

Macon County Board of Health Finance Committee Meeting

**Macon County Health Department
MCHD WIC Conference Room
1221 E Condit Street, Decatur IL 62521
September 7, 2021, at 5:30pm**

Vivian Goodman, Board of Health President, called the meeting to order at 5:35pm.

Roll Call

Vivian Goodman, President – present
Sue Krows, Treasurer - present
Candace Clevenger - present

Health Department Staff in Attendance

Brandi Binkley, MPA, SHRM-CP, CPHA Public Health Administrator
Sheree Zalanka, Chief Financial Officer
LaKeeya Funches, Accountant

Health Department Staff in Attendance in Building/On Call

Evan Trimby, Information Technology Support Specialist
Fred Book, Information Technology Support Specialist Assistant
Bethany Stapel, MPH, CPHA, Assistant Public Health Administrator

Public in Attendance

Approval of Agenda Topics

Sue Krows moved to accept the agenda, seconded by Candace Clevenger. Roll call. Motion carried.

Public Comment

There was no public comment submitted.

Old Business

There was no old business discussed.

New Business

FY2020 Audit

Chief Financial Officer, Sheree Zalanka presented the findings of the 2020 Audit conducted by the Auditors Office. The income statement from the audit ending November 20, 2020, shows the net change in the fund balance at \$555,273. Sheree did note the change was higher than usual

because of the \$1.5 million contact tracing grant received midway through the year. This is illustrated under the intergovernmental revenues section. Personnel and supplies also played a major role in the budget. Majority of salary expenses ended up being paid out of the contact tracing grant because at that time there was not specific contact tracing staff to cover the unexpected duties. As a result, those previously budgeted staff expenses were moved into the contact tracing grant. She also explained supplies/materials were less than budgeted and the Nursing Division didn't have to purchase as many vaccines as usual.

The summary written about the Health Fund further explains that the Health Fund increased by \$555,273 and has a healthy balance of \$4,878,583. It is also noted this is the fifth straight year of increases to the balance. Revenue has increased by 5.79% and expenditures increased by 5.31%; both increases are mainly attributed to COVID-19. Throughout the COVID-19 pandemic, the Macon County Health Department has been the lead responding agency.

In the Management letter, it was noted the MCHD didn't have a written cost allocation plan. The plan shows specific time and effort documentation for the distribution of payroll costs. This has been since resolved with the implementation of the EWS Time clock system. The new system allows staff to accurately report how many hours they spend working on each grant program so it can be billed directly to the grant. Previously, there was a quarterly time study that was averaged over time. Now it is much more accurate. Although it has been corrected, it was still mentioned in the letter because at that time the new system was not in place as the end of the fiscal year.

Sheree noted that there are county departments paying comp time and holiday pay earned by salaried employees working more than 35 or 40 hour work weeks. This is allowed but they recommend boards be periodically updated.

It was mentioned during the audit of payroll, instances of employees working over 40 hours not being given overtime rates. These instances arose from employees working in various departments during the same work week. This does apply to the MCHD because there are sheriffs in the building. In addition to their regular hours, the MCHD will probably have to also pay for their overtime in the future.

The Auditor's Office serves as the County General Accountant. This means they record financial transactions, examining and paying claims, processing payroll, and reporting financial results to the board. As a result, they recommend the Auditor's Office review procedures and conduct internal audits of the offices in the county. Sheree and Carol Reed discussed the office coming over at a point in the year and completing a sample audit of some documents on file.

Accounts Payable Approval Process

The accounts payable process has not changed. However, with the addition of new board members and the increase in questions, Sheree wanted to explain the process. All requests for purchases must be submitted to division directors. If any staff member needs something for a program or office related, it needs to be submitted to their director. The director will then check for allowability within their budget. If they're unsure, they can reach out to the CFO, Sheree.

If any purchase is over \$250, it must also be approved by Brandi Binkley, Public Health Administrator. Some reoccurring/routine payments do not need constant approval. For example, vaccines are not approved every single time.

When the items are received, the division director will keep the packing slip and verify that all items were received. They will attach the invoice and the packing slip to the payment request sheet. On the payment requests sheet, they will fill out all the details, mark the grant to be billed, the expense account, and include a detailed memo section. Only division directors or assistant

directors are authorized to sign on the approved by line. If it is signed by anyone else, it is not paid and returned to the division director.

