



Budgeting for Local Public Health

Orientation for new health officers

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Overview

- Finance
- Budgets
- Grants
- Program Evaluation & Quality Improvement
- Discussion along the way

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What's in your wallet?

- Share your budgeting experience
 - What has worked well?
 - What has not worked well?
 - What do you wish you had known earlier?
 - What resources – including people/positions – were used?



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Financing Public Health

- A complex system involving funding streams, economic factors, and policy and political changes
- This complexity along with the lack of transparency and the wide variation in local public health discretionary spending make it difficult to develop a "blueprint" for all public health agencies to embrace.

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Public Health Finance Toolkit



Public Health Finance | 2011

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Financing public health . . . is not a new challenge



American Journal of
PUBLIC HEALTH
and the National Health

Official Monthly Publication of the American Public Health Association, Inc.

Volume 46 August 1956 Number 8

Financing Local Health Services

"Competing demands in the Federal budget are numerous — and heavy . . . Of the total tax dollar, less than one cent is likely to be available to the Department of Health, Education, and Welfare for the promotion of public health."

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#1 Finance or Budget Concern

- What is your top concern related to your first (or second) budget cycle? Why?

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Current Funding Sources

- What are the current funding sources for programs in the public health department in your community?



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Funding Sources for LHDs

- Tax levy
- Revenues & fee for service
 - Vaccine administration fee
 - TB skin testing
 - Medicare & Medicaid
 - Shared services
 - Licensing and inspection fees
- Grants
 - DHS Grants and Contracts
 - Regional grantors
 - State grantors
 - National grantors
- Endowments/Local gifts of funding

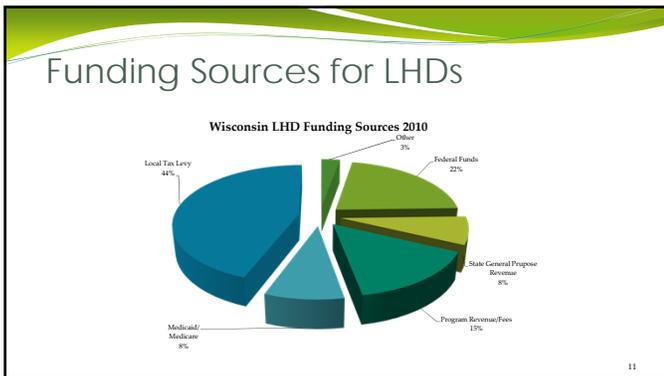
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Funding Sources for LHDs

- Tax levy
- School nursing contracts
- TB skin testing
- Immunization fees & administration fees
- Shared services (provider)
- Licensing and inspection fees
- Fluoride varnish/sealants
- Medicaid & Medicare
- Private insurance
- Grants
 - Consolidated contract (Immunization, Lead, MCH)
 - Preparedness (PHEP/Ebola)
 - Prevention
 - WIC
 - Oral health program
 - Wellness
 - Radon
 - Infrastructure (Accreditation)
 - Drug free communities
 - CHIPP
 - Private grants (Community Foundations)



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Finance for LHDs

Wisconsin Local Health Department Revenues/Expenses 2005-2009

Year	Population	Revenues/Expenses	Wisconsin Average LHD Per Capita Expenditures	Range of Per Capita Expenditures among Wisconsin LHDs	% of Wisconsin LHD Budgets funded via Local Tax Levy
2005	5,580,757	\$136,853,056	\$24.52	\$6.18 - \$62.55	50%
2006	5,617,744	\$144,228,771	\$25.67	\$1.35 - \$77.49	51%
2007	5,548,124	\$150,059,575	\$26.60	\$8.70 - \$74.20	50.2%
2008	5,675,156	\$147,167,727	\$25.90	\$9.00 - \$73.40	52.6%
2009	5,588,040	\$153,750,480	\$27.00	\$9.70 - \$70.30	52.9%

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Budgets

- Written, detailed schedule of financial activities in an agency, a plan for agency expenditures and revenues and the act of balancing the expenditures with the revenues
- **Line Item Budget:** The line item budget is a commonly used financial accounting technique used to forecast costs for expenditures that ideally support an organization's strategic business goals and objectives.
- **Performance Based Budget:** Focuses attention on work that is being accomplished, direct benefits to the community, and cost of these services.

