



**CHAMPAIGN-URBANA  
PUBLIC HEALTH DISTRICT**

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AUDITOR'S COMMUNICATION TO THE  
BOARD OF DIRECTORS AND MANAGEMENT

**For the Year Ended June 30, 2021**

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**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**  
**AUDITOR’S COMMUNICATION TO THE BOARD OF DIRECTORS**  
**AND MANAGEMENT**  
**TABLE OF CONTENTS**

---

	<u>Page(s)</u>
COVER LETTER .....	1
REQUIRED COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE .....	2-7
• Adjusting Journal Entries	
• Passed Adjustments	
COMMUNICATION OF DEFICIENCIES IN INTERNAL CONTROL AND OTHER COMMENTS TO MANAGEMENT .....	8-13
FIRM PROFILE	



1415 West Diehl Road, Suite 400  
Naperville, IL 60563  
630.566.8400

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March 30, 2023

The Board of Directors  
and Management  
Champaign-Urbana Public Health District

Ladies and Gentlemen:

As part of our audit process we are required to have certain communications with those charged with governance at the beginning of our audit process and at the conclusion of the audit. Those communications include information related to the planned scope and timing of our audit, as well as other information required by Auditing Standards. Our communication at the beginning of our audit process along with our questionnaire regarding Consideration of Fraud in a Financial Statement Audit was sent to you on February 6, 2023.

Auditing standards require the communication of internal control related matters to those charged with governance. Our communication of these matters is enclosed within this document.

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

Sincerely,

*Sikich LLP*

Sikich LLP  
By: Anthony M. Cervini, CPA, CFE  
Partner-in-Charge, Government Services



1415 West Diehl Road, Suite 400  
Naperville, IL 60563  
630.566.8400

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March 30, 2023

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

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Champaign-Urbana Public Health District, (the District) for the year ended June 30, 2021. 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 December 14, 2021. Professional standards also require that we communicate to you the following information related to our audit.

### **Qualitative Aspects of Accounting Practices**

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the 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, 2021, except for the implementation of GASB Statement No. 95, *Postponement of the Effective Date of Certain Authoritative Guidance*. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus.

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 District's financial statements were management's estimates contained in the Illinois Municipal Retirement Fund defined benefit pension plan actuarial valuation.

We evaluated key factors and assumptions used to develop management's estimates of the District's total pension liability in determining that it is reasonable in relation to the financial statements taken as a whole.



Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. We noted no particularly sensitive financial statement disclosures made by management during our audit of the financial statements.

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, except we were not able to perform the audit in the established timeframe due to delays in information being available for the 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. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit. 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, except for AJE#01.

### **Disagreements with Management**

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

### **Management Representations**

We have requested certain representations from management that are included in the management representation letter dated March 30, 2023.

### **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 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 the 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 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 our 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 supplementary information, which accompanies the financial statements but is 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 use of the Members of the Board of Directors and management of Champaign-Urbana Public Health District and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

*Sikich LLP*

Sikich LLP

By: Anthony M. Cervini, CPA, CFE

Partner-in-Charge, Government Services



**Champaign Urbana Public Health District**

Year End: June 30, 2021

**Adjusting Journal Entries**

Date: 7/1/2020 To 6/30/2021

Account No: AJE#01 To AJE#02

Number	Date	Name	Account No	Debit	Credit
AJE#01	6/30/2021	Pension IMRF Deferred Outflows (GASB 68)	9-00-1450-000 FAD-9	754,679.00	
AJE#01	6/30/2021	Pension Contributions (GASB68)	9-00-1550-000 FAD-9		-754,679.00
AJE#01	6/30/2021	Pension Liability (GASB 68)	9-00-3400-000 FAD-9		
AJE#01	6/30/2021	Pension Expense (GASB 68)	9-90-6246-000 FAD-9		
To correct IMRF balances for FY21					
AJE#02	6/30/2021	A/R WIP	1-00-1155-000 GF-1	52,668.98	
AJE#02	6/30/2021	A/R WIP	1-80-4299-000 GF-1		-29,494.62
AJE#02	6/30/2021	A/R WIP	1-89-4299-000 GF-1		-23,174.36
To adjust Mass Vaccination Grant					



## PASSED ADJUSTMENTS

**Champaign-Urbana Public  
Health District**

(CLIENT)

**Governmental Activities**

(OPINION UNIT)

For the Year Ended 6/30/2021

All entries posted as Debit (Credit)

Description	Assets/ Deferred Outflows of Resources	(Liabilities/ Deferred Inflows of Resources)	(Net Position/ Fund Balance)	Change in Fund Balance/ Net Position
Current Effect of Prior Period Passed AJE's that have carried forward to Current Period	\$ -	\$ -	\$ -	\$ -
Estimated liability related to Other Post- Employment Benefits	-	(250,000)	250,000	-
Estimated liability related to legal claim that was settled after year end	-	(56,000)	-	56,000
Total	\$ -	\$ (306,000)	\$ 250,000	\$ 56,000



## PASSED ADJUSTMENTS

**Champaign-Urbana Public  
Health District**

(CLIENT)

**General Fund**

(OPINION UNIT)

For the Year Ended 6/30/2021

All entries posted as Debit (Credit)

Description	Assets/ Deferred Outflows of Resources	(Liabilities/ Deferred Inflows of Resources)	(Net Position/ Fund Balance)	Change in Fund Balance/ Net Position
Current Effect of Prior Period Passed AJE's that have carried forward to Current Period	\$ -	\$ -	\$ -	\$ -
Estimated liability related to legal claim that was settled after year end	-	(56,000)	-	56,000
Total	\$ -	\$ (56,000)	\$ -	\$ 56,000



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT  
CHAMPAIGN, ILLINOIS**

**MANAGEMENT LETTER**

June 30, 2021



1415 West Diehl Road, Suite 400  
Naperville, IL 60563  
630.566.8400

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

In planning and performing our audit of the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Champaign-Urbana Public Health District (the District) as of and for the year ended June 30, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses and, therefore, material weaknesses may exist that were not identified.

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 misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

This report is intended solely for the information and use of the Board of Directors and management, and is not intended to be and should not be used by anyone other than these specified parties.

*Sikich LLP*

Naperville, Illinois  
March 30, 2023



## **DEFICIENCY**

### **Timely Financial Reporting**

We noted the commencement of the annual audit, and therefore the issuance of the audited financial statements was delayed during the fiscal year. Timely financial reporting is integral to effective decision making, accountability and transparency in governmental financial statements. We recommend the District review staffing levels and consider hiring outsourced accountants during times of employee turnover to ensure the financial statements are issued within an appropriate time frame after the end of the District's fiscal year end.

## **OTHER INFORMATION**

### **Future Accounting Pronouncements**

GASB Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for the fiscal year June 30, 2022.

GASB Statement No. 91, *Conduit Debt Obligations*, provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement clarifies the existing definition of conduit debt obligation; establishes that a conduit debt obligation is not a liability of the issuer; establishes standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improves required note disclosures. This statement is effective for fiscal years ending June 30, 2022.

GASB Statement No. 92, *Omnibus 2020*, addresses a variety of topics including: The effective date of Statement No. 87 for interim financial reports; reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan; the applicability of Statements No. 73 to Certain Provisions of GASB Statement Nos. 67 and 68, as amended, and No. 74, as amended, to reporting assets accumulated for postemployment benefits; the applicability of certain requirements of Statement No. 84, to postemployment benefit arrangements; measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition; reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature and terminology used to refer to derivative instruments. The requirements of this Statement are effective for the fiscal years ending June 30, 2023.



