



Eastern Idaho **Public Health**



Fiscal Year 2019 Budget

Approved: April 19, 2018

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Fiscal Year 2019 Budget Summary

Eastern Idaho Public Health's (EIPH) proposed budget for Fiscal Year (FY) 2019 is \$8,231,332 which is a (0.85)% decrease from FY2018.

Revenue Highlights

State Appropriations

For FY2019, the total State Appropriations to the seven public health districts is \$9,389,600, an increase of 0.51% over FY2018. This increase is to help offset the health districts' higher costs related to employee compensation.

In FY2017, the Trustees of Idaho's Public Health Districts adopted a new formula for the distribution of the State Appropriations which goes into effect this fiscal year. The new formula uses the following factors: an infrastructure component, a match of each district's county contributions, and each district's respective number of people in poverty, population, and health care professional shortage area scores. With the new funding formula applied, EIPH is receiving an increase of 0.81% in State Appropriation funding. The population growth in EIPH's eight counties, along with the number of people in poverty helped create our percentage of the increase being higher than the total increase of 0.51%. EIPH also had the highest health care professional shortage area factor and the largest increase in county contributions for the prior fiscal year.

County Appropriations

This budget proposal maintains the County Appropriations at the same amount as the FY2018 request; however, there will still be some increases or decreases to individual counties based on shifts in population and taxable market values by county. EIPH appreciates and depends on 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. We are able to keep county funding flat this year due to some cost savings and fee revenue increases expected in FY2019. This may have a small impact on the future State General Funds Appropriation allocated to EIPH, but since management has worked to get a balanced budget without a county increase this year, we see no need to request an increase based solely on future State Appropriation funding formula issues.

Fees

For FY2019, we are budgeting a 4.21% increase in fee revenue. The projected fee revenue increase is driven by a combination of growth in Environmental Health and Family and Community Health Services activity. Over the past few years, fees in our Immunization Program have increased, primarily in the area of adult vaccines. Other fee growth is related to Reproductive Health programs, including Breast and Cervical Cancer and Sexually Transmitted disease services.

In our Environmental Health division, fees for Septic Program activity continues to hold at high activity levels and Land Development fees have begun to show growth. Food Licensing fees remain unchanged, but talks with various stakeholders continue regarding the possibility of increasing those fees to levels that more closely cover the total costs of running the program. However, any changes in food licensing fees will require legislative action.

Subgrants

This year's budget reflects an expected reduction of (3.81%) in subgrant funding. Some subgrants are expecting funding reductions with both WIC and Women's Health Check declining. The Statewide Healthcare Innovation Plan (SHIP) subgrant will be ending this year with no expected extension as it was a single project federal grant to the State. Included in subgrant budgeted revenue is State funding restricted to activity involving a Citizen Review Panel, which is new activity related to the State's Foster Care program that the Legislature directed to the local public health districts across the state.

Special one-time funding was appropriated by the Idaho Legislature to the health districts in FY18 for Maternal Child Home Visiting program services. We are currently waiting the transfer of these funds, which can be carried over through FY2019. This additional funding is appreciated and options for continuing this funding after FY2019 are being considered at the Legislative level. However, if future State funding is not allocated, it could cause some challenges for EIPH's participants who are generally enrolled in the voluntary program for an average of three years. If the program is cut short due to lack of funding, it could negatively affect program outcomes.



Expense Highlights

Salaries

An ongoing challenge and concern of EIPH’s administration is funding to provide competitive entry wages and ongoing salary increases for our employees and we are committed to continue working to make improvements in this area. This year, the Idaho Legislature recommended a 3% increase in employee compensation. Since the District has lagged so significantly in comparative salaries both with private sector and other Public Health Districts in the State, we are requesting a funding level of 4% for increases in employee compensation. This will help bring our district more in line with pay levels at the other Public Health Districts in Idaho and recognize the hard work and dedication of our employees who are the backbone of our agency. In years past, lack of funding made salary adjustments more difficult to address; however, with the decrease in health insurance costs we are experiencing this year (see detail below), it seems like an appropriate time to make some small progress on the comparative salary levels of EIPH’s staff.

We are presenting separately the new compensation plan for the District. Salary increases will be based on individual employee performance as well as what their salary is compared to the State’s pay structure for respective jobs/pay grades.

