

# Budgeting for Local Health Officers

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## Overview

- Finance
- Budgets
- Grants
- Program Evaluation & Quality Improvement

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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?



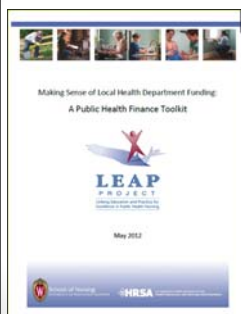
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## Financing Local Public Health

- 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, makes it difficult to develop a “blueprint” for all public health agencies to embrace.

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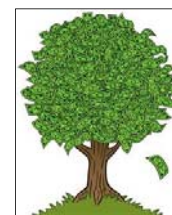
## Public Health Finance Toolkit



Public Health Finance: 2011	
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## Finance is not a new challenge...



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## #1 Finance/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

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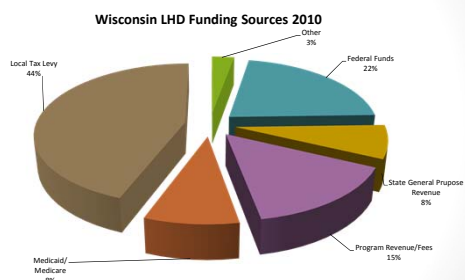
## Funding Sources for LHDs

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



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## Funding Sources for LHDs



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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	\$144,226,771	\$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	\$147,167,227	\$25.90	\$9.00 - \$73.40	52.6%
2009	5,588,040	\$153,750,480	\$27.00	\$9.70 - \$70.30	52.9%

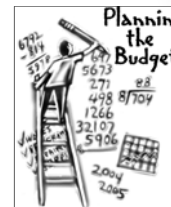
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## Budgets

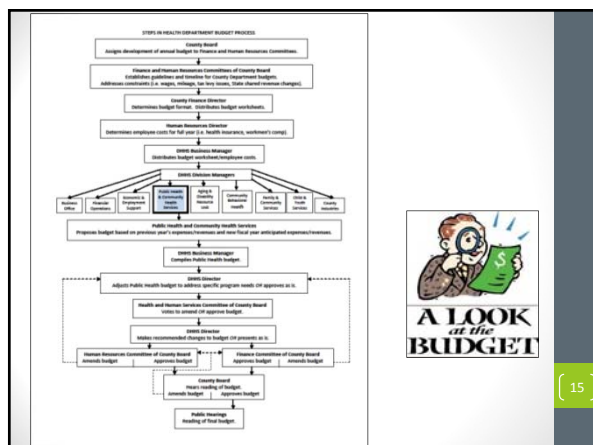
- Written, detailed schedule of financial activities in an agency, a plan for agency expenditures and revenues and the act of balancing the expenditures with the revenues
- Line Item Budget: The line item budget is a commonly used financial accounting technique used to forecast costs for expenditures 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.

## LHD Budget Cycle

- 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



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## Budget - 1

Revenues	Public Health	Expenditures	Public Health
Intergovernmental Grants (ex. Preparedness, Lead, Immunization, Fluoride etc)	82,709	Personnel (Salaries, Benefits, Meas/Lodging, Travel)	1,075,207
Licenses & Permits	175,000	Contracted Services & Interpreter Services	29,280
Public Charges for Services (PH/C, TCM, Loan Closet, PH)	115,550	Memberships & Registrations	5,360
Intergovernmental Charges for Services (Environmental, CSP)	167,916	Date Processing & Maintenance/Repair	25,713
Grants/Revenues - Donations & Reimbursements	1,175	Operating & Program Supplies	58,365
Fund Balance	65,939		
Tax Levy	585,676		
<b>Total Revenue</b>	<b>1,193,915</b>	<b>Total Expenditures</b>	<b>1,193,915</b>