Accounts payable invoices are entered weekly. This is completed by LaKeeya Funches, Accountant. She organizes the piles of invoices for the week, enters them, and runs a preliminary report for Sheree to review before submission. If Sheree approves, a report is then sent to board member, Candace Clevenger, for review with a tape attached totaling all of the invoices. Candace reviews and responds with any questions if there are any. If she doesn't have any questions, she will reply with approval. After approval, everything is posted and the auditor's office prints the checks the following day.

After checks are picked up and brought to the MCHD, the check number and date is added to the payment request sheet and then all payments are mailed out. Afterwards, another report is ran and given to Brandi. She references back to the email sent to Candace and verifies the total match. This confirms what was sent for approval is also paid out. Brandi signs the report, and the document is placed in the board packet every month. Sheree has modified the report to add a description of the purchases to provide more details.

Because of the new system, the credit card system is slightly different. Credit cards are kept in the safe in the CFO's office. The only staff members with access to safe are Sheree, Brandi, and LaKeeya. If someone needs to use a credit card, the request has to come from the division director. A director can authorize any member of the staff to use a credit card. When they get the card, it must be signed out on the clipboard with the date and where they're shopping. When the card is returned, the return date is also recorded. The receipt is given to their director and a payment request sheet is filled out.

Credit card expenses are then entered into a cash disbursements journal. When the credit card bills are received, the card is paid off and a reconciliation of the cash disbursements is completed, similar to a bank reconciliation. Moving forward Sheree will provide a detailed report of credit card expenses similar to the report given for accounts payable.

Approval of the FY22 Proposed Budget

Technology Updates

Department revenue ended at \$6,873,015 and expenses at \$6,986,518 which left a negative balance of \$113,503. Indirect costs did increase this year from 16% to 19%. In regard to Information technology upgrades, the MCHD will continue the use of Microsoft 365. All employees have access to files anywhere internet is available. This was implemented before the pandemic and has been beneficial to staff. During shelter in place, staff quarantine, isolations, mass vaccination, off-site clinics, and more, staff members have been able to seamlessly transfer their physical space into an effective workspace. Sheree noted this has allowed necessary access to offer critical essential services. It has also allowed Contract Tracing the ability to work remotely seven days a week. There was not adequate space to hold staff in the building. In addition, BOH meeting are able to be held virtually and live streamed.

In FY21, the state launched the implementation of the online contact tracing program called Salesforce. Employees were required to learn the new program while responding to the pandemic but also teach others. The program has regular updates and staff is expected to stay up to date on all trainings.

Fiscal staff received training in the new accounting software with the Auditor's office. Administrative staff received training on the new time clock. EWS links directly with the new accounting software and provides even more accurate reporting for grant purposes.

IT has demoed cloud software for the Dental Division as well as digital environmental health software. Dental software has been added to the FY22 budget and environmental health software will be added at a later date with a resolution.

A new phone system is currently being implemented and will be fully up and running. This system allows for greater flexibility and remote work. It also allows for adding capacity as needed for high volume calls experienced during times like vaccination clinics. It also has a software-based phone app that can be installed on both cellphones and computers. This will allow remote workers to access the same phone system as on-site staff. Previously, remote staff were using a secondary system that added cost and complexity to the Health Department's communications strategy.

In FY21, \$15,000 was budgeted for fiber internet. This will give the MCHD consistent 1 GB connection, as opposed to the current broadband connection. The new phone system requires internet connection as well as other web-based systems require access to a faster internet service. Sheree noted this is why \$1500 a month was spent on the inhouse phone system. In addition to that an additional \$1500 - \$2000 was spent on every month on remote staff phone use. Broadband internet costs were approximately \$400. In FY22, fiber internet will cost \$1460 and phone costs will drop to approximately \$500. In the end, the MCHD will save \$1000+ per month between internet and phone changes.

Grant

The state has implemented changes for grants. The WIC program received an increase of \$9,233 and the caseload will remain the same. The Healthworks Lead Agency program historically was underfunded, and the caseload exceeded the required amount per contract. Additional funding was received in FY21 and is budgeted to be the same for FY22. As a result, an additional staff member was hired to serve the high growing caseload numbers. The Healthworks Medical Case Management contract was terminated in March 2021 after losing key staff for the program.

