

DUPAGE COUNTY HEALTH DEPARTMENT

A Blended Component Unit of DuPage County, Illinois

FINANCIAL STATEMENTS

Including Independent Auditors' Report

As of and for the Year Ended November 30, 2019

DUPAGE COUNTY HEALTH DEPARTMENT

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DUPAGE COUNTY HEALTH DEPARTMENT

AGENCY OFFICIALS
As of and for the Year Ended November 30, 2019

BOARD OF HEALTH

Sam Tornatore, J.D.	President
Lanny F. Wilson, M.D.	Vice President
Robert Spadoni, J.D.	Secretary
John Lotus Novak	Treasurer

BOARD MEMBERS

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Robert Larsen, J.D.	James P. Weeks, D.D.S.
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EXECUTIVE DIRECTOR

Karen Ayala

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

To the Honorable President and Members
of the Board of Health
DuPage County Health Department
Wheaton, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the DuPage County Health Department, a blended component unit of DuPage County, as of and for the year ended November 30, 2019, and the related notes to the financial statements, which collectively comprise the DuPage County Health Department's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

To the Honorable President and Members
of the Board of Health
DuPage County Health Department

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the DuPage County Health Department as of November 30, 2019 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the DuPage County Health Department's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis 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 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.

To the Honorable President and Members
of the Board of Health
DuPage County Health Department

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 5, 2020, on our consideration of the DuPage County Health Department'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 DuPage County Health Department'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 DuPage County Health Department's internal control over financial reporting and compliance.

Baker Tilly Virchow Krause, LLP

Oak Brook, Illinois
May 5, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

The Management's Discussion and Analysis section of this Annual Financial Report is intended to serve as an introduction to the Health Department's basic financial statements. It is designed to assist the reader in understanding the following: basic information about the financial statements; provide an overview of the financial activities for the fiscal year ended November 30, 2019; objectively summarize key financial components; identify any individual fund issues or concerns; and, provide a summary of any other economic or operational factors that may impact the financial position of the Health Department.

As the Management's Discussion and Analysis has been developed to focus on the current year's activities, resulting changes and currently known facts, this overview should be read in conjunction with the basic financial statements and accompanying notes.

Financial Highlights

- **Growth in Net Position:**
As noted below, changes in net position over time may serve as a useful indicator of whether the financial position of the Health Department is improving or deteriorating. In FY 2019, the Health Department's net position increased by \$2,617,060 or 7%. Since 2009, the Health Department's net position has increased by \$3,553,390 or 10%.
- **Growth in Current Assets**
Current assets represent the Health Department's cash or cash equivalents. In FY 2019, the Health Department's current assets grew by \$4,598,343. Of that amount, the increase in cash and investments totaled \$1,409,084 or 31%. Growth in receivables, pre-paid items and inventories account for the remaining increase.
- **Reduction in Expenditures over Ten-Year Period:**
Compared to 2009, the Health Department has reduced spending by \$1,370,344 or 3%. During that period, funded headcount has been reduced by 63 full-time positions and 70 part-time positions.

See independent auditors' report.

Page 4

Overview of Financial Statements

The Health Department's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements. Fund financial statements provide detailed information about the Health Department's Major Funds; the General Fund, the FICA Fund, the IMRF Fund and the Infrastructure Fund. The fund financial statements are presented in a columnar format with an adjustment column to reflect all adjustments to convert the fund statements to the consolidated government-wide financial statements on a full accrual basis of accounting. Government-wide financial statements are designed to provide the reader with a broad overview of the Health Department's finances in a manner similar to a private-sector business. Notes to the financial statements provide the reader with additional information that is essential to a full understanding of the government-wide and fund financial statements. These notes are found on pages 23 through 39 of this report for your review.

Government-wide financial statements are prepared on a full accrual basis of accounting. The Statement of Net Position presents information on all Health Department assets and liabilities, with the difference between the two reported as net position. Changes in net position over time may serve as a useful indicator of whether the financial position of the Health Department is improving or deteriorating. The Statement of Net Position and Governmental Funds Balance Sheet can be found on pages 17 and 18 of this financial report.

The Statement of Activities presents information for all current year revenues and expenses regardless of when cash is received or disbursed. Thus, revenues and expenses are reported in this statement for some items that will impact cash flows in future fiscal periods. The differences in this statement reflect the change in net position for the year. The Statement of Activities and Governmental Revenues, Expenditures, and Changes in Fund Balances can be found on pages 20 and 21 of this financial report. Both governmental financial statements distinguish the functions of the Health Department as being principally supported by program revenues (i.e. grants, fees for services, etc.) and general revenues (i.e. taxes, interest income, etc.). The Health Department's governmental activities include Public Health Services (PHS), Environmental Health Services (EHS), Epidemiology (EPI), Behavioral Health Services (BHS) and Business Administration (BA).

Fund financial statements are prepared using a modified accrual basis of accounting. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Health Department uses fund accounting to ensure compliance with finance related requirements. The General Fund is the Health Department's primary operating fund. In addition, funds for FICA, IMRF and Infrastructure projects have been established.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Health Department's schedule of budgetary comparisons. The Supplementary Information section found on pages 46 through 54 provides additional information on the Health Department's General Fund in comparison to the budget.

Government-wide Statements

The Statement of Net Position and the Statement of Activities report information about the Health Department as a whole. These statements are designed to provide the reader with a broad overview of the Health Department's finances in a manner similar to a private-sector business. All revenues and expenditures are considered regardless of when cash is received or disbursed. Government-wide financial statements consist of net position and the statement of activities.

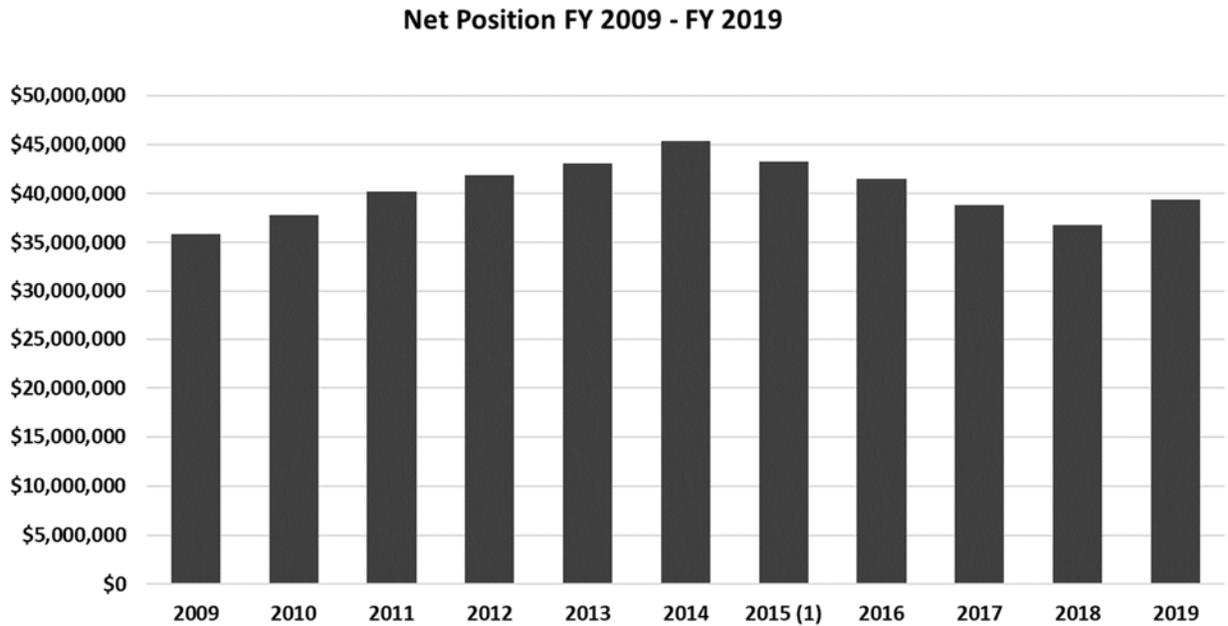
The following Statement of Net Position table provides information on assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference reported as net position. At fiscal year-end 2019 the Health Department's net position totaled \$39,408,779. This represents a \$2,617,060 or 7% increase compared to the prior year.

Statement of Net Position
As of Fiscal Year End - November 30

	<u>FY 2019</u>	<u>FY 2018</u>	<u>Increase (Decrease)</u>
<u>Assets</u>			
Current Assets	\$ 62,195,445	\$ 57,597,102	\$ 4,598,343
Capital Assets	19,039,966	20,186,214	\$ (1,146,248)
Total Assets	\$ 81,235,411	\$ 77,783,316	\$ 3,452,095
<u>Deferred Outflows of Resources</u>			
Deferred Outflows Related to Pensions	\$ 17,328,845	\$ 4,151,358	\$ 13,177,487
Deferred Outflows Related to OPEB	\$ 142,429	\$ -	\$ 142,429
Total Deferred Outflows	\$ 17,471,274	\$ 4,151,358	\$ 13,319,916
<u>Liabilities</u>			
Current Liabilities	\$ 3,098,687	\$ 3,121,761	\$ (23,074)
Long-Term Liabilities	\$ 35,902,985	\$ 12,953,814	\$ 22,949,171
Total Liabilities	\$ 39,001,672	\$ 16,075,575	\$ 22,926,097
<u>Deferred Inflows of Resources</u>			
Property Taxes Levied for Future Periods	\$ 18,405,586	\$ 17,865,019	\$ 540,567
Deferred Inflows Related to Pensions	\$ 1,836,650	\$ 11,202,361	\$ (9,365,711)
Deferred Inflows Related to OPEB	\$ 53,998	\$ -	\$ 53,998
Total Deferred Inflows	\$ 20,296,234	\$ 29,067,380	\$ (8,771,146)
<u>Net Position</u>			
Invested In Capital Assets	\$ 19,039,966	\$ 20,186,214	\$ (1,146,248)
Restricted for Grant Programs	2,443,903	1,657,319	\$ 786,584
Restricted for Employee Benefits	3,708,401	3,495,978	\$ 212,423
Unrestricted	14,216,509	11,452,208	\$ 2,764,301
Total Fund Balance/Net Position	\$ 39,408,779	\$ 36,791,719	\$ 2,617,060

The Department's long-term liabilities is comprised of net pension liabilities, OPEB (other post-employment benefits) and accrued employee retention liabilities. As a blended component unit of DuPage County, the net pension liability, pension expense and other related assumptions are included in the actuarial report prepared for the County as a whole. Information on allocations and assumptions pertaining to the Health Department can be found in Note 7 on pages 32 – 36 of this report. As for OPEB, this references post-employment health insurance benefits for retired employees through a cost-sharing plan administered by the County. Note 8 on pages 36 – 38 provide additional details on the Department's OPEB liability.

The following chart reflects the Department's net position for fiscal years 2009 - 2019. During that period, the Department's net position has grown by \$3,553,380 or 10%.



(1) First year implementation of GASB Statements No. 68 and 71 (Accounting and Financial Reporting for Pensions)

(2) First year implementation of GASB Statement No. 75 (Accounting and Financial Reporting for Postemployment benefits other than Pensions)

Health Department revenues are derived from three primary sources: 1) Property Taxes, 2) Charges for Services and 3) Grants. In 2019, these three sources accounted for approximately 97% of all Health Department revenue. The next table reflects a broad view of the Health Department's governmental activities.

