

MINUTES

Southern Nevada District Board of Health Meeting
330 S. Valley View Boulevard, Las Vegas, Nevada 89107
Conference Rooms 2-2a

Thursday, March 28, 2013 - 8:30 A.M.

Mary Beth Scow, Chair, called the meeting of the Southern Nevada District Board of Health to order at 8:33 a.m. and led the Pledge of Allegiance. Annette Bradley, Legal Counsel, confirmed the meeting had been noticed in accordance with Nevada's Open Meeting Law.

Annette Bradley noted a quorum was present at the start of the meeting with Members Bateman, Beers, Collins, Crowley, Jones, Litman, Nelson, Noonan, Scow and Woodbury seated.

BOARD:
(Present) Mary Beth Scow – Chair, Commissioner, Clark County
Sam Bateman – Councilmember, City of Henderson
Bob Beers – Councilmember, City of Las Vegas
Michael Collins – Alternate At-Large Member, Registered Nurse
Susan Crowley – At-Large Member, Environmental Specialist
Chris Giunchigliani - Commissioner, Clark County
Timothy Jones – At-Large Member, Regulated Business/Industry
Allan Litman – Councilmember, City of Mesquite
Marietta Nelson – At-Large Member, Physician
Bill Noonan – At-Large Member, Gaming
Anita Wood - Councilmember, City of North Las Vegas
Rod Woodbury – Councilmember, City of Boulder City

(Absent) Frank Nemec – At-Large Member, Physician
Lois Tarkanian, Councilmember, City of Las Vegas
Lori Winchell - At-Large Member, Registered Nurse

ALSO PRESENT:
(In Audience) Doug Dobyne – Alternate At-Large Member, Regulated Business/Industry
Kathleen Peterson–Alternate At-Large Member, Environmental Health Specialist

LEGAL COUNSEL: Annette Bradley, Esq.

INTERIM EXECUTIVE SECRETARY: John Middaugh, M.D.

STAFF: Heather Anderson-Fintak, Rory Chetelat, Richard Cichy, Norine Clark, Alice Costello, Dr. Thomas Coleman, Margarita DeSantos, Cara Evangelista, Elaine Glaser, Forrest Hasselbauer, Patricia O'Rourke-Langston, Mars Patricio, Jim Osti. Mike Palmer, Rick Reich, Brian Riddle, Jane Shunney, Jennifer Sizemore, Bonnie Sorenson, Leo Vega, Deborah Williams, Valery Klaric and Jacqueline Wells, Recording Secretaries.

PUBLIC ATTENDANCE:

NAME

Petya Balova
Terry Coffing
Ann Markle

REPRESENTING

Balova Engineering
Marquis Aurbach Coffing
Self

Carl Markle
Donne Russell
Jeffrey Share

Self
PGAL
Clark County Dept. of Finance

I. PUBLIC COMMENT

Public comment is a period devoted to comments by the general public on items listed on the Agenda. All comments are limited to five (5) minutes. The Chair asked if anyone wished to address the Board pertaining to items listed on the Agenda.

Norine Clark, Chief SNHD Union Steward, addressed the Board of Health in support of the selection of Dr. Thomas Coleman, Director of Community Health, for the Chief Health Officer position. Dr. Middaugh is departing on August 23, 2013 and she stated that it would be beneficial to arrive at a decision to provide a smooth transition and stability as employees have been through many changes.

Chair Scow asked if anyone else wished to speak and seeing no one else closed public comment.

II. ADOPTION OF THE MARCH 28, 2013 AGENDA

Motion made by Member Jones, seconded by Member Crowley and carried unanimously to adopt the March 28, 2013 Board of Health Meeting Agenda.

III. CONSENT AGENDA

These are matters considered to be routine by the Southern Nevada District Board of Health and may be enacted by one motion. Any item, however, may be discussed separately per Board Member request before action. Any exceptions to the Consent Agenda must be stated prior to approval.

1. **Approve Minutes / Board of Health Meeting:** February 28, 2013 **(for possible action)**
2. **Petition #04-13:** Approval of Interlocal Contract between the Southern Nevada Health District (SNHD) and City of Henderson to provide services to support the Community Transformation Grants-Small Communities Program as awarded to SNHD through an Interlocal Agreement from Clark County School District (CCSD) who received Centers for Disease Control and Prevention funding. **(for possible action)**
3. **Petition #05-13:** Approval of Interlocal Contract between the Southern Nevada Health District (SNHD) and City of Las Vegas to provide services to support the Community Transformation Grants-Small Communities Program as awarded to SNHD through an Interlocal Agreement from Clark County School District (CCSD) who received Centers for Disease Control and Prevention funding. **(for possible action)**
4. **Petition #06-13:** Approval of Interlocal Contract between the Southern Nevada Health District (SNHD) and the Regional Transportation Commission of Southern Nevada to provide services to support the Community Transformation Grants-Small Communities Program as awarded to SNHD through an Interlocal Agreement from Clark County School District (CCSD) who received Centers for Disease Control and Prevention funding. **(for possible action)**

