

## **The 2009 Budget—Our First Steps**

All indications are that money will be tight when County and City budget targets are announced in June or July. There has been a general slow-down of the economy; some people are using the “R” word. It remains to be seen how the State will respond to its budget crisis and what that will mean for next year. On the local front, both the County and City have incurred huge unbudgeted expenses for snow removal. While the drop in interest rates has benefited some, interest income will drop \$1 million in 2008 for the City alone. For us, there is the additional unbudgeted cost of the transition labor agreements.

In the last two budgets we were asked to cut three percent—and those were comparatively good years. In each of those budgets we absorbed an increase of about three percent in personnel costs by keeping a close eye on our purchases of supplies and equipment. There are some other things that helped—while the new telephones cost a bundle to install, they will reduce our telephone bills by more than 50 percent. What has also happened in the last three years is that the portion of our budget dedicated to personnel has gone from 81 percent to 84 percent. But you can only cut things like office supplies so much.

We are looking at the possibility of needing to make some very difficult discussions about our 2009 budget. In previous years, most of those discussions were done by X-Team at the end of the budget process. Essentially, we waited to hear how much money we had available and then decided what needed to be done. That process creates some communication problems, but it works. We can certainly continue to do things that way, but the piece that gets left out is input from the managers—the people who somehow need to find a way to make things work after the decisions have been made.

The most difficult part of the budgeting process is determining priorities—what goes into the budget and what has to come out. What do we need to continue to do no matter what? TB surveillance is something that we need to continue to do—no one else is going to do it. Is there anything that we can leave to others? In the past, Public Health provided home health services, but now there are other providers, so we do not need to do this any more. Even though we know money will be tight, do we need to consider new initiatives? There have been conversations among our STI staff about trying new approaches to testing. While this may not be something we can include in the budget we submit, it may be something we can submit as a supplemental request to consider or we may be able to pursue grant funding.

The discussion about program priorities can be broken down into three broad areas:

- What Public Health services do we need to continue doing? What essential services are we legally obligated to provide? What services do we need to continue doing because it is an essential service that no one else will do? If we had to cut our services to the absolute core—what services would we be providing?
- What Public Health services do we provide that we can leave to others? If we stopped doing something, are there community agencies that would take on those services? Are there things that we are doing that we should not be doing?
- Where do we need to expand services? What new approaches could be used to address old problems? Where do we need to grow as a Department? Are there issues where we are not doing anything now, but we should take on?

The responses to these questions are what will guide the preparation of the 2009 budget.

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