GASB 54 AND IMPLICATIONS FOR HEALTH DEPARTMENT REVENUES

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Introductions and Purpose

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- Purpose – Understand GASB 54 and reasons for moving Health Department revenues and expenditures into General Fund
- Revenues are moving as part of the Supplemental Budget coming before the Board on 11/10

GASB 54 Overview

- Accounting standard released in FY 2010
- Goal: "improve usefulness, including the understandability, of governmental fund balance information"
- Clarifies the types of governmental funds and how they can be used
- Changes fund balance reporting to better reflect restrictions on how funds can be used

GASB 54 Continued

Levels of Restriction

- Unspendable
- Restricted
- Committed
- Assigned
- Unassigned

GASB 54 Implementation

- County has been implementing since FY 2010
- This is the final change to be fully compliant with the new standard
- Has the added benefit of resolving audit issues related to interfund loan
- Consequences of noncompliance – audit comments, potential negative reaction from bond rating agencies

What is Moving to the General Fund?

Ambulance Fees - $1.8 million

- Program 40004: Ambulance Services – all $1.8 million in program revenue moves to General Fund

FQHC Wraparound Revenue – $24.6 million

- Program 40012: Services for Persons Living with HIV - $0.3 million
- Program 40017 Dental Services - $6.3 million
- Programs 40019-29*: Primary Care Clinics - $16.6 million
- Program 40024: School-Based Health Center - $1.4 million

Wrap Around Revenue makes up 37% of all revenue in the above programs

*Excluding Program 40024 and 40025

Ambulance Fees

- **Ambulance Fees** – pay for planning, regulation, medical supervision and quality assurance for emergency care provided by American Medical Response and local fire departments

- Established by revenue agreements; fees are set to cover full cost of program

FQHC Wraparound

- **FQHC Wraparound** – State pays the difference between what Medicaid reimburses the County and the cost of providing care
- Ensures that County recovers the full cost of providing care
- FQHC Wraparound provides approximately $400,000 to DCHS and DCJ: these budgets are moving as well

Questions?