684,497</u>	<u>\$22,113,045</u>	<u>\$19,775,754</u>
<b>Plan Fiduciary Net Position</b>			
Contributions - Employer	\$ 366,352	\$ 693,496	\$ 458,538
Contributions - Employees	257,577	245,527	264,130
Net Investment Income	3,649,797	(997,252)	3,149,568
Benefit Payments, including Refunds of			
Employee Contributions	(849,953)	(896,657)	(832,703)
Other (Net Transfer)	<u>12,116</u>	<u>456,226</u>	<u>(700,548)</u>
<b>Net Change in Plan Fiduciary Net Position</b>	3,435,889	(498,660)	2,338,985
<b>Plan Fiduciary Net Position - Beginning</b>	<u>19,999,245</u>	<u>20,497,905</u>	<u>18,158,920</u>
<b>Plan Fiduciary Net Position – Ending (B)</b>	<u>\$23,435,134</u>	<u>\$19,999,245</u>	<u>\$20,497,905</u>
<b>Net Pension Liability – Ending (A) – (B)</b>	\$ 249,363	\$ 2,113,800	\$ (722,151)
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	98.95%	90.44%	103.65%
<b>Covered Valuation Payroll</b>	\$ 5,627,522	\$ 5,133,057	\$ 4,978,702
<b>Net Pension Liability as a Percentage of Covered Valuation Payroll</b>	4.43%	41.18%	(14.50%)

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>2016</u>	<u>2015</u>	<u>2014</u>
<b>Total Pension Liability</b>			
Service Cost	\$ 564,055	\$ 515,493	\$ 553,162
Interest on the Total Pension Liability	1,436,386	1,310,260	1,197,165
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual			
Experience of the Total Pension Liability	(595,910)	641,232	( 80,532)
Changes of Assumptions	( 25,484)	25,724	609,347
Benefit Payments, including Refunds			
of Employee Contributions	<u>(847,040)</u>	<u>(772,462)</u>	<u>(732,266)</u>
<b>Net Change in Total Pension Liability</b>	532,007	1,720,247	1,546,876
<b>Total Pension Liability – Beginning</b>	<u>19,318,870</u>	<u>17,598,623</u>	<u>16,051,747</u>
<b>Total Pension Liability – Ending (A)</b>	<u>\$19,850,877</u>	<u>\$19,318,870</u>	<u>\$17,598,623</u>
<b>Plan Fiduciary Net Position</b>			
Contributions - Employer	\$ 456,068	\$ 495,395	\$ 495,655
Contributions - Employees	227,025	239,450	230,338
Net Investment Income	1,177,753	85,313	979,329
Benefit Payments, including Refunds of			
Employee Contributions	(847,040)	(772,462)	(732,266)
Other (Net Transfer)	<u>103,835</u>	<u>( 87,827)</u>	<u>50,651</u>
<b>Net Change in Plan Fiduciary Net Position</b>	1,117,641	( 40,131)	1,023,707
<b>Plan Fiduciary Net Position - Beginning</b>	<u>17,041,279</u>	<u>17,081,410</u>	<u>16,057,703</u>
<b>Plan Fiduciary Net Position – Ending (B)</b>	<u>\$18,158,920</u>	<u>\$17,041,279</u>	<u>\$17,081,410</u>
<b>Net Pension Liability – Ending (A) – (B)</b>	\$ 1,691,957	\$ 2,277,591	\$ 517,213
<b>Plan Fiduciary Net Position as a Percentage of</b>			
<b>the Total Pension Liability</b>	91.48%	88.21%	97.06%
<b>Covered Valuation Payroll</b>	\$ 5,044,996	\$ 5,321,109	\$ 4,759,418
<b>Net Pension Liability as a Percentage of Covered</b>			
<b>Valuation Payroll</b>	33.54%	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, 2020**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Favorable (Unfavorable)</b>
<b>Revenues</b>				
Property Taxes	\$ 3,422,653	\$ 3,422,653	\$ 3,299,032	\$ (123,621)
Intergovernmental	6,726,194	6,726,194	7,508,527	782,333
Charges for Services	2,343,245	2,343,245	1,669,395	(673,850)
Miscellaneous Income	138,046	138,046	27,516	(110,530)
<b>Total Revenues</b>	<b>12,630,138</b>	<b>12,630,138</b>	<b>12,504,470</b>	<b>(125,668)</b>
<b>Expenditures</b>				
Administration	1,723,558	1,723,558	537,856	1,185,702
Champaign County Public		-		
Health Department - Contract	931,541	931,541	816,911	114,630
Environmental Health	762,470	762,470	734,275	28,195
Teen & Adult Services	2,523,971	2,523,971	2,651,200	(127,229)
Maternal and Child Health	2,413,994	2,413,994	4,065,349	(1,651,355)
Special Projects	1,037,367	1,037,367	1,116,776	(79,409)
Wellness and Health Promotion	2,171,835	2,171,835	2,086,032	85,803
Debt Service:				
Principal	269,797	269,797	269,777	20
Interest	8,224	8,224	8,245	(21)
Capital Outlay	24,980	24,980	14,006	10,974
<b>Total Expenditures</b>	<b>11,867,737</b>	<b>11,867,737</b>	<b>12,300,427</b>	<b>(432,690)</b>
Excess (Deficiency) of Revenues Over Expenditures	762,401	762,401	204,043	(558,358)
<b>Other Financing Sources (Uses)</b>				
Transfers Out	(417,000)	(417,000)	-	417,000
<b>Total Transfers</b>	<b>(417,000)</b>	<b>(417,000)</b>	<b>-</b>	<b>417,000</b>
<b>Net Change in Fund Balance</b>	<b>\$ 345,401</b>	<b>\$ 345,401</b>	<b>204,043</b>	<b>\$ (141,358)</b>
<b>Fund Balance, Beginning of Year</b>			<b>3,932,081</b>	
<b>Fund Balance, End of Year</b>			<b>\$ 4,136,124</b>	