Employee Benefits

This year, we are experiencing a 13.45% decrease in budgeted costs of employee health insurance, with the per-employee cost decreasing from \$13,460 to \$11,650. The cost reduction for the health insurance, along with a drop in number of qualifying staff, creates a cost savings to the district of over \$203,000 for FY2019. We expect this to be a one-time adjustment and plan for the costs to rebound in FY2020. During the 2018 Legislative session, there was much talk about the State of Idaho considering a self-funded insurance plan model which may be a cost savings to the State for the medical insurance coverage provided to its over 18,600 employees (over 47,000 covered lives). Discussions on this topic will continue in the Legislature next year.

Operating Expenses

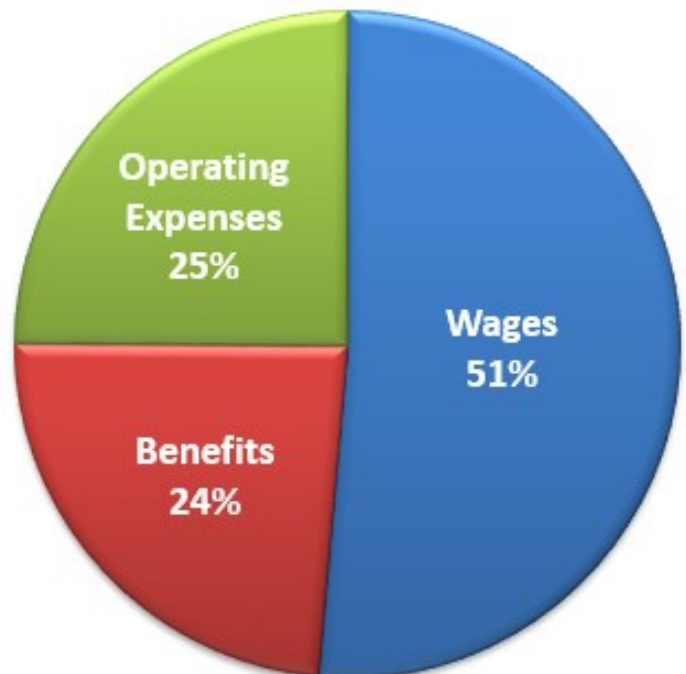
Overall, budgeted operating expenses have increased by 6.05%. The increases are related to some cost increases and volume of activity in adult immunizations along with some continuing general maintenance expenditures. Over the last year, EIPH has been working to implement policies, processes, and software to better position our agency to comply with the Governor’s Cyber Security Executive Order and defend our agency against ever evolving cyber security threats. We have allocated additional funds in this year’s budget to help in this effort.

Summary

EIPH’s administration and staff are fully committed to continuing to provide high quality public health services to the residents of Eastern Idaho in the most cost-effective manner possible. It takes the financial partnership between EIPH, the State of Idaho, and the counties within our district (Bonneville, Clark, Custer, Fremont, Jefferson, Lemhi, Madison, and Teton) to support our efforts. This support is invaluable and truly appreciated. EIPH’s Leadership Team has worked hard to control costs and keep our agency in a solid financial position as we enter FY2019.

Additionally, for FY2019, we have an opportunity to focus some much needed attention on our largest asset—our employees—by committing funding to help move employee salaries a little more into alignment with peer health districts across the state. Credit for providing the high quality public health services for which EIPH is known goes to each and every one of our 110 employees!

