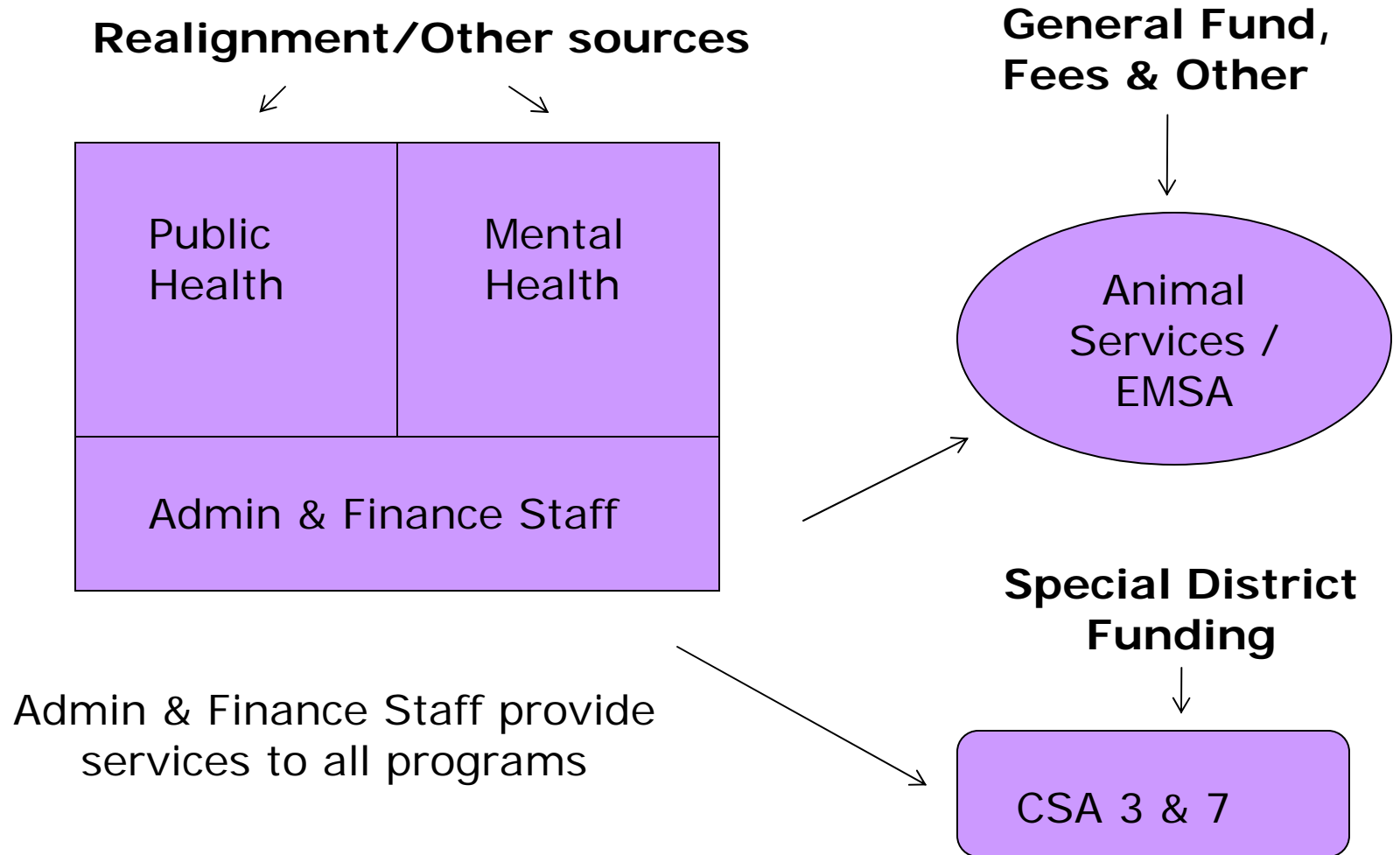




Public Health Cost Allocation

Funding flows





Methodology

- Auditor has agreed to spread costs to Public Health programs based on the actual salaries and benefits for those programs
- This methodology will not spread any costs to those programs that do not include salaries and benefits (CSA 3 & 7)
- Two policy questions before the Board today



Policy Question #1

- How do we fund the administrative costs to Public Health programs receiving General Fund support?
- Administrative costs were not spread in FY 2009-10
- Costs have not been spread for FY 2010-11

Animal Services & EMSA

- FY 2009-10 costs - \$555,904
 - Animal Services \$445,514
 - EMSA \$110,390

- FY 2010-11 costs - \$574,674
 - Animal Services \$458,765
 - EMSA \$115,909



Funding Options

1. General Fund
2. Public Health Fund Balance
3. Public Health Tobacco Settlement Fund Balance
4. Any combination of the above

FY 2009-10 Impact

- Books closed in FY 2009-10 without any Public Health administrative costs being allocated to Animal Services or EMSA
- Resulted in a reduced Net County Cost to the General Fund with admin costs being covered out of Public Health fund balance thereby reducing the amount of funding available for future Public Health programs
- If the Board chooses to fund the FY 2009-10 costs using General Fund, a General Fund contingency transfer will be required (4/5 vote), thus reducing FY 2011-12 Fund Balance and creating a gap in the FY 2011-12 budget



FY 2010-11 Impact

- General Funds were included in the FY 2010-11 adopted budget
- Mid-year projections assumed that these costs would be allocated and covered with General Fund
- No impact to the FY 2011-12 budget
- No contingency transfer required



Policy Question #2

- How do we allocate costs to programs that do not have salaries and benefits associated with them, specifically CSA's 3 & 7?



Options

1. Require detailed time keeping and charge the CSA's based on actual costs
2. Determine a fixed cost for annual administrative services



Next Steps

1. Based on BOS direction, Health will prepare journal entries for submittal to the Auditor-Controller for FY 2010-11 year end processing
2. Over the next several months the Chief Administrative Office will be working closely with the Auditor and Health to ensure an equitable distribution of costs going forward into FY 2011-12