



CLAY COUNTY
PUBLIC HEALTH CENTER



FY16 BUDGET

FY 16 Budget Summary

Attached please find the FY16 Budget of your nationally accredited Clay County Public Health Center's (CCPHC). It shall be the fiscal policy of the CCPHC Board of Trustees to adopt a fiscally responsible budget in order to: 1) Develop programs and services to meet the identified needs of the population we serve and; 2) Provide for the operation and maintenance of health center services deemed necessary to protect the health and safety of the citizens of Clay County.

When compared to the FY15 budget, the FY16 budget reflects an increase in budgeted expenditures of approximately **3.75% or \$202,540.00**. As practiced in previous years, the budget revenue projections for the fiscal year reflect an ability to marginally outpace projected expenses. Below you will find a limited summary listing various expense and revenue items.

The attached budget demonstrates our continuing practice of creating a budget which allows us to implement our strategic plan while maintaining operational sustainability for FY16. We are nearing completion of developing a new five year strategic plan which will begin on January 1st, 2016. We also have begun, along with our community partners, developing a new *Community Health Improvement Plan (CHIP)*. We will continue implementing programmatic changes during FY 2016 as we follow those initiatives. **It is important to note that the management team continues to actively pursuing options to increase revenue diversity in 2016 which will include obtaining new grants as well as service fee increases.** This approach does allow the health center to meet its current obligations while providing the flexibility necessary to continue strategic plan implementation.

Enclosed you will find a list of important features of the budget plan, giving a general budget summary setting forth the aggregate figures of the budget in a manner to show the balanced relations between total proposed expenditures and total expected income and other means of financing the budget.

EXPENSE SUMMARY

1. When compared to last year's total budget, this year's budget reflects an increase in budgeted expenditures of approximately **3.75% or \$202,540.00**. The increases are spread across several line items. Our most significant and important asset, **Human Resources** contributed the largest share of that increase at **\$169,251.00**. Several vacant positions are not being filled. Other large increases were due to the need to address identified Physical Plant needs (HVAC replacement and parking lot repairs) and Election Costs.

2. **Human Resources Expenditures**– Line items 5101-5414 which includes Salaries and benefits expenditures increased by approximately 4 % when compared to FY15. Our health benefits expense (5204) is projected to increase by 15% and our Lagers expense (5210) increased by approximately 7% when compared to last year. The reason for the increase is related to two new employees taking insurance when compared to last year and the multiplier in the formula.

3. **Building Payment (6600)** – This line item is for the annual payment of our lease purchase agreement on our new building and has an allocation of \$254,913.00.

4. **Miscellaneous Costs** – Three additional expenses - website development, Election Costs, and server replacement are also allocated in the budget.
 - a. **Debt Service Fund (7010)** – This line item is for early payment of our lease purchase agreement on our new building and has an FY 16 allocation of \$300,000.00. It still is available in the working cash fund balance but is not shown as an expense line item in the budget.

 - b. **Emergency Reserve (7001)** – This line item is for emergency use through board authorization only and has an FY 16 allocation of \$500,000.00. It is available in the working cash fund balance but is not shown as an expense line item in the budget.

 - c. **A new fund, titled Capital Renewal Fund, has been created for the FY2016 budget and has an allocation of \$101,160.00.** This newly created fund’s purpose is to strategically set aside monies in a proactive way for the repair and replacement of expensive capital items necessary for operational sustainability

of the health center. This includes IT infrastructure, building equipment and repairs, and the maintenance of our facility which was built in 2007. It is available in the working cash fund balance but is not shown as an expense line item in the budget.

REVENUE SUMMARY

We expect revenue to meet or slightly exceed projected agency expenditures. Total revenue projected for 2016 is anticipated to be \$202,540.00 higher than the total revenue received in FY2015. We continue to see funding sources from the state and federal level cut which is having a significant impact on our abilities to provide comprehensive local public health activities to the people of Clay County.

We anticipate our efforts in 2016 to continue to focus on our mission of providing population based prevention programs and services to meet the identified needs in Clay County utilizing the new **CHIP** and the 2016-2021 Strategic Plan. It should be noted however this approach will continue to require tough choices to be made in 2016. During the last several years, we have significantly reduced staff through attrition and through transitioning historical clinical programs that were offered by CCPHC out to community partners. Staffing levels are still however at their lowest in my 12 years here as your Director of Public Health.

Our decisions are grounded in an effort to meet our mission, successfully implement our strategic plan, and ensure sustainability going forward while addressing the challenge of being significantly underfunded at both the local and state levels. Despite those significant ongoing challenges, we have managed to achieve the very high standards required of the Public Health Accreditation Board (PHAB) and received national accreditation status in November of 2015. This achievement demonstrates our board and staff's ongoing commitment to not only be good stewards of your tax dollars but also provide the highest quality of service to the people of Clay County.



Gary E. Zaborac
Director of Public Health