



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

William G. Holland, Auditor General

SUMMARY REPORT DIGEST

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
LOCAL GOVERNMENT HEALTH INSURANCE RESERVE FUND

Financial Audit
For the Year Ended: June 30, 2012

Release Date: April 25, 2013

Summary of Findings:

Total this audit:	0
Total last audit:	1
Repeated from last audit:	0

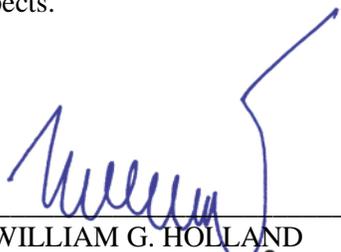
INTRODUCTION

This report covers our financial audit of the Local Government Health Insurance Reserve Fund for the year ended June 30, 2012. There were no material findings disclosed during our examination.

Per the Governor's Executive Order 12-01, the Department's respective powers, duties, rights and responsibilities related to the Local Government Health Insurance program were transferred to the Department of Central Management Services as of July 1, 2012.

AUDITORS' OPINION

Our auditors state the financial statements of the Local Government Health Insurance Reserve Fund as of June 30, 2012, are fairly presented in all material respects.



WILLIAM G. HOLLAND
Auditor General²

WGH: tld:rt

AUDITORS ASSIGNED: This examination was performed by the Office of the Auditor General's staff.

{Expenditures and Activity Measures are summarized on the reverse page.}

**DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
LOCAL GOVERNMENT HEALTH INSURANCE RESERVE FUND
FINANCIAL AUDIT
For the Year Ended June 30, 2012**

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS (expressed in thousands)	Fiscal Year 2012	Fiscal Year 2011
OPERATING REVENUES		
Charges for sales and services.....	\$ 45,773	\$ 52,596
OPERATING EXPENSES		
Benefit payments and refunds.....	41,189	52,789
Interest.....	175	109
General and administrative.....	2,378	1,895
Total operating expenses.....	<u>43,742</u>	<u>54,793</u>
Operating income (loss).....	2,031	(2,197)
NONOPERATING REVENUES (EXPENSES)		
Interest and investment income.....	22	16
Other revenues.....	<u>107</u>	<u>120</u>
Changes in net assets.....	2,160	(2,061)
Beginning Net Assets, July 1,.....	(1,670)	391
ENDING NET ASSETS, JUNE 30.....	\$ 490	\$ (1,670)

SUPPLEMENTARY INFORMATION	Fiscal Year 2012	Fiscal Year 2011
Number of local governmental entities participating.....	370	393
Approximate number of employees covered.....	3,195	4,151
Approximate number of dependents covered.....	2,087	2,719
Approximate number of retirees covered.....	202	271

AGENCY DIRECTOR
During Examination Period: Ms. Julie Hamos
Currently: Ms. Julie Hamos