



MEETING AGENDA

Finance Committee

November 15, 2021
5:00 p.m.

OBJECTIVE: To discuss matters of interest and concern to the Finance Committee.

TOPICS

October 11, 2021 Minutes

September Financial Statements and COVID-19 Expenses

Incentive for Working Vaccine Clinics

Comp Time

Open Public Comments

Upcoming Events:

- November 15 (5:45 p.m.): Board of Health Meeting



MEETING MINUTES

Finance Committee

October 11, 2021

TOPIC	DISCUSSION
Call to Order	The meeting was called to order at 5:00 pm
Attendance	<p>MEMBERS PRESENT: Jack Cornett, Dr. Zimmerman, Kacy Allen-Bryant, and, Leah Mason all attended via Zoom videoconference. Michael Friesen attended in person.</p> <p>OTHERS PRESENT: Dr. Kraig Humbaugh, Cara Kay, Brad Hayes of RFH, and Linda Maturo</p>
September 2021 Meeting Minutes	J. Cornett asked for motion to approve the minutes of the September 13th meeting. Dr. Zimmerman made a motion to approve the minutes; M. Friesen seconded. Minutes were approved.
2021 Audit	<p>Brad Hayes of RFH gave a brief overview of the 2021 Audit report. Mr. Hayes explained that after their audit review, they issued an unmodified approval of the financial position of the Health Department, which is the most favorable review you can get.</p> <ul style="list-style-type: none"> • He went on to state that the balance sheet showed a cash increase of \$5.5 million from their last review, with expenses only increased by approximately \$3 million. He stated that the Health Department had a very good FY2021. • As to the retirement account, the Health Department paid what we were asked to pay but less than what was truly needed resulting in an increased liability. • J. Cornett asked in lieu of our financial position at this time, did we really need to keep the bank line of credit. He and C. Kay will talk about this issue at another time. • Mr. Hayes indicated that after a review of the Health Department's internal controls, they found nothing to report. • RFH also issued an unmodified opinion on the major programs they reviewed. • RFH found no need for audit adjustments and stated that C. Kay and her staff do a great job. • Mr. Hayes also stated that the audit report for the Health Department has to be completed earlier than what the state requires as it has to be submitted to the City of Lexington based on their budget schedule.
August Financial Statements and COVID-19 Expenses	<ul style="list-style-type: none"> • C. Kay reported that year to date we are in a deficit position. However, revenue is starting to come in. • Currently, we only have a \$550 thousand deficit in COVID-19 response expenses. She does not see any issues with us continuing to receive reimbursements.
2022 Benefit Costs	<ul style="list-style-type: none"> • C. Kay reported that our current health, dental, and vision costs are through our contract with the Ky Employer Health Plan. We are in the second year of a three-year contract. This contract has thus far been financially beneficial to us. • This year's rates went up approximately 3% on average and the Health Department has decided, given our financial position, to absorb that increase for its employees. The increased cost is about \$40 thousand, with total health care costs at \$1.2 million. We may not continue to be able to do that but this year we can.

	<ul style="list-style-type: none"> • Dental and vision rates stayed the same. • There were only a few changes to the plans themselves, nothing of significance.
Comp Time	<ul style="list-style-type: none"> • C. Kay reminded the Committee that they had decided to review this policy at each meeting to determine whether or not to continue it. She recommends that we keep it for this month. • She noted that the past three payrolls averaged 150 hours in comp time. • J. Cornett commented that we still have a lot of activities going on and he recommends keeping the policy active for now. K. Allen-Bryant agreed. • M. Friesen asked for Dr. Humbaugh's recommendation. Dr. Humbaugh responded that it is not being used as much as before and that since cases have gone down significantly, so the need for after-hours works should also go down. He hopes that the need will diminish soon. • C. Kay suggested that the Committee continue to look at the trend and eventually phase out this policy.
Open Public Comments	<ul style="list-style-type: none"> • J. Cornett asked for public comments. None were offered. • Dr. Humbaugh reported that the new generator has arrived. It took 6 to 8 months to get here but it is now on site. It should take six weeks to install with the goal to have it installed by the first week of December.
Adjournment	J. Cornett asked for a motion to adjourn. L. Mason made a motion to adjourn. Motion seconded by Dr. Zimmerman. Meeting adjourned at 5:28 pm.

Jack Cornett, Chairperson

FINANCIAL SERVICES

ACCOUNTING AND FINANCE for September year-to-date report a deficit of \$3.07 million compared to a budgeted deficit of \$666 thousand. Year-to-date revenues are 43% of plan while operating expenses are 91% of plan. Current cash account balances of \$24.22 million are up from \$21.75 million this time last year.

