

**RESOLUTION NO.: 2008-17**

**SUBJECT: Public Hearing for 2009 Health Department Budget**

**EFFECTIVE DATE: November 21, 2008**

**RESOLUTION OF THE EL PASO COUNTY**  
**BOARD OF HEALTH**

**WHEREAS**, pursuant to Sections 25-1-508 and 511, C.R.S., formerly Sections 25-1- 507 and 509, C.R.S., the El Paso County Board of Health (“Board of Health”) has the power and duty to adopt a budget for the El Paso County Department of Health and Environment (“Health Department”) for fiscal year 2009; and,

**WHEREAS**, the Health Department has recommended that the Board of Health adopt a budget for fiscal 2009 as indicated in Attachment “A” hereto, and incorporated herein by reference; and,

**WHEREAS**, the Board of Health has determined that it is appropriate to conduct a public hearing to consider adoption of said 2009 budget, and to adopt such budget as it deems appropriate following said public hearing;

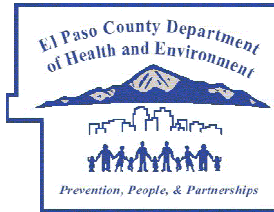
**NOW, THEREFORE, BE IT RESOLVED BY THE EL PASO COUNTY BOARD OF HEALTH:**

1. That the Board of Health shall conduct a public hearing on Wednesday, December 17, 2008, commencing at about 3:30pm in the Auditorium located at the Health Department office complex at 301/305 South Union Boulevard, Colorado Springs, Colorado, to consider adoption of a fiscal year 2009 budget for the El Paso County Department of Health and Environment as indicated in Attachment “A” hereto, and incorporated herein by reference.
2. That following said hearing, the Board of Health shall adopt such budget as it deems appropriate.
3. That the Health Department shall advertise said public hearing as provided by law.

**MOVED, SECONDED AND ADOPTED BY THE EL PASO COUNTY BOARD OF HEALTH AT IT’S SPECIAL MEETING HELD NOVEMBER 21, 2008.**

**EL PASO COUNTY BOARD OF HEALTH**

BY: \_\_\_\_\_ ATTEST: \_\_\_\_\_  
President Secretary



# EL PASO COUNTY DEPARTMENT OF HEALTH AND ENVIRONMENT

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## Attachment "A"

To: Board of Health Members  
From: Lauren Jervik, Chief Financial Officer  
Date: December 19, 2008  
Subject: Proposed Fiscal Year 2009 Budget

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The Proposed FY 2009 Budget presented is a balanced budget; expenditures equal revenues of \$15,164,492. The decision to operate the Department on a balanced budget is necessary to insure its future sustainability given the uncertain financial situation of both El Paso County and the State of Colorado. Having a balanced budget has meant cutting an additional \$1,675,500 from the Health Department budget in addition to the budget cuts received from El Paso County in FY08 and FY09.

Mid-year 2008 the Department received a \$507,000 cut in funding which resulted in elimination of 7.7 FTE's and elimination of Methamphetamine Lab Clean-ups and Regulating, Chronic Disease Prevention resulting in reduced chronic disease prevention collaboration with community, SAFE-Teen Suicide Prevention and Training in Schools, Infectious Disease Prevention and Investigation Services reduction in investigation/response to infectious disease and health data analysis, STD Medical Services resulting in reduced screening, diagnosis and treatment services and IT/EHS Project Manager resulting in reduced technology assistance for Environmental Health Services thus decreasing timely access to inspection/prevention data.

The Department received a FY2009 funding cut of \$500,000 which has resulted in the elimination of 9.5 FTE's and a decrease in immunizations administered (over 4500 doses), decrease in infectious disease investigations (2500 case infections, also meaning 350 to 450 contacts remain contagious in the community), elimination of school safety inspections, reduce animal-to-human disease prevention efforts with West Nile virus, Plague etc., reduce monitoring of ozone, carbon monoxide, and particulate matter.