Changes were also experienced in the Family Case management and High-Risk Infant Follow up/Healthworks Illinois grants. MCHD had to complete a competitive funding application for a combined grant and was awarded \$417,150 for FY22.

The Local Health Protection grant received an increase of \$8,279 and received \$25,000 for influenza vaccine promotion.

As a local health department, the MCHD are local responders and plan/train for natural and manmade disasters. Sheree noted this also includes pandemics. In FY21, the MCHD was awarded \$2,681,712 for contact tracing and given the opportunity to apply for more funding. As a result, the MCHD was awarded an additional \$800,000. The current contact tracing grant ends December 30th and nothing has been mentioned about additional funding or if it will be extended. Without this funding, the MCHD would not have been able to hire the additional staff needed to address all cases and contacts in Macon county. Sheree explained the funding assisted the MCHD in gaining access to the technology necessary for current and newly hired staff members. There are obstacles that exist despite funding. the funding being temporary and following the pandemic, the MCHD will remain underfunded and possibly understaffed. Grant dollars are extremely restrictive, so some needs still remain. It is difficult to fill all staff positions due to nursing shortages, lower-level salaries for professional positions, and temporary nature of covid related positions.

Funding was received for mass vaccination in FY21. It has not been extended at this time for FY22. Due to the updates regarding recommended booster, the workload for staff has increased again without additional funding. Sheree does not know about future expectations related to

Mass Vaccination or if there will possible plans for funding. This may need to be supported by the Health fund.

The Dental Division applied for a \$133,000 from Delta Dental to assist with staffing expenses and the cloud-based software. This has not been included in the budget because Sheree hasn't received a response yet. She believes there will be a response sometime in November so it will be added with the resolution if the funds are received.

Several Starting Point grants received increases. The grants are funded by the East Central Illinois Area Agency on Aging. The grants were increased with goals to serve the high risk population and ensure there are no gaps in service. The funds are primarily used for items needed by clients, not for staffing. With that some of the grants require a match of 10-15%. Even with the increases, some of the grants will need to be supported by the Health Fund. The caseload continues to grow, and the division is at the point where they will need to hire an additional care coordinator. There are rules dictating how many cases each coordinator can have so the added staff member is necessary and is included in the budget. Additional funds to support this person has been requested from the Illinois Department on Aging but no response has been received yet.

The Genetics Grant and Dental Sealant grant will not be renewed for FY22.

Staffing

An increase in payroll was presented to be given through performance evaluation completed in the fall. A survey was completed in 2014 and it was determined the MCHD's salaries were significantly lower than comparable providers or health departments. A goal was made to have a salary assessment completed to see where the MCHD is today. The assessment was completed with the help of an intern and a few other administrators. Based on the numbers, the MCHD is more comparable but still on the lower range for level 8 professional positions. Those positions generally require a bachelor's degree or equivalent work experience. The positions include RNs, Health Educators, Case Managers, and Care Coordinators.

After the budget, Brandi will be presenting the pay grade scale for approval. She explained that she will be presenting a 2% increase on base pays and a potential 4% raise for current staff due to the cost of living and merit raises for this year. The raise would be not only for appreciation, but also retention and making sure salaries are comparable.

In the past, there has been discussion on succession planning. This has been especially relevant in the past year. Brandi informed the committee a lot staff was lost due to burnout, retirement, and other personal reasons. Unfortunately, the MCHD isn't able to offer things other organizations are. the MCHD has had great succession planning and still tries to have at least 3 deep people for coverage.

A number of people have been covering positions, not just through the pandemic, for a significant amount of time, Specifically the Nursing, Administration, and a few roles in WIC. Every division has lost people, but those specific divisions have lost very significant key players.

Last year, the health department was able to get approval through the Contact Tracing Grant and the Board to add the position of Accounting Assistant, IT support specialist, and a Health, Equity, Diversity, and Inclusion Coordinator. All roles were filled but now two of the three remain. Brandi assured the committee that she is planning to refill that role. Those positions are presented in the proposed budget.

Over 100 staff members were onboarded in just a few months. Brandi noted they wanted to over hire for what they might need because they knew they would lose people. Staff has been lost and the health department is trying to hold on to the staff left. She explained that the Mass

Vaccination Grant expires November 30th and the Contact Tracing Grant a month later on December 31st.

