

**DEKALB COUNTY BOARD OF HEALTH
MINUTES OF THE MEETING
DATE: July 24, 2012**

BOARD OF HEALTH MEMBERS PRESENT

Kevin Buick, JD - President
Todd Latham - Secretary
Dennis Diemer, DVM
Tim Duez - DDS
Karen Hagen, RN, MS
Christina Jones, RN, MS
David Phillips, MD

BOARD OF HEALTH MEMBERS ABSENT

Roger Faivre
Ronald Feldmann, MD
Andria Mitchell
Paul Stoddard – Vice President (telephonic connection from out of state)

STAFF MEMBERS PRESENT

Jane Lux, Assistant Administrator
Brenda Courtney, Director of Administrative Services
Beverly Espe, Interim Director of Personal Health Services
Greg Maurice, Director of Environmental Health
Lisa Hardcastle, Director of Home Care
Marcy Zanellato, Director of Health Education and Emergency Preparedness

CALL TO ORDER

The DeKalb County Board of Health meeting of July 24, 2012, was called to order at 7:34 pm by Kevin Buick, President.

INTRODUCTIONS

Mickey Abens, Sandy Roloff, Kari Todd, Kari Owen, Michelle Walker, Heather Wesson, Tammy Pieroni, Cathleen Carlson, Nancy Mosolino, and Linda Willit, Home Care Division staff, introduced themselves.

Beverly Espe, Interim Director of the Personal Health Services Division, introduced herself.

MINUTES

Full Board

On a motion by Tim Duez, seconded by Karen Hagen, the Board of Health Minutes of the Meeting for May 22, 2012, were approved. Motion carried.

On a motion by Todd Latham, seconded by Tim Duez, the Board of Health Executive Session Minutes of the Meeting for May 22, 2012, were approved. Motion carried.

Finance Committee

On a motion by Tim Duez, seconded by Dennis Diemer, the Finance Committee Minutes of the Meeting for July 20, 2012, were approved. Motion carried.

PERSONS TO BE HEARD FROM THE FLOOR:

Mickey Abens, Home Care Nurse, addressed the Board of Health to urge them to consider that the findings of the consultant report about our financial future may not be accurate. Mrs. Abens indicated there are additional factors to consider that she enumerated. She asked the Board to consider the possibility that we can recover from the current economic conditions and perhaps weather the storm.

DIVISION REPORTS

Public Health Administrator - Jane Lux

Mrs. Lux reported on renewal grant applications and the beginning of the budget process. With renewal grants, we learned our funding awards for state fiscal year 2013 starting July 1, 2012. The Women, Infants and Children (WIC) and Family Planning grants were cut one and five percent respectively from last fiscal year. Planning and Preparedness grants were increased four percent, and the Illinois Tobacco Free Communities grant was increased by \$16,512 with the addition of the Reality Illinois program component. For additional funds, there are added requirements and deliverables. Other grants were level funded. Due to cuts sustained in the last two years, Mrs. Lux projected total grant funds to be down two percent in 2012 and three percent in 2013.

Mrs. Lux reported the Lease Agreement with KishHealth System for Community Cares Clinic (CCC) was executed, effective August 1, 2012, and our collaboration to provide immunizations for the CCC Well Child exam patients began in June.

Mrs. Lux discussed the impact of Illinois Medicaid reform legislation.

Mrs. Lux reported on the success of our CDC onsite review of our Emergency Preparedness grants on June 7, 2012, and commented on the compliments she received from federal and state dignitaries in attendance.

Mrs. Lux and Mrs. Zanellato submitted a competitive proposal for the *We Choose Health* grant, a federal and state initiative to reduce chronic diseases, promote healthier lifestyles, reduce health disparities and control health care spending.

Environmental Health - Greg Maurice

Mr. Maurice announced the successful opening of the Somonauk rural recycling site, with hours from 8:00 AM to noon on Saturdays. He also reported on a very successful Latex Paint Recycling Collection held on June 2nd. There were 471 cars with over 7,000 containers of paint collected.

Personal Health Services – Beverly Espe

Mrs. Espe stated the Travel Immunization program was reinstated in March, in accordance with Division goals. Other Division highlights included increased exposures to bats resulting in post-exposure prophylaxis, and a communicable disease investigation of a suspected measles case.