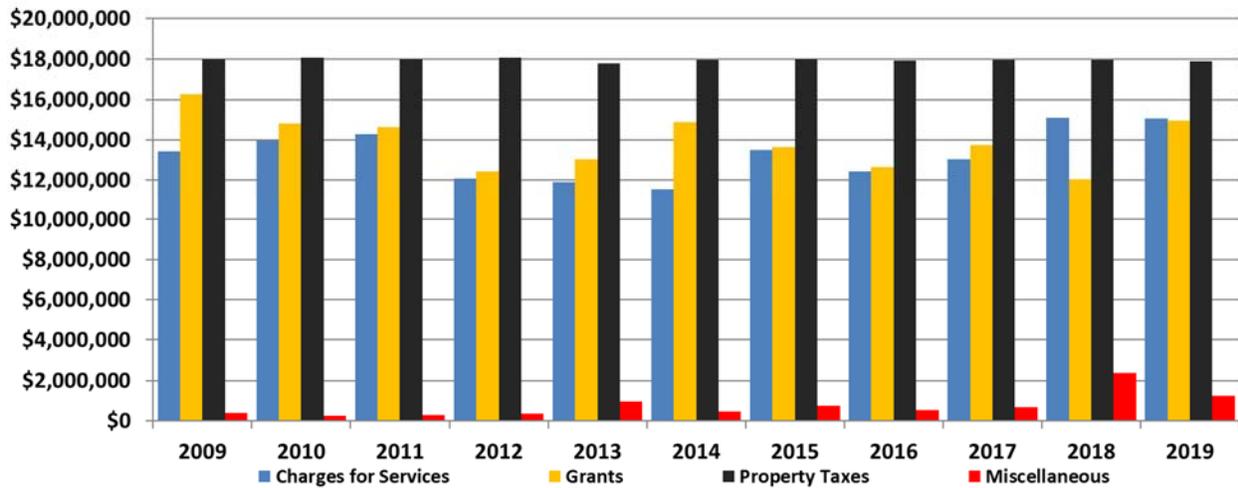
Statement of Activities
As of Fiscal Year End - November 30

	<u>FY 2019</u>	<u>FY 2018</u>	<u>Increase (Decrease)</u>
<u>Expenditures</u>			
Public Health Services	\$ 46,516,107	\$ 47,928,674	\$ (1,412,567)
<u>Revenues</u>			
Program Revenues			
Charge for Services	\$ 15,042,870	\$ 15,105,564	\$ (62,694)
Operating Grants	14,937,888	12,022,743	2,915,145
Total Program Revenues	\$ 29,980,758	\$ 27,128,307	\$ 2,852,451
Net Program Expenditures	\$ 16,535,349	\$ 20,800,367	\$ (4,265,018)
General Revenues			
Propoerty Taxes	\$ 17,916,606	\$ 17,957,716	\$ (41,110)
Miscellaneous	1,235,803	2,386,245	(1,150,442)
Total General Revenues	\$ 19,152,409	\$ 20,343,961	\$ (1,191,552)
Change in Net Position	\$ 2,617,060	\$ (456,406)	\$ 3,073,466
Net Position-Beginning	\$ 36,791,719	\$ 37,248,125	\$ (456,406)
Net Position-Ending	\$ 39,408,779	\$ 36,791,719	\$ 2,617,060

As previously noted, the Health Department's governmental activities include Public Health Services (PHS), Environmental Health Services (EHS), Epidemiology (EPI), Behavioral Health Services (BHS) and Business Administration (BA). The decrease reflected in expenditures was due to the one-time cost of remodeling the Lombard Public Health Center facility in 2018. The increase reflected in program revenue for operating grants was primarily due to timing issues with receipt of state grant awards in the previous fiscal year and a new award from the Illinois State Board of Education (ISBE) to support the development of coordinated intake for home visiting programs which provide comprehensive child development and family support services for expectant parents and families with children from birth to age 3. The decrease in miscellaneous general revenues was primarily due to the one-time reimbursement from DuPage County for first-year costs associated with the transition of Psychological Services programs to the Health Department.

The following chart reflects the Department's revenue by source for fiscal years 2009 - 2019.

**Revenue by Source
FY 2009 - FY 2019**

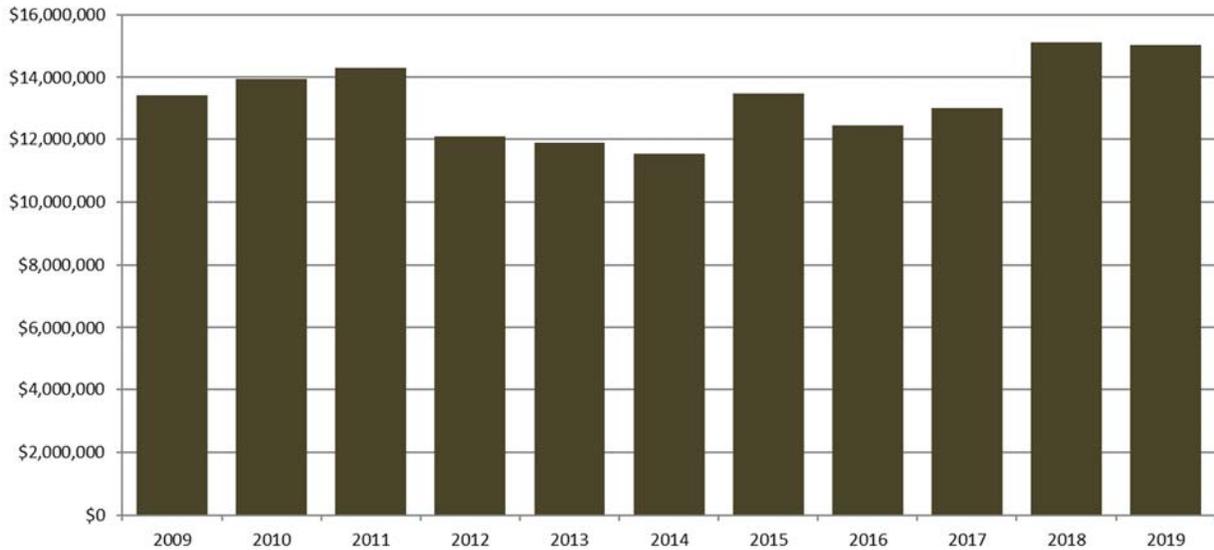


Note property taxes have remained the largest and most stable source of revenue at approximately 37% of the Health Department budget. Established by levy, funding received from property taxes had remained static at \$17.9 million annually since the last increase in 2004. Historically, charges for services and operating grant revenues have tended to fluctuate over time as these sources can be impacted by a variety of factors including, but not limited to, economic factors, legislative actions, public health events, funding availability, demand for program services and policy changes at the federal, state or local level. These fluctuations are often unpredictable and can occur for a variety of reasons. Some examples include the recession of 2007-2009, the H1N1 influenza outbreak of 2009, passage of the SMART Act (Save Medicaid and Resources Together) in 2012 and implementation of the Affordable Care Act (ACA) in 2014. Looking ahead the Department once again expects volatility in these revenue sources due to the ongoing COVID-19 pandemic response efforts. Although presently unknown, the impact of the COVID-19 pandemic to federal, state and local budgets, as well as the Health Department’s operations, program demands and finances, will clearly be noteworthy as DuPage residents, families and businesses cope with this unprecedented and historic event.

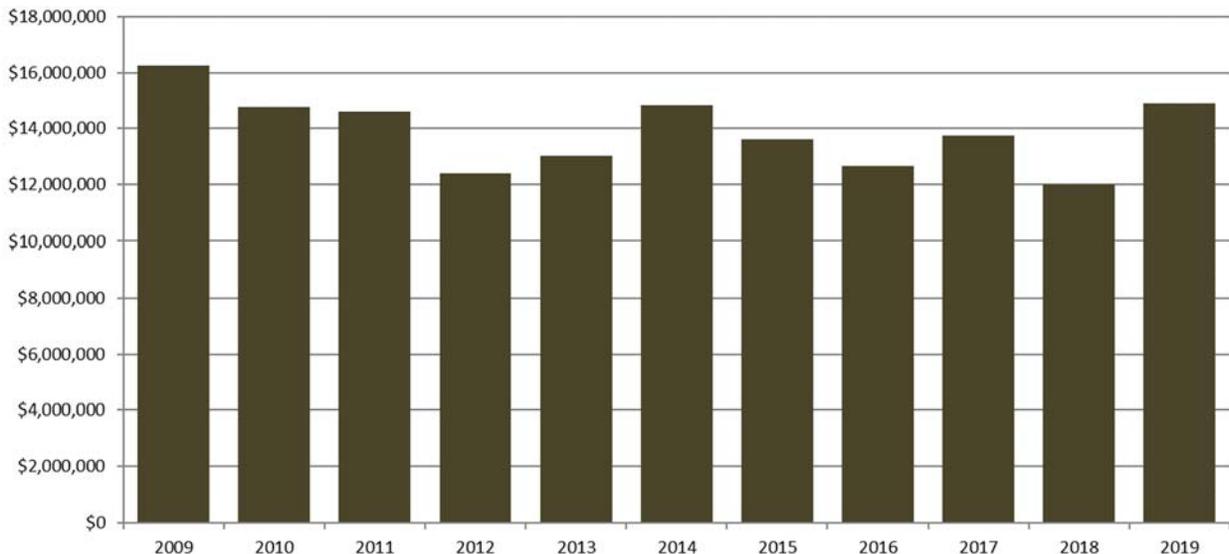
Charges for services revenue is comprised of patient care third-party billing, fees collected for licenses and permits, self-pay and other service-related fees. Over the past decade, this revenue source has been impacted by several of the factors noted above including changes to reimbursement systems for State of Illinois Medicaid payers, the historic recession of 2007-2009, changes to Medicaid eligibility including implementation of utilization controls and the transition to managed care models, legislation such as the SMART Act (Save Medicaid Access and Resources Together) and ACA (Affordable Care Act) and changes to county demographics that have resulted in a growth in the demand for services.

The next two charts reflect charges for services and operating grants revenue for fiscal years 2009 - 2019.

**Charges for Services Revenue
FY 2009 - FY 2019**



**Grants Revenue
FY 2009 - FY 2019**



The increase reflected in Charges for Services in FY 2018 and FY 2019 were primarily due to improvements in internal revenue cycle management processes that resulted in collection rate increases from third-party payers of healthcare services and the transition

of Psychological Services programs from DuPage County to the Health Department. These programs focus on substance use and domestic violence and are provided in collaboration with the courts to promote safety, respect, recovery and healthy relationships for the DuPage community including its underserved. First year costs in 2018 to transition these programs were reimbursed by DuPage County.

The next table reflects General Fund original and final budget amounts in addition to year-end actual amounts for revenue and expenditure categories in FY 2019. The Health Department General Fund budget variance at fiscal year-end reflected excess revenue over expenditures of \$912,008. Changes to revenue categories from original budget amounts are due to the acceptance of unplanned grant awards or award increases above the original budget amount. Changes between expenditure categories from original budget amounts are due to changes in funding need and are approved by the Board of Health.