EIPH Expenses - FY19



REVENUE

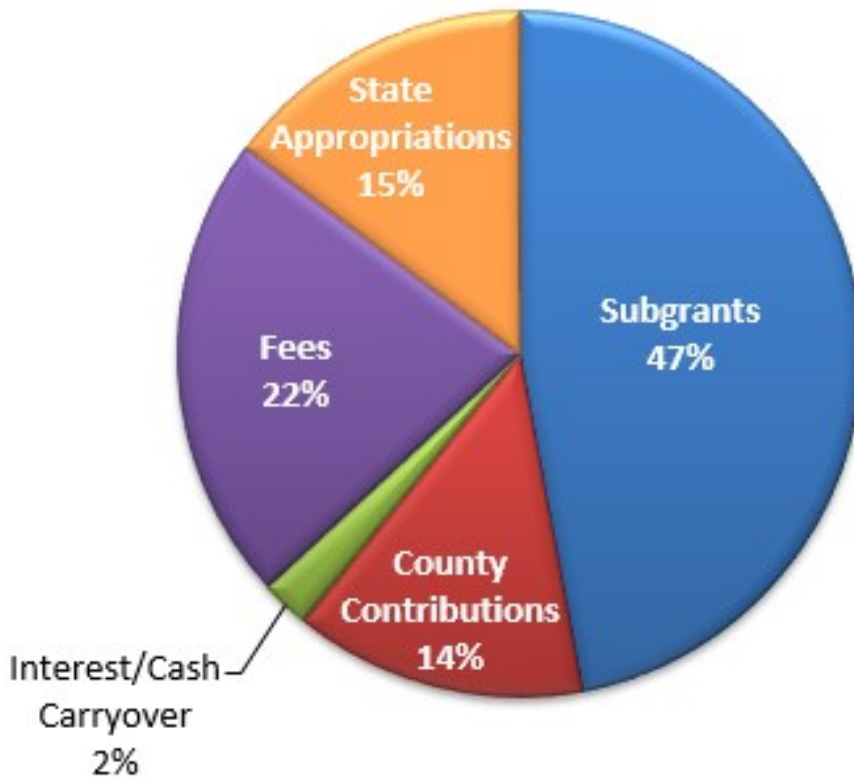
Division	Subgrants	Fees
Board of Health	\$0	\$0
Environmental Health	216,872	600,950
Family & Community Health Services	1,113,757	1,187,000
Health Education, Epidemiology, and Preparedness	1,049,050	15,000
Healthcare Transformation	270,644	0
Nutrition	1,189,220	0
FY2019 Total Revenue	\$3,839,543	\$ 1,802,950
FY2018 Budget	\$3,991,633	\$1,730,100
Change from FY2018 to FY2019	\$(152,090)	\$72,850
% Change	(3.81)%	4.21%

EXPENSES

Division	Salaries	Benefits	Operating Expenses	FY2019 Proposed Budget	FY2018 Budget
Board of Health	\$6,174	\$514	\$10,000	\$16,688	\$18,207
Environmental Health	654,587	309,651	103,900	1,068,138	1,051,799
Family & Community Health Services	1,713,174	794,255	1,043,700	3,551,128	3,493,037
General Support	472,438	195,964	515,268	1,183,670	1,102,816
Health Education, Epidemiology, and Preparedness	556,643	236,791	202,244	995,678	1,029,064
Healthcare Transformation	136,158	63,752	42,746	242,656	281,514
Nutrition	653,081	332,946	111,510	1,097,538	1,254,896
FY2019 Total Expenses	\$4,192,256	\$1,933,873	\$2,029,367	\$8,155,496	\$8,231,332
FY2018 Budget	\$4,178,868	\$2,138,849	\$1,913,615		
Change	\$13,388	\$(204,976)	\$115,752		
% Change	0.32%	(9.58)%	6.05%		

SOURCE OF FUNDS	FY2018 Budget	FY2019 Proposed Budget	Change	% Change
Subgrants	\$3,991,633	\$3,839,543	\$(152,090)	(3.81)%
Fees	1,730,100	1,802,950	72,850	4.21%
County Contributions	\$1,120,703	1,120,703	\$0	0.00%
State Appropriations	1,193,800	1,203,500	9,700	0.81%
Interest	18,000	35,000	17,000	94.44%
Cash Carryover-Reserves	177,095	0	(177,095)	(100.00)%
Designated Carryover— State Home Visiting Funds	0	153,800	153,800	
TOTAL	\$8,231,332	\$8,155,496	\$(75,835)	0.0%

Revenue Projection Summary - FY19



Request for Approval of FY2019 Operating Budget—\$8,155,496

COUNTY APPROPRIATION FORMULA

County Contribution = 70% Population Distribution + 30% Taxable Market Value
 (Based on 2017 Population Estimate) (Based on 2017 Taxable Market Value)

Proposed FY 2019 County Appropriations

County	2017 Population Estimate ¹	% Population of District	Population 70% Distribution	2017 Taxable Market Value ²	% Valuation of District	Valuation 30% Distribution	FY2019 Budget County Cost Pop. + Eval.
Bonneville	114,595	52.19%	\$409,426	6,426,725,150	44.26%	\$148,806	\$558,232
Clark	873	0.40%	3,138	127,498,737	0.88%	2,959	6,097
Custer	4,172	1.90%	14,905	708,596,788	4.88%	16,407	31,312
Fremont	13,094	5.96%	46,756	1,640,150,297	11.30%	37,992	84,748
Jefferson	28,446	12.95%	101,592	1,370,845,817	9.44%	31,738	133,330
Lemhi	7,875	3.59%	28,163	725,976,211	5.00%	16,811	44,974
Madison	39,141	17.83%	139,875	1,743,398,912	12.01%	40,379	180,254
Teton	11,381	5.18%	40,637	1,775,720,814	12.23%	41,119	81,756
TOTAL	219,577	100.00%	\$784,492	\$14,518,912,726	100.00%	\$336,211	\$1,120,703