## **OTHER COMMENTS (Continued)**

### **Future Accounting Pronouncements (Continued)**

GASB Statement No. 93, *Replacement of Interbank Offered Rates*. The London Interbank Offered Rate (LIBOR), a result of global reference rate reform, is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, as amended, requires a government to terminate hedge accounting when it renegotiates or amends a critical term of a hedging derivative instrument, such as the reference rate of a hedging derivative instrument's variable payment. In addition, in accordance with Statement No. 87, *Leases*, as amended, replacement of the rate on which variable payments depend in a lease contract would require a government to apply the provisions for lease modifications, including remeasurement of the lease liability or lease receivable. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. The removal of LIBOR as an appropriate benchmark interest rate is effective for fiscal year ending June 30, 2022.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, was issued to address issues related to accounting and reporting for public-private and public-public partnership arrangements (PPPs). A PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which is defined in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. This Statement is effective for fiscal year ending June 30, 2024.

GASB Statement No. 96, *Solution-Based Information Technology Arrangements*, provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. This Statement establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability, provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for the fiscal year ending June 30, 2024.



## OTHER COMMENTS (Continued)

### Future Accounting Pronouncements (Continued)

GASB Statement No. 99, *Omnibus 2022*, addresses a variety of topics including: Classification and reporting of derivative instruments within the scope of Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument; clarification of provisions in Statement No. 87, *Leases*, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives; clarification of provisions in Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, related to (a) the determination of the public-private and public-public partnership (PPP) term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset; clarification of provisions in Statement No. 96, *Subscription-Based Information Technology Arrangements*, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability; extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt; accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP); disclosures related to nonmonetary transactions; pledges of future revenues when resources are not received by the pledging government; clarification of provisions in Statement No. 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*, as amended, related to the focus of the government-wide financial statements; terminology updates related to certain provisions of Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*; and terminology used in Statement 53 to refer to resource flows statements. This statement is effective upon issuance for requirements related to the extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63. The effective date for the requirements related to leases, PPPs, and SBITAs is the fiscal year ending June 30, 2023. The effective date for the requirement related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 is the fiscal year ending June 30, 2024.

GASB Statement No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*, enhances accounting and financial reporting requirement for accounting changes and error corrections. This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement also addresses corrections of errors in previously issued financial statements. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). This Statement is effective for the fiscal year ended June 30, 2024.



## **OTHER COMMENTS (Continued)**

### **Future Accounting Pronouncements (Continued)**

GASB Statement No. 101, *Compensated Absences*, requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used. This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee’s pay rate as of the date of the financial statements. With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources. This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences. This Statement is effective for the fiscal year ended June 30, 2025.

We will advise the District of any progress made by GASB in developing this and other future pronouncements that may have an impact on the financial position and changes in financial position of the District.



## Sikich LLP is a global company specializing in technology-enabled professional services.

Now with more than 1,500 employees, Sikich draws on a diverse portfolio of technology solutions to deliver transformative digital strategies and ranks as one of the largest CPA firms in the United States. From corporations and not-for-profits to state and local governments and federal agencies, Sikich clients utilize a broad spectrum of services and products to help them improve performance and achieve long-term, strategic goals.

## INDUSTRIES

Sikich provides services and solutions to a wide range of industries. We have devoted substantial resources to develop a significant base of expertise and experience in:

AGRICULTURE	AUTOMOTIVE	CONSTRUCTION & REAL ESTATE
DISTRIBUTION & SUPPLY CHAIN	GOVERNMENT	HIGH-TECH
LIFE SCIENCES	MANUFACTURING	NOT-FOR-PROFIT
PRIVATE EQUITY	PROFESSIONAL SERVICES	

## SPECIALIZED SERVICES

### ACCOUNTING, AUDIT, TAX & CONSULTING SERVICES

- Outsourced Accounting
- Audit & Assurance
- Consulting Services
- Employee Benefit Plan Audits
- International Tax
- Tax

### TECHNOLOGY

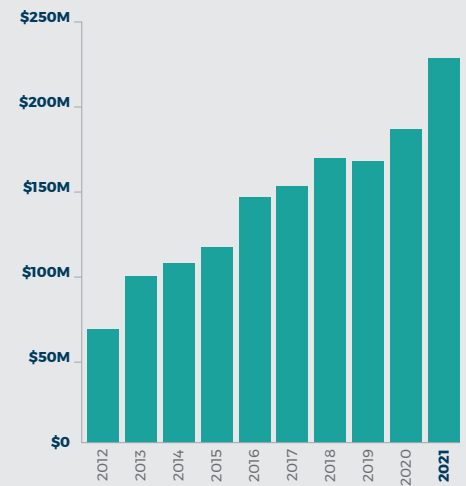
- Business Application
- Cloud & Infrastructure
- Consulting & Implementation
- Cybersecurity & Compliance
- Digital Transformation Consulting

### ADVISORY

- Forensic & Valuation Services
- Governance, Risk & Compliance Services
- Human Capital Management & Payroll Consulting
- Insurance Services
- Investment Banking\*
- Marketing & Communications
- Retirement Plan Services
- Regulatory, Quality & Compliance
- Site Selection & Business Incentives
- Succession Planning
- Supply Chain
- Transaction Advisory Services
- Wealth Management\*\*
- Workforce Risk Management

## WHO WE ARE

TOTAL PARTNERS .....100+  
 TOTAL PERSONNEL .....1,500+  
 2021 REVENUE .....\$229M



## LOCATIONS

### Sikich is a Remote First Organization

Ahmedabad, GJ  
 Akron, OH  
 (330) 864-6661  
 Alexandria, VA  
 (703) 836-1350  
 (703) 836-6701  
 Bangalore, KA  
 Boston, MA  
 (508) 485-5588  
 Chattanooga, TN  
 (423) 954-3007  
 Chicago, IL  
 (312) 648-6666  
 Crofton, MD  
 (410) 451-5150  
 Decatur, IL  
 (217) 423-6000  
 Indianapolis, IN  
 (317) 842-4466

Los Angeles, CA  
 (877) 279-1900  
 Milwaukee, WI  
 (262) 754-9400  
 Minneapolis, MN  
 (331) 229-5235  
 Naperville, IL  
 (630) 566-8400  
 Peoria, IL  
 (309) 694-4251  
 Princeton, NJ  
 (609) 285-5000  
 Springfield, IL  
 (217) 793-3363  
 St. Louis, MO  
 (314) 275-7277  
 Washington, MO  
 (636) 239-4785

\* Securities offered through Sikich Corporate Finance LLC, member FINRA/SIPC.

\*\* Investment advisory services offered through Sikich Financial, an SEC Registered Investment Advisor.



## CULTURE

Our dynamic work culture fosters learning, growth and innovation, attracting top-notch team members who see the big picture. Sikich's culture is built on a flexible, trusting work environment and the key pillars of Absolute Integrity, Accountability, Continuous Innovation and Stewardship. We believe our people are our greatest asset and work hard to ensure that all team members feel empowered, comfortable and valued.



## CERTIFICATIONS & AWARDS

All professional accounting staff with more than one year of experience have earned or are working toward earning the Certified Public Accountant designation. Sikich is a member of the **American Institute of Certified Public Accountants' Governmental Audit Quality Center** and the **Employee Benefit Plan Audit Quality Center**.

We adhere to the strict requirements of membership, which assure we meet the highest standards of audit quality. **In 2020, Sikich received its 11th consecutive unmodified ("pass") peer review report**, the highest level of recognition conferred upon a public accounting firm for its quality control systems.



Sikich ranks among the **top 30 firms nationally** on the *Accounting Today* **Top 100 Firms list**.

Sikich is a **Microsoft Dynamics' 2022/2023 Inner Circle** award recipient, a recognition that places Sikich in the **top 1% of all Microsoft Business Applications partners globally**.



We also maintain the **Oracle NetSuite 5 Star Award** and are among the **top three U.S. partners of Oracle NetSuite**.