**Champaign-Urbana Public Health District**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual**  
**IMRF**  
**For the Year Ended June 30, 2020**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Favorable (Unfavorable)</b>
<b>Revenues</b>				
Property Taxes	\$ 255,960	\$ 255,960	\$ 335,002	\$ 79,042
Intergovernmental	223,529	223,529	187,425	(36,104)
Total Revenues	479,489	479,489	522,427	42,938
<b>Expenditures</b>				
Administration	67,404	67,404	41,072	26,332
Champaign County Public				
Health Department - Contract	43,819	43,819	38,096	5,723
Environmental Health	32,513	32,513	31,523	990
Infectious Disease				
Prevention and Management	82,599	82,599	82,576	23
Maternal and Child Health	107,535	107,535	110,965	(3,430)
Special Projects	40,344	40,344	30,524	9,820
Wellness and Health Promotion	90,673	90,673	78,997	11,676
Total Expenditures	464,887	464,887	413,753	51,134
Excess (Deficiency) of Revenues Over Expenditures	14,602	14,602	108,674	94,072
<b>Other Financing Sources (Uses)</b>				
Transfers In	100,000	100,000	-	(100,000)
Total Transfers	100,000	100,000	-	(100,000)
<b>Net Change in Fund Balance</b>	<b>\$ 114,602</b>	<b>\$ 114,602</b>	108,674	<b>\$ (5,928)</b>
<b>Fund Balance, Beginning of Year</b>			138,926	
<b>Fund Balance, End of Year</b>			<b>\$ 247,600</b>	

**Champaign-Urbana Public Health District  
Notes to Required Supplementary Information  
For the Year Ended June 30, 2020**

**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 2019 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 2019 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>	24-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>	3.25%
<i>Price Inflation:</i>	2.50%
<i>Salary Increases:</i>	3.35% to 14.25%, 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 2017 valuation pursuant to an experience study of the period 2014 to 2016.