The walk-in model has been successful in increasing efficiency and client targets in the WIC program. In addition, Mrs. Espe commented on the excellent collaboration among staffs for the VFC vaccine initiative with CCC during their Well Child visits.

Home Care - Lisa Hardcastle

Mrs. Hardcastle's report highlighted our patient satisfaction data, now publicly reported, that compares favorably to the state. In addition, Home Care staff continues to work on improving acute care hospitalization (ACH) rate.

Health Education and Emergency Preparedness - Marcy Zanellato

Mrs. Zanellato highlighted data that shows increased utilization of the Illinois Tobacco Quitline after our *Start Spring with a Smile* smoking cessation campaign that began in March in conjunction with our Illinois Tobacco Free Communities (ITFC) grant.

FINANCIAL DATA

Karen Hagen moved to approve the Financial Statements for May and June 2012, seconded by Todd Latham. Motion carried.

Tim Duez moved to approve the Claims for June and July 2012, seconded by David Phillips. Motion carried.

NEW BUSINESS

1. FY 2013 Health Department Budget

Mrs. Lux presented the 2013 Budget, beginning with Revenue. Due to an estimated 8 to 10 percent decrease in equalized assessed valuation, we were advised to reduce our tax levy request 9.5 percent. The tax levy in 2013 is down 14 percent since 2010. Environmental Health fees, raised nominally each year, are 4 percent above 2012 expected revenue. We estimate a 9 percent increase in Animal Control fees due to a trial year of charging differential fees for altered versus unaltered dogs.

Home Care revenue continues to decline and is an area of concern the Board has been addressing for several months. 2012 is the fourth year in a trend of declining revenue. We project additional decline in 2013 due to Medicare cuts. Medicare is 85 percent of Home Care revenue.

As 2013 grant funding is uncertain, we are projecting level funding without increases. Overall, the 2013 budget has a two percent reduction in grants compared to 2012.

Medicaid revenue for Family Planning is down due to decreased services, and is also down for All Kids, because Medicaid is no longer paying for All Kids applications starting July 2012. We are anticipating an increase in immunization revenue due to increasing childhood immunizations. Overall, we project a slight increase of approximately \$10,000 for Medicaid revenue.

We are expecting a slight decrease in the fee line item category from the 2012 budget due to workforce and service reductions. We are projecting a slight increase in 2013 because we are reinstating the travel immunization program.

The interest line item is the same as 2012. The building rental line item is up slightly due to a new lease agreement. The miscellaneous line item reflects our collaboration on IPLAN with KishHealth System, and this item is also an expense.

In County transfers, the IMRF employer contribution is going up from 10 to 10.5 percent in 2013.

Total Revenue is projected at \$4,905,000. Overall, we are anticipating 2013 revenue to be down about \$30,000 or half a percent from 2012 projected Revenue. Comparing revenue over three years, from 2010 to 2013, revenue is projected to decrease 12.6 percent. Our expenditures are also down, but not as much as revenue.

For Expenditures, salaries and benefits comprise approximately 80 percent of the total. In 2012 we are projecting a \$250,000 savings in salaries and benefits compared to what we budgeted. We are saving approximately \$200,000 in salaries by not filling open positions. Health insurance savings is approximately \$50,000 because rates did not increase as much as expected. 2013 salary is budgeted at 2012 rates due to the projected deficit. Our Collective Bargaining Agreement (CBA) ends December 31, 2012. We will be negotiating a new CBA, and Mrs. Lux stated she will bargain in good faith. 2013 salaries are \$100,000 more than 2012, due to vacant positions we would like to fill if we had the revenue.

The County directed departments to budget an estimated twenty-two percent increase in health insurance in 2013. This will increase our health insurance line item by \$106,000. IMRF is approximately \$30,000 more because of the half percent increase in employer contribution.

The capitol line items include the one-time Planning and Preparedness carryover grant to help purchase agency computers in 2012.

The commodities and services have been reduced 3.3 percent due to cost containment measures throughout the agency.

Anticipated total Expenditures for 2013 are \$5,245,500, a 3 percent increase or \$157,000 over 2012 primarily due to the open positions that we would fill if we had the revenue, and the increased cost of health insurance and IMRF.