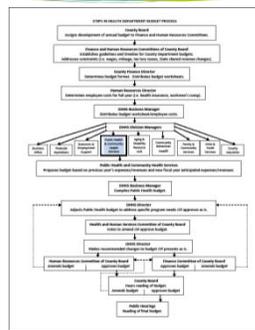
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LHD Budget Cycle

- Late spring – Budget policy and direction for departments is set
- Summer – Budget preparation
 - Examine fiscal trends
 - Identify personnel needs/costs
 - Forecast supply, equipment needs
 - Forecast revenues
 - Identify capital improvement needs
- Fall – Budget hearings and approvals
 - Adoption
- Independent Health Departments versus Health and Human Service Departments
- Department budget within the larger county's budget



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Budget - 1

CREDIT:
Waushara County
Public Health Financial
Report Calendar Year 2014

Revenues	Public Health	Expenditures	Public Health
Intergovernmental Grants (ie Preparedness, Lead, Immunization, Fluoride, etc)	82,709	Personnel (Salaries, Benefits, Meals/Lodging, Travel)	1,075,207
Licenses & Permits	175,000	Contracted Services & Interpreter Services	29,280
Public Charges for Services (PNCC, TCM, Loan Closet, PVI)	115,500	Memberships & Registrations	5,350
Intergovernmental Charges for Services (Environmental, CSP)	167,916	Data Processing & Maintenance/Repair	25,713
Fund's Revenues - Donations & Reimbursements	1,175	Operating & Program Supplies	58,365
Fund Balance	65,939		
Tax Levy	585,676		
Total Revenue	1,192,915	Total Expenditures	1,192,915

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Budget - 2

Revenues	Health Dept	Expenditures	Health Dept
Property Taxes	320,000	Personnel	555,654
Public Health Schedules	17,641	Travel Operations	13,921
Misc.	149	Equipment & Supplies	29,152
Disease Prevention	30,339	Contracted Services	47,821
MCH	18,989	Fixed Charges	4,558
Prevention	5,333	Misc. Charges	3,471
Lead	5,624	Return to General Fund	10,992
State of WI-WIC	167,553	Carry Forward	8,550
State of WI Health Check	10,961		
State of WI Prenatal	4,324		
Well Woman Program	21,957		
Immunization	11,971		
Preparedness	50,441		
Oral Health	12,709		
Carry Forward Used	412		
Total Revenue	674,122	Total Expenditures	674,122

CREDIT:
Shawano County
Health Department
2011 Financial Report

Budget - 3a

EXPENDITURES - CITY TAX LEVY	2012 Adopted	2012 Actuals	2013 Adopted	2013 Actuals	2014 Adopted	2014 Actuals	2015 Proposed	Assumed Increase / Decrease
Salaries & Wages	307,492	305,823	310,700	312,357	483,300	473,200	473,200	-10,100
Overtime	1,000	724	1,000	1,374	0	1,504	1,504	1,000
Group Health/Life Insurance	74,285	65,845	80,420	80,894	81,210	81,190	81,190	-6,000
Employee Taxes - Federal	22,890	22,209	24,420	24,894	24,740	24,740	24,740	-1,000
Employee - General	22,890	22,209	24,420	24,894	24,740	24,740	24,740	-1,000
City Health (Fringe and Benefits)	1,100	1,100	1,100	1,100	1,100	1,100	1,100	0
Contributions - Health and Retirement	1,800	282	1,800	1,800	1,800	1,800	1,800	100
Equipment/Supplies (Capital exp & Items)	600	450	600	550	600	600	600	0
Office Supplies	1,500	1,111	1,500	1,542	1,500	1,500	1,500	0
Printing	500	42	500	2,200	500	500	500	204
Postage & Mailing	1,000	804	1,000	1,177	1,000	913	913	-800
Communications (Phone & Misc Communications)	400	130	400	294	400	400	400	0
Travel & Subscriptions	1,200	1,100	1,200	1,111	1,200	1,100	1,100	0
Books & Publications	700	700	700	700	700	700	700	0
Health Insurance	80	80	80	80	80	80	80	0
Insurance Recognition	80	80	80	80	80	80	80	0
Utilities	800	1,833	1,800	1,523	1,800	1,582	1,582	2,100
Disposable Medical Supplies (Glove, Mask)	0	0	0	303	0	0	0	800
Biological Supplies	700	904	600	462	600	700	700	1,000
Medical Supplies	1,000	1,394	1,000	1,549	1,000	917	1,000	0
Environmental Health	2,000	812	1,800	462	1,200	660	1,200	0
Communications	8,000	9024	8,000	7,391	8,000	10,100	8,000	0
Lab Supplies (Shipping)	100	424	200	12	200	117	200	0
Equipment Repair	300	208	400	200	300	300	300	0
Printing, Services & Travel	2,000	1811	2,000	1,841	2,000	2,000	2,000	0
Multi-Service Vendor	1,000	374	1,000	410	1,000	200	1,000	0
Vehicle Fuel	-	-	-	-	-	-	-	0
Vehicle Maintenance	-	-	-	-	-	-	-	0
New Equipment	0	0	0	0	0	0	0	0
TOTAL	41,500	0						