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In order to balance the budget an additional 27.5 FTE's and \$1,675,500 was eliminated from the budget. The breakdown by division is:

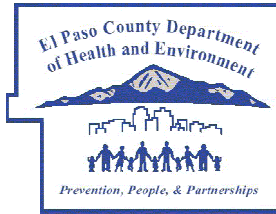
Administration	7.5 FTE's	\$514,500
Environmental Health	8 FTE's	\$456,300
Health Promotion	2 FTE's	\$112,300
Clinical Services	10 FTE's	\$592,400

The program impacts are:

- Air Quality - elimination of four air quality monitoring stations, 209 inspections of stationary pollutants sources, elimination of about 386 inspections of CFC (refrigerants), elimination of environmental planning for new construction (review of variances, subdivisions etc.), including elimination of reviewing and environmental recommendations to development proposals.
- Solid waste - No response to solid waste complaints including household trash, animal waste, foreclosed properties. About 70 complaints received per year.
- Vector/zoonoses - No surveillance or reporting of local WNV, plague, or hantavirus, limited testing of animals for rabies for human exposure.
- Water Quality - Elimination of non-community ground water systems (those outside of Colorado Springs, swimming pools and spas inspections eliminated).
- School safety - No longer involved with education and enforcement of school safety regulations (sanitation, science rooms, chemical storage and general safety).
- Child care inspections - No longer performing inspections for childcare centers. About 400 centers in EPC. Will not address complaints unless outbreak or high risk infectious disease.
- STD surveillance and investigation eliminated.
- Temporary food (event) inspections eliminated.

## 2009 Revenue Projections

	2008	2009	
	Forecast	Budget	Change
El Paso County	\$ 3,303,948	\$ 2,803,948	-15%
State Per Capita	829,739	921,360	11%
Revenues from Program Specific Grants	7,212,503	8,562,791	19%
Revenues from Licenses, Fees and Contracts	2,885,102	2,757,523	-4%
Revenues from Miscellaneous	170,442	118,870	-30%
<b>Total Revenues</b>	<b>\$ 14,401,734</b>	<b>\$ 15,164,492</b>	5%



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## El Paso County Funding

El Paso County Funding has decreased from 2001 by \$2,298,751 or 45%. The history of the El Paso County funding decreases to the Health Department is as follows:

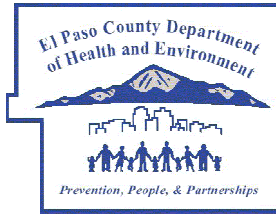
2002	\$191,751
2004	\$400,000
2005	\$400,000
2006	\$300,000
2008	\$507,000
2009	\$500,000

Total Cuts    \$2,298,751

Local County funds are the primary resource to fund the Health Department's core public health services which are; restaurant inspections, air quality monitoring, water quality monitoring, surveillance of animal-to-man diseases including West Nile Virus, surveillance and investigation of communicable diseases including Tuberculosis, and prevention of diseases through immunization. Local funding for the Health Department or 2009 is \$4.63 per person in El Paso County per year (per capita).