**CREDIT:**  
Waushara County  
Public Health Financial  
Report Calendar Year 2014

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## Budget - 2

Revenues	Health Dept	Expenditures	Health Dept
Property Taxes	320,000	Personnel	555,656
Public Health Schools	17,641	Travel Operations	13,921
Misc.	149	Equipment & Supplies	29,152
Disease Prevention	30,339	Contracted Services	47,821
MCH	18,989	Fleet Charges	4,558
Prevention	5,333	Misc. Charges	3,471
Lead	5,624	Return to General Fund	10,992
State of WI-WIC	167,552	Carry Forward	8,595
State of WI-Health Check	10,961		
State of WI-Pre-natal	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 TAXLEVY	2012 Actual	2012 Actual	2013 Actual	2013 Actual	2014 Adopted	2014 Actuals Year to Date	2015 Proposed	Assumed Increase / Decrease
Salaries & Wages	387,490	388,733	385,100	397,335	414,243	513,233	472,000	1,000
Overtime	1,000	1,000	729	900	9,999	0	9,999	1,000
Group Health Insurance	74,200	65,540	64,000	64,000	54,541	67,477	67,477	1,000
Personal Services - Federal	29,350	29,350	28,428	28,944	32,793	19,709	30,119	-2,683
Employee Dues	22,450	22,310	26,000	26,000	30,625	14,547	26,000	1,000
City Salar (Weights and Measures)	2,182	2,182	2,000	2,691	2,000	1,588	2,000	1,000
City Salar (Weights and Measures)	1,182	1,182	1,000	1,000	1,000	1,000	1,000	1,000
Business Insurance Contract (Clerks Ass'n & Ret)	600	400	600	320	600	623	600	0
Life Insurance	600	600	1,250	1,250	1,250	1,250	1,250	1,000
Printing	500	400	500	6,250	250	0	500	250
Postage & Mail	1,000	899	1,000	1,125	1,000	863	500	-500
Communications (includes all Gov Communications)	1,000	1,000	1,000	1,000	1,000	47	1,000	1,000
Gas & Subscriptions	1,200	1,100	1,200	1,181	1,200	558	1,100	1,200
Books & Publications	700	700	700	700	700	700	700	700
Information Technology	500	68	500	2,361	500	784	763	200
Information Recognition	60	60	60	60	60	60	60	60
Wellness	0	0	0	0	0	0	0	0
Professional Medical Supplies (Injury Disease)	5,000	5,000	1,000	1,000	1,000	1,953	1,000	500
Biological Supplies	700	564	800	442	600	73	700	-100
Medical Supplies	2,000	1,511	1,500	1,349	1,500	857	1,500	1,000
Environmental Health	2,000	2,000	1,800	486	1,200	881	1,200	1,200
Medical Supplies	8,000	8,000	8,000	8,000	8,000	137	8,000	8,000
Lab Supplies (Shipping)	300	300	300	300	300	300	300	300
Equipment Repairs	300	400	300	400	55	20	300	55
Transportation & Travel	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Auto Mileage Variable	4,000	3,714	4,000	4,755	4,000	2,000	3,500	-500
Vehicle Fuel	0	0	0	0	0	0	0	0
Vehicle Maintenance	0	0	0	0	0	0	0	0
Vehicle Insurance	0	0	0	0	0	0	0	0
<b>TOTALS</b>	<b>942,120</b>	<b>927,311</b>	<b>939,118</b>	<b>1,017,255</b>	<b>1,017,255</b>	<b>1,362,217</b>	<b>1,247,500</b>	<b>44,000</b>
<b>EXPENSE RELOCATION</b>								
City of Chicago - City of Chicago - General Services	40,000	40,000	40,000	38,401	40,000	6,056	40,000	40,000

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## Budget – 3b

CREDIT:  
Greenfield Health  
Department  
2015 Budget Request

REVENUES - LICENSES & FEES	2012 Adopted	2012 Actuals	2013 Adopted	2013 Actuals	2014 Adopted	2014 Actuals (Rev. Jan)	2015 Proposed	Assumed Increase / Decrease
Animal Health Permits	5,000	2,480	9,300	3,494	9,500	2,800	9,500	0
Food Establishment Permits	117,000	112,700	120,000	119,000	120,000	59,775	120,000	0
Model Permits	520	940	540	499	540	540	540	0
Swimming Pool Permits	11,000	9,800	11,000	9,800	11,000	4,875	11,000	0
Temporary Restaurant Permits	2,500	2,300	2,000	4,883	2,000	1,500	2,000	0
Weights & Measures	8,000	9,620	8,700	9,482	10,000	7,600	10,000	0
Tattoo/Body Piercing Permit	960	960	800	2,272	600	950	600	0
Health Department Revenue	10,000	9,100	9,000	14,594	9,000	5,231	9,000	0
Immunizations (Fees & Medicare Reimb. for PUs)	27,000	23,820	25,000	6,344	25,000	3,368	25,000	0
<b>TOTALS</b>	<b>186,100</b>	<b>174,502</b>	<b>182,340</b>	<b>174,119</b>	<b>186,140</b>	<b>86,249</b>	<b>186,140</b>	<b>-108,140</b>

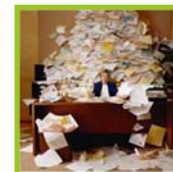
  

REVENUES - GRANTS	2012 Adopted	2012 Actuals	2013 Adopted	2013 Actuals	2014 Adopted	2014 Actuals (Rev. Jan)	2015 Proposed	Assumed Increase / Decrease
Immunization	8,300	8,500	8,500	8,500	8,500	8,500	8,500	0
Lead	1,116	1,124	1,124	1,116	1,116	1,116	1,116	0
WCH	12,800	10,772	10,772	13,836	13,836	13,836	13,836	0
Prevention	0	0	3,458	3,458	3,112	2,008	2,008	3,112
CDC Focus A	40,540	40,540	40,540	40,540	40,540	40,540	40,540	0
Preparedness CRI	8,491	8,491	9,729	9,729	9,729	9,729	9,729	0
Public Health Quality Improvement	2,580	0	0	0	0	0	2,580	2,580
<b>TOTALS</b>	<b>73,837</b>	<b>69,447</b>	<b>74,136</b>	<b>87,189</b>	<b>86,945</b>	<b>86,210</b>	<b>86,210</b>	<b>-8,735</b>

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## 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!



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## The Unfortunate Side of Budgeting

- Budget cuts
  - Staff impact
  - Program impact
  - Impact to your community
- Can you tell the story?



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## The "Cost" of an Employee

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

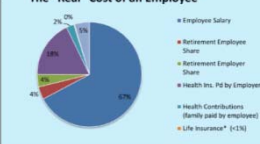
EMPLOYEE: Healthy Public Health Nurse # 123456789

Total Compensation	79,274.54
Employee Salary	54,884.51
Employer Paid Benefits	2,522.76
Retirement - Employer Share	3,290.79
Health Insurance paid by Employer	14,467.68
Health Insurance paid by Employee	1944.00
Life Insurance*	154.86
Social Security (FICA)	3,792.03
Total Employer Paid Benefits	23,997.87

AMSO costs – Administrative, management, support, and overhead

Figure 3: Employee Compensation (Salary & Benefits)

### The "Real" Cost of an Employee



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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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