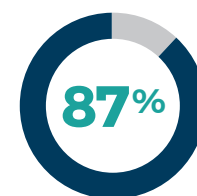
Sikich ranks on the **Redmond Channel Partner Magazine's top 350 Microsoft partners in the U.S.**, **CRN's Top 500 Managed Service Providers**, **CRN's Top 500 Solution Providers** and **Channel Futures' MSP 501**.



## NET PROMOTER SCORE

**The firm's overall Net Promoter Score (NPS) is 87%.**

This is a measure of our clients' willingness to recommend Sikich's services and products. An NPS of 50% is considered excellent, and 70% NPS is considered world-class.







**CHAMPAIGN-URBANA  
PUBLIC HEALTH DISTRICT**

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**ANNUAL FINANCIAL STATEMENTS**

**For the Year Ended June 30, 2021**

**SIKICH.COM**



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**  
**TABLE OF CONTENTS**

---

	<u>Page(s)</u>
INDEPENDENT AUDITOR’S REPORT.....	1-4
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS	
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position .....	5
Statement of Activities .....	6
Fund Financial Statements	
Governmental Funds	
Balance Sheet .....	7
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Position .....	8
Statement of Revenues, Expenditures and Changes in Fund Balances .....	9
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Governmental Activities in the Statement of Activities.....	10
Notes to Financial Statements .....	11-27
Required Supplementary Information	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual General Fund .....	28
Schedule of Employer Contributions Illinois Municipal Retirement Fund .....	29
Schedule of Changes in the Employer’s Net Pension Liability and Related Ratios Illinois Municipal Retirement Fund .....	30-31
Notes to Required Supplementary Information .....	32



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**  
**TABLE OF CONTENTS (Continued)**

---

	<u>Page(s)</u>
 SUPPLEMENTARY INFORMATION	
NONMAJOR GOVERNMENTAL FUNDS	
Combining Balance Sheet .....	33
Combining Statement of Revenues, Expenditures and Changes in Fund Balances .....	34
 OTHER SUPPLEMENTARY INFORMATION	
Consolidated Year End Financial Report.....	35
 REPORT ON FEDERAL AWARDS	
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 Auditing Standards</i> .....	36-37
Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance .....	38-40
Schedule of Expenditures of Federal Awards.....	41-42
Notes to Schedule of Expenditures of Federal Awards .....	43
Schedule of Findings and Questioned Costs.....	44-45



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## **INDEPENDENT AUDITOR'S REPORT**

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

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

#### **Opinions**

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, Champaign, Illinois (the District), as of and for the year ended June 30, 2021, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Champaign-Urbana Public Health District, Champaign, Illinois as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Responsibilities of Management for the Financial Statements**

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



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

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

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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



## **Other Matters**

### *Required Supplementary Information*

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

The District has not presented the management's discussion and analysis that governmental accounting principles generally accepted in the United States 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 this missing information.

### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information is presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2023 on our consideration of the 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 the 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 District's internal control over financial reporting and compliance.

*Sikich LLP*

Naperville, Illinois

March 30, 2023



**GENERAL PURPOSE EXTERNAL  
FINANCIAL STATEMENTS**



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**

**STATEMENT OF NET POSITION**

June 30, 2021

	<b><u>Governmental Activities</u></b>
<b>ASSETS</b>	
Cash and investments	\$ 5,474,721
Receivables, net of allowance, where applicable	
Property taxes	2,156,786
Accounts	2,406,687
Inventory	25,123
Prepaid items	227,279
Net pension asset	1,529,431
Capital assets	
Not depreciated	644,111
Depreciated (net of accumulated depreciation)	<u>5,770,778</u>
 Total assets	 <u>18,234,916</u>
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension items - IMRF	<u>754,679</u>
 Total deferred outflows of resources	 <u>754,679</u>
 Total assets and deferred outflows of resources	 <u>18,989,595</u>
 <b>LIABILITIES</b>	
Accounts payable	139,240
Accrued liabilities	301,831
Unearned revenue	531,793
Noncurrent liabilities	
Due within one year	2,442
Due in more than one year	<u>643,217</u>
 Total liabilities	 <u>1,618,523</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension items - IMRF	2,312,237
Deferred property taxes	<u>3,016,134</u>
 Total deferred inflows of resources	 <u>5,328,371</u>
 Total liabilities and deferred inflows of resources	 <u>6,946,894</u>
 <b>NET POSITION</b>	
Net investment in capital assets	6,412,447
Restricted for	
IMRF	296,402
Audit	61,032
Insurance	128,741
Unrestricted	<u>5,144,079</u>
 <b>TOTAL NET POSITION</b>	 <u><u>\$ 12,042,701</u></u>

See accompanying notes to financial statements.



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**

**STATEMENT OF ACTIVITIES**

For the Year Ended June 30, 2021

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expense)
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Change in Net Position Primary Government
<b>PRIMARY GOVERNMENT</b>					
Governmental Activities					
Administration	\$ 806,216	\$ -	\$ -	\$ -	\$ (806,216)
Champaign County Public Health					
Department - Contract	2,503,586	-	3,072,214	-	568,628
Environmental health	778,305	295,394	169,820	-	(313,091)
Maternal and child health	2,664,711	71,712	2,134,792	-	(458,207)
Special projects	3,323,119	343,257	3,185,346	32,975	238,459
Teen and adult services	2,561,527	116,532	1,879,332	-	(565,663)
Wellness and health promotion	1,510,429	889,754	110,520	-	(510,155)
Interest	526	-	-	-	(526)
Total governmental activities	14,148,419	1,716,649	10,552,024	32,975	(1,846,771)
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 14,148,419</b>	<b>\$ 1,716,649</b>	<b>\$ 10,552,024</b>	<b>\$ 32,975</b>	<b>(1,846,771)</b>
General Revenues					
Taxes					
Property					
Replacement					
Investment income					
Total					
CHANGE IN NET POSITION					
NET POSITION, JULY 1					
NET POSITION, JUNE 30					

See accompanying notes to financial statements.



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**

**BALANCE SHEET  
GOVERNMENTAL FUNDS**

June 30, 2021

	<b>General Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 4,956,715	\$ 518,006	\$ 5,474,721
Receivables			
Property taxes	1,909,200	247,586	2,156,786
Accounts	2,336,150	70,537	2,406,687
Prepaid items	166,240	61,039	227,279
Inventory	25,123	-	25,123
<b>TOTAL ASSETS</b>	<b>\$ 9,393,428</b>	<b>\$ 897,168</b>	<b>\$ 10,290,596</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 139,240	\$ -	\$ 139,240
Accrued liabilities	286,046	15,785	301,831
Unearned revenue - Grants	332,135	-	332,135
Unearned revenue - Other	198,295	1,363	199,658
Total liabilities	955,716	17,148	972,864
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred property taxes	2,624,168	391,966	3,016,134
Total deferred inflows of resources	2,624,168	391,966	3,016,134
Total liabilities and deferred inflows of resources	3,579,884	409,114	3,988,998
<b>FUND BALANCES</b>			
Nonspendable - prepaid items	166,240	61,039	227,279
Nonspendable - inventory	25,123	-	25,123
Restricted			
IMRF	-	296,402	296,402
Audit	-	61,032	61,032
Insurance	-	67,702	67,702
Unrestricted			
Assigned for subsequent years' budget	750,173	-	750,173
Assigned for capital purposes	-	1,879	1,879
Unassigned			
General fund	4,872,008	-	4,872,008
Total fund balances	5,813,544	488,054	6,301,598
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 9,393,428</b>	<b>\$ 897,168</b>	<b>\$ 10,290,596</b>

See accompanying notes to financial statements.



# CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT

## RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

June 30, 2021

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<b>FUND BALANCES OF GOVERNMENTAL FUNDS</b>	<b>\$ 6,301,598</b>
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	6,414,889
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Differences between expected and actual experience, assumption changes, net differences between projected and actual earnings for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows on the statement of net position	(1,557,558)
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Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds

Capital leases	(2,442)
Compensated absences	(643,217)
Net pension asset	<u>1,529,431</u>

<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 12,042,701</u></b>
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See accompanying notes to financial statements.



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS**

For the Year Ended June 30, 2021

	<b>General Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>REVENUES</b>			
Property taxes	\$ 3,533,046	\$ 424,031	\$ 3,957,077
Licenses and permits	273,669	-	273,669
Intergovernmental	10,185,109	394,076	10,579,185
Investment income	20,232	-	20,232
Charges for services	1,328,957	-	1,328,957
Miscellaneous	5,862	113,976	119,838
	<hr/>	<hr/>	<hr/>
Total revenues	15,346,875	932,083	16,278,958
	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES</b>			
Current			
Administration	834,072	-	834,072
Champaign County Public Health			
Department - Contract	2,479,281	117,880	2,597,161
Environmental health	744,966	73,147	818,113
Maternal and child health	2,566,187	183,912	2,750,099
Special projects	3,014,647	98,879	3,113,526
Teen and adult services	2,462,374	121,614	2,583,988
Wellness and health promotion	1,417,954	115,586	1,533,540
Debt service			
Principal	69,505	-	69,505
Interest and fiscal charges	526	-	526
Capital outlay	25,368	329,915	355,283
	<hr/>	<hr/>	<hr/>
Total expenditures	13,614,880	1,040,933	14,655,813
	<hr/>	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,731,995	(108,850)	1,623,145
	<hr/>	<hr/>	<hr/>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	54,575	54,575
Transfers (out)	(54,575)	-	(54,575)
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	(54,575)	54,575	-
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCES	1,677,420	(54,275)	1,623,145
	<hr/>	<hr/>	<hr/>
FUND BALANCES, JULY 1	4,136,124	542,329	4,678,453
	<hr/>	<hr/>	<hr/>
<b>FUND BALANCES, JUNE 30</b>	\$ 5,813,544	\$ 488,054	\$ 6,301,598
	<hr/>	<hr/>	<hr/>

See accompanying notes to financial statements.



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE  
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES**

For the Year Ended June 30, 2021

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<b>NET CHANGE IN FUND BALANCES -</b>	
<b>TOTAL GOVERNMENTAL FUNDS</b>	<b>\$ 1,623,145</b>

Amounts reported for governmental activities in the statement of activities  
are different because:

Governmental funds report capital outlay as expenditure; however, they are capitalized and depreciated in the statement of activities	355,283
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The change in interest payable, unamortized bond premium and repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	69,505
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The change in the Illinois Municipal Retirement Fund net pension liability and deferred outflows/inflows of resources is not a source or use of a financial resource	608,604
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Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Depreciation	(361,079)
Change in compensated absences	<u>(164,920)</u>

<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u><u>\$ 2,130,538</u></u></b>
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See accompanying notes to financial statements.



# CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT

## NOTES TO FINANCIAL STATEMENTS

June 30, 2021

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Champaign-Urbana Public Health District (District), have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

#### a. Reporting Entity

The 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.

#### b. Component Units and Related Organizations

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 appointed 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.



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

c. Fund Accounting

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. Funds are classified into the following category: governmental.

Governmental funds are used to account for all of the District's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds) and the funds committed, restricted or assigned for the acquisition or construction of capital assets (capital projects funds). The General Fund is used to account for all activities of the District not accounted for in some other fund.

d. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the District. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District has no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

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.



**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

e. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (i.e., both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Since many payors pay greater than 60 days after the services are provided, one year is a better match of revenue to expenses. The District recognizes property taxes when they become both measurable and available in the year intended to finance. 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.

The District reports unearned/unavailable/deferred revenue on its financial statements. Unavailable/deferred revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unearned revenues also arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the District has a legal claim to the resources, the liability or deferred inflow for unearned/unavailable/deferred revenue is removed from the financial statements and revenue is recognized.



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

f. Cash and Investments

Cash consists of demand deposits. Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments are stated at cost or amortized cost. Investments with maturity greater than one year at time of purchase, if any, are stated at fair value. The District categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The District held no investments to measure at fair value at June 30, 2021.

g. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses and are expensed when consumed.

h. Inventories

Inventories are valued at cost, which approximates market, using the average cost method.

i. Capital Assets

Capital assets, which include land, buildings, infrastructure, furniture and machinery and equipment are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an estimated useful life in excess of one year and an initial individual cost of more than \$5,000 or \$50,000 for equipment, building and improvements and infrastructure, respectively. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

i. Capital Assets (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	20-40
Furniture, fixtures and equipment	3-10

j. 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 35 days. Upon separation, the District will pay for all accumulated paid time off. Employees are not paid for unused sick leave upon termination.

k. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts, as well as gains (losses) on refundings, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. The unamortized loss on refunding is reported as a deferred outflow of resources.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

l. Fund Balances/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities or from enabling legislation adopted by the District.



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**1. Fund Balances/Net Position (Continued)**

Committed fund balance is constrained by formal actions of the District Board of Health, which is considered the District's highest level of decision-making authority. Formal actions include ordinances approved by the District. Assigned fund balance represents amounts constrained by the District's intent to use them for a specific purpose. Any residual fund balance in the General Fund or any deficit fund balance of any other governmental fund is reported as unassigned.

The District's policy is to maintain a minimum fund balance of 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.

The District's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the District considers committed funds to be expended first followed by assigned funds and then unassigned funds.

In the government-wide financial statements, restricted net positions are legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any outstanding long-term debt issued to acquire or construct the capital assets.



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

l. Fund Balances/Net Position (Continued)

None of the restricted net positions or restricted fund balance results from enabling legislation adopted by the District.

m. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

n. Use of Estimates

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

o. Postponement of Implementation of Certain Authoritative Guidance

In accordance with the provisions of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the District has delayed the implementation of GASB Statement No. 87, *Leases*, to June 30, 2022.

**2. DEPOSITS AND INVESTMENTS**

The District is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). These include deposits/investments insured by the Federal Deposit Insurance Corporation (FDIC), obligations or securities guaranteed by the United States of America, direct obligations of any bank as defined by the Illinois Banking Act, certain money market mutual funds, municipal bonds and The Illinois Funds (a money market fund created by the State legislature under the control of the State Treasurer that maintains a \$1 share value).



**2. DEPOSITS AND INVESTMENTS (Continued)**

It is the District's policy to apply the prudent person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to conform with legal requirements, seek reasonable income, preserve capital, maintain liquidity and in general, avoid speculative instruments.

a. Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the District's deposits may not be returned to it. The District's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance with the collateral held by an independent third party acting as the District's agent. All of the District's deposits were covered by either FDIC or collateral at June 30, 2021.

b. Investments

In accordance with its investment policy, the District limits its exposure to interest rate risk by structuring the portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing operating funds primarily in shorter-term securities, money markets or similar investment pools.

The investment policy does not limit the maximum maturity length of investments. However, the policy does require the District to structure the investment portfolio so that securities mature to meet cash requirements for ongoing operations. Unless matched to a specific cash flow, the District will not directly invest in securities maturing more than two years from the date of purchase. However, reserve funds may be invested in securities exceeding two years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.

The District limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by limiting investment types and diversifying the portfolio so that potential losses on individual securities will be minimized. Diversification reduces the risk that potential losses on individual securities might exceed the income generated from the remainder of the portfolio.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the District will not be able to recover the value of its investments that are in possession of an outside party. The District's investment policy does not address custodial credit risk.

Concentration of credit risk - the District's investment policy requires diversification of the portfolio but does not contain any specific diversification targets.