Financial results for the period ending September 30, 2021 are summarized below:

Income Statement \$000					
	Sep-20 YTD	Sep-21 YTD	Budget YTD	Actual vs Budget	Budget Remaining
Revenues					
State	\$ 1,218	\$ 89	\$ 1,824	\$ (1,736)	\$ 4,672
Federal	346	627	1,992	(1,364)	7,339
CARES Act	868	469	0	469	(469)
Local	234	278	211	67	8,222
Fees/Other	636	757	1,120	(363)	3,723
Total Revenues	3,302	2,220	5,147	(2,927)	23,488
Expenses					
Salaries & Benefits	2,622	3,282	3,532	(250)	12,025
Other	738	2,012	2,280	(268)	7,108
Total Expenses	3,360	5,295	5,813	(518)	19,134
Surplus/(Deficit)	(58)	(3,075)	(666)	(2,409)	4,354

COVID-19 Response \$000				
	FY 2020	FY 2021	FY 2022 YTD	Total Response
Total Revenues	\$ 885	\$ 6,104	\$ 714	\$ 7,702
Total Expenses	1,670	7,332	1,452	10,454
Surplus/(Deficit)	(786)	(1,229)	(738)	(2,753)

Balance Sheet \$000			
	Sep-20	Sep-21	Change
Total Assets	\$ 25,685	\$ 28,441	\$ 2,757
Total Liabilities	1,577	1,805	228
Total Fund Balance	24,107	26,636	2,528

Cash Flow \$000		
	Sep-20	Sep-21
Beginning Period Cash	\$ 21,674	\$ 25,444
Ending Period Cash	21,750	24,221
Change	76	(1,223)

INFORMATION TECHNOLOGY (IT) is gearing up to offer support for the vaccine clinics planned for November. IT has altered the vaccine portal to support the free flu clinic that occurred on October 6. This clinic vaccinated around 835 individuals, both pre-scheduled and walk in recipients. IT has also modified the portal to administer the third dose, booster dose, and pediatric dose of the Moderna and Pfizer vaccines. Currently, there are five clinics scheduled for November. IT continues to work with LFCHD epidemiologists to improve the case and contact data management projects.

STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION

LEXINGTON-FAYETTE COUNTY HEALTH DEPARTMENT
For the Three Months Ending September 30, 2021

	PREVIOUS YTD ACTUAL	CURRENT YTD ACTUAL	YOY GROWTH	YTD BUDGET	% of YTD BUDGET	ANNUAL BUDGET	% of ANNUAL BUDGET	ANNUAL BUDGET REMAINING
REVENUES:								
422001 STATE RESTRICTED	372,547	71,474	(81%)	160,534	45%	642,138	11%	570,663
423001 STATE RESTRICTED CARRY-OVER								
424001 STATE ENVIRONMENTAL								
425001 FOUNDATIONAL FUNDING								
426001 RETIREMENT	828,101		(100%)	1,655,186	0%	4,084,050	0%	4,084,050
428001 STATE CORE PUBLIC HEALTH BLOCK GRANT	17,449	17,449	0%	8,725	200%	34,898	50%	17,449
TOTAL STATE	1,218,097	88,923	(93%)	1,824,445	5%	4,761,086	2%	4,672,162
431001 TITLE V MCH BLOCK GRANT	12,627	25,407	101%	48,036	53%	192,143	13%	166,736
432001 TITLE X FAMILY PLANNING								
434001 PAYROLL PROTECTION ACT (PPA)	3,064	8,764	186%					(8,764)
435001 PREVENTIVE SERVICES BLOCK GRANT		620		1,500	41%	6,000	10%	5,380
436001 CORONAVIRUS RESPONSE AND RELIEF		460,069						(460,069)
437001 CARES ACT	865,346		(100%)					
438001 FEDERAL GRANT - DPH	333,625	601,471	80%	1,941,988	31%	7,767,953	8%	7,166,482
440001 FEDERAL RESTRICTED CARRY-OVER								
TOTAL FEDERAL	1,214,663	1,096,330	(10%)	1,991,524	55%	7,966,096	14%	6,869,765
451000 TAX APPROPRIATIONS	231,975	277,432	20%	210,940	132%	8,500,000	3%	8,222,568
456110 DONATIONS	2,000	100	(95%)					(100)
TOTAL LOCAL	233,975	277,532	19%	210,940	132%	8,500,000	3%	8,222,468
459113 SCHOOL BOARD CONTRACTS	357,920	387,970	8%	525,302	74%	2,101,208	18%	1,713,238
462116 TITLE XVIII (MEDICARE)								
463001 MEDICAID - PREVENTIVE	1,999	696	(65%)	2,975	23%	11,900	6%	11,204
463002 PASSPORT - PREVENTIVE	3,551		(100%)	6,707	0%	26,829	0%	26,829
463006 HANDS PRIOR-YEAR COST SETTLEMENT								
463007 HANDS	130,350	123,530	(5%)	200,762	62%	803,050	15%	679,520
463101 MOLINA - PREVENTIVE		18,395						(18,395)
463501 ANTHEM - PREVENTIVE	3,705	4,067	10%	5,826	70%	23,303	17%	19,236
463601 AETNA - PREVENTIVE	5,062	5,840	15%	20,344	29%	81,378	7%	75,538
463801 WELLCARE - PREVENTIVE	7,422	8,093	9%	15,307	53%	61,227	13%	53,134
463901 HUMANA - PREVENTIVE	2,539	2,904	14%	4,365	67%	17,459	17%	14,555
464001 PROGRAM INCOME CARRY-OVER								
466137 OTHER COLLECTED FEES	87,032	108,433	25%	161,788	67%	647,150	17%	538,717
466140 SELF-PAY FEES	8,664	10,960	27%	4,093	268%	16,373	67%	5,413
467152 PRIVATE INSURANCE	735	37,970	5063%	21,500	177%	86,000	44%	48,030
469153 OTHER CONTRACTS		2,768		700	395%	2,800	99%	33
469155 MISCELLANEOUS	9,060	130	(99%)					(130)
469156 OTHER GRANTS		31,062		136,452	23%	545,809	6%	514,747
470001 FACE COVERING CITATION FEES								
480158 INTEREST RECEIVED	17,534	14,372	(18%)	14,000	103%	56,000	26%	41,628
490001 DEPARTMENT CARRY-OVER								
TOTAL SERVICE FEES/OTHER	635,574	757,190	19%	1,120,121	68%	4,480,486	17%	3,723,296
TOTAL REVENUES	3,302,309	2,219,976	(33%)	5,147,030	43%	25,707,667	9%	23,487,691

