

Note: These minutes are not official until approved by the Health and Human Services Committee at a subsequent meeting. Please refer to the meeting minutes when these minutes are approved to obtain any changes to these minutes.

DeKalb County Government
Sycamore, Illinois

**Health & Human Services Committee Minutes
October 3, 2016**

The Health and Human Services Committee of the DeKalb County Board met on Monday, October 3, 2016 at 4:00 p.m. in the Administration Building's Conference Room East. Chairperson Haji-Sheikh called the meeting to order and those Committee Members present were Ms. Little, Mr. Reid, Mr. Whelan and Chairperson Haji-Sheikh. Ms. Askins and Mr. Porterfield were absent at the time of roll call. A quorum was established with four Members present and two absent.

Others present were Gary Hanson, Pete Stefan, Lisa Gonzalez, Mark Pietrowski, Steve Faivre, Christina Jones, and the media.

APPROVAL OF THE MINUTES

It was moved by Mr. Reid, seconded by Mr. Whelan and it was carried unanimously to approve the minutes from the September 12, 2016 meeting.

APPROVAL OF THE AGENDA

It was moved by Mr. Reid, seconded by Mr. Whelan and it was carried unanimously to approve the agenda as presented.

PUBLIC COMMENTS

There were no public comments made.

CHAIR'S COMMENTS

Chairperson Haji-Sheikh thanked everyone in attendance for accommodating the earlier meeting time in order for Members to join Community Action Director Donna Moulton in a Celebration of Life for her husband.

PUBLIC HEALTH TAX LEVY REFERENDUM

DeKalb County Public Health Administrator Lisa Gonzalez talked the Committee through the methodology of the Health Department Program Cost Allocation Category Totals & Subsidy handout they all received. With this spreadsheet she was able to answer the questions of what programs are operating at a loss (where expenses are over revenue due to decreased funding), how local property taxes are being utilized, and how the Health Department's Fund Balance is being utilized to support the activities they do at the Health Department. Ms. Gonzalez continued to review the spreadsheet with the Committee. Mr. Hanson added that the key line to pay attention to was the blue B-7 line which show the subsidy from Fund Balance which is what the proposed referendum monies would go to.

Ms. Gonzalez also clarified that in Finance Program #8 include expenses and revenue pertaining to: medical billing, accounts receivable/payable, vital records and payroll activities. In Administration Program #9 that includes: grants management, human resources, union negotiations and a receptionist position.

It was identified that the Maternal & Child Health Program is the most reliant on subsidy funds in order to keep running and this is due to the trending decrease in grant funding that supports those services.

A few other points of clarifications that Ms. Gonzalez wanted to share was that the Animal Control Program #1 there has been one clerical support staff member added and because of that they have seen an increase in revenue due to improved processes for fee collections. So where they weren't always good about sending notices and reminders they have gotten much better at that and that is why that program is in the positive.

It was additionally clarified that the loss shown in the Health Care Enrollment Assistant Program #6 column is due to no funding award in FY 2017. Some funding for that program come from the Community Mental Health Board and because they aren't sure about the funding for next year they did not budget revenue in the spreadsheet. If they were not to receive continued funding from the Community Mental Health Board, they may have to eliminate that program but she wanted to show the expense related to it because they are asking to sustain the current programming.

Ms. Gonzalez continued on by reviewing another sheet she provided that detailed the Health Department's reduction in workforce from 2010 – 2015. The net workforce reduction included 15 permanent employees. 73% of the Full-time Equivalent reduction occurred by layoff in December 2010 as part of a Budget Deficit Reduction plan. At that time, 10% of employees and several part-time temporary employees were laid off. The remaining reduction occurred in the years following the layoff through attrition and leaving positions vacant. Senior Management positions (Assistant Administrator and Division Directors) have been reduced from 6 to 3 from 2010 to present. Additionally, Ms. Gonzalez explained that 3 Full-time Equivalents were hired in 2016 but their salaries were covered by offset revenues or by a reduction in position level and salary.

Mr. Porterfield arrived at 4:13 p.m. and Ms. Askins arrived at 4:26 p.m.

Mr. Hanson reviewed an additional spreadsheet that outlined six different scenarios which includes the Health Department continuing on with no additional Levy funding, with a \$550,000 Tax Levy increase and a \$1 million Tax Levy increase. These scenarios also include optimistic and conservative projections. The Committee reviewed the spreadsheet in order to get a better picture of when Health Department Fund Balance dollars would run out in the different scenarios.