5. **Petition #07-13:** Approval of Interlocal Contract between the Southern Nevada Health District (SNHD) and City of North Las Vegas to provide services to support the Community Transformation Grants-Small Communities Program as awarded to SNHD through an Interlocal Agreement from Clark County School District (CCSD) who received Centers for Disease Control and Prevention funding. **(for possible action)**

Petitions #04-13, #05-13, #06-13 and #07-13 are Interlocal Contracts with the cities of Henderson, Las Vegas, North Las Vegas and the Regional Transportation Commission of Southern Nevada (RTC) regarding the Community Transformation Grants-Small Communities Program through an Interlocal agreement from Clark County School District (CCSD) who received Centers for Disease Control and Prevention funding. The cities agree to coordinate community based activities supporting and complementing the policy, systems and environmental changes being implemented to comply with the current national standard recommending that children engage in at least 60 minutes of physical activity daily and will ensure implementation of evidence based physical activity and nutrition programming in the before and after school Safe Key and Teen Scene programs. SNHD will help ensure implementation of population based, evidence based strategies based in public health science at locations in the community, especially those frequented by students to complement and reinforce healthy behaviors being taught within the school settings by CCSD.

The Interlocal agreement with the Regional Transportation Commission of Southern Nevada (Petition #06-13) will comply by ensuring that children can safely walk and bike to and from school communities and provide children with opportunities to be physically active each school day. To help increase the safety in which children can bike and walk to school. The RTC will support bike lane expansion/connection in and around schools participating in the Safe Routes to School program as well as other community locations where children frequent.

Total funding for the contract term commencing upon full execution to September 29, 2014 shall be \$60,000 for each of the cities and \$90,000 for the RTC.

6. **Petition #08-13:** Approval of Interlocal Contract with Clark County for the provision of services in accordance with Health Resources Services Administration (HRSA) HIV/AIDS Programs, Ryan White Part A HIV Emergency Relief Grant for the period of March 1, 2013-February 28, 2014. **(for possible action)**

All funds are pre-awarded based on the Ryan White HIV/AIDS Treatment extension Act of 2009 HIV Emergency Relief Grant No. 93.914 for Grant Year March 1, 2013 – February 28, 2014 for the Las Vegas Ryan White TGA. Prior year allocation estimated for CORE medical Services under the continuation are as follows:

| Service Category | Allocation |
|---------------------------------------|---------------|
| Outpatient/Ambulatory Health Services | \$ 300,000.00 |
| Early Intervention Services | \$ 589,627.00 |
| Medical Case Management | \$ 483,217.00 |
| Outpatient Substance Abuse Services | \$ 21,842.20 |

Funds for grant period noted above are contingent upon Clark County's receipt of Awarded funds from HRSA to Las Vegas TGA.

Motion made by Member Jones seconded by and Member Woodbury and carried unanimously to approve the Consent Agenda as presented.

- IV. **PUBLIC HEARING / ACTION:** Members of the public are allowed to speak on Public Hearing/ Action items after the Board's discussion and prior to their vote. Each speaker will be given five (5) minutes to address the Board on the pending topic. No person may yield his or her time to another person. In those situations where large groups of people desire to address the Board on the same matter, the Chair may request that those groups select only one or two speakers from the group to address the Board on behalf of the group. Once the public hearing is closed, no additional public comment will be accepted. There were no items on the agenda for Public Hearing/Action portion of the meeting.
- V. **CLOSED SESSION:** Meeting of the Board of Health as governing body to receive information from its attorneys regarding potential and existing litigation involving matters over which the Board has supervision, control, jurisdiction or advisory power and to deliberate toward a decision on the matters, pursuant to NRS 241.015(2)(b)(2); and to receive a report on the status of labor negotiations, pursuant to NRS 288.220

Chair Scow called for a motion for the Board to enter into Closed Session.

A motion was made by Member Giunchigliani, seconded by Member Crowley and carried unanimously to enter into Closed Session pursuant to NRS 241.015(2)(b)(2) and NRS 288.220..

CLOSED SESSION

The meeting recessed for the Southern Nevada District Board of Health to meet in Closed Session at 8:37 a.m.

Chair Scow reconvened the open session at 9:11 a.m. and noted a quorum was present following the conclusion of the Closed Session with Members Bateman, Beers, Collins, Crowley, Giunchigliani, Jones, Litman, Nelson, Nemec, Noonan, Scow, Wood and Woodbury seated.

