

Pima County Board of Health Budget Subcommittee Meeting Minutes
December 16, 2019
Abrams Building, Room 1107
3950 S. Country Club Road
Tucson, Arizona 85714

1. **CALL TO ORDER:**

Mr. Geoffrion called the meeting to order at 10:04 A.M.

Attendance was as follows:

Board Members:

Mr. Charles Geoffrion

Ms. Mary Lou Gonzales

Ms. Carolyn Trowbridge

A quorum was established (3)

Non-Board Members:

Dr. Bob England, Health Department Director

Dr. Don Gates, Health Department Budget Manager

2. **PLEDGE OF ALLEGIANCE**

Mr. Geoffrion led the Board in the Pledge of Allegiance.

3. **REVIEW PIMA COUNTY HEALTH DEPARTMENT 2021 BUDGET PLAN**

- Dr. Gates provided an overview on the Pima County budget process. The Health Department (HD) have three primary expenditure categories – personnel, supplies and services, and capital.
 - Personnel is the largest (80%) of the three and is absolute. It is based entirely on the existing Position Control Numbers (PCN) assigned to the department. While new positions may be requested this is generally only done in extraordinary circumstances such as a department reorganization.
 - Supplies and services represents 1/4 to 1/3 of the budget and includes everything from telephone line charges to pharmaceuticals. Justification for deviation from historical figures must be submitted. These expenditures are budgeted at the unit and object code level.
 - Capital is for non-software durable good purchases of \$5,000 or more per item. Historically HD does not purchase capital goods. Fleet vehicles are not purchased by the HD and are not included in the budget.
- There are three primary revenue budget categories – direct revenue, operating transfers, and grants.
 - Direct revenue is the revenue we receive for services rendered (e.g. Food service licensure, vital records, clinical services and so on);
 - Operating transfers is revenue (and expenses) related to support from the county General Fund or grants. This is set by the county and immutable;
 - Grants are monies received from outside agencies and are sequestered in a special fund. The Grants Management and Innovation department manages these.

Departmental Analysis (a division of the Finance and Risk Management department) is responsible for budget entry and also manages the personnel budget. We are responsible for the supplies and services and direct revenue budgets. This process is primarily one of historical review and projection while holding to a relatively static cap. We have 20 Health Fund units to budget, and approximately \$5M to budget. Of that \$5M, however, more than \$2.2M is set by central service expenses. That leaves approximately \$2.8M to be allocated across the 20 units. Once the HD completes the allocation, forms are sent to Departmental Analysis for entry in the budget system (called PB). They are then compiled and PCHD, Finance and County Administration begin a series of meetings to review and modify the budgets based on county need. Once finalized the comprehensive budget is submitted to the Board of Supervisors for discussion and adoption.

Below please find the key budget dates for FY21 submission.

- January 6, 2020 – Begin Departmental Analysis budget meetings with individual departments/DCAs
- January 10, 2020 – Final changes to DA in order to updated prior PB closure on January 21, 2020
- January 13, 2020 Operational Grant and CIP Budgets due to the Budget Division, Departmental Analysis, Grants Management and Innovation, and Finance CIP from departments
- March 13, 2020 County Administrator meets with departments to review CIP budgets
- March 20, 2020 County Administrator meets with County Budget Division staff
- April 30, 2020 County Administrator submits Recommended Budget to the Board
- May 12-13, 2020 Board of Supervisors Departmental Budget Hearings (multiple sessions)
- May 19, 2020 Board of Supervisors Tentative Budget adoption

Mr. Geoffrion inquired if the grant environment was dynamic and encouraged. Dr. England responded that grants are available and waxes and wanes and more fluid than county health funding. Currently there's approximately \$9M in the grant fund expenditure budget which is about 40% of the overall budget. The largest grant funds currently are REACH, opioid, and WIC programs.

Mr. Geoffrion inquired given the current administration if the grant opportunities have diminished. Dr. Gates responded no but there's more oversight. Family Planning funding has increased within this community due to Planned Parenthood dropping out of the applicant process which increased the pool available. The Health Department is trying to work with outside community health centers to take over more of these services.

Dr. Gates shared that the county has centralized finance, procurement, and information technology which the Health Department is somewhat exempted because the Health Department is considered a special revenue fund because of the nature of the business.

The Health Department develops our budget and submits it to the Finance Department for entry into the Performance Budget System.

Mr. Geoffrion inquired if the county have an indirect cost calculator in the grant process. Dr. Gates responded that 10% is calculated if the grant allows for indirect costs. The Health Fund will supplement the indirect costs when required to maintain. Dr. England indicated that not all county governments perform this way.

Mr. Geoffrion inquired about the DAVE system and its financial status. Dr. Gates responded that there hasn't been an impact to Vital Records.

Mr. Geoffrion inquired what the Board of Health can do to assist the Health Department with the budget process at the next meeting on January 22, 2020. Dr. England indicated that constitutionally, counties in Arizona subunits of state government. Previously, the legislature capped the spending authority of each county based on historical records and formulas for increasing the spending authority based on population increases and inflation. The health fund currently has an approximate \$7.5M surplus. The Board of Health can assist by politically advocating that the Health Fund keep this funding for the need to retain public health nursing with higher salaries and other endeavors such as contracts with community health centers to take on more clinical functions, and temporary nursing services to help fill the gaps. The public health nurse vacancy rate is high. Nurse visitation, perinatal, prenatal, child care health consultants, nurse family partnership, and other services are negatively affected by the shortage of public health nurses.

Dr. England also wants to drive a flu vaccination outreach to help immunize the community. Resources for planning, consent, and execution would be needed. This has never been done in a community. Mrs. Gonzales inquired what percentage of school age children are immunized against the flu. Dr. England responded that he believes it's approximately 50%.

Mr. Geoffrion inquired if there is an effort that the Health Department can join within this community to assist the homeless. Dr. England responded that the Homeless Coalition provides transitional housing and some long-term housing. There's a gap between the two where the Health Department may be able to fill.

Mr. Geoffrion inquired if the prisons have a need. Dr. England responded that the prisons are under the Department of Prisons however any services that prevent recidivism is an area with gaps. The jails receive county money so recidivism prevention will provide funds that can be spent elsewhere.

Mr. Geoffrion stated that he wants to assist the Health Department to spend these surplus funds. Dr. England indicated that he will present some options to the Board of Health at

a next meeting that the Board of Health can choose from. Mr. Geoffrion agrees with this approach and will provide the adequate time for discussion and execution. Dr. Gates proposes that the Board of Health Subcommittee Meeting members have a meeting prior to the Board of Health meeting to review options and prepare a presentation to the Board of Health on January 22, 2020. The Board of Health Subcommittee members agreed that this meeting will be held on January 7, 2020 at 10:00AM.

4. SUMMATION OF ACTION ITEMS & PROPOSAL OF FUTURE ITEMS

- Mr. Geoffrion shared that the next meeting will be January 7, 2020 at 10:00AM.
- Mr. Geoffrion shared that staff and members of the Board of Health Budget Subcommittee will give thought to these issues and appreciates the Health Department staff who have helped him to understand the budget process.

5. ADJOURNMENT:

The meeting adjourned at 11:26 A.M.

The next meeting is scheduled for January 7, 2020 at 10:00 A.M.