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Mr. Hanson added that the biggest challenge to the Committee or Referendum Committee, if this does get placed on the ballot, is how much money to ask for or what amount of money will sell to the public. If the amount that the Health Department asks for isn't enough money down the road, they would have to pass another referendum to obtain more. Once the Levy is set the first year after a successful referendum, the amount is locked-in besides slight increases with cost of living under the Tax Cap Law.

It was again stated that the wording for the referendum would have to read as follows:
“Shall the County of DeKalb, Illinois, be authorized to levy a new tax for county health department purposes and have an additional tax of 0.1 % of the equalized assessed value of the taxable property therein extended for such purposes?”

(1) The approximate amount of taxes extendable at the most recently extended limiting rate is \$21,530,492.77, and the approximate amount of taxes extendable if the proposition is approved is \$23,271,878.47.

(2) For the 2016 levy year the approximate amount of the additional tax extendable against property containing a single family residence and having a fair market value at the time of the referendum of \$100,000 is estimated to be \$33.33.”

Mr. Hanson explained that the wording has to read as is but the key part of this referendum is to try and convince the public to pass this with the understanding and trust that the County will only Levy the amount that the County Board sets (i.e.: \$550,000 - \$1 million).

Mr. Hanson shared that what will be asked at the next Committee Meeting is whether or not the Committee would like to move forward with the referendum and send it to the full County Board for approval. Then, it doesn't have to be decided at the next meeting, but soon after, it will have to be determined how much money will be asked for.

Chairperson Haji-Sheikh asked if the County Board could pass a resolution stating that the County Board would only Levy a certain smaller Levy amount. Mr. Hanson said that is an option but it would be a non-binding resolution because this Board cannot bind a future Board.

The Committee continued to discuss the procedure and timeline for possibly forwarding the referendum onto the full County Board and what would happen if it were passed. The Committee additionally asked for Mr. Hanson to provide a physical timeline of events for the potential referendum by next meeting.

Mr. Faivre shared that there are two things that are really a driver with this issue. One item is to determine what the growth in the spread between income and expenses. If income rises faster than expenses, this referendum isn't needed and if it stays the same, then it is roughly \$300,000 that is needed to make up the current deficit every year. That would keep the status quo and the Fund Balance the same. He continued that if you are conservative and somewhat pessimistic you would obviously want a larger Levy in order to maintain. Another item to determine is how

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much does the Health Department need as a cushion to extend the amount of time before they go broke.

The Committee lastly discussed the history and probability of referendums passing as well as building back up the Fund Balance and running through the different scenarios.

Mr. Hanson reiterated that at next month's meeting the question that will need to be answered is simply whether or not to the County Board would want to put this referendum on the April 2017 ballot.

FY 2017 BUDGET

Budget Appeals, if any

There were no FY 2017 Budget Appeals for any County Departments that report to the Health & Human Services Committee.

Committee's Questions & Review of Departments' FY 2017 Budgets

There were no specific questions asked about any department's budgets that report to the Committee but the Committee briefly had a general discussion about the FY 2017 Budget as a whole.

ADJOURNMENT

It was moved by Mr. Whelan, seconded by Ms. Askins, and it was carried unanimously to adjourn the meeting.

Respectfully submitted,


Misty Haji-Sheikh, Chairperson


Tasha Sims, Recording Secretary

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9/19/2016 Health Department Program Cost Allocation
Category Totals & Subsidy

