



# Eastern Idaho **Public Health**

# Fiscal Year 2016 Budget Proposal

Revised: April 16, 2015

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## Fiscal Year 2016 Budget Summary

Eastern Idaho Public Health's (EIPH) proposed budget for Fiscal Year is \$7,364,263, which is a 10.4% increase over Fiscal Year 2015.

### **State Appropriations**

For FY2016, the total State Appropriations to the seven public health districts is \$8,719,200, an increase of 2.2% over FY2015. This increase is to help offset the health districts' higher costs for employee benefits and employee compensation. However, the increase to EIPH was only 0.99% (\$10,800) due to the appropriation formula, which is based on population, poverty, and county contributions. EIPH's percentage of population, poverty, and county contribution all decreased this last year, which means the district receives a smaller portion of the available State funding.

### **County Appropriations**

This budget proposal includes a request for a 2% increase in County Appropriations over FY2015, which is an increase of \$20,515. EIPH 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. Continued long-term financial support from the counties is critical to maintain the high quality public health services being provided throughout the district.

### **Fees**

The FY2016 budget represents a 2.16% decrease (\$28,500) in budgeted fees. One significant challenge we face is a decline in fees in our Reproductive Health Programs even though the need for services continues. More and more of the clients we serve in these programs tend to be uninsured with lower incomes, which results in a lower level of fee being paid for the services received. In order for us to continue meeting clients' needs, we rely on other funding sources (state and county appropriations) to help bridge this gap.

Over the past few years, fees in our Immunization Program have increased; however, these fees are affected by billing requirements as well as an increased number of childhood immunization providers in our district. Therefore, EIPH has begun focusing its immunization efforts on areas of identified gaps in children's immunization services—school-based influenza clinics and adolescent immunizations—areas in which public health excels!

On a positive note, activity in our Food and Septic programs continue to show a slow upward trend, resulting in increased fee revenue.

### **Contracts**

This year's budget represents a 20% increase in contract funding. For the most part, contracts have remained fairly stable over the past year; however, there are four major changes of note. Three new contracts are included in this year's budget—Parents as Teachers, Diabetes, and State Healthcare Innovation Plan—accounting for approximately \$578,000 in new contract dollars. In addition, we have received increased funding for Ebola preparedness planning and contraceptives. Also of note is that we received a decrease in WIC funding for the first time due to a reduction in participation level.

## 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 3% increase in employee compensation, which has been included in this year's budget. EIPH'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 6% increase in the cost of employee health insurance, increasing from \$10,550 to \$11,200 per employee. This results in an increased, largely unfunded, expense of over \$60,000 to the district. Over the last three years, there has been a 31% increase in health insurance costs to the employer (annual inflation of 9.4%). Health insurance costs account for nearly one million dollars of our annual budget.

### **Operating Expenses**

Overall, operating expenses have increased by 9.00%. The majority of this increase is attributed to the addition of operating costs for the new programs mentioned previously (Parents as Teachers and the State Healthcare Innovation Plan). In addition, EIPH is now purchasing its own contraceptives for the Family Planning program, where in the past, contraceptives were provided to the health districts by the state (contract funding was also transferred to the district to help cover this new cost). Additional operating funds were also budgeted for vaccine purchases as a result of increased immunization activity.



**REVENUE**

Division	Contracts	Fees
Board of Health	\$0	\$0
Environmental Health	225,453	336,600
Family & Community Health Services	930,100	932,000
Health Preparedness, Promotion, & Surveillance	1,104,409	25,000
Nutrition	1,343,666	0
State Healthcare Innovation Plan (SHIP)	\$246,903	0
<b>Total Revenue</b>	<b>\$3,850,531</b>	<b>\$1,293,600</b>
FY 2015 Budget	\$3,204,198	\$1,322,100
Change from FY14 to FY15	\$646,333	(\$28,500)
% Change	20.17%	(2.161%)