## State per Capita Revenue

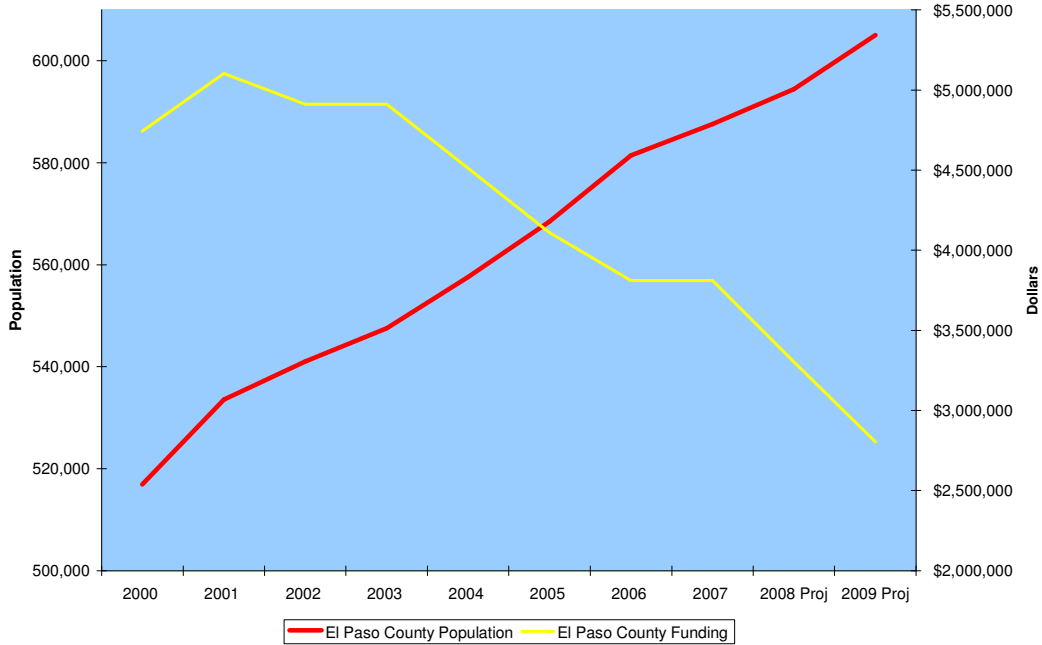
State per Capita revenue was reintroduced into the State budget for Fiscal Year 2006 after being removed from the State budget in Fiscal Year 2001. The FY 08 amount for El Paso County is \$921,360. State per Capita may also be used to fund core public health functions with the caveat that 15% be used for regional health issues outside the county.



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## El Paso County Department of Health and Environment



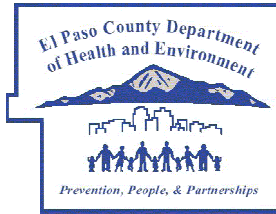
### Grant Funding

Grant funding is expected to increase by \$1,350,288 or 19%. Grant funding is restrictive funding and may only be used for the specific activities included in the scope of the grant. Funding has increased for 2009 due to three specific new grants received for a total of \$1,131,500. The three grants are:

TANF Grant working with DHS	\$500,400
Women's Health Expansion	\$500,000
Colorado Health Foundation	\$131,100

The additions are offset by the discontinuation of grants and activities which are not part of our core public health mission and we cannot afford to continue for a total of \$200,000. These are:

Komen grants	\$85,000
Air quality monitoring grant	\$50,000
Transition Case management	\$35,000
Partner notification	\$30,000



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## Licenses, Fees and Permits Revenue

Licenses, fees and permits revenue is projected to decrease by \$127,579 or 4%, primarily in activities which the Department will no longer continue because of budget cuts. Many of the fees the Department charges are limited by statute. Fees paid by food establishments for licenses which support the food establishment inspections are prescribed in statute and can only be changed through legislation. Ref. C.R.S. 25-4-1607.

The activities which have been discontinued for 2009 with associated revenue are as follows:

Construction, sandblasting and open burn permits	\$53,000
Swimming pools/spas inspections	\$31,500
Child Care Center inspections and complaint follow-up	\$15,000
Rabies specimen testing	\$9,900
Meth Lab cleanup response	\$5,500
Total	\$114,900

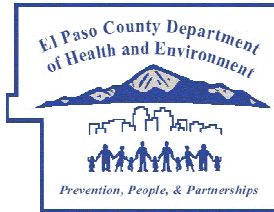
## Miscellaneous Revenue

Miscellaneous revenue is projected to decrease \$51,572 or 30%. Miscellaneous revenue is comprised of Interest income and donations. Interest income has declined significantly as both our balance in the interest bearing Colorado Trust account has declined and interest rates have fallen.

## TABOR Revenue and Spending Limit

The passage of ballot Amendment 1B by voters in November 2004, which removed the revenue and spending limit from the Department, has enabled us to obtain additional grant funding.

The Department would have been over the TABOR revenue limit in 2006 \$1,659,274. Specifically, the Department would not have been able to accept \$3,394,228 in the form of the Cancer, Cardiovascular and Pulmonary Disease Grant award or the State per Capita funding. Both of these programs funded by the State would have been distributed to other counties and not refunded to the voters. The Department is well below the TABOR limit for 2008 by \$1,208,394 and projected to be below the limit for 2009 by \$1,273,704.