**General Fund Budgetary Variance
As of Fiscal Year End - November 30, 2019**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>				
Taxes	\$ 13,184,904	\$ 13,184,904	\$ 13,168,070	(16,834)
Charges for Services	16,941,960	16,943,460	14,659,588	(2,283,872)
Grants	13,236,589	14,171,935	11,635,250	(2,536,685)
Other	815,920	815,920	1,220,401	404,481
Anticipated Grants	2,750,000	1,813,154	-	(1,813,154)
Total Revenues	\$ 46,929,373	\$ 46,929,373	\$ 40,683,309	\$ (6,246,064)
<u>Expenditures</u>				
Current Expenditures	44,123,513	\$ 45,083,495	\$ 39,765,319	(5,318,176)
Capital Outlay	70,136	47,000	\$ 20,258	(26,742)
Anticipated Grant	2,750,000	1,813,154	-	(1,813,154)
Total Expenditures	\$ 46,943,649	\$ 46,943,649	\$ 39,785,577	(7,158,072)
Excess Revenue over Expenditures	\$ (14,276)	\$ (14,276)	\$ 897,732	\$ 912,008
<u>Other Financing Sources (Uses)</u>				
Transfer	-	-	-	-
Total Other financing Sources	\$ -	\$ -	\$ -	\$ -
Net Change in Fund Balance - Budgetary Basis	\$ (14,276)	\$ (14,276)	\$ 897,732	\$ 912,008

The next table reflects the net change in Capital Assets activity for FY 2019. The value for capital assets has been established at \$5,000 for an individual item or, if considered material, components with an original purchase price or value below \$5,000 that operate as a system with a combined value greater than the \$5,000 threshold with a useful life of more than one (1) year. The decrease in Buildings and Improvements reflects annual depreciation.

Capital Assets Activity
(Net of Accumulated Depreciation)
As of Fiscal Year End - November 30

	<u>FY 2019</u>	<u>FY 2018</u>	<u>Net Change</u>
Land	\$ 3,213,602	\$ 3,213,602	\$ -
Construction in Progress	38,660	-	38,660
Buildings and Improvements	15,114,865	16,307,902	(1,193,037)
Furniture and Equipment	481,499	454,796	26,703
Vehicles	<u>191,340</u>	<u>209,914</u>	<u>(18,574)</u>
Total Net Capital Assets	\$ 19,039,966	\$ 20,186,214	\$ (1,146,248)

See Note 3 in the Notes to the Financial Statements section on page 31 for more detailed information on the Health Department's capital asset activity.

Long Term Liability

The Health Department does not have any long-term debt, however long-term obligations for net pension liability, OPEB (other postemployment benefits) liability and accrued employee retention program liability exist as reflected on the Statement of Net Position and Governmental Funds Balance Sheet on page 17 of this report. As previously noted, in 2015 the Health Department implemented GASB Statement No. 68 and No. 71. These GASB statements required the Health Department to record net pension liability and deferred outflows of resources related to pensions. In FY 2018, GASB Statement No. 75 was implemented. The primary objective of GASB Statement No. 75 is to improve the accounting and financial reporting of postemployment benefits other than pensions. For the Health Department, this references postemployment health insurance benefits for retired employees through a cost-sharing plan administered by the County. Note 8 on pages 36 through 38 provide additional details on the Departments OPEB liability. Additional information on Health Department long-term obligations can be found in Notes 5, 7 and 8 in the Notes to Financial Statements section on pages 32 through 38 of this report.

Notes of Economic Significance - FY 2020 and Looking Ahead

The FY 2020 budget was adopted by the Board of Health on October 10, 2019. It was formally approved, along with the Health Department property tax levy by the County Board on November 26, 2019. For the first time since 2004, the budget approved by DuPage County recommended that the property tax levy include the annual increase allowable under the Property Tax Extension Limitation Law (commonly referred to as "PTELL"). This statutory provision allows taxing bodies to increase their annual property tax extension by an amount that may not exceed the rate of change represented by the Consumer Price Index plus the rate of new growth in the taxing district (DuPage County). The DuPage County Health Department, a legally separate agency established by voter referendum under State Statutes also receives property taxes as a component of its annual financial plan. These property taxes are administered by DuPage County. Following discussions with the County executive management team, the DuPage County Health Department agreed to propose a comparable increase in tax levy that, in turn, would be used in the next fiscal year to support to be determined public health objectives. In addition, the Board of Health approved utilization of \$500,000 in fund balance to help support the increase in employer IMRF rate which went from 10.05% to 12.07%.

Compared to the prior year, revenue was projected to increase by \$460,472 or approximately 1%. Increases were estimated in the following categories:

- Property Taxes by \$500,000 or 2.8%
- Investment Income by \$191,221 or 91.6%
- Licenses and permits \$137,733 or 4.4%
- Patient/Client Care by \$124,341 or 1.1%

The projected increase in Property Taxes was due to the increase in property tax levy approved by the County Board. The projected increase in License and Permit fees was reflective of the increase in permitted facilities within DuPage County and expected increases to certain fees as allowable per DuPage County Health Ordinance.

Looking ahead to 2020, there are five primary issues likely to impact operations, programs and thus Department finances. They are as follows:

- **Repercussions of the COVID-19 Pandemic**
Although listed separately, repercussions of the COVID-19 pandemic will affect each the bullet points listed below.

The on-going COVID-19 pandemic has had far-reaching consequences that are expected to impact Health Department operations, programs and finances over the next several years and perhaps even permanently alter how business is conducted. Impact to global markets and the federal, state and local economies are sure to produce ripple effects that more than likely will impact the demand for Health Department services, influence public policy and therefore result in changes to funding streams available for public health programs moving forward.

Clearly, the on-going COVID-19 event, and its impact on so many aspects of life in these times, represents the number one issue of significance expected to affect Health Department finances in 2020 and looking ahead.

- **National Election, Public Policy and Federal Budget Pressures**

The next federal election is scheduled for November 3, 2020 with health care and the economy as two of the most critical issues facing the voting public. The outcome of this election could possibly shift policy on how health care systems in the US are structured. How this impacts the Medicaid and Medicare programs could directly influence the demand and capacity for Health Department services.

Budget pressures at the federal level that could potentially impact Health Department funding, especially with the COVID-19 event still on-going, remain unknown at this time. The Health Department is, however, expecting to be reimbursed for costs associated with the COVID-19 event.

- **Federal Health care Policy**

If left unchanged, reimbursement models for healthcare services are expected to begin the transition from volume based to value based over the next few years. The intent of this change is to further facilitate the adoption of integrated care service delivery systems that focus on wellness outcomes. At this time, it is still unclear how this will be implemented. However, this is something that the Health Department continues to focus on both with internal service delivery systems and through a commitment to continue developing relationships with community partners. If, however, the policy is structurally changed, or ACA repealed, this would most likely impact the population served, the demand for services and the resources required to meet the needs of DuPage County.

- **State of Illinois Budget Pressures**

Local funds derived from property taxes remain the Health Department's largest and most stable funding source. However, funding received from the State of Illinois for grant awards and reimbursement for Medicaid services accounts for approximately 40% of the Health Department budget. Therefore, the fiscal health of the state, primarily as it impacts the state budget for public health and human services programming, remains something that the Health Department will always closely monitor. Reduced funding of grant awards or changes to Medicaid rates or reimbursement rules due to budget pressures, or policy changes, could potentially impact programs and service volumes that the Health Department would be able to provide.

Budget pressures at the state level that could potentially impact Health Department funding, especially with the COVID-19 event still on-going, remain unknown at this time.

- **New, Emerging and On-Going Public Health Issues**

New or emerging public health issues are always highlighted as potentially impacting Health Department finances when looking ahead. Pandemics such as COVID-19 event, disparities in access to health care, the continuing opioid crisis and ancillary public health issues related to the legalization of marijuana are just some that are expected to place additional pressures on public health departments. Finding the funds to address these new needs while continuing to provide superior services to the community is always challenging and requires on-going assessment of how to best utilize available resources.

Looking Ahead

Looking ahead the Health Department continues to plan and prepare for public health challenges, cultivate community partnerships that strengthen the DuPage healthcare safety net, and seek opportunities to better serve the residents of DuPage County. As always, the Health Department remains committed to continuously assessing how we serve our clients and customers as well as employing best clinical and business practices. Finally, the Health Department pledges to continue providing valued and sustainable public health services that assure all DuPage residents the healthiest community and quality of life possible.

Requests for Information

This financial report is designed to provide a general overview of DuPage County Health Department finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

DuPage County Health Department
Finance Department
111 North County Farm Road
Wheaton, Illinois 60187

BASIC FINANCIAL STATEMENTS

DUPAGE COUNTY HEALTH DEPARTMENT

STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET
As of November 30, 2019

	Major Funds		
	General Fund	IMRF Fund	FICA Fund
ASSETS			
CURRENT ASSETS			
Cash and investments	\$ 25,882,551	\$ 4,890,757	\$ 3,764,003
Receivables			
Property taxes	13,844,702	2,569,789	2,107,444
Accounts (net of allowance)	2,008,968	5,000	3,843
Due from other governments	5,852,649	-	-
Due from other funds	38,660	-	-
Prepaid items	50,116	-	-
Inventories	113,861	-	-
NON-CURRENT ASSETS			
Capital Assets (not being depreciated)			
Land	-	-	-
Construction in progress	-	-	-
Capital Assets (net of accumulated depreciation)	-	-	-
Total Assets	<u>\$ 47,791,507</u>	<u>\$ 7,465,546</u>	<u>\$ 5,875,290</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	-	-	-
Deferred outflows related to OPEB	-	-	-
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	\$ 350,742	\$ -	\$ -
Accrued payroll	1,173,382	98,178	73,182
Other liabilities	68,045	-	-
Due to other funds	-	-	-
Due to County	40,520	-	-
Compensated absences - current	-	-	-
Accrued employee retention program - current	-	-	-
LONG-TERM LIABILITIES			
Net pension liability	-	-	-
Total OPEB liability	-	-	-
Accrued employee retention program	-	-	-
Total Liabilities	<u>1,632,689</u>	<u>98,178</u>	<u>73,182</u>
DEFERRED INFLOWS OF RESOURCES			
Property taxes levied for future periods	13,759,185	2,552,694	2,093,707
Unavailable revenue - program revenue	2,094,311	-	-
Unavailable revenue - grants	5,024,781	-	-
Deferred inflows related to pensions	-	-	-
Deferred inflows related to OPEB	-	-	-
Total Deferred Inflows of Resources	<u>20,878,277</u>	<u>2,552,694</u>	<u>2,093,707</u>
FUND BALANCES/NET POSITION			
Nonspendable			
Prepaid items	50,116	-	-
Inventory	113,861	-	-
Restricted for			
Grant programs	258,716	-	-
Employee benefits	-	4,814,674	3,708,401
Committed for capital projects	-	-	-
Unassigned	24,857,848	-	-
Net investment in capital assets	-	-	-
Unrestricted	-	-	-
Total Fund Balance/Net Position	<u>25,280,541</u>	<u>4,814,674</u>	<u>3,708,401</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 47,791,507</u>	<u>\$ 7,465,546</u>	<u>\$ 5,875,290</u>

Infrastructure Fund	Governmental Funds Total	Adjustments	Statement of Net Position
\$ 1,100,675	\$ 35,637,986	\$ -	\$ 35,637,986
-	18,521,935	-	18,521,935
1,087	2,018,898	-	2,018,898
-	5,852,649	-	5,852,649
-	38,660	(38,660)	-
-	50,116	-	50,116
-	113,861	-	113,861
-	-	3,213,602	3,213,602
-	-	38,660	38,660
-	-	<u>15,787,704</u>	<u>15,787,704</u>
<u>\$ 1,101,762</u>	<u>\$ 62,234,105</u>	<u>19,001,306</u>	<u>81,235,411</u>
-	-	17,328,845	17,328,845
-	-	<u>142,429</u>	<u>142,429</u>
-	-	<u>17,471,274</u>	<u>17,471,274</u>
\$ -	\$ 350,742	-	350,742
-	1,344,742	-	1,344,742
-	68,045	-	68,045
38,660	38,660	(38,660)	-
-	40,520	-	40,520
-	-	1,094,638	1,094,638
-	-	200,000	200,000
-	-	31,886,000	31,886,000
-	-	1,672,055	1,672,055
-	-	<u>2,344,930</u>	<u>2,344,930</u>
<u>38,660</u>	<u>1,842,709</u>	<u>37,158,963</u>	<u>39,001,672</u>
-	18,405,586	-	18,405,586
-	2,094,311	(2,094,311)	-
-	5,024,781	(5,024,781)	-
-	-	1,836,650	1,836,650
-	-	<u>53,998</u>	<u>53,998</u>
-	<u>25,524,678</u>	<u>(5,228,444)</u>	<u>20,296,234</u>
-	50,116	(50,116)	-
-	113,861	(113,861)	-
-	258,716	2,185,187	2,443,903
-	8,523,075	(4,814,674)	3,708,401
1,063,102	1,063,102	(1,063,102)	-
-	24,857,848	(24,857,848)	-
-	-	19,039,966	19,039,966
-	-	<u>14,216,509</u>	<u>14,216,509</u>
<u>1,063,102</u>	<u>34,866,718</u>	<u>4,542,061</u>	<u>\$ 39,408,779</u>
<u>\$ 1,101,762</u>	<u>\$ 62,234,105</u>	<u>\$ 36,472,580</u>	

