

Eastern Idaho Public Health District

Fiscal Year 2015 Budget Proposal

Revised: April 11, 2014

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Fiscal Year 2015 Budget Summary

Eastern Idaho Public Health District's (EIPHD) proposed budget for Fiscal Year is \$6,670,461, which is a 3% increase over Fiscal Year 2014.

State Appropriations

In FY2015, the total State Appropriations to the seven public health districts was \$8,531,200, an increase of 3.63% over FY2014. This increase was to help offset the health districts' higher costs for employee benefits and employee compensation. However, the increase to EIPHD was only 2% (\$22,400) due to the appropriation formula, which is based on population, poverty, and county contributions. Our percentage of both population and poverty decreased slightly this last year, which means EIPHD receives a smaller portion of the available funding.

County Appropriations

This budget proposal includes a 1.5% increase in County Appropriations over FY2014, which is an increase of \$15,158. EIPHD appreciates the partnership and financial support it receives from the counties, which are essential to continue providing public health services to the residents of Eastern Idaho. As other funding streams, (specifically fees and contracts) plateau or even constrict in the coming years, continued long-term financial support from the counties will be critical to maintain the high quality public health services being provided throughout the district. And while this increase in County Appropriation funding has a positive impact on the district's FY2015 budget, it will very likely have a negative impact on the district's state appropriation in FY2016. This is because the 67% of the state funds received is based on county contributions. When other health districts receive more than a 1.5% increase in their County Appropriations for FY2015, EIPHD will receive a smaller portion of the total funds.

Fees

The FY2015 budget represents an increase in budgeted fees of approximately \$155,000 over last year, the majority of which is attributed to our immunization services. In January, 2014, we changed the billing structure for childhood immunizations, which is anticipated to generate more fee revenue. A projected increase in activity in our food and septic programs is also contributing to the increase in fee revenue. Finally, an increase in fee revenue in our oral health program has been budgeted as a result of sealants and more dental varnish services being offered through this program. Over the past two years, the number of immunization services provided has soared as we continue to respond to outbreaks of vaccine preventable diseases such as pertussis (whooping cough) and influenza. However, it is anticipated that in the coming years, the level of immunization services will stabilize and fees generated in the program will plateau. Furthermore, the opportunity to increase fees in the future is very limited, as fees for many of the health district's services are nearing the limit of what the market will bear or are statutorily limited.

Contracts

This year's budget represents a 2% increase in contract funding. For the most part, contracts have remained fairly stable over the past year. There are four major changes of note. Three substantial increases in contract funding are from 1) a new contract for Medical Home Coordinator services, which began in FY14, but after the budget had already been developed 2) an increase in Millennium Fund dollars for the health districts to provide tobacco cessation services, and 3) an increase in funding for the Physical Activity and Nutrition program. One significant decrease is represented in federal preparedness funding, in which pass-through funding of approximately \$150,000 that the health district received to support regional hospital preparedness efforts has been completely eliminated.

Expense Highlights

Salaries

An ongoing challenge and concern of the health district's administration is funding to provide competitive entry wages and ongoing salary increases for employees. This year, the Idaho Legislature recommended a 2% increase in employee compensation through a combination of both ongoing and temporary salary increases, costs that have been included in this budget. EIPHD's administration is committed to working to improve employee salaries, which are the lowest among Idaho's public health districts.

Employee Benefits

This year, we are experiencing a 16% increase in the cost of employee health insurance, increasing from \$9,100 to \$10,550 per employee. This results in an increased, largely unfunded, expense of over \$126,000 to the district. Over the last three years, there has been a 50% increase in health insurance costs to the employer.

Operating Expenses

Overall, operating expenses have decreased by 5.65%; however, when the elimination of the hospital preparedness pass-through funding of approximately \$150,000 is taken into consideration, there is actually an increase of approximately 3.46% in operating expenses. Credit must be given to EIPHD's staff for continuing to do a remarkable job in minimizing operating expenses as much as possible and wisely using the financial resources of the district.