Health Fund Balance

The Health Fund balance was at \$5.3million as of August 31, 2021. The budget shows an average of \$582,468 in expenses per month. This indicated that an appropriate working operational fun balance should average between \$1.75 and \$2.3 million annually. Fluctuation is expected due to the property tax payment schedule. Brandi explained the importance of maintaining a healthy health fund balance and in recent years, utilizing the fund in a responsible way. Some of the previously planned FY20/21 were able to be paid out of the Contact Tracing grant but some were not. For example, the digital environmental health system was presented to the board previously may have to be purchased with health funds.

Brandi also mentioned the electronic health record that has been an audit finding in the past and plans to implement soon. The Clinical Nursing staff is working to determine what system will be best for the MCHD. Because of the cost, there will need to be a bidding process. The MCHD did receive allowance to pay for it with the Contact Tracing Grant. The cost is about \$150,000.

Dental Clinic reimbursement rates have increased. In the past, the Dental Clinic had to be supported by the Health Fund so Brandi hopes things will look better.

Brandi explained that it has been difficult to keep people in the roles they have had to play in the pandemic. The leadership team is doing everything possible to keep morale up and keep them here. As well as show appreciation and keep them covered. In the beginning of the pandemic, a temporary policy was adopted to allow staff to go over 35 hours in flex. With the dollars possibly expiring and the expectations from the state to continue in the same capacity, the MCHD will not be able to sustain without the people they have. Brandi informed the committee that decision will have to be made by the board on if it can be supported financially through the health fund.

Brandi always wanted to let the committee know staff is starting to work more hours again which means there will be more flex payouts.

Sheree presented the proposed budget. The first page depicted current taxes and interest. The amounts are same from the year before so the MCHD is requesting level funding from the local tax dollars. In the administration section, things are different. Sheree explained the 5800 account for Part Time Deputies has been moved under the Clinical Nursing Services division for FY22.

For Clinical Nursing Services, there was a large decrease in grant revenue. Sheree explained this was because the Contact Tracing Grant was not included in the FY22 budget. all expenses in nursing have decreased because of the loss of the grant. Increases in revenue included increases for mass vaccination. This is due to the reimbursement rates for administering the vaccine.

For Environmental Health, there was a slight increase in revenue. This is because of the increase to the Local Health Protection grant.

The Emergency Preparedness grant received a slight increase of \$1,091.

Sheree informed the committee throughout the budget you'll see the budgeted amount for IMRF has decreased because the IMRF rate decreased for the FY22 from 9.71 to 7.79%.

In the Family Services Division, grant revenue decreased due to the loss of the Healthworks Medical Case Management grant.

In the WIC Division, there has been a grant increase of \$9,234.

In the Senior Services Division, salary was increased to add a case manager. Sheree wanted to note that there has been a significant increase for their contractual services. This is attributed to the Essential Senior Services grant of \$97,000.

For Dental, the grant funding previously mentioned was not included. Sheree is hoping this will increase dental revenue by \$133,000. The director line #5113 has decreased due to the hiring of a new dentist. The cloud software mentioned earlier has been included in the budget.

In the Health Services division, the decrease of \$10,000 in grant revenue was due to the loss of the Dental Sealant Grant Program.

Overall, the MCHD will be operating at a deficit of \$113,503. Sheree explained they never want to see a negative. However, it does exist for a good reason. She noted there was potential funding that could make the deficit a surplus. This included the dental grant for \$133,000. Brandi opened the floor for questioning. There were no questions.

Sue Krows moved to approve the FY22 proposed budget, seconded by Candace Clevenger. Roll call. Motion carried.

Approval of Pay Grade Scale

Brandi explained the pay grade scale to the Finance committee. She explained that the scale was used as a baseline for people coming into the organization or if needed for a promotion. The scale serves as a guide for the MCHD to be as consistent as possible. There is flexibility but she does ask for board approval in those instances. The scale does reflect the 2% increase to the former baselines.

Sue Krows moved to approve the FY22 Pay Grade Scale, seconded by Candace Clevenger. Roll call. Motion carried.

Adjournment

Candace Clevenger moved to adjourn, seconded by Sue Krows. Meeting adjourned at 6:15p.m.

Respectfully Submitted,

LaKeeya Funches, Accountant

President: _____

Secretary: _____

Date: _____