Line Item	Description	Percent of Total	2017 Budget Total	Animal Control Program #1	Environmental Health Program #2	Maternal & Child Health Program #3	Communicable Disease Cntl Prevention Program #4	Health Promotion Program #5	Health Care Enrollment Assistance Program #6	Emergency Preparedness Program #7	Finance Program #8	Administration Program #9	Revenues to Allocate Program #10
1000	Employees - Full Time Equivalent (FTE)		41.69	2.97	4.10	16.55	6.72	0.64	0.60	1.90	4.89	3.32	0.00
3000	Revenue Summary												
3500	Fees	36.9%	1,240,100	288,900	308,600	234,800	320,900	0	0	0	86,900	0	0
4500	Grants	38.8%	1,305,100	0	27,678	863,200	252,522	40,300	0	121,400	0	0	0
5701	Donations	0.0%	600	0	0	600	0	0	0	0	0	0	0
5989	Interfund Transfers	12.0%	404,933	23,166	36,657	159,306	64,819	5,739	5,088	19,367	47,211	43,580	0
5997	Program Revenues	87.7%	2,950,733	312,066	372,935	1,257,906	638,241	46,039	5,088	140,767	134,111	43,580	0
3011	Property Taxes	11.4%	385,000										385,000
5501	Interest	0.7%	23,000										23,000
5522	Building Rentals	0.1%	4,300										4,300
5899	Miscellaneous	0.0%	1,000										1,000
5998	Non-Program Revenues	12.3%	413,300	0	0	0	0	0	0	0	0	0	413,300
5999	Total Revenues	100.0%	3,364,033	312,066	372,935	1,257,906	638,241	46,039	5,088	140,767	134,111	43,580	413,300
6000	Expense Summary												
6999	Salaries & Benefits	84.4%	3,082,200	201,533	290,811	1,248,229	522,723	48,604	36,387	150,219	301,613	282,081	
7999	Capital	0.1%	3,000	0	1,800	0	500	0	0	0	364	336	
9899	Commodities & Services	13.9%	508,500	53,033	29,456	186,328	164,243	2,352	798	12,224	31,322	28,744	
9998	Interfund Transfers	1.6%	59,000	3,658	5,487	23,954	10,030	868	784	2,891	5,890	5,438	
9999	Program Expenses	100.0%	3,652,700	258,224	327,554	1,458,511	697,496	51,824	37,969	165,334	339,189	316,599	
A	Program Cost Summary												
A-1	Program Revenues		2,773,042	312,066	372,935	1,257,906	638,241	46,039	5,088	140,767			
A-2	Program Expenses		(2,996,912)	(258,224)	(327,554)	(1,458,511)	(697,496)	(51,824)	(37,969)	(165,334)			
A-3	Finance Program Allocation Net		(205,078)	(17,670)	(22,414)	(99,806)	(47,729)	(3,546)	(2,598)	(11,314)			
A-4	Admin Program Allocation Net		(273,019)	(23,524)	(29,840)	(132,871)	(63,542)	(4,721)	(3,459)	(15,062)			
A-5	Program Gain / (Loss)		(701,967)	12,648	(6,874)	(433,281)	(170,526)	(14,052)	(38,938)	(50,943)			
B	Application of Gains/Revenues												
B-1	Program Gain Sharing		0	(12,648)	1,513	6,736	3,221	239	175	764			
B-2	Interest		23,000	0	2,751	12,249	5,858	435	319	1,389			
B-3	Building Rentals		4,300	0	514	2,290	1,095	81	60	260			
B-4	Miscellaneous		1,000	0	120	533	255	19	14	60			
B-5	Application of Gains/Revenues		28,300	(12,648)	4,897	21,807	10,429	775	568	2,472			
B-6	Property Tax Allocation		385,000	0	1,976	231,694	110,802	8,233	6,032	26,264			
B-7	Subsidy from Fund Balance		(288,667)	0	0	(179,780)	(49,296)	(5,045)	(32,339)	(22,206)			

Note: Section B allocations are based on proportion of a program's share of total "Program Expenses" (Line 9999), but not more than to bring the Program Subsidy (Line B-7) to zero.

DeKalb County Health Department
24% Reduction in Workforce 2010-2015 (Excluding Home Care)

Program	Personnel (Permanent)	Full Time Equivalents (FTE)
Maternal & Child Health	12	9.33
Communicable Disease		0.4
Animal Control	1	0.4
Administration	1	1.87
Health Promotion	1	0.03
Total Permanent	15	12.03

Program	Personnel (Part-Time Temporary)	Full Time Equivalents (FTE)
Maternal & Child Health	2	0.39
Total Temporary	2	0.39

Narrative:

- The net workforce reduction included 15 permanent employees (12 Full-time Equivalents) and 2 part-time temporary employees (.39 FTEs)
- 73 percent of the FTE reduction occurred by layoff in December 2010 as part of a Budget Deficit Reduction plan. At that time, 10 permanent employees and several part-time temporary employees were laid off. The remaining reduction occurred in the years following the layoff through attrition and leaving positions vacant
- Senior Management positions (Assistant Administrator and Division Directors) have been reduced from 6 to 3 from 2010 to the present
- Communicable Disease outbreaks and other Emergency Response events require participation by Health Department employees in all programs; thus, the Health Department's capacity to respond to these events is limited by workforce reductions

Addendum:

Approximately 3 Full-time Equivalents (FTEs) hired in 2016:

- Administrative Assistant (for administration and finance support)
- Secretary (for Animal Control and Environmental Health Programs)
- Part-time Environmental Health Practitioner (for additional food establishment inspections)
- Part-time temporary clerks (for summer school immunization surge and medical billing)