**Champaign-Urbana Public Health District  
Notes to Required Supplementary Information  
For the Year Ended June 30, 2020**

**Note 2 – Summary of Actuarial Methods and Assumptions Used in the Calculation of the  
2019 Contribution Rate\* (Continued)**

**Methods and Assumptions Used to Determine 2019 Contribution Rates:** (Continued)

*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 adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

***Other Information:***

*Notes:*

There were no benefit changes during the year.

\* Based on Valuation Assumptions used in the December 31, 2017 actuarial valuation; note two year lag between valuation and rate setting.



## **OTHER SUPPLEMENTARY INFORMATION**

## 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
<a href="#">View</a>	418-00-1334	Health Care Networks	139,890	0	0	139,890
<a href="#">View</a>	444-00-2174	2020 Census Grant Program	508,268	0	0	508,268
<a href="#">View</a>	444-26-1565	Tobacco Enforcement Program	10,725	0	0	10,725
<a href="#">View</a>	444-26-1755	Illinois State Opioid Response (SOR) Grant	0	332,694	0	332,694
<a href="#">View</a>	444-80-0668	Supplemental Nutrition Program for Women, Infants and Children - WIC Program	0	615,895	0	615,895
<a href="#">View</a>	444-80-0670	Supplemental Nutrition Program for Women, Infants and Children - Breastfeeding Peer Counselor Program	0	29,092	0	29,092
<a href="#">View</a>	444-80-0671	Supplemental Nutrition Program for Women, Infants, and Children - Farmers Market	0	1,000	0	1,000

Totals:	2,312,842	4,268,822	6,330,332	12,911,996
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<a href="#">View</a>	444-80-0687	Teen Pregnancy Prevention Program- Personal Responsibility Education Program	0	116,348	0	116,348
<a href="#">View</a>	444-80-1674	Bureau of Maternal and Child Health - Family Case Management	510,120	0	0	510,120
<a href="#">View</a>	444-80-1675	Bureau of Maternal and Child Health- High Risk Infant Follow-Up/Healthworks	68,400	21,600	0	90,000
<a href="#">View</a>	478-00-0251	Medical Assistance Program	0	0	0	0
<a href="#">View</a>	482-00-0263	Public Health Emergency Preparedness	0	139,258	13,926	153,184
<a href="#">View</a>	482-00-0901	Local Health Protection Grant	206,479	0	0	206,479
<a href="#">View</a>	482-00-0902	Tanning Program	1,250	0	0	1,250
<a href="#">View</a>	482-00-0903	Body Art Establishment Inspection Grant Program	2,775	0	0	2,775
<a href="#">View</a>	482-00-0904	Vector Surveillance and Control Grants	23,605	0	0	23,605
<a href="#">View</a>	482-00-0911	Illinois Tobacco-Free Communities	150,975	4,674	0	155,649

Totals:	2,312,842	4,268,822	6,330,332	12,911,996
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<a href="#">View</a>	482-00-0919	Preschool Vision and Hearing	3,199	0	0	3,199
<a href="#">View</a>	482-00-0924	Illinois Family Planning Program	120,794	16,900	71,887	209,581
<a href="#">View</a>	482-00-0931	Communities of Color Special At Risk Populations	20,266	0	0	20,266
<a href="#">View</a>	482-00-1024	Immunization Coverage Levels	0	72,656	0	72,656
<a href="#">View</a>	482-00-1032	Ryan White Part B Lead Agents	0	1,061,884	0	1,061,884
<a href="#">View</a>	482-00-1034	Safe Drinking Water	0	1,700	0	1,700
<a href="#">View</a>	482-00-1038	HIV Prevention Regional Implementation Grant	0	0	0	0
<a href="#">View</a>	482-00-1535	Direct HIV/HCV Testing	6,900	0	0	6,900
<a href="#">View</a>	482-00-1578	Body Art and Tanning Inspection Program	0	0	0	0
<a href="#">View</a>	482-00-1598	Adolescent Health Program	0	82,648	0	82,648
<a href="#">View</a>	482-00-1599	Summer Food and CACFP Program	0	0	0	0
<a href="#">View</a>	482-00-2083	Pre-exposure Prophylaxis (PrEP)	95,000	0	0	95,000
Totals:			2,312,842	4,268,822	6,330,332	12,911,996