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**3. PROPERTY TAXES**

The District's property taxes are levied each year on all real property located within the District on or before the last Tuesday in December. The annual tax levy ordinance for 2020 taxes due and payable by the taxpayers in 2021 was passed in October 2020. Property taxes attach as an enforceable lien and are extended against the assessed valuation of the District on January 1.

Normally, taxes are due and payable in two installments in June and September at the County Collector's office. The District receives significant distributions of tax collections approximately one month after these due dates. Revenue from property taxes are recognized in the period they are intended to finance; the District considers 75% of the 2020 tax levy to finance the 2022 fiscal year. Property tax revenue recognized in fiscal year 2021 represents the 75% of the 2019 tax levy due and payable by the taxpayers in 2020 and 25% of the 2020 tax levy due and payable by taxpayers in 2021. The 2021 tax levy has not been recorded as a receivable at June 30, 2021. Although the tax attached as a lien on property as of January 1, 2021 the tax will not be levied until December 2021, and, accordingly, is not measurable at June 30, 2021.

**4. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2021 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated				
Land	\$ 374,000	\$ -	\$ -	\$ 374,000
Construction in progress	7,960	262,151	-	270,111
Total capital assets not being depreciated	381,960	262,151	-	644,111
Capital assets being depreciated				
Buildings and improvements	8,273,895	80,232	6,762	8,347,365
Furniture, fixtures and equipment	2,017,367	12,900	1,546,366	483,901
Total capital assets being depreciated	10,291,262	93,132	1,553,128	8,831,266
Less accumulated depreciation for				
Buildings and improvements	2,444,801	292,620	6,762	2,730,659
Furniture, fixtures and equipment	1,807,736	68,459	1,546,366	329,829
Total accumulated depreciation	4,252,537	361,079	1,553,128	3,060,488
Total capital assets being depreciated, net	6,038,725	(267,947)	-	5,770,778
<b>CAPITAL ASSETS, NET</b>	<b>\$ 6,420,685</b>	<b>\$ (5,796)</b>	<b>\$ -</b>	<b>\$ 6,414,889</b>



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**4. CAPITAL ASSETS (Continued)**

Depreciation expense was charged to functions/programs of the primary government as follows:

Administration	\$ 35,557
Champaign County Public Health Department – Contract	333
Teen and Adult Services	2,328
Maternal and Child Health	1,610
Special Projects	289,891
Wellness and Health Promotion	<u>31,360</u>
<b>TOTAL DEPRECIATION EXPENSE</b>	<b><u>\$ 361,079</u></b>

**5. LONG-TERM DEBT**

The following is a summary of changes in long-term liabilities during the fiscal year:

	Beginning Balances	Increases	Decreases	Ending Balances	Current Portions
Compensated absences*	\$ 478,297	\$ 164,920	\$ -	\$ 643,217	\$ -
General obligation refunding debt certificates	67,088	-	67,088	-	-
Capital lease obligations	<u>4,859</u>	<u>-</u>	<u>2,417</u>	<u>2,442</u>	<u>2,442</u>
<b>TOTAL</b>	<b>\$ 550,244</b>	<b>\$ 164,920</b>	<b>\$ 69,505</b>	<b>\$ 645,659</b>	<b>\$ 2,442</b>

\*These liabilities generally retired by the General Fund.

**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, 2021, totaled \$11,771, net of accumulated depreciation of \$10,005.



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**5. LONG-TERM DEBT (Continued)**

The following is a schedule of future minimum lease payments under the capital lease and the present value of minimum lease payments:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 2,508
Total minimum lease payments	2,508
Amount representing interest	<u>(66)</u>
<b>PRESENT VALUE OF MINIMUM LEASE PAYMENTS</b>	<u><u>\$ 2,442</u></u>

**6. INDIVIDUAL FUND DISCLOSURES**

Transfers from/to other funds at June 30, 2021 consist of the following:

	<u>Transfer In</u>	<u>Transfer Out</u>
General	\$ -	\$ 54,575
Nonmajor Governmental	<u>54,575</u>	<u>-</u>
<b>TOTAL</b>	<u><u>\$ 54,575</u></u>	<u><u>\$ 54,575</u></u>

The purposes of the significant transfers to/from other funds are as follows:

- \$54,575 was transferred from the General Fund to the Nonmajor Governmental Funds (Capital Projects) for budgeted capital projects. This transfer will not be repaid.

**7. RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; employee health insurance; and natural disasters. The District is insured for property, general liability, workers' compensation, employee health and other risks accounted for in the General and Insurance Fund. Settled claims from these risks have not exceeded commercial insurance coverage in the current fiscal year or the two prior fiscal years.



**8. CONTINGENT LIABILITIES**

a. Litigation

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the District's attorney that resolution of these matters will not have a material adverse effect on the financial condition of the District.

Carle Foundation 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.

b. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

**9. DEFINED BENEFIT PENSION PLANS**

The District contributes to a defined benefit pension plan, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system. The benefits, benefit levels, employee contributions and employer contributions for all plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or [www.imrf.org](http://www.imrf.org).

*Plan Administration*

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**9. DEFINED BENEFIT PENSION PLANS (Continued)**

*Plan Membership*

At December 31, 2020 (most recent available), IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	89
Inactive employees entitled to but not yet receiving benefits	99
Active employees	<u>114</u>
 TOTAL	 <u><u>302</u></u>

*Benefits Provided*

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011 are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. 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 members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

*Contributions*

Participating members are required to contribute 4.50% of their annual salary to IMRF. The District is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the fiscal year ended June 30, 2021 was 7.95% of covered payroll.



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**9. DEFINED BENEFIT PENSION PLANS (Continued)**

*Net Pension Liability (Asset)*

The District's net pension liability (asset) was measured as of December 31, 2020 (most recent available) and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions:

Actuarial valuation date	December 31, 2020
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	2.85% to 13.75%
Interest rate	7.25%
Asset valuation method	Fair value

For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables and future mortality improvements projected using scale MP-2020.

*Discount Rate*

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the District's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**9. DEFINED BENEFIT PENSION PLANS (Continued)**

*Changes in the Net Pension Liability (Asset)*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2020	\$ 23,684,497	\$ 23,435,134	\$ 249,363
Changes for the period			
Service cost	563,919	-	563,919
Interest	1,703,925	-	1,703,925
Difference between expected and actual experience	76,944	-	76,944
Changes in assumptions	(319,115)	-	(319,115)
Employer contributions	-	468,616	(468,616)
Employee contributions	-	267,113	(267,113)
Net investment income	-	3,249,443	(3,249,443)
Benefit payments and refunds	(928,086)	(928,086)	-
Other	-	(180,705)	180,705
Net changes	1,097,587	2,876,381	(1,778,794)
BALANCES AT DECEMBER 31, 2020	\$ 24,782,084	\$ 26,311,515	\$ (1,529,431)

Changes in assumptions related to the inflation rate, salary increases and mortality rates were made in 2020.



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**9. DEFINED BENEFIT PENSION PLANS (Continued)**

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources*

For the year ended June 30, 2021, the District recognized pension expense of \$372,126. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 356,080	\$ 81,743
Changes in assumption	152,577	312,503
Net difference between projected and actual earnings on pension plan investments	-	1,917,991
Contributions made after measurement date	246,022	-
<b>TOTAL</b>	<b>\$ 754,679</b>	<b>\$ 2,312,237</b>

\$246,022 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement period ended June 30, 2021.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	
2022	\$ (439,675)
2023	(237,048)
2024	(814,074)
2025	(312,783)
2026	-
Thereafter	-
<b>TOTAL</b>	<b>\$ (1,803,580)</b>



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**9. DEFINED BENEFIT PENSION PLANS (Continued)**

*Discount Rate Sensitivity*

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the District calculated using the discount rate of 7.25% as well as what the District's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 1,599,876	\$ (1,529,431)	\$ (3,954,997)

**10. OTHER POSTEMPLOYMENT BENEFITS**

The District offers other postemployment 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% by the retiree.