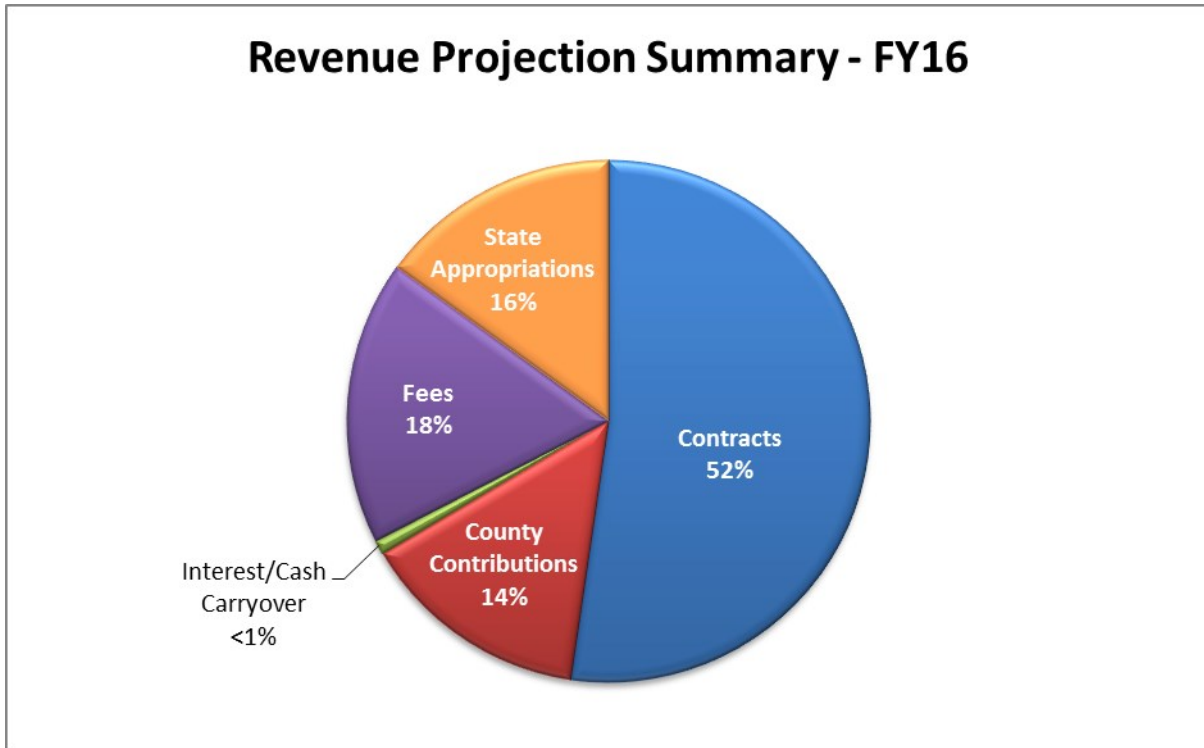
**EXPENSES**

Division	Salaries	Benefits	Operating Expenses	FY2016 Proposed Budget	FY2015 Budget
Board of Health	\$5,871	\$495	\$12,000	<b>18,366</b>	\$18,148
Environmental Health	561,876	259,531	88,900	<b>910,307</b>	922,894
Family & Community Health Services	1,515,153	708,145	804,900	<b>3,028,198</b>	2,640,996
General Support	439,873	189,645	372,180	<b>1,001,698</b>	1,011,353
Health Preparedness, Promotion, & Surveillance	610,488	274,222	158,600	<b>1,043,310</b>	942,183
Nutrition	631,578	346,349	160,000	<b>1,137,927</b>	1,134,887
State Healthcare Innovation Plan (SHIP)	125,743	59,714	39,000	<b>224,457</b>	0
<b>Total Expenses</b>	<b>\$3,890,582</b>	<b>\$1,838,101</b>	<b>\$1,635,580</b>	<b>\$7,364,263</b>	\$6,670,461
FY 2015 Budget	\$3,536,593	\$1,633,308	\$1,500,560		
Change	\$353,989	\$204,793	\$135,020		
% Change	10.01%	12.54%	9.00%		

SOURCE OF FUNDS	FY 2015 Budget	FY 2016 Proposed Budget	Change	% Change
County Contributions <sup>1</sup>	\$1,025,696	\$1,046,211	\$20,515	2.00%
State Appropriations	1,091,700	1,102,500	10,800	0.99%
Interest	3,600	5,000	1,400	38.89%
Cash Carryover	23,167	66,421	43,254	186.71%
Contracts	3,204,198	3,850,531	646,333	20.17%
Fees	1,322,100	1,293,600	(28,500 )	-2.16%
<b>TOTAL</b>	<b>\$6,670,461</b>	<b>\$7,364,263</b>	<b>\$693,802</b>	<b>10.40%</b>

<sup>1</sup> 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.