		PREVIOUS YTD ACTUAL	CURRENT YTD ACTUAL	YOY GROWTH	YTD BUDGET	% of YTD BUDGET	ANNUAL BUDGET	% of ANNUAL BUDGET	ANNUAL BUDGET REMAINING
EXPENSES:									
571000	SALARIES	1,510,092	1,384,276	(8%)	1,699,012	81%	7,362,385	19%	5,978,109
571160	LEAVE PAY	133,646	185,411	39%					(185,411)
573500	FRINGE BENEFITS	978,757	1,712,724	75%	1,833,486	93%	7,945,105	22%	6,232,381
	TOTAL SALARIES & FRINGE BENEFITS	2,622,495	3,282,411	25%	3,532,498	93%	15,307,490	21%	12,025,079
575211	DENTIST SERVICES		704						(704)
575245	X-RAY/OTHER TESTING SERVICES	732	752	3%	2,000	38%	8,000	9%	7,248
575250	LABORATORY SERVICES	13,822	5,159	(63%)	6,250	83%	25,000	21%	19,841
575260	OTHER PROVIDER OF HEALTH SERVICES	71,009	60,311	(15%)	143,750	42%	575,000	10%	514,689
	TOTAL CONTRACTS	85,563	66,926	(22%)	152,000	44%	608,000	11%	541,074
577326	TRAVEL - IN STATE	11,800	12,379	5%	18,974	65%	75,894	16%	63,515
577327	TRAVEL - OUT OF STATE	662	(276)	(142%)	1,375	(20%)	5,500	(5%)	5,776
	TOTAL TRAVEL	12,462	12,103	(3%)	20,349	59%	81,394	15%	69,292
580331	RENT	21,786	16,884	(23%)	15,610	108%	62,440	27%	45,557
580332	UTILITIES	33,443	35,537	6%	39,625	90%	158,500	22%	122,963
580333	JANITORIAL SUPPLIES	16,266	3,718	(77%)	7,875	47%	31,500	12%	27,782
580334	PROPERTY INSURANCE	5,825	5,940	2%	6,125	97%	24,500	24%	18,560
580335	BUILDING MAINTENANCE AND REPAIR	52,085	169,065	225%	78,750	215%	315,000	54%	145,935
580336	JANITORIAL AND LAWN CARE SERVICES	43,575	45,275	4%	40,875	111%	163,500	28%	118,225
	TOTAL SPACE	172,981	276,419	60%	188,860	146%	755,440	37%	479,021
581340	PRINTING AND DUPLICATING	17,660	41,071	133%	23,556	174%	94,225	44%	53,154
581341	TELEPHONE	65,536	48,774	(26%)	54,887	89%	219,548	22%	170,774
581342	POSTAGE	7,079	8,191	16%	8,848	93%	35,390	23%	27,200
581343	OFFICE SUPPLIES - STOCK ITEMS	3,672	2,640	(28%)	4,463	59%	17,850	15%	15,210
581344	MEDICAL RECORD SUPPLIES	631	4,762	655%	7,750	61%	31,000	15%	26,238
581345	COMPUTER SERVICES	29,788	28,582	(4%)	45,508	63%	182,030	16%	153,448
581346	OFFICE EQUIPMENT MAINT AND REPAIR								
581348	OFFICE EQUIPMENT - NON-CAPITAL		5,516		600	919%	2,400	230%	(3,116)
581349	OFFICE SUPPLIES - NON-STOCK ITEMS	215	1,554	621%	3,588	43%	14,350	11%	12,796