¹ U.S. Census Bureau, 2017 Census Population Estimate

² 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	FY2018 Contribution	FY2019 Proposed Contribution	\$ Change
Bonneville	\$555,868	558,232	\$2,364
Clark	6,097	6,097	0
Custer	31,615	31,312	(303)
Fremont	86,978	84,748	(2,230)
Jefferson	132,882	133,330	448
Lemhi	44,526	44,974	448
Madison	183,750	180,254	(3,496)
Teton	78,987	81,756	2,769
TOTAL	\$1,120,703	\$1,120,703	\$0

Request for Approval of County Appropriations—\$1,120,703

County Population

County	County Population			
	FY2018	FY2019	Change	% Change
Bonneville	112,232	114,595	2,363	2.11%
Clark	860	873	13	1.51%
Custer	4,096	4,172	76	1.86%
Fremont	12,943	13,094	151	1.17%
Jefferson	27,839	28,446	607	2.18%
Lemhi	7,723	7,875	152	1.97%
Madison	39,048	39,141	93	0.24%
Teton	10,960	11,381	421	3.84%
Total	215,701	219,577	3,876	1.80%

County	County's % of Health District Population		
	FY2018	FY2019	Change
Bonneville	52.03%	52.19%	0.16%
Clark	0.40%	0.40%	0.00%
Custer	1.90%	1.90%	0.00%
Fremont	6.00%	5.96%	(0.04)%
Jefferson	12.91%	12.95%	0.05%
Lemhi	3.58%	3.59%	0.01%
Madison	18.10%	17.83%	(0.28)%
Teton	5.08%	5.18%	0.10%
Total	100.00%	100.00%	

County Property Values

County	County Valuation			
	FY2018	FY2019	Change	% Change
Bonneville	\$6,013,767,703	\$6,426,725,150	\$412,957,447	6.87%
Clark	120,221,446	127,498,737	7,277,291	6.05%
Custer	681,966,105	708,596,788	26,630,683	3.90%
Fremont	1,624,963,446	1,640,150,297	15,186,851	0.93%
Jefferson	1,287,438,269	1,370,845,817	83,407,548	6.48%
Lemhi	669,450,311	725,976,211	56,525,900	8.44%
Madison	1,699,932,498	1,743,398,912	43,466,414	2.56%
Teton	1,593,217,415	1,775,720,814	182,503,399	11.46%
Total	\$13,690,957,193	\$14,518,912,726	\$827,955,533	6.05%

County	County's % of Health District Total		
	FY2018	FY2019	Change
Bonneville	43.93%	44.26%	0.34%
Clark	0.88%	0.88%	0.00%
Custer	4.98%	4.88%	(0.10)%
Fremont	11.87%	11.30%	(0.57)%
Jefferson	9.40%	9.44%	0.04%
Lemhi	4.89%	5.00%	0.11%
Madison	12.42%	12.01%	(0.41)%
Teton	11.64%	12.23%	0.59%
Total	100.00%	100.00%	

OPERATING ACCOUNT

ACCOUNT BALANCE		\$3,934,726
	LESS amount restricted by donor/funding source	(100,560)
	LESS amount reserved for and authorized for spending on a public health emergency	(500,000)
	LESS amount reserved and authorized for vehicle purchases	(120,000)
	LESS amount reserved for and authorized for spending on building maintenance	(150,000)
	LESS amount reserved for and authorized for spending on legal fees	<u>(40,000)</u>
	Total Unrestricted Operating Account Balance as of March 31, 2018	\$3,024,166

CAPITAL RESERVE ACCOUNT

ACCOUNT BALANCE		\$720,196
	Dedicated for future building projects	\$537,023
	Dedicated for future personnel costs	107,173
	Dedicated for future 27th pay period	40,000
	Dedicated for future operating stabilization	36,000
	CAPITAL RESERVE BALANCE	\$720,196