**Request for Approval of FY2016 Operating Budget—\$7,364,263**

**COUNTY APPROPRIATION FORMULA**

County Contribution = 70% Population Distribution + 30% Taxable Market Value  
 (Based on 2014 Population Estimate) (Based on 2014 Taxable Market Value)

**Proposed FY 2016 County Appropriations**

County	2014 Population Estimate <sup>2</sup>	% Population of District	Population 70% Distribution	2014 Taxable Market Value <sup>3</sup>	% Valuation of District	Valuation 30% Distribution	FY 2016 Budget County Cost Pop. + Eval.
Bonneville	108,623	51.82%	\$379,502	5,577,399,471	44.16%	\$138,602	<b>\$518,104</b>
Clark	867	0.41%	\$3,003	111,991,595	0.89%	\$2,793	<b>\$5,796</b>
Custer	4,140	1.97%	\$14,427	788,234,449	6.24%	\$19,585	<b>\$34,012</b>
Fremont	12,867	6.14%	\$44,966	1,603,354,677	12.69%	\$39,829	<b>\$84,795</b>
Jefferson	27,021	12.89%	\$94,400	1,108,939,280	8.78%	\$27,557	<b>\$121,957</b>
Lemhi	7,726	3.69%	\$27,024	632,371,421	5.01%	\$15,725	<b>\$42,749</b>
Madison	38,038	18.15%	\$132,921	1,493,409,607	11.82%	\$37,099	<b>\$170,020</b>
Teton	10,341	4.93%	\$36,105	1,315,338,908	10.41%	\$32,673	<b>\$68,778</b>
<b>TOTAL</b>	209,623	100.00%	\$732,348	\$12,631,039,408	100.00%	\$313,863	<b>\$1,046,211</b>

<sup>2</sup> U.S. Census Bureau, 2013 Census Population Estimate

<sup>3</sup> 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	FY2015 Contribution	FY 2016 Proposed Contribution	\$ Change
Bonneville	\$507,124	\$518,104	\$10,980
Clark	\$5,878	\$5,796	-\$82
Custer	\$34,012	\$34,012	\$0
Fremont	\$84,538	\$84,795	\$257
Jefferson	\$119,309	\$121,957	\$2,648
Lemhi	\$41,869	\$42,749	\$880
Madison	\$164,911	\$170,020	\$5,109
Teton	\$68,055	\$68,778	\$723
<b>TOTAL</b>	\$1,025,696	\$1,046,211	\$20,515

**Request for Approval of County Appropriations—\$1,046,211**

County Population

County	County Population			
	FY15	FY16	Change	% Change
Bonneville	107,517	108,623	1,106	1.03%
Clark	867	867	0	0.00%
Custer	4,249	4,140	(109)	(2.57)%
Fremont	12,927	12,867	(60)	(0.46)%
Jefferson	26,914	27,021	107	0.40%
Lemhi	7,712	7,726	14	0.18%
Madison	37,450	38,038	588	1.57%
Teton	10,275	10,341	66	0.64%
<b>Total</b>	<b>207,911</b>	<b>209,623</b>	<b>1,712</b>	<b>0.82%</b>

County	County's % of Health District Population		
	FY15	FY16	Change
Bonneville	51.71%	51.82%	0.11%
Clark	0.42%	0.41%	0.00%
Custer	2.04%	1.97%	(0.07)%
Fremont	6.22%	6.14%	(0.08)%
Jefferson	12.94%	12.89%	(0.05)%
Lemhi	3.71%	3.69%	(0.02)%
Madison	18.01%	18.15%	0.13%
Teton	4.94%	4.93%	(0.01)%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	

County Property Values

County	County Valuation			
	FY15	FY16	Change	% Change
Bonneville	\$5,430,718,872	\$ 5,577,399,471	\$146,680,599	2.70%
Clark	114,060,192	111,991,595	(2,068,597)	(1.81)%
Custer	771,558,152	788,234,449	16,676,297	2.16%
Fremont	1,594,083,898	1,603,354,677	9,270,779	0.58%
Jefferson	1,055,598,383	1,108,939,280	53,340,897	5.05%
Lemhi	608,422,189	632,371,421	23,949,232	3.94%
Madison	1,423,361,038	1,493,409,607	70,048,569	4.92%
Teton	1,303,111,025	1,315,338,908	12,227,883	0.94%
<b>Total</b>	<b>\$12,300,913,749</b>	<b>\$12,631,039,408</b>	<b>\$330,125,659</b>	<b>2.68%</b>

County	County's % of Health District Total		
	FY15	FY16	Change
Bonneville	44.15%	44.16%	0.01%
Clark	0.93%	0.89%	(0.04)%
Custer	6.27%	6.24%	(0.03)%
Fremont	12.96%	12.69%	(0.27)%
Jefferson	8.58%	8.78%	0.20%
Lemhi	4.95%	5.01%	0.06%
Madison	11.57%	11.82%	0.25%
Teton	10.59%	10.41%	(0.18)%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	