<a href="#">View</a>	482-00-2104	Local Health Department Overdoses Surveillance and Response Grant	0	43,009	0	43,009
<a href="#">View</a>	482-00-2107	Harm Reduction Community Linkages Project	0	39,402	0	39,402
<a href="#">View</a>	482-00-2406	COVID-19 Crisis Grant	0	136,822	0	136,822
<a href="#">View</a>	482-00-2426	COVID-19 Contact Tracing	0	137,483	0	137,483
<a href="#">View</a>	586-18-0410	Summer Food Service Program	0	83,011	0	83,011
<a href="#">View</a>	586-18-0520	Early Childhood Block Grant	444,195	0	0	444,195
<a href="#">View</a>	588-20-0442	State Indoor Radon Grants	0	3,980	2,655	6,635
<a href="#">View</a>		Other grant programs and activities		1,328,767	2,946,428	4,275,195
<a href="#">View</a>		All other costs not allocated			3,295,437	3,295,437
Totals:			2,312,842	4,268,822	6,330,332	12,911,996

**Please note the following:**

- The CYEFR may be pre-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, 2020

Federal Agency Pass-through Entity/ Cluster Title/ Program	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
<b>U.S. Department of Agriculture</b>			
Child Nutrition Cluster			
Passed through Illinois State Board of Education			
Summer Food Service Program For Children	10.559	2019-09010059P00	\$ 50,762
	10.559	2020-09010059P00	32,249
	Subtotal CFDA #10.559		<u>83,011</u>
	Total Child Nutrition Cluster		<u>83,011</u>
Passed through Illinois Department of Human Services			
Special Supplemental Nutrition Program for			
Women, Infants, and Children	10.557	FCSYQ00824	611,305
	10.557	FCSYQ01164	29,092
Special Supplemental Nutrition Program for			
Women, Infants, and Children - noncash	10.557	N/A	1,251,389
	Subtotal CFDA #10.557		<u>1,891,786</u>
WIC Farmers' Market Nutrition Program (FMNP)	10.572	FCSYQ01247	<u>1,000</u>
WIC Grants to States (WGS)	10.578	FCSYQ00824	<u>4,590</u>
<b>Total U.S. Department of Agriculture</b>			<b><u>1,980,387</u></b>
<b>U.S. Department of the Treasury</b>			
Passed through Illinois Department of Public Health			
COVID-19: Coronavirus Relief Funds	21.019	05180109H	78,241
COVID-19: Passed through Champaign County			
Board of Health	21.019	05180108H	59,242
	Subtotal CFDA #21.019		<u>137,483</u>
<b>Total U.S. Department of the Treasury</b>			<b><u>137,483</u></b>
<b>U.S. Environmental Protection Agency</b>			
Passed through Illinois Emergency Management Agency			
State Indoor Radon Grant	66.032	19CHAM Radon	1,579
	66.032	20CHAM Radon	2,401
	Subtotal CFDA #66.032		<u>3,980</u>

**Champaign-Urbana Public Health District**  
**Schedule of Expenditures of Federal Awards**  
For the Year Ended June 30, 2020