CREDIT:
Greenfield Health
Department
2015 Budget Request

Budget - 3b

REVENUES - LICENSES & FEES	2012 Adopted	2012 Actuals	2013 Adopted	2013 Actuals	2014 Adopted	2014 Actuals	2015 Proposed	Assumed Increase / Decrease
Animal Health Permits	1,500	1,500	1,500	1,500	1,500	1,500	1,500	0
Food Establishment Permits	117,000	112,700	120,000	119,200	120,000	120,700	120,000	0
Animal Permits	500	500	500	500	500	500	500	0
Summary Food Permits	116,500	112,200	119,500	118,700	119,500	119,200	119,500	0
Temporary Restaurant Permits	2,500	2,300	2,500	2,300	2,500	2,300	2,300	0
Health & Maintenance	8,000	8,000	8,000	8,000	8,000	8,000	8,000	0
Table/Body Piercing Permit	180	180	180	180	180	180	180	0
Health Department Revenue	10,000	9,100	9,200	8,500	9,000	8,200	9,000	0
Immunizations (Fee & Medicare Reimbursement)	27,000	25,800	25,000	24,000	25,000	23,500	25,000	0
TOTAL	183,180	177,980	183,200	181,280	183,200	183,200	183,200	0

REVENUES - GRANTS	2012 Adopted	2012 Actuals	2013 Adopted	2013 Actuals	2014 Adopted	2014 Actuals	2015 Proposed	Assumed Increase / Decrease
Immunization	8,500	8,500	8,500	8,500	8,500	8,500	8,500	0
Lead	11,100	11,100	11,100	11,100	11,100	11,100	11,100	0
MCH	12,600	12,772	13,870	13,870	13,870	13,870	13,870	0
Prevention	0	0	3,450	3,450	2,112	2,000	2,000	3,112
CDC Focus A	40,540	40,540	40,540	40,540	40,540	40,540	40,540	0
Preparedness CDS	8,481	8,481	8,220	8,220	8,220	8,220	8,220	0
Public Health Quality Improvement	2,000	0	0	0	0	0	2,000	2,000
TOTAL	85,221	85,393	84,630	84,630	85,230	85,230	85,230	0

CREDIT:
Greenfield Health
Department
2015 Budget Request

Grant Funding

- Monetary awards given by a governmental agency, foundation, or other entity to plan, implement, or operate a program or fund a project
- May be competitive or non-competitive
- Strategies
 - Know your resources
 - Become familiar with funding sources
 - Collect strong and recent data
 - Identify a project that is evidence based
 - Plan for sustainability
 - Collaborate!



Budget constraints

- Budget cuts
- Staff impact
- Program impact
- Impact to your community



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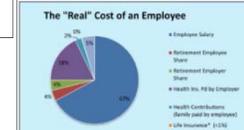
The "Cost" of an Employee

The Cost of an Employee
HEALTHY COUNTY ANNUAL COMPENSATION/BENEFIT STATEMENT

EMPLOYEE: Healthy Public Health Nurse	# 123456789
Total Compensation	79,274.54
Employee Salary	54,884.51
Employer Paid Benefits	
Retirement - Employer Share	2,522.76
Retirement - Employee Share Paid by Employer	3,290.70
Health Insurance paid by Employer	14,407.68
Health Insurance paid by Employee	1544.00
Life Insurance*	154.86
Social Security (FICA)	3,782.03
Total Employer Paid Benefits	23,367.87

AMSO costs – Administrative, management, support, and overhead

Figure 3: Employee Compensation (Salary & Benefits)



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Budget Cuts

- Personal experience with budget cuts?
 - Where you involved in the process?
 - What strategies or decisions were involved?
- If not, what was your perspective?

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Discussion

- Two part-time public health nurses recently left the local health department for other employment. The public health supervisor is contemplating whether to combine these positions into one full-time position.
 - What the budgetary implications of creating a full-time versus two-part time positions?
 - Do part-time employees reduce the overall cost of programming?
 - Based on these considerations, would you advocate for the full-time or part-time positions? Provide the rationale for your decision.

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Program Evaluation

- Agencies are under continual pressure to demonstrate that monies spent have been effective
- Traditionally, programs were considered effective by the number of individuals served
- Shift is toward greater accountability and demands evidence that public health funds are spent on programs with positive outcomes
- Public health accreditation is helping agencies through Performance Management Plans

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Quality Improvement

- Plan
- Do
- Check (Study)
- Act



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Questions? Comments? Concerns?



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Special Thanks

Darren J. Rausch, MS, CPH
Health Officer/Director
Greenfield Health Department

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LEAP Project. (2012). Making sense of local health department funding: A public health finance toolkit. Madison, WI.: Author