The District has evaluated its potential other postemployment benefits liability. The District provides continued health insurance coverage at the active employer rate to all eligible employees in accordance with ILCS, which creates an implicit subsidy of retiree health insurance. Former employees who choose to retain their rights to health insurance through the District are required to pay 100% of the current premium. However, no former employees have chosen to stay in the District's health insurance plan. Additionally, the District had no former employees for which the District was providing an explicit subsidy and no current employees with agreements for future explicit subsidies upon retirement. As a result, the District has determined that no material liability is required to be reported under GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Therefore, the District has not recorded any postemployment benefit liability as of June 30, 2021.



## **REQUIRED SUPPLEMENTARY INFORMATION**



**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, 2021

	<b>Original and Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>		
Taxes	\$ 3,539,956	\$ 3,533,046
Licenses and permits	68,769	273,669
Intergovernmental	12,086,009	10,185,109
Charges for services	1,823,449	1,328,957
Investment income	17,526	20,232
Miscellaneous	124,846	5,862
Total revenues	17,660,555	15,346,875
<b>EXPENDITURES</b>		
Current		
Administration	1,796,897	834,072
Champaign County Public Health		
Department - Contract	931,541	2,479,281
Environmental health	772,470	744,966
Maternal and child health	2,413,994	2,566,187
Special projects	6,275,212	3,014,647
Teen and adult services	2,523,971	2,462,374
Wellness and health promotion	2,106,038	1,417,954
Indirect allocations	105,309	-
Debt service		
Principal	75,081	69,505
Interest and fiscal charges	518	526
Capital outlay	24,980	25,368
Total expenditures	17,026,011	13,614,880
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	634,544	1,731,995
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers (out)	(634,000)	(54,575)
Total other financing sources (uses)	(634,000)	(54,575)
NET CHANGE IN FUND BALANCE	\$ 544	1,677,420
FUND BALANCE, JULY 1		4,136,124
FUND BALANCE, JUNE 30		\$ 5,813,544

(See independent's auditor report.)



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Eight Fiscal Years

<b>FISCAL YEAR ENDED JUNE 30,</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Actuarially determined contribution	\$ 515,638	\$ 489,077	\$ 468,234	\$ 474,047	\$ 446,460	\$ 410,652	\$ 480,761	\$ 490,349
Contributions in relation to the actuarially determined contribution	515,638	489,077	468,234	474,047	446,460	410,652	480,761	490,349
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Covered payroll	\$ 4,850,243	\$ 4,994,348	\$ 5,096,320	\$ 5,197,596	\$ 5,001,826	\$ 5,441,679	\$ 5,672,768	\$ 6,165,222
Contributions as a percentage of covered payroll	10.63%	9.79%	9.19%	9.12%	8.93%	7.55%	8.47%	7.95%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 23 years until the remaining period reaches ten years (then ten-year rolling period); the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 3.35% to 14.25% compounded annually and postretirement benefit increases of 3.00% compounded annually.

(See independent's auditor report.)



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**  
**SCHEDULE OF CHANGES IN THE EMPLOYER'S**  
**NET PENSION LIABILITY (ASSET) AND RELATED RATIOS**  
**ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Seven Fiscal Years

<b>MEASUREMENT DATE DECEMBER 31,</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>TOTAL PENSION LIABILITY</b>							
Service cost	\$ 553,162	\$ 515,493	\$ 564,055	\$ 528,182	\$ 469,155	\$ 539,626	\$ 563,919
Interest	1,197,165	1,310,260	1,436,386	1,477,396	1,467,150	1,591,946	1,703,925
Differences between expected and actual experience	(80,532)	641,232	(595,910)	(657,099)	657,908	289,833	76,944
Changes of assumptions	609,347	25,724	(25,484)	(590,899)	639,735	-	(319,115)
Benefit payments, including refunds of member contributions	(732,266)	(772,462)	(847,040)	(832,703)	(896,657)	(849,953)	(928,086)
Net change in total pension liability	1,546,876	1,720,247	532,007	(75,123)	2,337,291	1,571,452	1,097,587
Total pension liability - beginning	16,051,747	17,598,623	19,318,870	19,850,877	19,775,754	22,113,045	23,684,497
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 17,598,623</b>	<b>\$ 19,318,870</b>	<b>\$ 19,850,877</b>	<b>\$ 19,775,754</b>	<b>\$ 22,113,045</b>	<b>\$ 23,684,497</b>	<b>\$ 24,782,084</b>
<b>PLAN FIDUCIARY NET POSITION</b>							
Contributions - employer	\$ 495,655	\$ 495,395	\$ 456,068	\$ 458,538	\$ 693,496	\$ 366,352	\$ 468,616
Contributions - member	230,338	239,450	227,025	264,130	245,527	257,577	267,113
Net investment income	979,329	85,313	1,177,753	3,149,568	(997,252)	3,649,797	3,249,443
Benefit payments, including refunds of member contributions	(732,266)	(772,462)	(847,040)	(832,703)	(896,657)	(849,953)	(928,086)
Other (net transfer)	50,651	(87,827)	103,835	(700,548)	456,226	12,116	(180,705)
Net change in plan fiduciary net position	1,023,707	(40,131)	1,117,641	2,338,985	(498,660)	3,435,889	2,876,381
Plan fiduciary net position - beginning	16,057,703	17,081,410	17,041,279	18,158,920	20,497,905	19,999,245	23,435,134
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 17,081,410</b>	<b>\$ 17,041,279</b>	<b>\$ 18,158,920</b>	<b>\$ 20,497,905</b>	<b>\$ 19,999,245</b>	<b>\$ 23,435,134</b>	<b>\$ 26,311,515</b>
<b>EMPLOYER'S NET PENSION LIABILITY (ASSET)</b>	<b>\$ 517,213</b>	<b>\$ 2,277,591</b>	<b>\$ 1,691,957</b>	<b>\$ (722,151)</b>	<b>\$ 2,113,800</b>	<b>\$ 249,363</b>	<b>\$ (1,529,431)</b>



MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020
Plan fiduciary net position as a percentage of the total pension liability	97.06%	88.21%	91.48%	103.65%	90.44%	98.95%	106.17%
Covered payroll	\$ 4,759,418	\$ 5,321,109	\$ 5,044,996	\$ 4,978,702	\$ 5,133,057	\$ 5,627,522	\$ 5,931,855
Employer's net pension liability (asset) as a percentage of covered payroll	10.87%	42.80%	33.54%	(14.50%)	41.18%	4.43%	(25.78%)

Changes in assumptions related to retirement age and mortality were made in 2015. There was a change in the discount rate assumption from 2015 to 2016.

Changes in assumptions related to retirement age and mortality were made in 2017. There was a change in the discount rate assumption from 2017 to 2018.

Changes in assumptions related to retirement age and mortality were made in 2020.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent's auditor report.)



# **CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**

## **NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

June 30, 2021

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### **BUDGETS**

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. The budget is adopted on a basis consistent with GAAP.