## OPERATING ACCOUNT

<b>ACCOUNT BALANCE</b>	<b>\$2,273,810</b>
<b>PLUS</b> FY2016 CEC (transfer from Capital Reserve)	66,421
<b>LESS</b> amount restricted by donor/funding source	(26,857)
<b>LESS</b> amount reserved for and authorized for spending on a public health emergency	(500,000)
<b>LESS</b> amount reserved for and authorized for spending on building maintenance	(50,000)
<b>LESS</b> amount reserved for and authorized for spending on legal fees	<u>(40,000)</u>
<b>Total Unrestricted Operating Account Balance</b> as of March 31, 2015	<b>\$1,723,374</b>

## CAPITAL RESERVE ACCOUNT

<b>ACCOUNT BALANCE</b>	<b>\$543,949</b>
Dedicated for future personnel costs	\$107,789
Dedicated for future vehicle purchases	60,000
Dedicated for future building projects	309,739
<b>LESS</b> amount transferred to FY16 Budget for CEC	<u>(66,421)</u>
<b>CAPITAL RESERVE BALANCE</b>	<b>\$477,528</b>

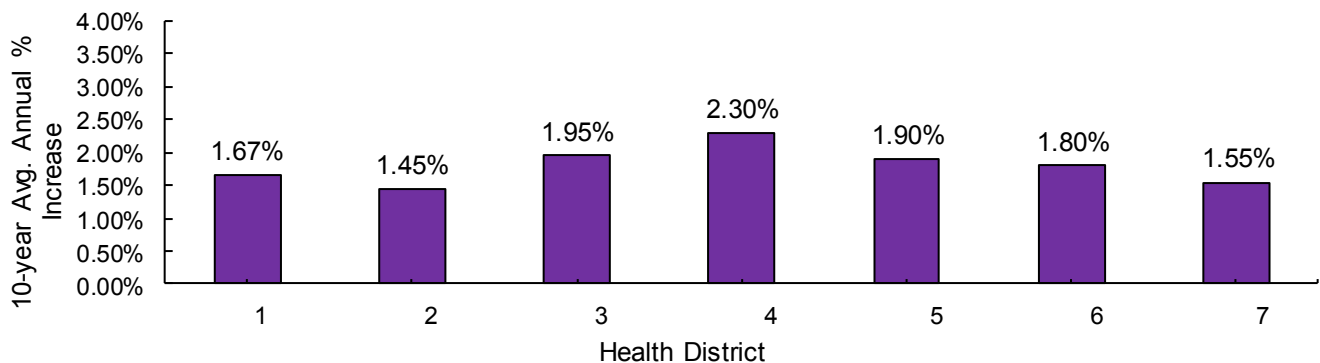
**Request for Approval of FY2016 Operating & Capital Reserve Accounts**

**History of County Contributions  
(FY2006 - 2015)**

FISCAL YEAR	DISTRICT 1	DISTRICT 2	DISTRICT 3	DISTRICT 4	DISTRICT 5	DISTRICT 6	DISTRICT 7	TOTALS
2015	\$1,149,135	\$751,465	\$1,191,414	\$2,103,400	\$1,094,744	\$1,093,244	\$1,025,696	\$8,409,098
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

**History of County Contributions Percent Change  
(FY2006 - 2015)**

FISCAL YEAR	DISTRICT 1	DISTRICT 2	DISTRICT 3	DISTRICT 4	DISTRICT 5	DISTRICT 6	DISTRICT 7
2015	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	1.5%
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%
<b>Avg. Annual % Change</b>	<b>1.67%</b>	<b>1.45%</b>	<b>1.95%</b>	<b>2.30%</b>	<b>1.90%</b>	<b>1.80%</b>	<b>1.55%</b>





**History of State Appropriations  
(FY2007 - 2016)**

FISCAL YEAR	DISTRICT 1	DISTRICT 2	DISTRICT 3	DISTRICT 4	DISTRICT 5	DISTRICT 6	DISTRICT 7	TOTALS
2016	\$1,184,200	\$814,300	\$1,315,400	\$2,071,100	\$1,121,200	\$1,110,500	\$1,102,500	\$8,719,200
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

FISCAL YEAR	DISTRICT 1	DISTRICT 2	DISTRICT 3	DISTRICT 4	DISTRICT 5	DISTRICT 6	DISTRICT 7
2016	13.58%	9.34%	15.09%	23.75%	12.86%	12.74%	12.64%
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%

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, increasing the weighting on county funding 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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