	TOTAL OFFICE OPERATIONS	124,580	141,090	13%	149,198	95%	596,793	24%	455,703
583361	BIOLOGICALS AND DRUGS (CLINIC USE)	94,576	(8,442)	(109%)	76,500	(11%)	306,000	(3%)	314,442
583362	CONTRACEPTIVES								
583363	MEDICAL SUPPLIES	48,470	22,692	(53%)	31,750	71%	127,000	18%	104,308
583366	LABORATORY SUPPLIES	(570)		(100%)	7,625	0%	30,500	0%	30,500
583368	MEDICAL EQUIPMENT MAINT AND REPAIR	1,354	17	(99%)	1,250	1%	5,000	0%	4,983
583369	MEDICAL EQUIPMENT - NON-CAPITAL				2,350	0%	9,400	0%	9,400
	TOTAL MEDICAL SUPPLIES/EQUIPMENT	143,831	14,266	(90%)	119,475	12%	477,900	3%	463,634
584371	GAS AND OIL	417	1,415	240%	1,450	98%	5,800	24%	4,385
584372	AUTOMOBILE INSURANCE	3,280	2,875	(12%)	3,649	79%	14,595	20%	11,720
584373	AUTOMOBILE MAINTENANCE AND REPAIR	94	1,289	1272%	2,025	64%	8,100	16%	6,811
	TOTAL AUTOMOTIVE	3,791	5,579	47%	7,124	78%	28,495	20%	22,916
585381	DUES AND SUBSCRIPTIONS	4,381	5,144	17%	3,113	165%	12,450	41%	7,306
585382	REGISTRATION FEES	871	2,673	207%	6,888	39%	27,550	10%	24,877
585383	TUITION ASSISTANCE				2,500	0%	10,000	0%	10,000
585384	INSURANCE	28,828	28,473	(1%)	29,375	97%	117,500	24%	89,027
585385	EDUCATIONAL SUPPLIES	16		(100%)	938	0%	3,750	0%	3,750
585387	LAUNDRY								
585388	LEGAL	4,970	3,703	(25%)	62,500	6%	250,000	1%	246,297
585389	OTHER	85,947	42,032	(51%)	62,968	67%	251,873	17%	209,842
585390	ADVERTISING AND RECRUITMENT	10,767	17,707	64%	24,506	72%	98,025	18%	80,318
585391	AUDITS				5,000	0%	20,000	0%	20,000
585392	INTEREST EXPENSE								
585393	PROGRAM SUPPLIES	27,729	75,504	172%	25,392	297%	101,567	74%	26,063
585394	STAFFING AGENCY SERVICES	4,826	901,553	18580%	1,266,250	71%	5,065,000	18%	4,163,447
	TOTAL OTHER OPERATING	168,336	1,076,788	540%	1,489,429	72%	5,957,715	18%	4,880,927
601670	CAPITAL - FURNITURE AND EQUIPMENT	14,019	8,076	(42%)	147,500	5%	590,000	1%	581,924
601671	CAPITAL - DATA PROCESSING EQUIPMENT	12,340	10,802	(12%)	6,250	173%	25,000	43%	14,198
601672	CAPITAL - LAND AND BUILDINGS		400,250						(400,250)
601673	CAPITAL - VEHICLES								
	TOTAL CAPITAL	26,359	419,128	1490%	153,750	273%	615,000	68%	195,872
	TOTAL OPERATING EXPENSES	3,360,398	5,294,709	58%	5,812,682	91%	24,428,228	22%	19,133,519
	SURPLUS/(DEFICIT)	(58,089)	(3,074,733)	5193%	(665,652)	462%	1,279,439	(240%)	4,354,172