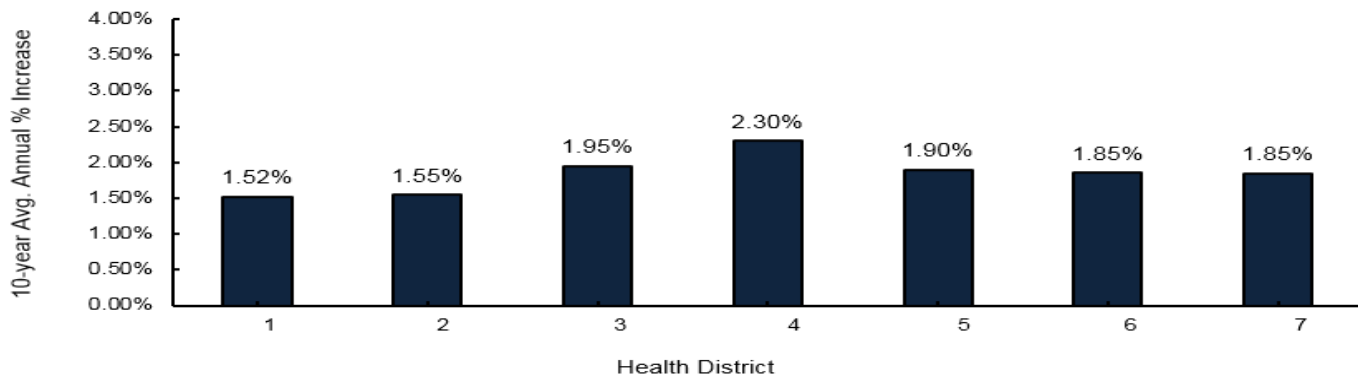
Request for Approval of FY2019 Operating & Capital Reserve Accounts

History of County Contributions (FY2009 - 2018)

FISCAL YEAR	DISTRICT 1	DISTRICT 2	DISTRICT 3	DISTRICT 4	DISTRICT 5	DISTRICT 6	DISTRICT 7	TOTALS
2018	\$1,213,493	\$805,201	\$1,310,889	\$2,298,432	\$1,184,642	\$1,168,662	\$1,120,703	\$9,093,022
2017	1,195,560	797,229	1,263,970	2,231,487	1,150,138	1,145,747	1,088,061	8,872,192
2016	1,172,100	774,099	1,227,156	2,166,492	1,127,586	1,126,041	1,046,211	8,639,595
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

History of County Contributions Percent Change (FY2009 - 2018)

FISCAL YEAR	DISTRICT 1	DISTRICT 2	DISTRICT 3	DISTRICT 4	DISTRICT 5	DISTRICT 6	DISTRICT 7
2018	1.5%	1.0%	3.0%	3.0%	3.0%	2.0%	3.0%
2017	2.0%	3.0%	3.0%	3.0%	2.0%	1.8%	4.0%
2016	2.0%	3.0%	3.0%	3.0%	3.0%	3.0%	2.0%
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%
Avg. Annual % Change	1.52%	1.55%	1.95%	2.30%	1.90%	1.85%	1.85%



**History of State Appropriations
(FY2010 - 2019)**

FISCAL YEAR	DISTRICT 1	DISTRICT 2	DISTRICT 3	DISTRICT 4	DISTRICT 5	DISTRICT 6	DISTRICT 7	TOTALS
2019	\$1,272,500	\$851,200	\$1,399,100	\$2,276,700	\$1,209,400	\$1,177,200	\$1,203,500	\$9,389,600
2018	\$1,260,600	\$889,300	\$1,394,800	\$2,206,400	\$1,204,400	\$1,192,400	\$1,193,800	\$9,341,700
2017	1,253,600	885,000	1,387,000	2,192,600	1,197,900	1,186,100	1,187,300	9,289,500
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

FISCAL YEAR	DISTRICT 1	DISTRICT 2	DISTRICT 3	DISTRICT 4	DISTRICT 5	DISTRICT 6	DISTRICT 7
2019	13.55%	9.07%	14.90%	24.25%	12.88%	12.54%	12.82%
2018	13.49%	9.52%	14.93%	23.62%	12.89%	12.76%	12.78%
2017	13.49%	9.53%	14.93%	23.60%	12.90%	12.77%	12.78%
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%

State Appropriation Funding Formula

For FY2019, the following formula is used for the distribution of State General Funds:

- ⇒ 67% match of each district's County Contributions
- ⇒ Remaining 33% is distributed:
 - 18% divided equally for infrastructure (\$87,360)
 - 14% on number of people in poverty in each district
 - 50% on population of each district
 - 18% on Health Care Professional Shortage Area (HPSA) score for each district

For FY2018, the distribution formula was:

- ⇒ Each District shall receive base funding equal to their respective share of the State general fund allocation of the prior fiscal year, but in no case less than 67% of the county contribution.
- ⇒ Any increase over the prior year in the State Appropriation will be divided among the Districts based on 67% proportionate level of county contribution and 33% based on proportionate share of the three year rolling average of population

For FY2014-2017, the distribution formula was: Population (18%) + Poverty (15%) + County Funding (67%)



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