REVENUE

Division	Contracts	Fees
Board of Health	\$0	\$0
Environmental Health	209,420	323,600
Family & Community Health Services	600,900	968,500
Health Preparedness, Promotion, & Surveillance	993,878	30,000
Nutrition	1,400,000	0
Total Revenue	\$3,204,198	\$1,322,100

FY 2014 Budget	\$3,139,316	\$1,166,820
Change from FY14 to FY15	\$64,881	\$155,280
% Change	2.07%	13.31%

EXPENSES

Division	Salaries	Benefits	Operating Expenses	FY2015 Proposed Budget	FY2014 Budget
Board of Health	\$5,661	\$487	\$12,000	\$18,148	\$22,189
Environmental Health	562,606	251,889	108,400	922,894	883,439
Family & Community Health Services	1,334,068	616,828	690,100	2,640,997	2,456,775
General Support	417,194	177,199	416,960	1,011,353	1,011,346
Health Preparedness, Promotion, & Surveillance	553,651	235,432	153,100	942,183	983,330
Nutrition	663,413	351,474	120,000	1,134,887	1,120,638
Total Expenses	\$3,536,592	\$1,633,309	\$1,500,560	\$6,670,461	\$6,477,717

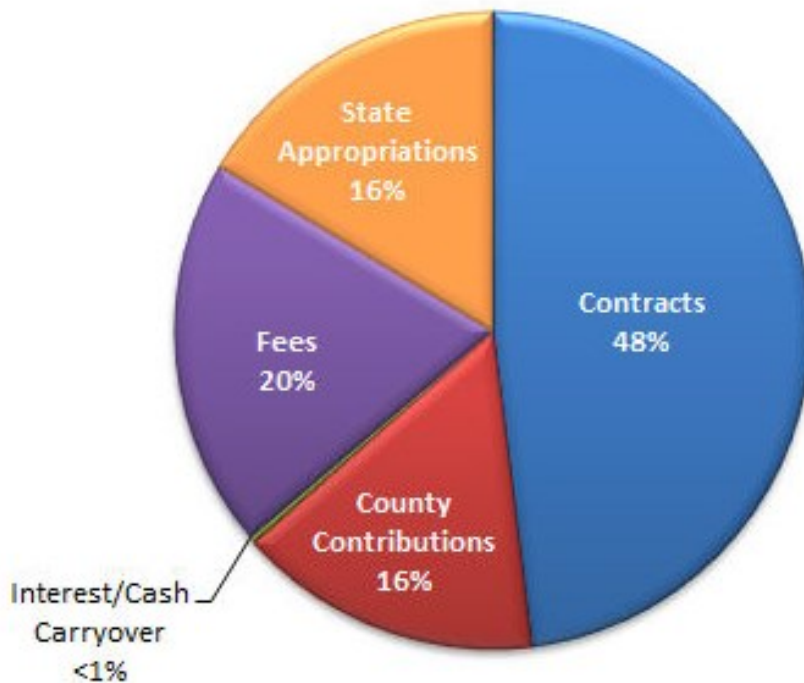
FY 2014 Budget	\$3,409,606	\$1,477,741	\$1,590,370
Change	\$126,983	\$155,571	\$(89,810)
% Change	3.72%	10.53%	-5.65%

SOURCE OF FUNDS	FY 2014 Budget	FY 2015 Proposed Budget	Change	% Change
County Contributions ¹	1,010,538	1,025,696	\$15,158	1.50%
State Appropriations	1,069,300	1,091,700	22,400	2.09%
Interest	3,000	3,600	600	20.00%
Miscellaneous Other	6,000	0	(6,000)	
Cash Carryover	82,743	23,167	(59,576)	-72.00%
Contracts	3,139,316	3,204,198	64,881	2.07%
Fees	1,166,820	1,322,100	155,280	13.31%
TOTAL	\$6,477,717	\$6,670,461	\$192,744	2.98%

¹ County Contributions Note: "Actual Budget" columns show County Contributions based on when cash is received from the counties by the District. "Original/Proposed Budget" columns show county contributions based on the appropriated amount. The District's fiscal year ends June 30; whereas counties' fiscal year ends September 30. This creates a cash flow timing difference.

On page 8 is a historical chart of County Contributions. These numbers are based on county funds appropriated by the health district's fiscal year, not when cash is received from the counties.

