MINUTES

SOUTHERN NEVADA DISTRICT BOARD OF HEALTH
FINANCE COMMITTEE MEETING
June 24, 2026 – 11:30 a.m.
Meeting was conducted via Microsoft Teams

MEMBERS PRESENT:	Scott Nielson – Chair – At-Large Member, Gaming Nancy Brune – Council Member, City of Las Vegas Marilyn Kirkpatrick – Commissioner, Clark County Shondra Summers-Armstrong – Council Member, City of Las Vegas
ABSENT:	April Becker – Commissioner, Clark County
ALSO PRESENT: (In Audience)	Toluwanimi Babarinde, Isabella Peterson, Virginia Valentine
LEGAL COUNSEL:	Heather Anderson-Fintak, General Counsel
EXECUTIVE SECRETARY:	Cassius Lockett, PhD, MS, District Health Officer
STAFF:	Emily Anelli, Tawana Bellamy, Daniel Burns, Victoria Burris, Andria Cordovez Mulet, Xavier Gonzales, Richard Hazeltine, Horng-Yuan Kan, Bob Kingston, Kimberly Monahan, Kyle Parkson, Emma Rodriguez, Alexis Romero, Chris Saxton, Karla Shoup, Jennifer Sizemore, Ronique Tatum-Penegar, Renee Trujillo, DJ Whitaker, Edward Wynder

I. CALL TO ORDER AND ROLL CALL

Chair Nielson called the meeting to order at 11:31 a.m. Andria Cordovez Mulet, Executive Assistant, administered the roll call and confirmed a quorum. Ms. Cordovez Mulet provided clear and complete instructions for members of the general public to call in to the meeting to provide public comment, including a telephone number and access code.

II. PLEDGE OF ALLEGIANCE

III. FIRST PUBLIC COMMENT

FIRST PUBLIC COMMENT: A period devoted to comments by the general public about those items appearing on the agenda. Comments will be limited to two (2) minutes per speaker. Please clearly state your name and address and spell your last name for the record. If any member of the Board wishes to extend the length of a presentation, this may be done by the Chair or the Board by majority vote.

Seeing no one, the Chair closed this portion of the meeting.

IV. ADOPTION OF THE JUNE 24, 2026 MEETING AGENDA *(for possible action)*

A motion was made by Member Summers-Armstrong, seconded by Member Kirkpatrick, and carried unanimously to approve the June 24, 2026 Agenda as presented.

V. CONSENT AGENDA

1. **APPROVE MINUTES/FINANCE COMMITTEE MEETING:** March 23, 2026 *(for possible action*

   A motion was made by Member Brune, seconded by Member Kirkpatrick, and carried unanimously to approve the June 24, 2026 Consent Agenda as presented.

VI. REPORT / DISCUSSION / ACTION

1. **Receive and Discuss the FY2026 Budget Augmentation and Approve Recommendations to the Southern Nevada District Board of Health on June 25, 2026**; direct staff accordingly or take other action as deemed necessary *(for possible action)*

   Donnie (DJ) Whitaker, Chief Financial Officer, presented the resolutions regarding the budget augmentation, as follows:

   - Resolution #04-26 – Decreasing the General Fund Budget by $9,598,419, from $122,165,595 to $112,567,176
   - Resolution #05-26 – Increasing the Grant Fund (Special Revenue) by $2,950,181, from $62,297,514 to $65,247,695
   - Resolution #06-26 – Decreasing the Capital Fund by $951,757, from $3,304,191 to $2,352,434

   Member Kirkpatrick noted the projected revenue increase, inquiring where the additional $3 million in revenue was expected to come from. Ms. Whitaker explained that most of the increase was attributable to intergovernmental grants. She noted that some revenue categories, such as charges for services, declined, and that the overall increase reflects the combined impact of changes across both the General Fund and Special Revenue Fund. Member Kirkpatrick expressed concern about reliance on grant funding. Member Summers-Armstrong inquired whether federal grants could face uncertainty like prior instances where awarded funds were delayed or withdrawn. Ms. Whitaker responded that the budget augmentation primarily updated the current fiscal year budget to account for grants awarded since the previous augmentation in February. She stated that some grants may extend into future fiscal years, while others were ending on June 30.