Health Department Fund Balance Projections

Years	Status	Year Ending	Scenario #1 Status Quo		Scenario #2 Optimistic Projections		Scenario #3 Optimistic Projections with Tax Levy \$550,000		Scenario #4 Conservative Projections		Scenario #5 Conservative Projections with Tax Levy \$550,000		Scenario #6 Conservative Projections with Tax Levy \$1,000,000	
			Revenues	Ending	-1.5%	Ending	-1.5%	Ending	-4.0%	Ending	-4.0%	Ending	-4.0%	Ending
			v Expenses	Balance	v Expenses	Balance	v Expenses	Balance	v Expenses	Balance	v Expenses	Balance	v Expenses	Balance
-3	Audited	12-31-2014	17,759	2,386,886	17,759	2,386,886	17,759	2,386,886	17,759	2,386,886	17,759	2,386,886	17,759	2,386,886
-2	Audited	12-31-2015	(133,728)	2,253,158	(133,728)	2,253,158	(133,728)	2,253,158	(133,728)	2,253,158	(133,728)	2,253,158	(133,728)	2,253,158
-1	Estimated	12-31-2016	(249,087)	2,004,071	(249,087)	2,004,071	(249,087)	2,004,071	(249,087)	2,004,071	(249,087)	2,004,071	(249,087)	2,004,071
0	Budgeted	12-31-2017	(288,667)	1,715,404	(288,667)	1,715,404	(288,667)	1,715,404	(288,667)	1,715,404	(288,667)	1,715,404	(288,667)	1,715,404
1	Projected	12-31-2018	(288,667)	1,426,737	(344,890)	1,370,514	205,110	1,920,514	(415,556)	1,299,848	134,444	1,849,848	684,444	2,399,848
2	Projected	12-31-2019	(288,667)	1,138,070	(402,490)	968,023	147,510	2,068,023	(545,732)	754,116	4,268	1,854,116	554,268	2,954,116
3	Projected	12-31-2020	(288,667)	849,403	(461,496)	506,527	88,504	2,156,527	(673,429)	80,687	(123,429)	1,730,687	426,571	3,380,687
4	Projected	12-31-2021	(288,667)	560,736	(521,936)	(15,409)	28,064	2,184,591	(798,735)	(718,048)	(248,735)	1,481,952	301,265	3,681,952
5	Projected	12-31-2022	(288,667)	272,069	(583,842)	(599,251)	(33,842)	2,150,749	(921,738)	(1,639,786)	(371,738)	1,110,214	178,262	3,860,214
6	Projected	12-31-2023	(288,667)	(16,598)	(647,242)	(1,246,493)	(97,242)	2,053,507	(1,042,521)	(2,682,307)	(492,521)	617,693	57,479	3,917,693
7	Projected	12-31-2024	(288,667)	(305,265)	(712,170)	(1,958,663)	(162,170)	1,891,337	(1,161,164)	(3,843,471)	(611,164)	6,529	(61,164)	3,856,529
8	Projected	12-31-2025	(288,667)	(593,932)	(778,656)	(2,737,319)	(228,656)	1,662,681	(1,277,748)	(5,121,219)	(727,748)	(721,219)	(177,748)	3,678,781
9	Projected	12-31-2026	(288,667)	(882,599)	(846,732)	(3,584,051)	(296,732)	1,365,949	(1,392,348)	(6,513,567)	(842,348)	(1,563,567)	(292,348)	3,386,433
10	Projected	12-31-2027	(288,667)	(1,171,266)	(916,433)	(4,500,485)	(366,433)	999,515	(1,505,039)	(8,018,606)	(955,039)	(2,518,606)	(405,039)	2,981,394
11	Projected	12-31-2028	(288,667)	(1,459,933)	(987,792)	(5,488,277)	(437,792)	561,723	(1,615,894)	(9,634,500)	(1,065,894)	(3,584,500)	(515,894)	2,465,500
12	Projected	12-31-2029	(288,667)	(1,748,600)	(1,060,843)	(6,549,120)	(510,843)	50,880	(1,724,984)	(11,359,484)	(1,174,984)	(4,759,484)	(624,984)	1,840,516
13	Projected	12-31-2030	(288,667)	(2,037,267)	(1,135,622)	(7,684,741)	(585,622)	(534,741)	(1,832,376)	(13,191,860)	(1,282,376)	(6,041,860)	(732,376)	1,108,140
14	Projected	12-31-2031	(288,667)	(2,325,934)	(1,212,163)	(8,896,905)	(662,163)	(1,196,905)	(1,938,138)	(15,129,998)	(1,388,138)	(7,429,998)	(838,138)	270,002
15	Projected	12-31-2032	(288,667)	(2,614,601)	(1,290,505)	(10,187,410)	(740,505)	(1,937,410)	(2,042,334)	(17,172,332)	(1,492,334)	(8,922,332)	(942,334)	(672,332)

Notes: Ideal (restricted) Fund Balance would be 26% of expenditures which would be \$959,580 based on 12-31-2017 data.