DUPAGE COUNTY HEALTH DEPARTMENT

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION As of November 30, 2019

Total Fund Balances - Governmental Funds	\$ 34,866,718
Amounts reported for governmental activities in the Statement of Net Position is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	19,039,966
Some receivables that are not currently available are reported as deferred inflows of resources in the fund financial statements but are recognized as revenue when earned in the government-wide statements.	7,119,092
Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	17,328,845
Deferred outflows of resources related to OPEB do not relate to current financial resources and are not reported in the governmental funds.	142,429
Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	(1,836,650)
Deferred inflows of resources related to OPEB do not relate to current financial resources and are not reported in the governmental funds.	(53,998)
Some liabilities reported in the Statement of Net Position do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds. These liabilities consist of:	
IMRF net pension liability	(31,886,000)
Total OPEB liability	(1,672,055)
Compensated absences	(1,094,638)
Employee retention program	<u>(2,544,930)</u>
Net Position of Governmental Activities	<u>\$ 39,408,779</u>

DUPAGE COUNTY HEALTH DEPARTMENT

STATEMENT OF ACTIVITIES AND GOVERNMENTAL REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
As of and for the Year Ended November 30, 2019

	Major Funds		
	General Fund	IMRF Fund	FICA Fund
EXPENDITURES/EXPENSES			
Public health services	\$ 40,323,405	\$ 2,581,340	\$ 1,953,397
PROGRAM REVENUES			
Charges for services	13,955,466	-	-
Charges for services - residential program housing fees	704,122	-	-
Operating grants	12,147,858	-	-
Total Program Revenues	<u>26,807,446</u>	<u>-</u>	<u>-</u>
Net Program Expenditures/Expenses	13,515,959	2,581,340	1,953,397
GENERAL REVENUES			
Property taxes	13,168,070	2,633,989	2,114,547
Intergovernmental	-	81,483	-
Interest	392,749	67,205	51,273
Miscellaneous	827,652	-	-
Total General Revenues	<u>14,388,471</u>	<u>2,782,677</u>	<u>2,165,820</u>
Change in Fund Balance/Net Position	872,512	201,337	212,423
Fund Balance/Net Position - Beginning of Year	<u>24,408,029</u>	<u>4,613,337</u>	<u>3,495,978</u>
Fund Balance/Net Position - End of Year	<u>\$ 25,280,541</u>	<u>\$ 4,814,674</u>	<u>\$ 3,708,401</u>

Infrastructure Fund	Governmental Funds Total	Adjustments	Statement of Activities
\$ 190,365	\$ 45,048,507	\$ 1,467,600	\$ 46,516,107
-	13,955,466	383,282	14,338,748
-	704,122	-	704,122
-	12,147,858	2,790,030	14,937,888
-	26,807,446	3,173,312	29,980,758
190,365	18,241,061	(1,705,712)	16,535,349
-	17,916,606	-	17,916,606
-	81,483	-	81,483
17,776	529,003	-	529,003
-	827,652	(202,335)	625,317
17,776	19,354,744	(202,335)	19,152,409
(172,589)	1,113,683	1,503,377	2,617,060
1,235,691	33,753,035	3,038,684	36,791,719
\$ 1,063,102	\$ 34,866,718	\$ 4,542,061	\$ 39,408,779

DUPAGE COUNTY HEALTH DEPARTMENT

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

As of and for the Year Ended November 30, 2019

Net Change in Fund Balances - Total Governmental Funds	\$ 1,113,683
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlay as expenditures. However, in the statement of net position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities.	
A portion of capital outlay that is reported as an expenditure in the fund financial statements is capitalized in the government-wide financial statements.	210,623
Depreciation is reported in the government-wide financial statements.	(1,356,871)
Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.	2,970,977
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Increase in compensated absences	(3,810)
Decrease in employee retention program	11,846
Increase in IMRF net pension liability	(22,805,779)
Increase in deferred outflows of resources related to pensions	13,177,487
Decrease in deferred inflows of resources related to pensions	9,305,246
Increase in OPEB liability	(155,238)
Increase in deferred outflows of resources related to OPEB	142,429
Decrease in deferred inflows of resources related to OPEB	<u>6,467</u>
Change in Net Position of Governmental Activities	<u>\$ 2,617,060</u>

DUPAGE COUNTY HEALTH DEPARTMENT

NOTES TO FINANCIAL STATEMENTS

As of and for the Year Ended November 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the DuPage County Health Department (“the Department”) conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

A. REPORTING ENTITY

This report includes all of the funds of the Department. The reporting entity for the Department consists of (a) the primary government, (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 their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable for the organization. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) The primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Blended component units, although legally separate entities, are, in substance, part of the government's operations and are reported with similar funds of the primary government.

Based upon the application of these criteria, the Department is a blended component unit of DuPage County (the “County”). No entities meet the criteria for inclusion as a component unit of the DuPage County Health Department.

DUPAGE COUNTY HEALTH DEPARTMENT

NOTES TO FINANCIAL STATEMENTS

As of and for the Year Ended November 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements display only governmental activities as the Department does not have any business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment (i.e. public health services) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The Department does not allocate indirect expenses to functions in the statement of activities. Program revenues include (1) charges paid by the recipients of goods or services offered by the programs 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 included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than program revenues.

Fund Financial Statements

Financial statements of the Department are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets/deferred outflows of resources, liabilities/deferred inflows of resources, net position/fund balance, revenues, and expenditures/expenses.

Funds are organized as major funds or nonmajor funds within the governmental statements. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the Department or meets the following criteria:

- a. Total assets/deferred outflow of resources, liabilities/deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental fund that met the 10% test is at least 5% of the corresponding total for all governmental funds combined.
- c. In addition, any other governmental fund that the Department believes is particularly important to financial statement users may be reported as a major fund.

The Department reports the following major governmental funds:

General Fund – This fund accounts for the Department’s primary operating activities. It is used to account for and report all financial resources except those required to be accounted for and reported in another fund. The public health services which are administered by the Department and accounted for in the General Fund include, among others, business operations, community health, environmental health, community and mental health.

IMRF Fund – This fund accounts for expenditures related to the Illinois Municipal Retirement Fund (IMRF) plan contributions. Property taxes are the principal revenue.

DUPAGE COUNTY HEALTH DEPARTMENT

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended November 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONT.)

FICA Fund – This fund accounts for expenditures related to Social Security (FICA) payments to the United States government. Property taxes are the principal revenue.

Infrastructure Fund – This fund accounts for expenditures related to the planning and funding of capital projects determined by the Board of Health to be necessary for preserving, building, or improving the Department's infrastructure.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows of resources. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider are met.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Department considers revenues to be available if they are collected within 30 days of the end of the current fiscal year. Expenditures are recorded when the related fund liability is incurred. However, compensated absences and the employee retention program benefits are recorded only when payment is due (upon employee retirement or termination). Capital asset acquisitions are reported as expenditures in governmental funds, and reported as capital assets on the Statement of Net Position.

Property taxes are recorded in the year levied as receivables and deferred inflows of resources. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the Department is entitled the resources and the amounts are available. Amounts owed to the Department which are not available are recorded as receivables and deferred inflows of resources. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows of resources.

Significant revenue sources which are susceptible to accrual include property taxes, grants, charges for services, and interest. All other revenue sources are considered to be measurable and available only when cash is received.

DUPAGE COUNTY HEALTH DEPARTMENT

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended November 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (CONT.)

All Financial Statements

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

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY

1. Deposits and Investments

Illinois Statutes authorize the Department to make deposits/invest in commercial banks, obligations of the U.S. Treasury, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds. The Department follows the investment policy adopted by the County. That policy follows the state statute for allowable investments. The DuPage County Treasurer maintains the Department's deposits and has established procedures to evaluate credit policy and risk.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Fund's share price, the price for which the investments could be sold.

2. Receivables

Property taxes for levy year 2019 attaches as an enforceable lien on January 1, 2019, on property values assessed as of the same date. Taxes are levied by December following the lien date (by passage of a Tax Levy Ordinance). The 2019 tax levy was approved on November 26, 2019.

Tax bills are prepared by the County and issued on or about April 1, 2020, and are payable in two installments, on June 1, 2020 and September 1, 2020. The County collects such taxes and remits them periodically. The 2019 levy has been recorded as a receivable at November 30, 2019. The revenue has been fully deferred as the levy is intended to fund the fiscal year 2020 budget.

The Department considers the property tax receivable to be fully collectible and has therefore not recorded an associated allowance for uncollectibles. Accounts receivables are shown net of an allowance for uncollectibles. The allowance for accounts is calculated based on the historical collection rate for the associated revenue (\$334,907).

3. Inventories and Prepaid Items

Inventories, consisting primarily of vaccines received from the Illinois Department of Public Health through federally assisted programs, are valued at cost, on the first-in, first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is to be recorded as an expenditure/expense when consumed rather than when purchased.

DUPAGE COUNTY HEALTH DEPARTMENT

NOTES TO FINANCIAL STATEMENTS

As of and for the Year Ended November 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (CONT.)

4. Due To/From County

Outstanding balances between the Department and other funds of the County are reported as due to/from County funds. Short-term interfund loans are reported as "due to and from." Long-term interfund loans (noncurrent portion) are reported as "advances from and to." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position.

5. Capital Assets

Government-Wide Statements

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000, and an estimated useful life in excess of 1 year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Contributed assets are reported at estimated fair value at the time received.

Depreciation/amortization of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Buildings and Improvements	50 Years
Furniture and Equipment	5-20 Years
Vehicles	10 Years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

6. Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

7. Long-Term Obligations

Accrued Vacation and Sick Leave

The liability for compensated absences reported in the government-wide financial statements consists of unpaid, accumulated vacation balances for Department employees. A liability for these amounts is reported in governmental funds only if they have matured; for example, as a result of employee resignations and retirements. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. The liability has been calculated based on the employee's current salary level and includes salary related costs (e.g., social security and Medicare tax).

In accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

DUPAGE COUNTY HEALTH DEPARTMENT

NOTES TO FINANCIAL STATEMENTS

As of and for the Year Ended November 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (CONT.)

7. Long-Term Obligations (cont).

Employee Retention Program

The liability for the employee retention program reported in the government-wide financial statements consists of benefits to be paid to eligible employees upon retirement or termination.

On January 4, 1999, the DuPage County Board of Health adopted a policy that established an incentive program to recruit and retain experienced employees. Eligible employees include permanent full-time, permanent part-time and permanent seasonal employees, hired prior to January 1, 2003, who are required to participate in the Illinois Municipal Retirement Fund and, at the time of separation, are at least age 55 with 10 years continuous service or have 20 years of continuous service regardless of age. The liability has been calculated based on the employee's current salary level and the retention program payout is as follows:

Years of Service	Days
10-14	50
15-19	90
20 or more	120

8. Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the government-wide statements as expenses when the related liabilities are incurred. There were no significant claims or judgments at year end.

9. Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position/fund balance that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

10. Equity Classifications

Government-Wide Statements

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.

DUPAGE COUNTY HEALTH DEPARTMENT

NOTES TO FINANCIAL STATEMENTS

As of and for the Year Ended November 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

10. Equity Classifications (cont).

Government-Wide Statements (cont).

- c. Unrestricted net position – All other net position that do not meet the definitions of “restricted” or “net investment in capital assets.”

When both restricted and unrestricted resources are available for use, it is the Department’s policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Statements

Governmental fund balances are displayed as follows:

- a. Nonspendable – Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted – Consists of fund balances with constraints place on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. Committed – Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (ordinance) of the Department. This formal action must occur prior to the end of the reporting determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Department that originally created the commitment.
- d. Assigned – Includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Fund balance may be assigned through the following; 1) The Board may take official action to assign amounts. 2) All remaining positive spendable amounts in governmental funds, other than the general fund, that are neither restricted or committed. Assignments may take place after the end of the reporting period.
- e. Unassigned – Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

The Department’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 Department considers committed funds to be expended first followed by assigned (if any) and then unassigned funds.

DUPAGE COUNTY HEALTH DEPARTMENT

NOTES TO FINANCIAL STATEMENTS

As of and for the Year Ended November 30, 2019

NOTE 2 – CASH AND INVESTMENTS

The Department's cash and investments at year end were comprised of the following:

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>Associated Risks</u>
Deposits with financial institutions	\$ 34,788,580	\$ 35,281,620	Custodial credit risk
Illinois funds money market	<u>849,406</u>	<u>847,409</u>	Credit risk
Total	<u>\$35,637,986</u>	<u>\$ 36,129,029</u>	

Deposits in each local area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts), and \$250,000 for demand deposit accounts (interest-bearing and non-interest bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts.

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the Department's deposits may not be returned to the Department. As of November 30, 2019, the Department's total bank balances were \$35,281,620; the entire amount was collateralized or insured.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Illinois Funds money market account is rated "AAAm" by Standard and Poor's and credit risk is very marginal.

DUPAGE COUNTY HEALTH DEPARTMENT

NOTES TO FINANCIAL STATEMENTS

As of and for the Year Ended November 30, 2019

NOTE 3 – CAPITAL ASSETS

Capital asset activity for the year ended November 30, 2019, was as follows:

	Balance Beginning	Additions/ Transfers	Disposals/ Transfers	Balance Ending
Capital assets, not being depreciated				
Land	\$ 3,213,602	\$ -	\$ -	\$ 3,213,602
Construction in Progress	-	38,660	-	38,660
Total capital assets not being depreciated	3,213,602	38,660	-	3,252,262
Capital assets being depreciated				
Buildings and improvements	30,844,658	-	-	30,844,658
Furniture and equipment	2,586,988	151,705	17,347	2,721,346
Vehicles	749,975	20,258	44,920	725,313
Total capital assets being depreciated	34,181,621	171,963	62,267	34,291,317
Less: Accumulated depreciation				
Buildings and improvements	14,536,756	1,193,037	-	15,729,793
Furniture and equipment	2,132,190	125,004	17,347	2,239,847
Vehicles	540,063	38,830	44,920	533,973
Total accumulated depreciation	17,209,009	1,356,871	62,267	18,503,613
Total capital assets being depreciated, net	16,972,612	(1,184,908)	-	15,787,704
Net capital assets	\$ 20,186,214	\$ (1,146,248)	\$ -	\$ 19,039,966

NOTE 4 – INTERFUND RECEIVABLES/PAYABLES

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Infrastructure	\$ 38,660
Total – Fund Financial Statements		38,660
Less: Fund eliminations		<u>(38,660)</u>
Total Internal Balances – Government-Wide Statement of Net Position		\$ -

All amounts are due within one year. The principal purpose of these interfunds is because of a payable recorded in the General Fund but paid for by the Infrastructure Fund.

DUPAGE COUNTY HEALTH DEPARTMENT

NOTES TO FINANCIAL STATEMENTS

As of and for the Year Ended November 30, 2019

NOTE 5 – LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended November 30, 2019, were as follows:

	<u>Beginning Balance</u>		<u>Increases</u>		<u>Decreases</u>		<u>Ending Balance</u>		<u>Due Within One Year</u>
Other long-term obligations									
Net pension liability	\$ 9,080,221	\$	22,805,779	\$	-	\$	31,886,000	\$	-
Total OPEB liability	1,516,817		286,501		131,263		1,672,055		-
Compensated absences	1,090,828		1,806,848		1,803,038		1,094,638		1,094,638
Employee retention program	2,556,776		353,402		365,248		2,544,930		200,000
Total long-term obligations	\$ 14,244,642	\$	25,252,530	\$	2,299,549	\$	37,197,623	\$	1,294,638

Net pension liability will be repaid from the IMRF Fund. Employee retention, total OPEB liability and compensated absences liabilities are liquidated by the General, IMRF, and FICA Funds that account for the salaries and wages of the related employees.

NOTE 6 – RISK MANAGEMENT

As a component unit of the County, the Department is able to participate in the County's self-insurance program, which offers health, life, and workers' compensation insurance to County employees and their covered dependents. Medical claims exceeding \$100,000 per incident are covered through a private insurance carrier. The Department pays the County an annual premium to participate in the self-insurance program. The Department does not retain risk above and beyond the annual premium paid to the County. Other liabilities, first party property losses, third party liability claims, and public officials' liability claims are covered through private insurance carriers. There have been no significant reductions in insurance coverage from coverage in the prior year.

NOTE 7 – DEFINED BENEFIT PENSION PLAN

ILLINOIS MUNICIPAL RETIREMENT FUND

The Department, under the sponsorship of the County, contributes to the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system. The benefits, benefits levels, employee contributions and employer contributions for the plan is governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Although IMRF is an agent multiple-employer pension plan, the Department's participation through the County is considered to be that of a cost sharing, multiple-employer pension plan.

DUPAGE COUNTY HEALTH DEPARTMENT

NOTES TO FINANCIAL STATEMENTS

As of and for the Year Ended November 30, 2019

NOTE 7 – DEFINED BENEFIT PENSION PLAN (CONT.)

ILLINOIS MUNICIPAL RETIREMENT FUND (CONT.)

Plan description. All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF has a two tier plan. Members who first participated in IMRF or an Illinois Reciprocal System prior to January 1, 2011 participate in Tier 1. All other members participate in Tier 2. For Tier 1 participants, pension benefits vest after 8 years of service. Participating members who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with 8 years of 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 earning (average of the highest 48 consecutive months earnings during the last 10 years) for credited service up to 15 years and 2% for each year thereafter.

For Tier 2 participants, pension benefits vest after ten years of service. Participating members who retire at age 62 (at reduced benefits) or after age 67 (with full benefits) with 10 years of 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 earning for the first 15 years of service credit, plus 2% for each year of service after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased every year after retirement, upon reaching age 67, by the lesser of 3% of the original amount or 1/2 of the increase in the Consumer Price Index of the original pension amount.

Contributions. As set by statute, Department employees participating in IMRF are required to contribute 4.50% of their annual covered salary. The statute requires the Department to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Department's actuarially determined contribution rate for calendar year 2018 was 11.73% of annual covered payroll. The Department also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Fiduciary net position. Detailed information about the IMRF fiduciary net position as of December 31, 2018 is available in the separately issued DuPage County, Illinois Comprehensive Annual Financial Report as of and for the year ended November 30, 2019.

DUPAGE COUNTY HEALTH DEPARTMENT

NOTES TO FINANCIAL STATEMENTS

As of and for the Year Ended November 30, 2019

NOTE 7 – DEFINED BENEFIT PENSION PLAN (CONT.)

Net Pension Liability/(Asset). At November 30, 2019, the Department reported a liability for its proportionate share of the net pension liability that reflected the Department’s portion of the total net pension liability associated with the County’s employer number. The amount recognized by the Department as its proportionate share of the net pension liability, the County’s share of the net pension liability, and the total net pension liability associated with the County’s employer number were as follows:

Departments proportionate share of the collective net pension liability	\$	31,886,000
County's proportionate share of the collective net pension liability		<u>125,157,500</u>
Total	\$	<u>157,043,500</u>

The net pension liability was measured as of December 31, 2018. The Department’s proportion of the net pension liability was based on the Department’s share of contributions to IMRF for the fiscal year ended November 30, 2019, relative to the total contributions of the Department and County during that period. At November 30, 2019, the Department’s proportion was 20.30%. The Department’s proportion at November 30, 2018 was 20.83%.

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

Actuarial Assumptions. The assumptions used to measure the total pension liability in the December 31, 2018 annual actuarial valuation included (a) 7.25% investment rate of return, (b) projected salary increases from 3.39% to 14.25%, and (c) price inflation of 2.50%. The retirement age is based on experience-based table of rates that are specific to the type of eligibility condition. The tables were last updated for the 2018 valuation pursuant to an experience study of the period 2014-2016.

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

DUPAGE COUNTY HEALTH DEPARTMENT

NOTES TO FINANCIAL STATEMENTS

As of and for the Year Ended November 30, 2019

NOTE 7 – DEFINED BENEFIT PENSION PLAN (CONT.)

Long-Term Expected Real Rate of Return. The long-term expected rate of return on pension plan investments was determined using an asset allocation study in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce long-term expected rate of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Projected Returns/Risk	
		One Year Arithmetic	Ten Year Geometric
Equities	37.00%	8.50%	7.15%
International equities	18.00%	9.20%	7.25%
Fixed income	28.00%	3.75%	3.75%
Real estate	9.00%	7.30%	6.25%
Alternatives	7.00%		
Private equity		12.40%	8.50%
Hedge funds		5.75%	5.50%
Commodities		4.75%	3.20%
Cash equivalents	1.00%	2.50%	2.50%

Discount Rate. The discount rate used to measure the total pension liability for IMRF was 7.25%. The discount rate calculated using the December 31, 2017 measurement date was 7.50%. 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 Department contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the 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 investments of 7.25% was applied to all periods of projected benefits to determine the total pension liability.

Discount Rate Sensitivity. The following is a sensitivity analysis of the net pension liability / (asset) to changes in the discount rate. The table below presents the pension liability of the Department calculated using the discount rate of 7.25% as well as what the net pension liability / (asset) would be if it were to be 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	Current Discount Rate	1% Increase
Department’s proportionate share of the collective net pension liability	\$ 54,157,635	\$ 31,886,000	\$ 13,662,410

DUPAGE COUNTY HEALTH DEPARTMENT

NOTES TO FINANCIAL STATEMENTS

As of and for the Year Ended November 30, 2019

NOTE 7 – DEFINED BENEFIT PENSION PLAN (CONT.)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the year ended November 30, 2019, the Department recognized pension expense of \$3,507,708. The Department reported deferred outflows and inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 1,293,377	\$ -
Change in assumptions	3,151,447	1,836,650
Net difference between projected and actual earnings on pension plan investments	10,371,045	-
Contributions subsequent to the measurement date	<u>2,512,976</u>	<u>-</u>
 Total	 <u>\$ 17,328,845</u>	 <u>\$ 1,836,650</u>

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability/(asset) for the year ending November 30, 2020. The remaining amounts reported as deferred outflows and inflows of resources related to pensions \$12,979,219 will be recognized in pension expense as follows:

Year Ending December 31	
2020	\$ 4,397,454
2021	3,033,213
2022	1,264,381
2023	<u>4,284,171</u>
 Total	 <u>\$ 12,979,219</u>

NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS

The Department provides postemployment health insurance benefits for retired employees through a cost-sharing defined benefit plan administered by the County.