   Further to an inquiry from Member Kirkpatrick into the reduction in pharmacy-related revenue, Ms. Whitaker explained that pharmacy revenues were being adjusted to more accurately reflect inventory levels and operational activity. She also reported that changes in pharmacy reimbursement relationship and reimbursement model resulted in lower-than-anticipated activity and revenue. In addition, a rebate program expected to begin earlier in the year was delayed, contributing to the adjustment.

Further to an inquiry from Chair Nielson on the SB118 funds previously identified as partial funding for the lab expansion, Ms. Whitaker confirmed that the SB118 funding was included in the FY 2026 budget and explained that the grant was awarded over a two-year period. The funds that were identified for the lab expansion were redirected to other public health activities, including the purchase of Narcan and disease surveillance initiatives.

Member Kirkpatrick inquired into the revenues and expenses for Environmental Health. She noted that licensing revenues appeared to be performing well and expressed concern that the program was showing a deficit.

Ms. Whitaker explained that Environmental Health revenues exceeded direct expenses before cost allocations were applied. She noted that the cost allocation rate fluctuated from year to year and was applied to the program's overall expense base, which included employee-related costs such as COLA and merit increases. Ms. Whitaker stated that while fee revenues have continued to grow, expenses and cost allocation have also increased.

Member Kirkpatrick expressed concern that the Federally Qualified Health Center (FQHC) was operating at a deficit and stated that achieving at least a break-even position had been a long-standing objective of the Board. She requested a presentation on cost allocation at a future meeting.

Member Summers-Armstrong inquired whether the financial changes reflected in the year-end budget augmentation were being considered in the development of the FY 2027 budget. Ms. Whitaker explained that the divisions/departments use the year-end fund balance and actual financial results as the foundation for future budget planning. She stated that Finance worked closely with divisions throughout the year to monitor trends and identify budget impacts. Chair Nielson summarized that the proposed augmentation represented the best estimate for closing out FY 2026 and provided the necessary budget authority through June 30. He observed concerns raised about expenses potentially outpacing revenues and emphasized the importance of evaluating the long-term sustainability of those trends as part of FY 2027 budget discussions and future budget augmentations. Ms. Whitaker noted that the current augmentation was intended solely to ensure adequate appropriations to close the fiscal year. She added that staff would analyze full-year financial data after June 30 and work with divisions/departments to determine whether observed trends warrant adjustments to the FY 2027 budget.

With respect to personnel, Member Kirkpatrick expressed concern that cost allocation expenses appeared to be outpacing revenues, despite reductions in filled positions. Ms. Whitaker explained that positions currently assigned to Administration, including Health Cards and Informatics, were not included in the cost allocation methodology and therefore do not increase allocations charged to other divisions. She noted that administrative costs reflected in the current augmentation were lower than previously projected and that the relationship between cost allocation and departmental finances has remained consistent from prior budgets. Member Kirkpatrick reiterated her concern that cost allocation appeared to be preventing some programs from achieving the break-even position that had been a Board objective. She suggested a separate discussion on the cost allocation methodology.

Member Summers-Armstrong asked whether the budget augmentation included expenditures that had not previously been anticipated and expressed concern about the volume and complexity of the financial information being presented within a limited meeting timeframe.