**NONMAJOR GOVERNMENTAL FUNDS**



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

June 30, 2021

	<b>IMRF</b>	<b>Audit</b>	<b>Insurance</b>	<b>Capital Projects</b>	<b>Total Nonmajor Governmental Funds</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 331,565	\$ 61,032	\$ 125,409	\$ -	\$ 518,006
Receivables					
Property taxes	129,021	-	118,565	-	247,586
Accounts	53,235	-	14,060	3,242	70,537
Prepaid items	-	-	61,039	-	61,039
<b>TOTAL ASSETS</b>	<b>\$ 513,821</b>	<b>\$ 61,032</b>	<b>\$ 319,073</b>	<b>\$ 3,242</b>	<b>\$ 897,168</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accrued liabilities	\$ 13,157	\$ -	\$ 2,628	\$ -	\$ 15,785
Unearned revenue - Other	-	-	-	1,363	1,363
Total liabilities	13,157	-	2,628	1,363	17,148
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred property taxes	204,262	-	187,704	-	391,966
Total deferred inflows of resources	204,262	-	187,704	-	391,966
Total liabilities and deferred inflows of resources	217,419	-	190,332	1,363	409,114
<b>FUND BALANCES</b>					
Nonspendable - prepaid items	-	-	61,039	-	61,039
Restricted					
IMRF	296,402	-	-	-	296,402
Audit	-	61,032	-	-	61,032
Insurance	-	-	67,702	-	67,702
Unrestricted					
Assigned for capital purposes	-	-	-	1,879	1,879
Total fund balances	296,402	61,032	128,741	1,879	488,054
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 513,821</b>	<b>\$ 61,032</b>	<b>\$ 319,073</b>	<b>\$ 3,242</b>	<b>\$ 897,168</b>

(See independent's auditor report.)



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended June 30, 2021

	<b>IMRF</b>	<b>Audit</b>	<b>Insurance</b>	<b>Capital Projects</b>	<b>Total Nonmajor Governmental Funds</b>
<b>REVENUES</b>					
Property taxes	\$ 260,723	\$ 14,137	\$ 149,171	\$ -	\$ 424,031
Intergovernmental	285,854	-	75,247	32,975	394,076
Miscellaneous	-	-	-	113,976	113,976
<b>Total revenues</b>	<b>546,577</b>	<b>14,137</b>	<b>224,418</b>	<b>146,951</b>	<b>932,083</b>
<b>EXPENDITURES</b>					
Current					
Champaign County Public Health					
Department - Contract	83,159	1,440	33,281	-	117,880
Environmental health	43,668	1,804	27,675	-	73,147
Maternal and child health	132,128	5,887	45,897	-	183,912
Special projects	73,927	781	24,171	-	98,879
Teen and adult services	86,416	3,847	31,351	-	121,614
Wellness and health promotion	78,477	3,840	33,269	-	115,586
Capital outlay	-	-	-	329,915	329,915
<b>Total expenditures</b>	<b>497,775</b>	<b>17,599</b>	<b>195,644</b>	<b>329,915</b>	<b>1,040,933</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>48,802</b>	<b>(3,462)</b>	<b>28,774</b>	<b>(182,964)</b>	<b>(108,850)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	54,575	54,575
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>54,575</b>	<b>54,575</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>48,802</b>	<b>(3,462)</b>	<b>28,774</b>	<b>(128,389)</b>	<b>(54,275)</b>
<b>FUND BALANCES, JULY 1</b>	<b>247,600</b>	<b>64,494</b>	<b>99,967</b>	<b>130,268</b>	<b>542,329</b>
<b>FUND BALANCES, JUNE 30, 2021</b>	<b>\$ 296,402</b>	<b>\$ 61,032</b>	<b>\$ 128,741</b>	<b>\$ 1,879</b>	<b>\$ 488,054</b>

(See independent's auditor report.)



## **OTHER SUPPLEMENTARY INFORMATION**



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**

**ILLINOIS GRANT ACCOUNTABILITY AND TRANSPARENCY ACT  
CONSOLIDATED YEAR-END FINANCIAL REPORT**

For the Year Ended June 30, 2021

<b>CSFA Number</b>	<b>Program Name</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
418-00-1334	Health Care Networks	\$ 21,904	\$ -	\$ -	\$ 21,904
420-00-2433	Local Coronavirus Urgent Remediation Emergency (or Local CURE) and Economic Support Payments Grants Programs	-	-	-	-
444-00-2174	2020 Census Grant Program	288,938	-	-	288,938
444-26-1565	Tobacco Enforcement Program	5,665	-	-	5,665
444-26-1755	Illinois State Opioid Response (SOR) Grant	-	601,340	-	601,340
444-80-0668	Supplemental Nutrition Program for Women, Infants and Children - WIC Program	-	631,452	-	631,452
444-80-0670	Supplemental Nutrition Program for Women, Infants and Children - Breastfeeding Peer Counselor Program	-	59,537	-	59,537
444-80-0671	Supplemental Nutrition Program for Women, Infants and Children - Farmers Market	-	797	-	797
444-80-0687	Teen Pregnancy Prevention Program- Personal Responsibility Education Program	-	60,128	-	60,128
444-80-1674	Bureau of Maternal and Child Health - Family Case Management	471,003	27,523	-	498,526
444-80-1675	Bureau of Maternal and Child Health - High Risk Infant Follow-Up/Healthworks	-	53,500	-	53,500
444-80-2460	COVID-19 Comprehensive Mobile Health Units	-	20,462	-	20,462
482-00-0263	Public Health Emergency Preparedness	-	126,790	12,679	139,469
482-00-0901	Local Health Protection Grant	-	-	-	-
482-00-0904	Vector Surveillance and Control Grants	-	-	-	-
482-00-0911	Illinois Tobacco-Free Communities	24,867	-	-	24,867
482-00-0919	Preschool Vision and Hearing	2,093	-	-	2,093
482-00-0924	Illinois Family Planning Program	50,000	-	-	50,000
482-00-0931	Communities of Color Special At Risk Population	31	-	-	31
482-00-1024	Immunization Coverage Levels	-	64,392	-	64,392
482-00-1032	Ryan White Part B Lead Agents	-	906,605	-	906,605
482-00-1034	Safe Drinking Water	-	-	-	-
482-00-1535	Direct HIV/HCV Testing	11,400	-	-	11,400
482-00-1599	Summer Food and CACFP Program	-	91,894	-	91,894
482-00-1734	Comprehensive Health Protection Grant	484,725	5,316	-	490,041
482-00-2083	Pre-Exposure Prophylaxis	82,393	-	-	82,393
482-00-2104	Local Health Department Overdoses Surveillance and Response Grant	-	18,859	-	18,859
482-00-2107	Harm Reduction Community Linkages Project	-	1,855	-	1,855
482-00-2406	COVID-19 Crisis Grant	-	-	-	-
482-00-2426	COVID-19 Contract Tracing	-	4,044,988	-	4,044,988
482-00-2528	COVID-19 Mass Vaccination Grant Program	-	584,773	-	584,773
586-18-0520	Early Childhood Block Grant: Prevention Initiative 0-3	294,319	-	-	294,319
588-20-0442	State Indoor Radon Grants	-	2,328	1,552	3,880
	Other grant programs and activities	-	92,271	2,032,454	2,124,725
	All other costs not allocated	-	-	2,969,587	2,969,587
<b>TOTALS</b>		<b>\$ 1,737,338</b>	<b>\$ 7,394,810</b>	<b>\$ 5,016,272</b>	<b>\$ 14,148,420</b>

(See independent auditor's report.)



## **REPORT ON FEDERAL AWARDS**



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**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 *GOVERNMENT 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 (the District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated March 30, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 District's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



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

### **Report on Compliance and Other Matters**

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

### **Purpose of this Report**

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

*Sikich LLP*

Naperville, Illinois  
March 30, 2023



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH  
MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER  
COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF  
FEDERAL AWARDS 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 (the District) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

**Basis for Opinion on Each Major Federal Program**

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibility for the Auditor Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.



