

**Financial Indicators Tracking
at the
Mahoning County
District Board of Health**

**Matthew Stefanak
American Public Health Association
Annual Meeting 2009**



DISTRICT BOARD OF HEALTH

Presenter Disclosures

Matthew Stefanak

(1) The following personal financial relationships with commercial interests relevant to this presentation existed during the past 12 months: No relationships to disclose



- District Board of Health began tracking financial indicator data after 2008 APHA Learning Institute using earlier version of indicators
- Minimal primary data collection needed to populate many of the indicators (financial and workforce data from annual financial report to state); data for other indicators was more difficult to obtain
- Estimated staff time required for completion of financial indicators report = 5.0 hours/year
- Board of Health has encouraged management to continue tracking
- 2006 and 2007 indicator data shared with other Ohio health commissioners and their fiscal officers at 2008 fall meeting
- Several other Ohio health districts begin using the financial indicators tool in 2009



Fund Balance

General Fund Balance

Operating Surplus/Deficit

(Total Revenues/Total Expenses)

Actual 2008	% Change in Actual from 2007	Actual 2007	% Change in Actual from 2006
\$ 937,283	24.5%	\$752,699	-22.4%
1.05	8.9%	0.97	-2.8%

- Warning sign in 2007: “Decreasing fund balance is a flag”
- Cost-cutting measures in 2008 increase fund balance and restore operating surplus



Workforce

Total FTE (Full Time Equivalents)

Total Liability Days for Unused Vacation and Sick Leave (Include Comp Time)

of Financial Management Employees with Discipline Specific Training/
Education

of Employees w/Financial Management Responsibilities

Actual 2008	% Change in Actual from 2007	Actual 2007	% Change in Actual from 2006
46	-20.9%	58	-2.9%
3	0.0%	3	0.0%
4	-15.8%	5	0.0%

- Cost-cutting resulted in layoffs and cuts in hours for part-time staff



Expenditures:

Salaries
 Fringe Benefits
 Expenses
 Other
 Fixed Capital Outlay (Construction/Renovation)
TOTAL EXPENDITURES

	Actual 2008	% Change in Actual from 2007	Actual 2007	% Change in Actual from 2006
Salaries	\$ 2,014,719	-7.7%	\$2,182,193	-4.8%
Fringe Benefits	\$ 906,570	-1.5%	\$920,294	-4.8%
Expenses	\$ 1,382,803	-19.7%	\$ 1,721,752	22.0%
Other				
Fixed Capital Outlay (Construction/Renovation)				
TOTAL EXPENDITURES	\$ 4,304,092	-10.8%	\$ 4,824,239	3.3%

- Layoffs and shorter work hours along with other cost-cutting measures reduce total expenditures by 11% in 2008



	Actual 2008	% Change in Actual from 2007	Actual 2007	% Change in Actual from 2006
Revenues:	\$ 722,368	-11.3%	\$ 814,245	-11.7%
Federal Revenues (Exclude Medicaid/Medicare Reimbursements)	\$ 408,423	23.3%	\$ 331,341	10.2%
State Revenues	\$ 1,089,555	-1.6%	\$ 1,107,507	0.4%
County Government Revenues	\$ 83,220	382.8%	\$ 17,237	41.3%
Medicaid Revenues	\$ 25,987	19.1%	\$ 21,816	-47.6%
Medicare Revenues	\$ 108,841	0.7%	\$ 108,079	23.3%
Total Fees from Clinical & Immunization Services	\$ 1,147,088	-3.0%	\$ 1,182,701	-1.2%
Total Fees from Environmental Health Services				
Total Fees from Vital Stats	\$ 289,602	-1.7%	\$ 294,621	-12.2%
Total Fees, Other	\$ 653,910	-16.8%	\$ 785,575	22.2%
Total Other Revenues	\$ 4,528,994	-2.9%	\$ 4,663,122	0.4%
TOTAL OF REVENUES FROM ALL SOURCES				

- Ongoing loss of federal revenues and some fees is partially offset by unanticipated (and sustainable) Medicaid Administrative Claiming revenues in 2008



Benefits of Tracking Financial Indicators

- Standard indicators allow for comparison with peer group of health departments
- Annual tracking may help health department leadership to identify slowing evolving positive trends (increasing expenditures in mission critical programs) as well as negative trends (declining cash balance, increasing liability days, increasing administrative costs)
- Potential measure for voluntary accreditation



Limitations

- Limited understanding of financial ratios among public health executives, boards, and financial management staff
- More benchmark data from other health departments is needed for meaningful peer group analysis
- Current community statistics (population size and age, poverty and uninsured rates) are sometimes unavailable, especially below the county level



Limitations

- Mission critical indicators (priority programs, community health outcomes) are often not enumerated in health department strategic and community health improvement plans
- Chronic disease control expenditures are not easily categorized
- Liability days (accrued vacation, sick and compensatory time are not routinely aggregated)



Suggestions for Future Versions of Financial Indicator Tools

- Add illustrations and narrative to financial data (Lesneski, et al)