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## 2009 Expenditure Projections

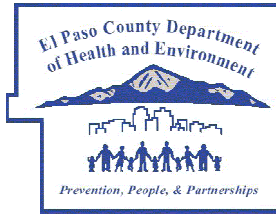
Expenses are projected to increase from \$133,717 or 1% in 2009. The increase in expenses is attributable to the new grants received which were noted under revenue. The increased expenses associated with the new grants equal \$1,147,300. The largest increases are in repair & maintenance associated with IT hardware and Travel & education due to tremendous increases in fuel costs over the last year.

	2008	2009	
	<u>Forecast</u>	<u>Budget</u>	<b>Change</b>
<b>Personnel Expenses</b>	\$ 11,385,628	\$ 11,153,041	-2%
<b>Supplies</b>	709,390	836,405	18%
<b>Repair and Maintenance</b>	16,621	127,654	668%
<b>Insurance</b>	51,322	53,701	5%
<b>Contract Service</b>	1,514,091	1,599,444	6%
<b>Travel and Education</b>	287,101	338,826	18%
<b>Facilities, Furniture and Equipment</b>	658,587	755,915	15%
<b>Other Operating Expenses</b>	196,536	179,390	-9%
<b>Capital Expense</b>	211,500	120,115	-43%
<b>Total Expenses</b>	<u>\$ 15,030,776</u>	<u>\$ 15,164,492</u>	1%

Salaries and Benefits comprise 77% of the operating expenses at the Health Department and are expected to decrease by \$232,587 from the 2008 forecast amount. The decrease is due the previously mentioned elimination of programs which is somewhat offset by the addition of new grants.

## FTE's

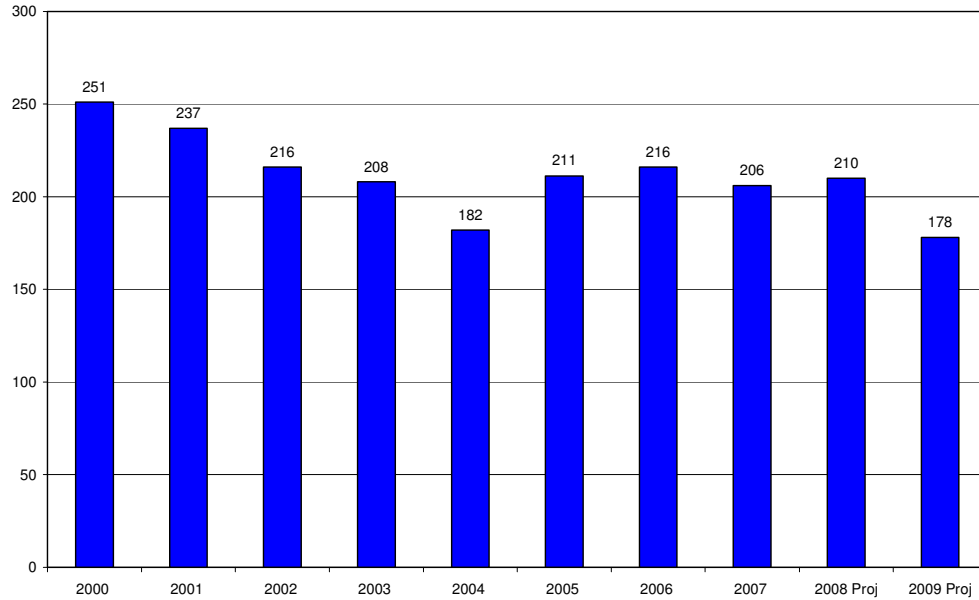
The total cuts for the department for FY 2009 of \$2,175,500 have resulted in elimination of 37 FTE's. The new grants will add 10.5 full time equivalent positions funded entirely by the grant projects. Total FTE's for 2009 are budgeted to be 177.7.



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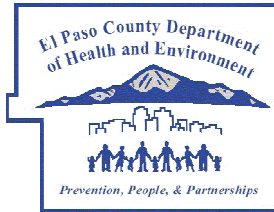
Health Department FTE's



## Fund Balance

The Department is still required to have a TABOR reserve of 3%, which cannot decrease. The passage of Amendment 1B in November 2004 only removed the revenue and spending limits for the Department. All other provisions of TABOR still apply to the Department. The unreserved fund balance at the end of 2009 is expected to be \$2,172,308.





