



STATE OF ILLINOIS
**OFFICE OF THE
AUDITOR GENERAL**

William G. Holland, Auditor General

SUMMARY REPORT DIGEST

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
LOCAL GOVERNMENT HEALTH INSURANCE RESERVE FUND

Financial Audit
For the Year Ended June 30, 2014

Release Date: February 19, 2015

FINDINGS THIS AUDIT:	0
FINDINGS LAST AUDIT:	1

INTRODUCTION

This report covers our financial audit of the Local Government Health Insurance Reserve Fund for the year ended June 30, 2014.

There were no material findings of noncompliance disclosed during our examination.

AUDITORS' OPINION

Our auditors state the financial statements of the Local Government Health Insurance Reserve Fund as of June 30, 2014, are fairly presented in all material respects.

A handwritten signature in blue ink, appearing to read "William G. Holland", written over a horizontal line.

WILLIAM G. HOLLAND
Auditor General

WGH:skm

SPECIAL ASSISTANT AUDITORS

Our Special Assistant Auditors for this audit were Sikich LLP.

{Financial data is summarized on next page.}

**DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
LOCAL GOVERNMENT HEALTH INSURANCE RESERVE FUND
FINANCIAL AUDIT
For the Year Ended June 30, 2014**

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION (expressed in thousands)	Fiscal Year 2014	Fiscal Year 2013
OPERATING REVENUES		
Charges for sales and services.....	\$ 35,324	\$ 38,853
OPERATING EXPENSES		
Benefit payments and refunds.....	32,411	36,536
Depreciation.....	3	4
General and administrative.....	1,268	2,079
Total operating expenses.....	<u>33,682</u>	<u>38,619</u>
Operating income.....	1,642	234
NONOPERATING REVENUES (EXPENSES)		
Interest and investment income.....	16	17
Interest expense.....	(15)	-
Other revenues.....	51	50
Other expenses.....	(9)	-
Capital contribution.....	<u>-</u>	<u>16</u>
Changes in net position.....	1,685	317
Net Position, July 1,.....	<u>807</u>	<u>490</u>
NET POSITION, JUNE 30.....	<u><u>\$ 2,492</u></u>	<u><u>\$ 807</u></u>

SUPPLEMENTARY INFORMATION	Fiscal Year 2014	Fiscal Year 2013
Number of local governmental entities participating.....	318	337
Approximate number of employees covered.....	2,688	2,677
Approximate number of dependents covered.....	1,736	1,666
Approximate number of retirees covered.....	129	128

AGENCY DIRECTOR
During Examination Period: Mr. Malcolm Weems (7/1/11 through 10/4/13) Ms. Simone McNeil - Acting (10/5/13 through 1/12/15) Currently: Mr. Tom Tyrrell- Acting