## **Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

## **Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

#### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of and for the year ended June 30, 2021, and the related notes to financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated March 30, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Sikich LLP*

Naperville, Illinois  
March 30, 2023



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

For the Year Ended June 30, 2021

<b>Federal Grantor</b>	<b>Pass-Through Grantor</b>	<b>Program Title</b>	<b>Federal ALN Number</b>	<b>Program/Grant Number</b>	<b>Expenditures</b>	<b>Amount Provided to Subrecipients</b>
<b>Child Nutrition Cluster</b>						
U.S. Department of Agriculture	Illinois State Board of Education	Summer Food Service Program For Children	10.559	2020-09010059P00	\$ 53,479	\$ -
U.S. Department of Agriculture	Illinois State Board of Education	Summer Food Service Program For Children	10.559	2021-09010059P00	38,415	-
		Total Child Nutrition Cluster			91,894	-
U.S. Department of Agriculture	Illinois Department of Human Services	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	FCSZQ00824	631,452	-
U.S. Department of Agriculture	Illinois Department of Human Services	Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	FCSZQ01164	59,537	-
					690,989	-
U.S. Department of Agriculture	Illinois Department of Human Services	WIC Farmers' Market Nutrition Program (FMNP)	10.572	FCSZQ01247	797	-
U.S. Department of Agriculture	Sola Gratia Farm	Farm to School Grant Program	10.575	N/A	17,235	-
		Total U.S. Department of Agriculture			800,915	-
U.S. Department of Treasury	Illinois Department of Human Services	COVID-19 Coronavirus Relief Funds	21.019*	43CZZ03562	123,750	-
U.S. Department of Treasury	Illinois Department of Human Services	COVID-19 Coronavirus Relief Funds	21.019*	FCSZU05782	20,462	-
					144,212	-
U.S. Department of Treasury	Illinois Department of Public Health	COVID-19 Coronavirus Relief Funds	21.019*	05180109H	1,244,312	-
U.S. Department of Treasury	Champaign County Board of Health	COVID-19 Coronavirus Relief Funds	21.019*	05180108H	1,064,543	-
		Total U.S. Department of Treasury			2,453,067	-
U.S. Environmental Protection Agency	Illinois Emergency Management Agency	State Indoor Radon Grant	66.032	20CHAM Radon	1,092	-
U.S. Environmental Protection Agency	Illinois Emergency Management Agency	State Indoor Radon Grant	66.032	21CHAM Radon	1,236	-
					2,328	-
U.S. Environmental Protection Agency	Illinois Department of Public Health	Performance Partnership Grants	66.605	05080010H-SDW	500	-
U.S. Environmental Protection Agency	Champaign County Board of Health	Performance Partnership Grants	66.605	05080009H-SDW	1,188	-
					1,688	-
		Total U.S. Environmental Protection Agency			4,016	-
U.S. Department of Health and Human Services	Illinois Department of Human Services	Affordable Care Act (ACA) Personal Responsibility Education Program	93.092	FCSZP01830	60,128	-



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)**

For the Year Ended June 30, 2021

<b>Federal Grantor</b>	<b>Pass-Through Grantor</b>	<b>Program Title</b>	<b>Federal ALN Number</b>	<b>Program/Grant Number</b>	<b>Expenditures</b>	<b>Amount Provided to Subrecipients</b>
U.S. Department of Health and Human Services	Illinois Department of Human Services	Social Services Block Grant	93.667	FCSZU03239	\$ 27,523	\$ -
U.S. Department of Health and Human Services	Illinois Department of Human Services	Social Services Block Grant	93.667	FCSZU05017	53,500	-
					<u>81,023</u>	<u>-</u>
U.S. Department of Health and Human Services	Illinois Department of Human Services	Opioid STR	93.788	43CZZ03562	<u>477,590</u>	<u>3,993</u>
U.S. Department of Health and Human Services	Association of Food & Drug Officials	Food and Drug Administration Research	93.103	G-MP-1909-07335	<u>9,411</u>	<u>-</u>
U.S. Department of Health and Human Services	Illinois Department of Public Health	Public Health Emergency Preparedness	93.069	17180010I	73,569	-
U.S. Department of Health and Human Services	Champaign County Board of Health	Public Health Emergency Preparedness	93.069	17180009I	53,221	-
					<u>126,790</u>	<u>-</u>
U.S. Department of Health and Human Services	Illinois Department of Public Health	Injury Prevention and Control Research and State and Community Programs	93.136	95080300G	18,859	-
U.S. Department of Health and Human Services	Illinois Department of Public Health	Injury Prevention and Control Research and State and Community Programs	93.136	95080200G	1,855	-
					<u>20,714</u>	<u>-</u>
U.S. Department of Health and Human Services	N/A	Immunization Cooperative Agreements- Non Cash	93.268	N/A	56,155	-
U.S. Department of Health and Human Services	Illinois Department of Public Health	Immunization Cooperative Agreements	93.268	95180041G	64,392	-
U.S. Department of Health and Human Services	Illinois Department of Public Health	Immunization Cooperative Agreements	93.268	150806101I	327,473	-
U.S. Department of Health and Human Services	Champaign County Board of Health	Immunization Cooperative Agreements	93.268	05080009H	3,628	-
U.S. Department of Health and Human Services	Champaign County Board of Health	Immunization Cooperative Agreements	93.268	15080609I	257,300	-
					<u>708,948</u>	<u>-</u>
U.S. Department of Health and Human Services	Illinois Department of Public Health	COVID-19 Epidemiology & Laboratory Capacity for Infectious Diseases (ELC)	93.323*	05180109H	884,237	-
U.S. Department of Health and Human Services	Champaign County Board of Health	COVID-19 Epidemiology & Laboratory Capacity for Infectious Diseases (ELC)	93.323*	05180108H	851,896	-
					<u>1,736,133</u>	<u>-</u>
U.S. Department of Health and Human Services	Illinois Department of Public Health	HIV Care Formula Grants	93.917	05780065H	<u>906,605</u>	<u>-</u>
U.S. Department of Health and Human Services	Illinois Public Health Association	Federal Comprehensive HIV Prevention Project for Health Departments	93.940	21-204-01	<u>9,470</u>	<u>-</u>
		Total U.S. Department of Human Services			<u>4,136,812</u>	<u>3,993</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>					<u>\$ 7,394,810</u>	<u>\$ 3,993</u>

\*Denotes Major Program



# CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2021

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### Note A - 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, 2021. 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 or changes in net assets of the District.

### Note B - 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 C - Subrecipients

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

Program	ALN Number	Subrecipient	Federal Amount Provided
Opioid STR	93.788	Cumberland County Health Dept.	\$ 3,993

### Note D - Noncash Transactions

The District received \$56,155 of immunization commodities from the U.S. Department of Health and Human Services passed through the Illinois Department of Public Health under ALN number of 93.268.

### Note E - Loans

There were no federal loans, loan guarantees or insurance outstanding at June 30, 2021 and during the year then ended.

### Note F - Indirect Cost Rate

The District has elected to use the 10% de minimis indirect cost rate as permitted by 2 CFR Section 200.414.



# CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2021

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### Section I - Summary of Auditor's Results

#### Financial Statements

Type of auditor's report issued: *unmodified*

Internal control over financial reporting:  
Material weakness(es) identified? ☐ yes ☒ no  
Significant deficiency(ies) identified? ☐ yes ☒ none reported

Noncompliance material to financial statements noted? ☐ yes ☒ no

#### Federal Awards

Internal control over major federal programs:  
Material weakness(es) identified? ☐ yes ☒ no  
Significant deficiency(ies) identified? ☐ yes ☒ none reported

Type of auditor's report issued on compliance  
for major federal programs: *unmodified*

Any audit findings disclosed that are required  
to be reported in accordance with  
2 CFR 200.516(a)? ☐ yes ☒ no

Identification of major federal programs:

<u>ALN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.019	COVID-19 Coronavirus Relief Fund
93.323	COVID-19 Epidemiology & Laboratory Capacity for Infectious Diseases (ELC)

Dollar threshold used to distinguish  
between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? ☒ yes ☐ no



**CHAMPAIGN-URBANA PUBLIC HEALTH DISTRICT**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)**

For the Year Ended June 30, 2021

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**Section II - Financial Statement Findings**

None

**Section III - Federal Award Findings and Questioned Costs**

None

**Section IV - Prior Year Findings and Questioned Costs**

None