# EL PASO COUNTY DEPARTMENT OF HEALTH AND ENVIRONMENT

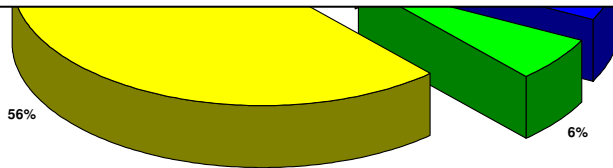
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## EL PASO COUNTY DEPARTMENT OF HEALTH & ENVIRONMENT STATEMENT OF NET ASSETS 11/19/2008

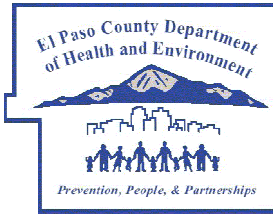
	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Forecast	2009 Forecast
<b>Assets:</b>						
Cash	\$ 6,502,443	\$ 6,273,164	\$ 4,100,319	\$ 3,390,055	\$ 2,597,130	\$ 2,745,927
Receivables	1,032,796	1,062,919	2,457,063	2,243,492	2,200,000	2,000,000
Prepaid Inventory	89,606	82,346	56,120	40,977	40,000	40,000
Capital Assets	789,435	941,089	1,329,186	309,907	211,500	120,115
<b>Total Assets</b>	<b>\$ 8,414,280</b>	<b>\$ 8,359,518</b>	<b>\$ 7,942,688</b>	<b>\$ 5,984,431</b>	<b>\$ 5,048,630</b>	<b>\$ 4,906,042</b>
<b>Liabilities:</b>						
Accounts Payable	158,439	251,530	560,945	739,294	676,203	625,000
Accrued Liabilities	1,400,792	1,491,448	1,275,150	1,293,341	1,243,341	1,243,341
Deferred Revenue	118,994	85,009	144,634	220,261	125,000	125,000
<b>Total Liabilities</b>	<b>\$ 1,678,225</b>	<b>\$ 1,827,987</b>	<b>\$ 1,980,729</b>	<b>\$ 2,252,896</b>	<b>\$ 2,044,544</b>	<b>\$ 1,993,341</b>
<b>Fund Balance/Net Assets</b>						
Investment in Fixed Assets	789,435	941,089	1,329,186	309,907	211,500	120,115
Reserve for TABOR	505,496	545,278	545,278	545,278	545,278	545,278
Emergency Outbreak Reserve	-	-	-	-	-	75,000
Unreserved Fund Balance	5,441,124	5,045,164	4,087,495	2,876,350	2,247,308	2,172,308
<b>Total Net Assets</b>	<b>\$ 6,736,055</b>	<b>\$ 6,531,531</b>	<b>\$ 5,961,959</b>	<b>\$ 3,731,535</b>	<b>\$ 3,004,086</b>	<b>\$ 2,912,701</b>

**El Paso County Department of Health and Environment  
Proposed 2009 Budget Summary**

	<b>2009</b>
	<b>Budget</b>
	<hr/>
<b>El Paso County</b>	\$ 2,803,948
<b>State Per Capita</b>	921,360
<b>Revenues from Program Specific Grants</b>	8,562,791
<b>Revenues from Licenses, Fees and Contracts</b>	2,757,523
<b>Revenues from Miscellaneous</b>	118,870
<b>Total Revenues</b>	<hr/> <b>\$ 15,164,492</b> <hr/>
<b>Personnel Expenses</b>	\$ 11,153,041
<b>Supplies</b>	836,405
<b>Repair and Maintenance</b>	127,654
<b>Insurance</b>	53,701
<b>Contract Service</b>	1,599,444
<b>Travel and Education</b>	338,826
<b>Facilities, Furniture and Equipment</b>	755,915
<b>Other Operating Expenses</b>	179,390
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- El Paso County Funding
- State of Colorado Per Capita
- Grants/Contracts
- Medicaid Fees
- Licenses, Fees, Permits
- Miscellaneous Revenues



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