From 2010 to 2013, expenditures are down 8 percent and revenue is down 12.6 percent. Despite significant expenditure reductions, we continue to have a deficit due to the larger losses of revenue.

In our Public Health Divisions, the deficit is \$56,800, \$26,800 of which is for operational expenses. Mrs. Lux's recommendation to balance the budget is to not fill open positions without increased revenue.

The Home Care Division deficit is \$283,700, \$266,700 of which is operational expenses. Due to the continued downward trend, the Board of Health continues to explore options for resolution.

Mrs. Lux reviewed the Fund Balance chart. In 2011, Public Health revenue over expenses was \$162,000, and Home Care revenue under expenses was \$186,000 resulting in an overall department deficit of \$18,000. In 2012, we anticipate that Public Health revenue over expenses will be about \$35,000 and Home Care revenue under expenses will be \$188,000, resulting in an anticipated department deficit of

\$152,000. The 2013 projected budget deficit is \$340,500. Mrs. Lux reported the Finance Committee discussed the use of the fund balance to cover the deficit as well as need for adequate reserves. The consensus is the fund balance cannot be used to cover the deficit long term. It is estimated the fund balance will be \$1.7 seven million at the end of 2013, or 32 percent of our operational expenses, which is lower than recommended.

The Board discussed the 2013 Budget challenges and the recommendation of the Finance Committee. Mr. Stoddard, Chair of the Finance Committee, said via telephonic communication that the large deficit in Home Care is unsustainable and is a serious issue. The fund balance is getting too low. He stated that we do not want a similar picture next year, so we will continue to watch trends and discuss options.

Dr. Phillips moved to approve the 2013 Health Department Budget., seconded by Christina Jones. Motion carried.

2. FY 2013 Solid Waste Program Budget

The Solid Waste budget is similar to past years. We are expecting \$90,400 in revenue from our tipping fees, which is down \$2000. Under expenditures, we fund a .60 part-time Solid Waste Coordinator. Public notices are for advertising events. Under professional services, we contract with the University of Illinois Cooperative Extension to do elementary school education about recycling.

The commercial services line item is expenses for our rural recycling sites and events. We now have two rural sites, Kingston and Somonauk Township which started in June. We will have a latex paint recycling event and a used motor oil event.

Dr. Duez moved to approve the 2013 Solid Waste Program Budget., seconded by Dr. Diemer. Motion carried.

VI. EXECUTIVE SESSION

At 8:27 pm, Dr. Phillips moved, seconded by Todd Latham to enter into Executive Session for the purpose of discussing (1) Business Matters under Subsection Number 6 and (2) Employment Matters under Subsection Number 1, both of Section 2 (c) of the Open Meetings Act. Motion carried.

On a roll call vote, those voting yes were Kevin Buick, Karen Hagen, Christina Jones, Dr. Phillips, Todd Latham, Dr. Diemer, and Dr. Duez. Board Member attending via phone and not voting is Paul Stoddard.

Dr. Duez moved to reconvene to Open Session, seconded by Todd Latham. Motion carried.

At 9:12 pm, Kevin Buick stated that the Board of Health is now in Open Session.

On a motion by Karen Hagen, seconded by Dr. Phillips, the Board of Health authorized Mrs. Lux to pursue consummation of the specific business matters discussed under Subsection Number 6 of the Open meetings Act related to the setting of a sale price for Home Care and extension of the exclusivity agreement with KishHealth System. Motion carried.

On a motion by Christina Jones, seconded by Dr. Duez, the Board of Health authorized Mrs. Lux to pursue the matters specifically relating to issues of employment under Subsection Number 1 of the Open meetings Act, as discussed in Executive Session, and authorized her to pursue those as well. Motion carried.

The next Board of Health meeting will be held on Tuesday, August 28, 2012, at 7:30 pm.

CORRESPONDENCE AND NEWS

As noted.

ADJOURNMENT

On a motion by Dr. Dennis Diemer, seconded by Todd Latham, the Board of Health adjourned at 9:16 pm. Motion carried.

Todd Latham, Secretary
DeKalb County Board of Health