Plan description. The Department provides postemployment health insurance benefits for retired employees through a cost-sharing defined benefit plan administered by the County. The Department's cost-sharing defined benefit OPEB plan, the Retiree Health Insurance Plan, provides group health insurance plan coverage to active employees and retirees (or other qualified terminated employees) at blended premium rates. The plan is funded on a pay-as-you-go basis and no assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Contributions and benefits provided. The Department provides continued health insurance coverage at the active employee rate to all eligible employees in accordance with ILCS, which creates an OPEB for retirees, commonly referred to as an implicit rate subsidy. To be eligible for benefits, an employee must qualify for retirement under the County and Department's retirement plans. For Department employees, upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the coverage is secondary to Medicare. Retired employees are required to pay 100% of the premiums for such coverage.

DUPAGE COUNTY HEALTH DEPARTMENT

NOTES TO FINANCIAL STATEMENTS

As of and for the Year Ended November 30, 2019

NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (CONT.)

Total OPEB Liability. At November 30, 2019, the Department reported a liability for its proportionate share of the total OPEB liability of \$1,672,055. The liability was measured as of November 30, 2019, and was determined by an actuarial valuation as of December 1, 2017. The Department's proportion of the total OPEB liability was based on the Department's share of OPEB cost, as determined by the independent actuary, for the measurement year ended November 30, 2019. At November 30, 2019, the Department's proportion was 14.49%

Actuarial assumptions and other inputs. The total OPEB liability in the November 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Payroll increases	2.00%
Health care participation rate	30% participation with 40% electing spouse coverage
	Initial rate of 5.00% for HMO, increasing to the ultimate trend rate of 5.00% in 2020
Healthcare cost trend rates	Initial rate of 6.50% for PPO, increasing to the ultimate trend rate of 5.00% in 2025
Retirees' share of benefit-related costs	100%

The discount rate was based on the November 30, 2019 Bond Buyer 20-Bond Index, as published by the Federal Reserve.

Mortality rates were based on the Sex Distinct Raw Rates as Developed in the RP-2014, with blue collar adjustment. These rates are improved generationally using MP-2017 Improvement rates.

The actuarial assumptions used in the November 30, 2019 valuation were based on the results of an actuarial experience study conducted by the independent actuary.

Discount Rate. At November 30, 2019, the discount rate used to measure the total OPEB liability was a blended rate of 2.77%, which was a change from the November 30, 2018 rate of 4.22%. Since the plan is financed on a pay-as-you-go basis, the discount rate is based on the high quality 20-year tax-exempt general obligation bond index.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the Department, as well as what the Department's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.77 percent) or 1-percentage-point higher (3.77 percent) than the current discount rate:

	1% Decrease (1.77%)	Discount Rate (2.77%)	1% Increase (3.77%)
Total OPEB liability	\$ 1,791,848	\$ 1,672,055	\$ 1,560,362

DUPAGE COUNTY HEALTH DEPARTMENT

NOTES TO FINANCIAL STATEMENTS

As of and for the Year Ended November 30, 2019

NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (CONT.)

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the Department, as well as what the Department's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (varies for HMO and PPO) or 1-percentage-point higher (varies for HMO and PPO) than the current healthcare cost trend rates:

	1% Decrease <u>(varies)</u>	Healthcare Cost Trend Rates <u>(varies)</u>	1% Increase <u>(varies)</u>
Total OPEB liability	\$1,493,573	\$1,672,055	\$1,880,795

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB. For the year ended November 30, 2020, the Department recognized OPEB expense of \$118,746. The Department reported deferred outflows and inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Change in assumptions	\$ 142,429	\$ 53,998
Total	\$ <u>142,429</u>	\$ <u>53,998</u>

The amounts reported as deferred inflows of resources related to OPEB \$88,431 will be recognized in OPEB expense as follows:

Year Ending November 30, 2019	
2020	\$ 9,547
2021	9,547
2022	9,547
2023	9,547
2024	9,547
Thereafter	<u>40,698</u>
Total	<u>\$ 88,431</u>

DUPAGE COUNTY HEALTH DEPARTMENT

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended November 30, 2019

NOTE 9 – COMMITMENTS AND CONTINGENCIES

The Department is routinely involved in a number of legal proceedings and claims that cover a wide range of matters. In the opinion of management, the outcome of these matters is not expected to have any material adverse effect on the financial position or results of operations of the Department.

NOTE 10 – EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has approved GASB Statement No. 87, *Leases*, GASB Statement No. 89, *Capitalization of Interest Cost*, GASB Statement No. 91, *Conduit Debt Obligations*, and GASB Statement No. 92, *Omnibus 2020*. Application of these standards may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

DUPAGE COUNTY HEALTH DEPARTMENT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - GENERAL FUND
 For the Year Ended November 30, 2019

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property taxes	\$ 13,184,904	\$ 13,184,904	\$ 13,168,070	\$ (16,834)
Fees for services	16,149,042	16,150,542	13,955,466	(2,195,076)
Residential program housing fees	792,918	792,918	704,122	(88,796)
Operating grants	13,236,589	14,171,935	11,635,250	(2,536,685)
Interest	160,000	160,000	392,749	232,749
Miscellaneous	655,920	655,920	827,652	171,732
Anticipated grant sources	2,750,000	1,813,154	-	(1,813,154)
Total Revenues	<u>46,929,373</u>	<u>46,929,373</u>	<u>40,683,309</u>	<u>(6,246,064)</u>
EXPENDITURES				
Current				
Personnel	33,717,730	33,770,629	30,464,039	(3,306,590)
Commodities	1,719,915	1,917,873	1,510,577	(407,296)
Contractual services	8,190,868	8,941,793	7,441,556	(1,500,237)
Tort insurance	495,000	453,200	349,147	(104,053)
Capital outlay	70,136	47,000	20,258	(26,742)
Anticipated grants uses	2,750,000	1,813,154	-	(1,813,154)
Total Expenditures	<u>46,943,649</u>	<u>46,943,649</u>	<u>39,785,577</u>	<u>(7,158,072)</u>
Net Change in Fund Balance - Non-GAAP Budgetary Basis	<u>\$ (14,276)</u>	<u>\$ (14,276)</u>	897,732	<u>\$ 912,008</u>
Net Change - Budget to GAAP Adjustment			<u>(25,220)</u>	
Net Change in Fund Balance - GAAP Basis			872,512	
Fund Balance - Beginning of Year			<u>24,408,029</u>	
Fund Balance - End of Year			<u>\$ 25,280,541</u>	

DUPAGE COUNTY HEALTH DEPARTMENT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - IMRF FUND
 For the Year Ended November 30, 2019

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
REVENUES			
Property taxes	\$ 2,601,934	\$ 2,633,989	\$ 32,055
Intergovernmental revenues	60,000	81,483	21,483
Interest	29,000	67,205	38,205
Anticipated grants sources	125,000	-	(125,000)
Total Revenues	<u>2,815,934</u>	<u>2,782,677</u>	<u>(33,257)</u>
EXPENDITURES			
Current			
Personnel	2,690,934	2,581,340	(109,594)
Anticipated grants uses	125,000	-	(125,000)
Total Expenditures	<u>2,815,934</u>	<u>2,581,340</u>	<u>(234,594)</u>
Net Change in Fund Balance	<u>\$ -</u>	201,337	<u>\$ 201,337</u>
Fund Balance - Beginning of Year		<u>4,613,337</u>	
Fund Balance - End of Year		<u>\$ 4,814,674</u>	

See independent auditors' report and accompanying notes to required supplementary information.

DUPAGE COUNTY HEALTH DEPARTMENT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - FICA FUND For the Year Ended November 30, 2019

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
REVENUES			
Property taxes	\$ 2,113,162	\$ 2,114,547	\$ 1,385
Interest	19,779	51,273	31,494
Anticipated grants sources	<u>125,000</u>	<u>-</u>	<u>(125,000)</u>
Total Revenues	<u>2,257,941</u>	<u>2,165,820</u>	<u>(92,121)</u>
EXPENDITURES			
Current			
Personnel	2,132,941	1,953,397	(179,544)
Anticipated grants uses	<u>125,000</u>	<u>-</u>	<u>(125,000)</u>
Total Expenditures	<u>2,257,941</u>	<u>1,953,397</u>	<u>(304,544)</u>
 Net Change in Fund Balance	 <u>\$ -</u>	 212,423	 <u>\$ 212,423</u>
Fund Balance - Beginning of Year		<u>3,495,978</u>	
Fund Balance - End of Year		<u>\$ 3,708,401</u>	

See independent auditors' report and accompanying notes to required supplementary information.

DUPAGE COUNTY HEALTH DEPARTMENT

ILLINOIS MUNICIPAL RETIREMENT FUND
 SCHEDULE OF DEPARTMENT'S PROPORTIONATE SHARE
 OF THE NET PENSION LIABILITY AND DEPARTMENT CONTRIBUTIONS
 Five Most Recent Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Department's proportion of the net pension liability	20.16%	19.99%	20.63%	20.83%	20.30%
Department's proportionate share of the net pension liability	\$ 14,700,084	\$ 23,641,348	\$ 24,958,346	\$ 9,080,221	31,886,000
County's proportionate share of the net pension liability	<u>58,218,450</u>	<u>94,651,665</u>	<u>95,997,115</u>	<u>34,504,849</u>	<u>125,157,500</u>
Total net pension liability	\$ <u>72,918,534</u>	\$ <u>118,293,013</u>	\$ <u>120,955,461</u>	\$ <u>43,585,070</u>	\$ <u>157,043,500</u>
Covered payroll	\$ 25,221,758	\$ 25,350,624	\$ 26,301,854	\$ 27,212,425	\$ 26,882,131
Department's proportionate share of the net pension liability as a percentage of covered payroll	58.28%	93.26%	94.89%	33.37%	118.61%
Plan fiduciary net position as a percentage of the total pension liability	90.58%	75.92%	85.72%	94.93%	82.92%
Contractually required contribution	\$ 2,928,304	\$ 2,865,278	\$ 3,239,709	\$ 3,196,949	3,244,500
Contributions in relation to the contractually required contribution	<u>(2,928,595)</u>	<u>(2,864,068)</u>	<u>(3,268,168)</u>	<u>(3,191,395)</u>	<u>(3,237,147)</u>
Contribution deficiency (excess)	\$ <u>(291)</u>	\$ <u>1,210</u>	\$ <u>(28,459)</u>	\$ <u>5,555</u>	\$ <u>7,352</u>
Contributions as a percentage of covered payroll	11.61%	11.30%	12.43%	11.73%	12.04%

Note: The Department implemented GASB 68 in 2015. Information for fiscal years prior to 2015 is not applicable.

Notes to Schedule:

Amounts reported in 2019 reflect an investment rate of return of 7.5 percent, an inflation rate of 2.75 percent, and a salary increase assumption of 3.75 percent to 14.5 percent including inflation.

DUPAGE COUNTY HEALTH DEPARTMENT
RETIREE HEALTH INSURANCE PLAN
SCHEDULE OF DEPARTMENT'S PROPORTIONATE SHARE
OF THE TOTAL OPEB LIABILITY
Two Most Recent Fiscal Years

	2018	2019
Department's proportion of the total OPEB liability	14.32%	14.49%
Department's proportionate share of the total OPEB liability	\$ 1,516,817	\$ 1,672,055
Covered payroll	\$ 21,597,917	\$ 26,032,129
Department's proportionate share of the total OPEB liability as a percentage of covered payroll	7.02%	6.42%
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%

Note: The Department implemented GASB 75 in 2018. Information for fiscal years prior to 2018 is not applicable.

