

Pima County Board of Health Budget Subcommittee Meeting Minutes

April 27, 2022

Virtual MS Team Meeting

3950 S. Country Club Road

Tucson, Arizona 85714

1. CALL TO ORDER:

Mr. Geoffrion called the meeting to order at 3:00 P.M.

Attendance was as follows:

Board Members:

Mr. Charles Geoffrion, Chairman

Mr. Mike Humphrey

Ms. Carolyn Trowbridge

Supervisor Matt Heinz, Ex Officio Member

A quorum was established (3)

Non-Board Members:

Dr. Don Gates, Health Department Budget Manager

2. Review & Discuss Budgetary Requirements for Pima County Health Department, FY2022-2023

- Dr. Gates advised that the FY2223 budget has been submitted to the County Administrator and will then be presented to the Board of Supervisors (BOS). The budget hearings with the BOS initiate in early May and will continue through to preliminary adoption, and then final adoption late in June 2022.
- Dr. Gates shared a slide presentation of the Pima County Health Department (PCHD) FY2223 Budget Request.
- The Consolidated Budget Request includes two separate streams:
 - The Grant Fund is monies from outside agencies in the form of grants, which are transitory in that they only last as long as the grants exist;
 - The Health Fund includes a subsidy from the County's General Fund, and the revenues that the PCHD generates independently, and is the more permanent vehicle.
- The initial adopted Grant Fund budget for FY2122 was \$10M, and the forecasted budget for FY2122 is now \$35M through June 30, 2022, as a result of PCHD receiving several large-value, COVID-19-related grants since July 1, 2021. The FY2223 Grant Fund budget request is \$44.5M, more than 4 times the adopted budget for FY2223.
- The initial adopted Health Fund budget for FY2022 was \$21.25M; the actual forecasted budget is now \$19M due to a reduction in the Health Fund from staffing position transfers to either Grant funds or other County departments. The FY2223 requested budget is \$21.7M.
- COVID-19 related grants are effectively 2-year grants that have been in place for the second half of FY2122; the grants will remain in place for FY2223, and will then terminate mid-cycle of FY2324. The FY2324 budget will see a drop back down to the \$10M-\$15M-\$20M range.
- Dr. Gates noted that Grant Fund budgeted revenue and actual expenditures do not always mesh because the spending is usually reimbursement-based. Spending on personnel-based grants can lag behind due to difficulties in recruiting and maintaining full staff in grant-funded programs.

- Mr. Humphrey requested clarification on the Health Department vacancies. Dr. Gates discussed the vacant positions at the Health Department and indicated that the vast majority of them are in recruitment. Dr. Gates additionally discussed the salary studies that have improved Health Department recruitment and retention efforts for the nurses, epidemiologists, environmental health staff, and a few others.
- Mr. Geoffrion remarked on the increase in advertising expenses for FY2122, and the committee members were pleased to see that. Dr. Gates noted the need to focus communication on keeping the public aware of the importance of public health and on improving the baseline health of the community.
- Supervisor Heinz spoke about the need to become less dependent on grant funding, and to encourage the BOS to prepare for the drop-off of existing grant funds - the upcoming fiscal cliff – that will occur mid-cycle in FY2024. Supervisor Heinz reminded the Budget Subcommittee members that he has gone on record at the April 2022 BOS meeting in support of a \$6M increase in Health Fund investment.
- The main takeaways are:
 - there was a significant budget increase of 342% in the Grant Fund due to several 24 month grants;
 - there was a modest budget increase of 2% in the Health Fund;
 - there was a net Full Time Employment (FTE) gain related to the grant programs.

3. Align Sub-Committee Budget Analysis with Dr. Gates' Report on Pima County Budget Requirements

- Mr. Geoffrion reiterated that the biggest concern is to address what can be done in the next 18 months to prepare for the loss of the grant funds.
- Dr. Gates recommended that this Budget Subcommittee remain in place for the FY2324 budget cycle, which will begin in October 2022. He requested the Budget Subcommittee meet at the end of May 2022 to discuss the preliminary adoption of the FY2223 budget, and again in July 2022 to set the groundwork for the FY2324 work to start in October 2022.

4. Determine Appropriate Recommendations to Present to May Meeting of Board of Health

- Important to identify and call out concerns about the Health Fund.
- Supervisor Heinz has gone on record supporting increasing the Health Fund from a budget perspective.
- Dr. Gates noted Supervisor Heinz's recommendation to the BOS, and encourages participation and discussion on that topic.
- Mr. Humphrey requested information be provided in the Budget Subcommittee report in support of Supervisor Heinz's motion for an additional \$6M investment from the General Fund to the Health Fund, to take steps now to stave off the fiscal cliff in the future.

5. Summation of Action Items and Proposal of Future Agenda Items

- Dr. Gates will share his presentation with the Budget Subcommittee.
- Supervisor Heinz will send information on his recommendation to the BOS for the Budget Subcommittee to review.
- Encourage the BOS to make plans/take steps now to help stave off the fiscal cliff. The Budget Subcommittee will request that the BOH submit a letter of support for Supervisor Heinz's motion at the April 2022 BOS meeting asking for an additional \$6M investment from the General Fund to the Health Fund.

6. Adjournment

The meeting adjourned at 4:10 P.M.