Ms. Whitaker explained that certain grant-related adjustments, including SB118 and State Public Health Fund grants, were primarily timing-related and intended to ensure sufficient authority to fully expend funds before they expire on June 30. She noted that vacant position expenditures had been removed from the budget where spending was no longer anticipated and clarified that personnel-related adjustments were largely associated with position changes rather than new expenditures. Ms. Whitaker further stated that approval of the augmentation was needed to update the budget from the February augmentation and accurately close out the fiscal year. Ms. Anderson-Fintak stated that the Finance Committee meeting was intended to provide an opportunity for detailed discussion and noted that staff could provide a more comprehensive presentation and additional clarification at the Board meeting. Member Kirkpatrick acknowledged the need to approve the augmentation as a year-end true-up but expressed concerns regarding several budget trends and cost allocation issues that she believed required further review. She requested additional information before subsequent budget augmentations were brought forward. Chair Nielson agreed that the augmentation should be recommended for approval, explaining that it reflected the Health District's current financial position and was necessary for year-end budget management. He also noted that Finance Committee budget discussions were complex and require substantially more time than had been allotted, recommending that future meetings be scheduled with sufficient time to allow thorough review and discussion of financial matters.

A motion was made by Member Brune, seconded by Member Kirkpatrick, and carried unanimously to approve Petition #33-26 related to the Budget Augmentation to the Southern Nevada Health District (i) General Fund (Resolution #04-26), (ii) Special Revenue Fund (Resolution #05-26), and (iii) Capital Fund (Resolution #06-26) Budget for the Fiscal Year Ending June 30, 2026, as presented, to meet the mandatory financial requirements of NRS 354.598005, and recommend approval of same to the Southern Nevada District Board of Health at its meeting on June 25, 2026.

2. **Receive and Discuss the Clark County's Fiscal Year 2027 Budget Pages for SNHD's Schedules B for Funds 7050, 7060, 7070, 7090, and Schedules F-1 & F-2 for Fund 7620 and Approve Recommendations to the Southern Nevada District Board of Health on June 25, 2026**; direct staff accordingly or take other action as deemed necessary *(for possible action)*

Ms. Whitaker advised that Clark County adjusted the property tax revenue allocated to the Health District, which revised the Fiscal Year 2027 Budget that was previously approved by the Board. Ms. Whitaker advised that Clark County requested that the revision be presented to the Board for approval.

Further to an inquiry from Member Summers-Armstrong on whether the reduction in projected revenue would require decreased spending or the use of fund balance reserves to absorb the difference, Ms. Whitaker explained that the adjustment would not necessarily result in a direct reduction to a specific budget line item, as vacancy savings and other budget activity could offset the impact.

Member Kirkpatrick commented that many local agencies were required to revise property tax projections this year due to lower-than-expected growth and emphasized the need for more detailed financial information before future budget augmentations, particularly given slower trends in property tax, sales tax, licensing, and recording revenues.

Ms. Whitaker clarified that the adjustment reflected a smaller-than-anticipated increase rather than an overall decline in revenue.

A motion was made by Member Kirkpatrick, seconded by Member Brune, and carried unanimously to approve the Clark County's Fiscal Year 2027 Budget Pages for SNHD's Schedules B for Funds 7050, 7060, 7070, 7090, and Schedules F-1 & F-2 for Fund 7620, as presented, and recommend approval of same to the Southern Nevada District Board of Health at its meeting on June 25, 2026.

3. **Receive and Discuss the Financial Report, as of March 31, 2026**; direct staff accordingly or take other action as deemed necessary *(for possible action)*

   Ms. Whitaker presented the Financial Report, as of March 31, 2026, related to the Revenues, Expenses, and Net Position (March 31, 2026 – Unaudited).

   No action was taken.

VII. SECOND PUBLIC COMMENT: A period devoted to comments by the general public, if any, and discussion of those comments, about matters relevant to the Board's jurisdiction will be held. Comments will be limited to two (2) minutes per speaker. If any member of the Board wishes to extend the length of a presentation, this may be done by the Chair or the Board by majority vote.

Seeing no one, the Chair closed this portion of the meeting.

VIII. ADJOURNMENT

The Chair adjourned the meeting at 12:46 p.m.

Cassius Lockett, PhD, MS
District Health Officer/Executive Secretary
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