Key Assumptions:

Long-term expected rate of return	0.00%	0.00%
Municipal bond index	4.22%	2.77%
Discount rate	4.22%	2.77%
Payroll increases	2.00%	2.00%
Healthcare cost trend rates - HMO initial	-0.51%	5.00%
Healthcare cost trend rates - HMO ultimate	5.00%	5.00%
Healthcare cost trend rates - PPO initial	3.40%	6.50%
Healthcare cost trend rates - PPO ultimate	5.00%	5.00%
Mortality	RP-2014 study, improved using MP-2017 Improvement Rates	

DUPAGE COUNTY HEALTH DEPARTMENT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION As of and for the Year Ended November 30, 2019

NOTE – BUDGETARY INFORMATION

Formal budgetary integration is employed as a management control procedure during the year for all funds for which annual budgets are legally required to be adopted. For budgetary purposes the modified accrual basis of accounting is followed for all Governmental fund types, except for in the General Fund where the Department does not budget for non-cash support in the form of vaccines.

The budget is prepared by fund and cost center and is based on revenue and expenditure estimates for the next fiscal year. Past trends, current activity and anticipated changes are all considered when preparing the budget.

Program periods for Federal and State grants do not necessarily coincide with the Department's fiscal year. These periods may also be greater than one year. For annual reporting purposes, only those amounts expected to be received and expended during the fiscal 2019 year are included.

Annual budget appropriations, once approved by the Board of Health, are presented to the County Board for their review and approval.

The legal level of control is exercised at the appropriation level. Appropriations are defined as object category groupings as follows: personnel, commodities, contractual services and capital outlay.

Fiscal control is exercised at the line item level to insure that disbursements plus outstanding encumbrances do not exceed available budgeted amounts. Line items are defined as specific objects of expenditure, the lowest level of identification.

Management is authorized to transfer budgeted amounts between objects within an approved appropriation. Budget transfers between appropriation categories require the approval of the Board of Health. Budget transfers between funds require an amended budget and therefore approval of the Board of Health and County Board.

Budgetary control is exercised by establishing and monitoring expenditures and encumbrances at the line item level. At the end of the fiscal year, unexpended appropriations automatically lapse.

General Fund

Budgetary basis to GAAP reconciliation:

Net change in fund balance – Budgetary basis	\$ 897,732
Vaccines received	
Regular vaccines**	512,608
Vaccines used	
Regular vaccines**	<u>(537,828)</u>
Net Change in Fund Balance – GAAP Basis	<u>\$ 872,512</u>

** Estimated value based on cost of regular flu vaccines purchased.

DUPAGE COUNTY HEALTH DEPARTMENT

SCHEDULES OF EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

GENERAL FUND

For the Year Ended November 30, 2019

	Original Budget	Final Budget	Actual	Variance Over (Under)
EXPENDITURES				
Personnel				
Regular salaries	\$ 25,411,236	\$ 25,660,647	\$ 24,447,264	\$ (1,213,383)
Part-time salaries	1,200,815	1,257,699	1,158,423	(99,276)
On-call salaries	516,000	601,174	489,628	(111,546)
Stipend	32,400	32,400	29,200	(3,200)
Overtime	139,797	276,009	230,661	(45,348)
Contractual salaries	540,000	578,020	537,015	(41,005)
Personnel cellular phone	41,300	44,000	36,750	(7,250)
Personnel unemployment taxes	75,000	57,000	25,533	(31,467)
Employee medical and hospital insurance	5,712,128	5,203,727	3,478,970	(1,724,757)
Tuition reimbursement	49,054	59,953	30,595	(29,358)
Total Personnel	<u>33,717,730</u>	<u>33,770,629</u>	<u>30,464,039</u>	<u>(3,306,590)</u>
Commodities				
Office supplies	320,934	416,209	304,746	(111,463)
Office machines and fixtures	161,200	230,564	129,799	(100,765)
Care and support supplies	2,500	2,546	1,497	(1,049)
Promotional materials	15,750	23,657	15,148	(8,509)
Data processing supplies	369,000	373,764	357,882	(15,882)
Food supplies	156,150	154,743	141,419	(13,324)
Medical and dental supplies	144,792	141,041	128,150	(12,891)
Drugs and vaccines	345,939	388,518	269,677	(118,841)
Other operating supplies	24,100	20,791	7,231	(13,560)
Gasoline	26,600	27,059	23,998	(3,061)
Other maintenance supplies	101,600	87,940	81,018	(6,922)
Cleaning supplies	51,350	51,041	50,012	(1,029)
Total Commodities	<u>1,719,915</u>	<u>1,917,873</u>	<u>1,510,577</u>	<u>(407,296)</u>
Contractual Services				
Auditing and accounting	56,483	56,483	47,500	(8,983)
Data processing	1,226,515	1,222,111	1,118,940	(103,171)
Medical services	531,570	603,943	506,362	(97,581)
Care and support services	154,450	147,499	103,193	(44,306)
Credit card expenditures	-	1,200	1,138	(62)
Security services	100,000	132,860	132,280	(580)
Other professional services	2,324,871	2,507,468	1,943,557	(563,911)
Automobile mileage	194,050	207,044	182,412	(24,632)
Travel	34,000	64,523	57,600	(6,923)
Postage	60,000	63,000	45,970	(17,030)
Advertising	5,000	4,029	541	(3,488)
Printing services	22,370	33,373	25,089	(8,284)
Promotional services	54,550	247,766	222,835	(24,931)

DUPAGE COUNTY HEALTH DEPARTMENT

SCHEDULES OF EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND

For the Year Ended November 30, 2019

	Original Budget	Final Budget	Actual	Variance Over (Under)
EXPENDITURES				
Contractual services (Cont.)				
Electric service	\$ 422,700	\$ 346,944	\$ 339,298	\$ (7,646)
Telephone service	383,625	395,622	284,266	(111,356)
Water service	70,600	63,410	48,927	(14,483)
Heating and cooling services	142,000	53,393	40,531	(12,862)
Rental of space	733,000	793,537	784,242	(9,295)
Rental of office machines	215,000	217,500	162,249	(55,251)
Cleaning services	107,000	143,676	140,317	(3,359)
Garbage disposal	62,000	46,672	36,247	(10,425)
Landscaping and snow removal	152,500	155,644	143,439	(12,205)
Building	588,622	751,348	538,047	(213,301)
Office equipment	15,500	13,891	6,582	(7,309)
Vehicles	34,000	38,565	28,518	(10,047)
Other government	186,000	226,500	225,492	(1,008)
Dues and memberships	90,312	80,267	73,697	(6,570)
Instruction and schooling	70,150	114,313	82,792	(31,521)
Miscellaneous meeting expenditures	24,000	31,257	20,315	(10,942)
Workers compensation	130,000	78,775	-	(78,775)
Software licenses	-	99,180	99,180	-
Total Contractual services	<u>8,190,868</u>	<u>8,941,793</u>	<u>7,441,556</u>	<u>(1,500,237)</u>
Tort insurance	<u>495,000</u>	<u>453,200</u>	<u>349,147</u>	<u>(104,053)</u>
Capital outlay				
Data processing equipment	22,000	14,000	-	(14,000)
Vehicles	25,000	20,258	20,258	-
Technology equipment	23,136	12,742	-	(12,742)
Total Capital outlay	<u>70,136</u>	<u>47,000</u>	<u>20,258</u>	<u>(26,742)</u>
Subtotal Expenditures	44,193,649	45,130,495	39,785,577	(5,344,918)
Anticipated Grants Uses				
Grant applications and budget reductions	<u>2,750,000</u>	<u>1,813,154</u>	<u>-</u>	<u>(1,813,154)</u>
Total Expenditures	<u>\$ 46,943,649</u>	<u>\$ 46,943,649</u>	<u>\$ 39,785,577</u>	<u>\$ (7,158,072)</u>

**SUPPLEMENTARY INFORMATION -
INDIVIDUAL FUND SCHEDULES**

DUPAGE COUNTY HEALTH DEPARTMENT

SCHEDULES OF EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - BY SERVICES GENERAL FUND

For the Year Ended November 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Business Administration				
Personnel				
Regular salaries	\$ 6,352,558	\$ 6,636,371	\$ 6,363,646	\$ (272,725)
Part-time salaries	141,430	166,880	162,324	(4,556)
On-call salaries	33,500	69,427	56,277	(13,150)
Stipend	32,400	32,400	29,200	(3,200)
Overtime	43,247	43,920	37,515	(6,405)
Personnel cellular phone	7,400	7,400	6,575	(825)
Personnel unemployment taxes	75,000	57,000	25,533	(31,467)
Employee medical and hospital insurance	1,323,541	1,221,868	880,455	(341,413)
Tuition reimbursement	49,054	41,157	11,800	(29,357)
Total Personnel	<u>8,058,130</u>	<u>8,276,423</u>	<u>7,573,325</u>	<u>(703,098)</u>
Commodities				
Office supplies	137,130	150,880	121,087	(29,793)
Office machines and fixtures	130,000	115,740	59,294	(56,446)
Promotional materials	1,250	2,192	1,574	(618)
Data processing supplies	362,000	362,264	353,046	(9,218)
Food supplies	500	2,561	2,134	(427)
Medical and dental supplies	500	519	19	(500)
Other operating supplies	8,000	8,000	4,876	(3,124)
Gasoline	10,000	9,900	7,393	(2,507)
Other maintenance supplies	90,000	74,340	71,503	(2,837)
Cleaning supplies	50,000	50,000	49,828	(172)
Total Commodities	<u>789,380</u>	<u>776,396</u>	<u>670,754</u>	<u>(105,642)</u>
Contractual services				
Auditing and accounting	56,483	56,483	47,500	(8,983)
Data processing	1,226,515	1,205,589	1,102,755	(102,834)
Care and support services	1,800	2,588	1,643	(945)
Credit card expense	-	1,200	1,138	(62)
Security services	100,000	132,860	132,280	(580)
Other professional services	984,520	972,915	954,896	(18,019)
Automobile mileage	13,125	13,764	7,874	(5,890)
Travel	15,800	28,601	25,913	(2,688)
Postage	60,000	63,000	45,970	(17,030)
Advertising	5,000	4,029	541	(3,488)
Printing services	1,170	1,207	433	(774)
Promotional services	2,500	9,714	8,042	(1,672)
Electric service	398,000	315,633	308,911	(6,722)
Telephone service	295,900	302,502	200,397	(102,105)
Water service	50,000	39,425	29,991	(9,434)
Heating and cooling services	130,000	39,800	28,562	(11,238)
Rental of space	4,000	5,000	4,607	(393)
Rental of office machines	215,000	215,000	160,241	(54,759)

DUPAGE COUNTY HEALTH DEPARTMENT

SCHEDULES OF EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - BY SERVICES GENERAL FUND

