

Agenda Item Number:

**ORANGE COUNTY BOARD OF HEALTH
AGENDA ITEM SUMMARY**

Meeting Date: February 25, 2015

Agenda Item Subject: Strengthening Local Public Health
Infrastructure- Maintenance-of-Effort
Requirement and Financial Impact

Attachment(s): N/A

Staff or Board Member Reporting: Rebecca Crawford

Purpose: Action
 Information only
 Information with possible action

Summary Information:

PURPOSE: To update the Board of Health with the FY 2015-2016 County General Fund request in accordance with the Health Department's formal process for ensuring compliance with the state Maintenance of Effort Requirements.

BACKGROUND:

Maintenance of Effort Requirement:

In 2012 the NC General Assembly modified General Statute 130A-34.4 making it a requirement for local health departments to be accredited, and for counties to maintain operating appropriations to local health departments from local ad valorem tax receipts (local county appropriations) at levels equal to amounts appropriated in fiscal year 2010-2011.

This new statute became effective on July 1, 2014 and was enacted by section 3 of S.L. 2012-126 (HB 438), which is available at:

<http://www.ncleg.net/EnactedLegislation/SessionLaws/PDF/2011-2012/SL2012-126.pdf>.

Maintenance of Effort Measurement:

The baseline fiscal year for comparison is 2010-2011, and for that period the Health Department's original approved local county appropriation was **\$5,017,639**. This amount represents the department's total local county appropriation and is comprised of

operational funds only as capital funds will not be included in how the state measures compliance.

Process Established:

Each year when the Health Department prepares its annual budget, the total local county appropriation requested will be compared against the baseline year amount of **\$5,017,639**.

As outlined in the table below, the Health Department’s original approved county appropriation has consistently been above \$5,017,669 since fiscal year 2010-2011, and exceeds that amount by \$653,680 in the current fiscal year (2014-2015). The Health Department is again expected to exceed the baseline amount by \$886,911 in the FY 2015-2016 budget request.

Orange County Health Department 5 Year Original Approved Local Appropriation Budget Comparison	
Fiscal Year	Original Approved Local Appropriation
2010-2011 (Baseline Year)	\$ 5,017,639
2011-2012	\$ 5,118,432
2012-2013	\$ 5,187,610
2013-2014	\$ 5,493,540
2014-2015	\$ 5,671,319
2015-2016 (Request)	\$ 5,904,550

FINANCIAL IMPACT:

None

- Recommended Action:** Approve
 Approve & forward to Board of Commissioners
 Approve & forward to _____
 Accept as information
 Revise & schedule for future action
 Other (detail):