Federal Agency Pass-through Entity/ Cluster Title/ Program	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Passed through Illinois Department of Public Health			
Performance Partnership Grants	66.605	05080010H-SDW	500
Passed through Champaign County Board of Health	66.605	05080009H-SDW	1,200
	Subtotal CFDA #66.605		<u>1,700</u>
<b>Total U.S. Environmental Protection Agency</b>			<u><b>5,680</b></u>
<b>U.S. Department of Health and Human Services</b>			
Passed through Illinois Department of Human Services			
Affordable Care Act (ACA) Personal Responsibility Education Program	93.092	FCSXP01830	<u>116,348</u>
Social Services Block Grant	93.667	FCSXU05017	<u>21,600</u>
Opioid STR	93.788	43CXZ03194	<u>332,694</u>
Passed through the Association of Food & Drug Officials			
Food and Drug Administration Research	93.103	G-T-1810-06419	1,521
		G-SP-1810-06416	3,000
		G-MP-1909-07335	9,663
	Subtotal CFDA #93.103		<u>14,184</u>
Passed through Illinois Department of Public Health			
Public Health Emergency Preparedness	93.069	07180010H	78,043
Passed through Champaign County Board of Health	93.069	07180009H	61,215
	Subtotal CFDA #93.069		<u>139,258</u>
Injury Prevention and Control Research and State and Community Programs			
	93.136	95080300G	7,593
	93.136	95080200G	381
	Subtotal CFDA #93.136		<u>7,974</u>
Immunization Cooperative Agreements			
	93.268	N/A - non-cash	59,225
	93.268	95180041G	25,601
	93.268	05180051H	47,055
Passed through Champaign County Board of Health	93.268	05080009H	3,967
	Subtotal CFDA #93.268		<u>135,848</u>



**Champaign-Urbana Public Health District**  
**Schedule of Expenditures of Federal Awards**  
For the Year Ended June 30, 2020

<b>Federal Agency Pass-through Entity/ Cluster Title/ Program</b>	<b>Federal CFDA Number</b>	<b>Pass-Through Entity Identifying Number</b>	<b>Federal Expenditures</b>
Public Health Crisis Response	93.354	95080300G	35,417
	93.354	95080200G	39,021
COVID-19: Public Health Crisis Response	93.354	07680010H	76,726
COVID-19: Passed through Champaign County Board of Health	93.354	07680009H	60,096
	Subtotal CFDA #93.354		<u>211,260</u>
Social Services Block Grant	93.667	06180047H	<u>16,900</u>
State Public Health Approaches for Ensuring Quitline Capacity - Funded in part by Prevention and Public Health Funds (PPHF)	93.735	83281010F	<u>4,674</u>
HIV Care Formula Grants	93.917	75780028E	831,723
	93.917	05780065H	230,161
	<b>M</b> Subtotal CFDA #93.917		<u>1,061,884</u>
Maternal and Child Health Services Block Grant to the States	93.994		<u>82,648</u>
<b>Total U.S. Department of Health and Human Services</b>			<u><u>2,145,272</u></u>
<b>Total Expenditures of Federal Awards</b>			<u><u>\$ 4,268,822</u></u>

(M) Denotes Major Program

**Champaign-Urbana Public Health District**  
**Notes to the Schedule of Expenditures of Federal Awards**  
For the Year Ended June 30, 2020

**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, 2020. 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.	\$ 2,503
Opioid STR	93.788	Coles County Health Dept.	1,183
Opioid STR	93.788	Cumberland County Health Dept.	3,883
Opioid STR	93.788	Douglas County Health Dept.	7,296
Opioid STR	93.788	Edgar County Health Dept.	339
Opioid STR	93.788	Ford County Health Dept.	4,064
Opioid STR	93.788	Vermilion County Health Dept.	1,700
			<u>\$ 20,968</u>

**Note 4 - Loans**

There were no federal loans, loan guarantees or insurance outstanding at June 30, 2020 and during the year then ended.

**Note 5 - Indirect Cost Rate**

The District has elected to use the 10% de minimis 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 the Champaign-Urbana Public Health District, as of and for the year then ended June 30, 2020, 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 April 14, 2021.

**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) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **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  
April 14, 2021

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, 2020. Champaign-Urbana Public Health District's major federal program is 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 its major federal program for the year ended June 30, 2020.

### **Report on Internal Control over Compliance**

Management of the 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  
April 14, 2021

CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2020

**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:   |               |
| HIV Care Formula Grants   | CFDA # 93.917 |
| 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, 2020

**SECTION II – FINANCIAL STATEMENT FINDINGS**

There are no financial statement findings for the year ended June 30, 2020.



CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2020

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

There are no federal award findings for the year ended June 30, 2020.

CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2020

**SECTION IV – SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS**

There were no audit 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, 2020

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

There are no audit findings for the year ended June 30, 2020.