Revenue Projection Summary - FY15



Request for Approval of FY2015 Operating Budget—\$6,670,461

COUNTY APPROPRIATION FORMULA

County Contribution = 70% Population Distribution + 30% Taxable Market Value
 (Based on 2013 Population Estimate) (Based on 2013 Taxable Market Value)

**Proposed FY 2015 County Appropriations
 Based on 1.5% increase over FY 2014**

County	2013 Population Estimate ²	% Population of District	Population 70% Distribution	2013 Taxable Market Value ³	% Valuation of District	Valuation 30% Distribution	FY 2015 Budget County Cost Pop. + Eval.
Bonneville	107,517	51.71%	\$371,271	\$5,430,718,872	44.15%	\$135,853	\$507,124
Clark	867	0.42%	3,016	114,060,192	0.93%	2,862	\$5,878
Custer	4,249	2.05%	14,719	771,558,152	6.27%	19,293	\$34,012
Fremont	12,927	6.22%	44,659	1,594,083,898	12.96%	39,879	\$84,538
Jefferson	26,914	12.94%	92,908	1,055,598,383	8.58%	26,401	\$119,309
Lemhi	7,712	3.71%	26,637	608,422,189	4.95%	15,232	\$41,869
Madison	37,450	18.01%	129,309	1,423,361,038	11.57%	35,602	\$164,911
Teton	10,275	4.94%	35,469	1,303,111,025	10.59%	32,586	\$68,055
TOTAL	207,911	100.00%	\$717,988	\$12,300,913,749	100.00%	\$307,708	\$1,025,696

² U.S. Census Bureau, 2013 Census Population Estimate

³ Under Idaho Code 39-424, the State Tax Commission is required to report to the health districts by April 1 net property taxable value for each county.

County	FY2014 Contribution	FY 2015 Proposed Contribution	\$ Change
Bonneville	\$497,235	\$507,124	\$9,889
Clark	5,730	\$5,878	148
Custer	36,107	\$34,012	(2,095)
Fremont	82,035	\$84,538	2,503
Jefferson	118,202	\$119,309	1,107
Lemhi	41,200	\$41,869	669
Madison	162,303	\$164,911	2,608
Teton	67,726	\$68,055	329
TOTAL	\$1,010,538	\$1,025,696	\$15,158

Request for Approval of County Appropriations—\$1,025,696

County Population

County	County Population			
	FY14	FY15	Change	% Change
Bonneville	106,684	107,517	833	0.78%
Clark	869	867	(2)	(0.23)%
Custer	4,331	4,249	(82)	(1.89)%
Fremont	12,957	12,927	(30)	(0.23)%
Jefferson	26,684	26,914	230	0.86%
Lemhi	7,758	7,712	(46)	(0.59)%
Madison	37,456	37,450	(6)	(0.02)%
Teton	10,052	10,275	223	2.22%
Total	206,791	207,911	1,120	0.54%

County's % of Health District Population		
FY1	FY15	Change
51.59%	51.71%	0.12%
0.42%	0.42%	0.00%
2.09%	2.04%	(0.05)%
6.27%	6.22%	(0.05)%
12.90%	12.94	0.04%
3.75%	3.71%	(0.04)%
18.11%	18.01%	(0.10)%
4.86%	4.94%	0.08%
100.00%	100.00%	

County Property Values

County	County Valuation			
	FY14	FY15	Change	% Change
Bonneville	\$5,484,511,579	\$5,430,718,872	\$(53,792,707)	(0.98)%
Clark	114,350,697	114,060,192	(290,505)	(0.25)%
Custer	880,336,409	771,558,152	(108,778,257)	(12.36)%
Fremont	1,562,094,920	1,594,083,898	31,988,978	2.05%
Jefferson	1,117,281,690	1,055,598,383	(61,683,307)	(5.52)%
Lemhi	608,786,429	608,422,189	(364,240)	(0.06)%
Madison	1,418,145,638	1,423,361,038	5,215,400	0.37%
Teton	1,382,876,345	1,303,111,025	(79,765,320)	(5.77)%
Total	\$12,568,383,707	\$12,300,913,749	\$(267,469,958)	(2.13)%