For the Year Ended November 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Business Administration (Cont.)				
Contractual services (Cont.)				
Cleaning services	\$ 100,000	\$ 140,263	\$ 140,112	\$ (151)
Garbage disposal	50,000	29,000	20,503	(8,497)
Landscaping and snow removal	125,000	125,000	113,601	(11,399)
Repairs and maintenance building				
Building	412,372	490,181	450,596	(39,585)
Office equipment	3,000	3,000	-	(3,000)
Vehicles	7,500	7,500	7,267	(233)
Other government	186,000	226,500	225,492	(1,008)
Dues and memberships	42,212	42,507	40,606	(1,901)
Instruction and schooling	47,900	65,251	49,067	(16,184)
Miscellaneous meeting expenditures	20,000	17,558	9,104	(8,454)
Workers compensation	130,000	78,775	-	(78,775)
Total Contractual services	<u>4,683,797</u>	<u>4,634,845</u>	<u>4,118,042</u>	<u>(516,803)</u>
Tort insurance	<u>495,000</u>	<u>453,200</u>	<u>349,147</u>	<u>(104,053)</u>
Capital outlay				
Data processing equipment	22,000	14,000	-	(14,000)
Vehicles	25,000	20,258	20,258	-
Technology equipment	-	12,742	-	(12,742)
Total Capital outlay	<u>47,000</u>	<u>47,000</u>	<u>20,258</u>	<u>(26,742)</u>
Subtotal Business Administration Services	<u>14,073,307</u>	<u>14,187,864</u>	<u>12,731,526</u>	<u>(1,456,338)</u>
Grant applications and budget reductions	<u>2,750,000</u>	<u>1,813,154</u>	<u>-</u>	<u>(1,813,154)</u>
Total Business Administration	<u>\$ 16,823,307</u>	<u>\$ 16,001,018</u>	<u>\$ 12,731,526</u>	<u>\$ (3,269,492)</u>

DUPAGE COUNTY HEALTH DEPARTMENT

SCHEDULES OF EXPENDITURES - BUDGET AND ACTUAL (BUDGETARY BASIS) - BY SERVICES
GENERAL FUND

For the Year Ended November 30, 2019

	Original Budget	Final Budget	Actual	Variance Over (Under)
Public Health Services				
Personnel				
Regular salaries	\$ 7,749,034	\$ 7,591,853	\$ 7,320,694	\$ (271,159)
Part-time salaries	443,940	437,940	387,333	(50,607)
On-call salaries	103,500	144,840	129,528	(15,312)
Overtime	2,750	8,220	5,343	(2,877)
Contractual salaries	305,000	341,020	326,700	(14,320)
Personnel cellular phone	9,600	10,200	7,950	(2,250)
Employee medical and hospital insurance	1,846,805	1,677,689	1,018,452	(659,237)
Tuition reimbursement	-	5,476	5,475	(1)
Total Personnel	<u>10,460,629</u>	<u>10,217,238</u>	<u>9,201,475</u>	<u>(1,015,763)</u>
Commodities				
Office supplies	68,104	133,556	81,627	(51,929)
Office machines and fixtures	1,000	52,746	48,856	(3,890)
Care and support supplies	2,250	1,696	1,206	(490)
Promotional materials	9,000	12,368	6,979	(5,389)
Data processing supplies	6,500	11,500	4,836	(6,664)
Food supplies	650	1,123	651	(472)
Medical and dental supplies	127,717	125,158	114,008	(11,150)
Drugs and vaccines	345,739	388,518	269,677	(118,841)
Maintenance supplies	-	35	34	(1)
Gasoline	3,000	1,815	1,263	(552)
Total Commodities	<u>563,960</u>	<u>728,515</u>	<u>529,137</u>	<u>(199,378)</u>
Contractual services				
Data processing	-	4,207	4,177	(30)
Medical services	523,620	596,757	504,628	(92,129)
Care and support services	71,000	48,576	20,248	(28,328)
Other professional services	1,034,451	970,982	776,593	(194,389)
Automobile mileage	56,550	58,409	50,559	(7,850)
Travel	12,700	20,978	19,500	(1,478)
Printing services	12,000	21,904	19,488	(2,416)
Promotional services	27,050	212,862	197,727	(15,135)
Telephone service	10,000	16,585	16,174	(411)
Rental of space	44,000	45,810	45,604	(206)
Cleaning services	1,000	35	35	-
Garbage disposal	1,000	1,250	1,126	(124)
Office equipment	10,000	8,391	5,707	(2,684)
Vehicles	10,000	10,000	865	(9,135)
Dues and memberships	5,800	9,328	5,854	(3,474)
Instruction and schooling	9,750	24,818	17,821	(6,997)
Miscellaneous meeting expenditures	1,500	8,724	7,812	(912)
Total Contractual services	<u>1,830,421</u>	<u>2,059,616</u>	<u>1,693,918</u>	<u>(365,698)</u>
Capital outlay				
Technology equipment	23,136	-	-	-
Total Capital outlay	<u>23,136</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Public Health Services	<u>\$ 12,878,146</u>	<u>\$ 13,005,369</u>	<u>\$11,424,530</u>	<u>\$ (1,580,839)</u>

DUPAGE COUNTY HEALTH DEPARTMENT

SCHEDULES OF EXPENDITURES - BUDGET AND ACTUAL (BUDGETARY BASIS) - BY SERVICES
GENERAL FUND

For the Year Ended November 30, 2019

	Original Budget	Final Budget	Actual	Variance Over (Under)
Environmental Health Services				
Personnel				
Regular salaries	\$ 1,970,410	\$ 1,964,091	\$ 1,797,053	\$ (167,038)
Part-time salaries	32,749	37,579	35,840	(1,739)
On-call salaries	30,000	58,907	53,177	(5,730)
Overtime	7,300	9,760	8,815	(945)
Personnel cellular phone	9,600	9,975	9,675	(300)
Employee medical and hospital insurance	424,696	389,198	205,767	(183,431)
Total Personnel	<u>2,474,755</u>	<u>2,469,510</u>	<u>2,110,327</u>	<u>(359,183)</u>
Commodities				
Office supplies	66,000	78,695	57,163	(21,532)
Office machines and fixtures	1,200	491	-	(491)
Promotional materials	5,500	6,605	5,103	(1,502)
Data processing supplies	500	-	-	-
Food supplies	-	156	156	-
Medical and dental supplies	14,000	13,000	12,579	(421)
Total Commodities	<u>87,200</u>	<u>98,947</u>	<u>75,001</u>	<u>(23,946)</u>
Contractual services				
Care and support services	1,000	1,000	101	(899)
Other professional services	129,000	52,260	18,121	(34,139)
Automobile mileage	37,625	42,467	42,336	(131)
Travel	2,500	5,309	5,248	(61)
Printing services	7,000	7,091	2,348	(4,743)
Promotional services	23,500	24,690	16,666	(8,024)
Telephone service	15,000	15,000	13,800	(1,200)
Garbage disposal	350	350	282	(68)
Office equipment	2,500	2,500	875	(1,625)
Dues and memberships	1,300	1,360	165	(1,195)
Instruction and schooling	5,250	6,799	5,016	(1,783)
Miscellaneous meeting expenditures	1,000	4,310	3,399	(911)
Software Licenses	-	99,180	99,180	-
Total Contractual services	<u>226,025</u>	<u>262,316</u>	<u>207,537</u>	<u>(54,779)</u>
 Total Environmental Health Services	 <u>\$ 2,787,980</u>	 <u>\$ 2,830,773</u>	 <u>\$ 2,392,865</u>	 <u>\$ (437,908)</u>

DUPAGE COUNTY HEALTH DEPARTMENT

SCHEDULES OF EXPENDITURES - BUDGET AND ACTUAL (BUDGETARY BASIS) - BY SERVICES GENERAL FUND

For the Year Ended November 30, 2019

	Original Budget	Final Budget	Actual	Variance Over (Under)
Behavioral Health Services				
Personnel				
Regular salaries	\$ 9,339,234	\$ 9,468,332	\$ 8,965,871	\$ (502,461)
Part-time salaries	582,696	615,300	572,926	(42,374)
On-call salaries	349,000	328,000	250,646	(77,354)
Overtime	86,500	214,109	178,988	(35,121)
Contractual salaries	235,000	237,000	210,315	(26,685)
Personnel cellular phone	14,700	16,425	12,550	(3,875)
hospital insurance	2,117,086	1,914,972	1,374,296	(540,676)
Tuition reimbursement	-	13,320	13,320	-
Total Personnel	12,724,216	12,807,458	11,578,912	(1,228,546)
Commodities				
Office supplies	49,700	53,078	44,869	(8,209)
Office machines and fixtures	29,000	61,587	21,649	(39,938)
Care and support supplies	250	850	291	(559)
Promotional materials	-	2,492	1,492	(1,000)
Food supplies	155,000	150,903	138,478	(12,425)
Medical and dental supplies	2,575	2,364	1,544	(820)
Drugs and vaccines	200	-	-	-
Other operating supplies	16,100	12,756	2,321	(10,435)
Gasoline	13,600	15,344	15,342	(2)
Other maintenance supplies	11,600	13,600	9,515	(4,085)
Cleaning supplies	1,350	1,041	184	(857)
Total Commodities	279,375	314,015	235,685	(78,330)
Contractual services				
Data processing	-	12,315	12,008	(307)
Medical services	7,950	7,186	1,734	(5,452)
Care and support services	80,650	95,335	81,201	(14,134)
Other professional services	176,900	511,311	193,947	(317,364)
Automobile mileage	86,750	92,404	81,643	(10,761)
Travel	3,000	9,635	6,939	(2,696)
Printing services	2,200	3,171	2,820	(351)
Promotional services	1,500	500	400	(100)
Electric service	24,700	31,311	30,387	(924)
Telephone service	62,725	61,535	53,895	(7,640)
Water service	20,600	23,985	18,936	(5,049)
Heating and cooling services	12,000	13,593	11,969	(1,624)
Rental of space	685,000	742,727	734,031	(8,696)
Rental of machinery and equipment	-	2,500	2,008	(492)
Cleaning services	6,000	3,378	170	(3,208)
Garbage disposal	10,650	16,072	14,336	(1,736)

DUPAGE COUNTY HEALTH DEPARTMENT

SCHEDULES OF EXPENDITURES - BUDGET AND ACTUAL (BUDGETARY BASIS) - BY SERVICES
GENERAL FUND

For the Year Ended November 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Behavioral Health Services (Cont.)				
Landscaping and snow removal	\$ 27,500	\$ 30,644	\$ 29,838	\$ (806)
Repairs and maintenance building				
Building	176,250	261,167	87,451	(173,716)
Vehicles	16,500	21,065	20,386	(679)
Dues and memberships	41,000	27,072	27,072	-
Instruction and schooling	7,250	17,445	10,888	(6,557)
Miscellaneous meeting expenditures	1,500	665	-	(665)
Total Contractual services	<u>1,450,625</u>	<u>1,985,016</u>	<u>1,422,059</u>	<u>(562,957)</u>
Total Behavioral Health Services	<u>14,454,216</u>	<u>15,106,489</u>	<u>13,236,656</u>	<u>(1,869,833)</u>
Total Expenditures, All Services	<u>\$ 46,943,649</u>	<u>\$ 46,943,649</u>	<u>\$ 39,785,577</u>	<u>\$ (7,158,072)</u>

DUPAGE COUNTY HEALTH DEPARTMENT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - INFRASTRUCTURE FUND

For the Year Ended November 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
REVENUES				
Interest	\$ -	\$ -	\$ 17,776	\$ 17,776
Miscellaneous	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>17,776</u>	<u>17,776</u>
EXPENDITURES				
Capital outlay	<u>1,000,000</u>	<u>1,000,000</u>	<u>190,365</u>	<u>(809,635)</u>
Total Expenditures	<u>1,000,000</u>	<u>1,000,000</u>	<u>190,365</u>	<u>(809,635)</u>
 Net Change in Fund Balance	 <u>\$ (1,000,000)</u>	 <u>\$ (1,000,000)</u>	 (172,589)	 <u>\$ 827,411</u>
 Fund Balance - Beginning of Year			 <u>1,235,691</u>	
 Fund Balance - End of Year			 <u>\$ 1,063,102</u>	