County's % of Health District Total		
FY14	FY15	Change
43.64%	44.15%	0.51%
0.91%	0.93%	0.02%
7.00%	6.27%	(0.73)%
12.43%	12.96%	0.53%
8.89%	8.58%	(0.31)%
4.84%	4.95%	0.10%
11.28%	11.57%	0.29%
11.00%	10.59%	(0.41)%
100.00%	100.00%	

Operating Account

ACCOUNT BALANCE	\$2,442,817
LESS FY2015 Operating Budget Stabilization	(\$23,167)
LESS amount reserved for and authorized for spending on a public health emergency	(100,000)
LESS amount reserved for and authorized for spending on building maintenance	(50,000)
LESS amount reserved for and authorized for spending on legal fees	<u>(40,000)</u>
Total Unrestricted Operating Account Balance	\$2,229,650
as of March 31, 2014	

Capital Reserve Account

ACCOUNT BALANCE	\$150,000
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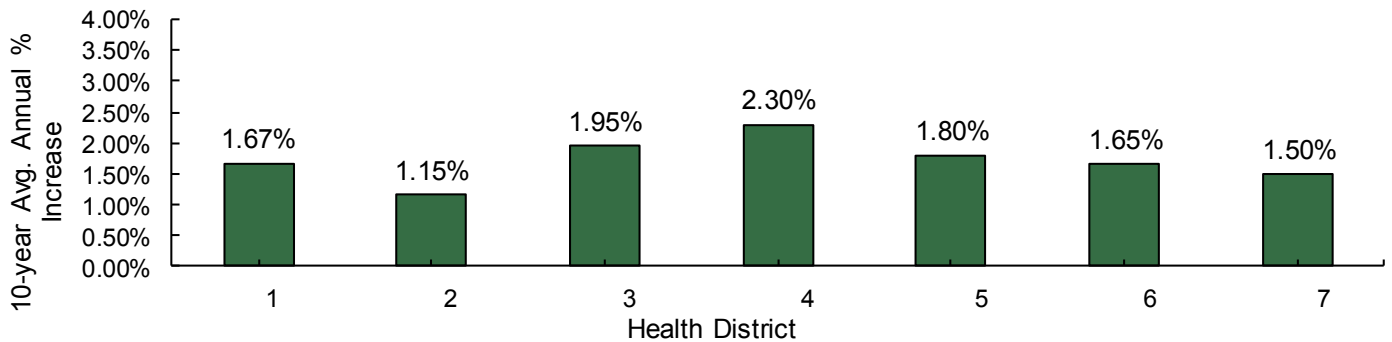
Request for Approval of FY2015 Operating & Capital Reserve Accounts

History of County Contributions (FY2005 - 2014)

FISCAL YEAR	DISTRICT 1	DISTRICT 2	DISTRICT 3	DISTRICT 4	DISTRICT 5	DISTRICT 6	DISTRICT 7	TOTALS
2014	\$1,115,700	\$729,578	\$1,156,713	\$2,042,126	\$1,062,858	\$1,061,402	\$1,010,538	\$8,178,915
2013	1,083,171	708,328	1,123,023	1,982,647	1,031,901	1,040,590	\$981,102	\$7,950,762
2012	1,051,622	687,697	1,106,427	1,924,900	1,011,668	1,010,282	961,867	7,754,463
2011	1,051,622	712,639	1,106,427	1,887,166	1,011,668	1,010,282	961,867	7,741,671
2010	1,071,116	712,639	1,106,427	1,887,166	1,011,668	1,010,282	961,867	7,761,166
2009	1,076,498	712,639	1,106,427	1,887,166	1,011,668	1,010,282	961,867	7,766,547
2008	1,045,100	691,900	1,074,200	1,832,200	982,200	973,700	933,900	7,533,200
2007	1,014,704	671,731	1,042,914	1,788,880	953,594	952,257	906,651	7,320,731
2006	994,808	658,560	1,012,538	1,727,062	925,819	924,550	888,874	7,132,211
2005	975,301	652,040	983,047	1,676,759	907,665	915,396	880,074	6,990,282

History of County Contributions Percent Change (FY2005 - 2014)

FISCAL YEAR	DISTRICT 1	DISTRICT 2	DISTRICT 3	DISTRICT 4	DISTRICT 5	DISTRICT 6	DISTRICT 7
2014	3.0%	3.0%	3.0%	3.0%	3.0%	2.0%	3.0%
2013	3.0%	3.0%	3.0%	3.0%	2.0%	3.0%	2.0%
2012	0%	-3.5%	0%	2.0%	0%	0%	0%
2011	-1.8%	0%	0%	0%	0%	0%	0%
2010	-0.5%	0%	0%	0%	0%	0%	0%
2009	3.0%	3.0%	3.0%	3.0%	3.0%	3.8%	3.0%
2008	3.0%	3.0%	3.0%	3.0%	3.0%	2.3%	3.0%
2007	2.0%	2.0%	3.0%	3.0%	3.0%	3.0%	2.0%
2006	2.0%	1.0%	3.0%	3.0%	2.0%	1.0%	1.0%
2005	3.0%	0.0%	3.0%	3.0%	2.0%	1.5%	1.0%
Avg. Annual % Change	1.67%	1.15%	1.95%	2.30%	1.80%	1.65%	1.50%



**History of State Appropriations
(FY2006 - 2015)**

FISCAL YEAR	DISTRICT 1	DISTRICT 2	DISTRICT 3	DISTRICT 4	DISTRICT 5	DISTRICT 6	DISTRICT 7	TOTALS
2015	\$1,153,300	\$810,600	\$1,286,300	\$2,003,100	\$1,108,800	\$1,077,400	\$1,091,700	\$8,531,200
2014	\$1,125,700	\$759,500	\$1,227,800	\$1,930,700	\$1,065,300	\$1,054,200	\$1,069,300	\$8,232,500
2013	1,082,600	696,900	1,254,100	1,957,200	1,059,300	1,027,200	1,058,800	8,136,100
2012	1,045,600	705,500	1,208,600	1,856,800	1,014,700	993,200	1,020,700	7,845,100
2011	1,109,400	764,400	1,273,100	1,955,500	1,083,000	1,054,800	1,079,300	8,319,500
2010	1,262,700	842,700	1,416,500	2,171,000	1,214,500	1,195,200	1,202,500	9,305,100
2009	1,459,000	985,500	1,611,200	2,521,100	1,420,300	1,394,200	1,408,000	10,799,300
2008	1,389,300	935,900	1,540,700	2,407,700	1,350,200	1,323,000	1,324,100	10,270,900
2007	1,366,800	907,100	1,495,700	2,252,300	1,263,900	1,272,000	1,251,900	9,809,700
2006	1,403,200	938,500	1,518,400	2,287,700	1,300,900	1,314,100	1,285,100	10,047,900

FISCAL YEAR	DISTRICT 1	DISTRICT 2	DISTRICT 3	DISTRICT 4	DISTRICT 5	DISTRICT 6	DISTRICT 7
2015	13.52%	9.50%	15.08%	23.48%	13.00%	12.63%	12.80%
2014	13.67%	9.23%	14.91%	23.45%	12.94%	12.81%	12.99%
2013	13.31%	8.57%	15.41%	24.06%	13.02%	12.63%	13.01%
2012	13.33%	8.99%	15.41%	23.67%	12.93%	12.66%	13.01%
2011	13.33%	9.19%	15.30%	23.51%	13.02%	12.68%	12.97%
2010	13.57%	9.06%	15.22%	23.33%	13.05%	12.84%	12.92%
2009	13.51%	9.13%	14.92%	23.35%	13.15%	12.91%	13.04%
2008	13.53%	9.11%	15.00%	23.44%	13.15%	12.88%	12.89%
2007	13.93%	9.25%	15.25%	22.96%	12.88%	12.97%	12.76%
2006	13.97%	9.34%	15.11%	22.77%	12.95%	13.08%	12.79%

Historically, the formula used for distributing the State Appropriations between Idaho’s seven health districts was based on four components:

Population (20%) + Poverty (10%) + County Funding (60%) + Public Assistance (10%)

However, in late 2012, the Idaho Association of Local Boards of Health voted to change the distribution formula to:

Population (18%) + Poverty (15%) + County Funding (67%)

As a result, if one district gets a 3% increase from its counties but another district gets less than a 3% increase, the amount that district receives in the State Appropriations will be affected the following year.



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Eastern Idaho Public Health District's Board of Health

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