VI. **REPORT/DISCUSSION/ACTION**

1. **RECEIVE REPORT:** From the March 14, 2013 Audit Committee to the Southern Nevada District Board of Health regarding the Preliminary Fiscal Year 2014 Budget. Direct staff accordingly or take other action as deemed appropriate. (Committee: Chair Beers: Members: Bateman, Crowley, Litman, Winchell, Woodbury) **(for possible action)**

Bob Beers, Audit Committee Chairman, reported that the committee met and reviewed the tentative preliminary budget for Fiscal year 2014, which was next on the agenda for presentation to the Board of Health.

2. **CONSIDER/APPROVE TENTATIVE BUDGET FOR FISCAL YEAR 2014:** Direct staff accordingly or take other action as deemed appropriate. **(for possible action)**

Dr. Middaugh reported that Elaine Glaser, Director of Administration, will present the preliminary budget. He prefaced the budget presentation explaining how Public Health differs from the clinical care or the practice of medicine.

Public health involves collective actions to provide services that an individual, acting alone, cannot obtain for himself or herself. He stated that we do not expect to suffer illness or death when participating in these activities.

- Water is safe to drink from the tap
- Food is safe to eat when we buy it
- Don't get sick from eating at a restaurant

Many people do not realize what SNHD does as a Public Health agency:

- The health and safety of populations rather than the health of individual patients
- Prevention of injury and disease rather than treatment and care
- Relationships between the government and community rather than the physician and patient
- Population-based services grounded on the scientific methods of public health rather than personal medical services

Excellence in Public Health (Institute of Medicine/Future of Public Health)

- Careful assessment of existing knowledge
- Establish priorities based on data
- Allocated resources according to objective assessment of possibilities for greatest impact
- Evaluate impacts
- Make course corrections

Excellence in public health requires a very careful assessment of cumulative knowledge of medicine, causality, pathogens establishing priorities based on data and allocation of resources according to objective assessments for the greatest impact and evaluating the impact of our intervention and using the data to make course corrections to control the condition.

Future of Public Health:

- Public Health has the responsibility to look far ahead to the horizon and beyond and to guide the ship's course.
- Public health must act to ensure that the urgent does not crowd out the important.
- Epidemiology must provide credible, evidence-based information.

Southern Nevada Health District Excellence in Action:

- Influence public policy by educating through dissemination of evidence-based information
- The public, policy makers and community partners view the SNHD as a source of credible, disinterested, culturally sensitive information

- SNHD has adequate infrastructure to collect and report on services provided and outcomes achieved at local and state levels.

Dr. Middaugh stated a critical function of public health is the ability to identify which problems the District needs to address. He explained that the science of epidemiology is the science of public health.

Goals and Priorities:

Protect the public health in Southern Nevada

- Excellence in the science of public health
- Excellence in program administration and evaluation
- Leadership for our public health future
- Fiscal responsibility and transparency

Elaine Glaser presented the Tentative FY 2014 Budget. She reviewed Factors that may change the Financial Picture – Fiscal Year 2014. She stated that the budget presentation is our best estimate of the SNHD financial picture, but there are some uncontrollable issues that dramatically affect the District. The Clean Water Coalition is the result of a lawsuit between the state and county and is specifically referenced in a footnote in the Supreme Court decision. Estimated interest is \$1.5 million on the underfunded allocation.

**Southern Nevada Health District
Factors That May Change the Financial Picture
Fiscal Year 2014**

- **Receipt of Underfunded Property Tax Revenue:**
 - FY 2012 \$ 14,177,948
 - FY 2013 \$ 2,093,578
 - 5% Interest income due on Underfunded amount
 Note: Exact amount to be determined.
 Current estimate \$1.5 million
- **Receipt of \$ 1,690,000 on Clean Water Coalition**
- **Receipt of Tobacco Master Settlement Agreement**
 Allocation of \$ 300,000 for a year
- **Federal Budget – Sequestration**
 - Potential Loss of Grant Funds
- **Federal Grants**
 - Potential to Receive New Funds
- **Facility/Building Acquisition & Relocation Expenses**

Grant Opportunities: We are currently working in conjunction with the State on the Chronic Disease Grant and do not have a clear number, but hope for a reasonable share of the grant. Grants referenced in the slide below would dramatically affect the budget and projections.

**Southern Nevada Health District
Grant Opportunities and Threats**

➤ **Opportunities:**

- Chronic Disease Grant @ \$ 1,000,000/year for 5 Years
- STD Grant @ \$ 300,000/year for 5 Years
- FDA Grant @
 - \$ 1,500,000 for 1st year
 - \$ 3,000,000/year for 3 years

➤ **Threats:**

- Federal Sequestration may reduce overall grant revenue by 8%. Total projected grant revenue for FY13-14 may decline by \$1,000,000.

9

Ms. Glaser reviewed the SNHD funds:

**Southern Nevada Health District
Tentative Budget FY 2014
List of Funds**

Governmental Funds:

- a) General Fund
- b) Bond Reserve (Building) Fund
- c) Capital Projects Fund

Proprietary Funds:

- a) Southern Nevada Public Health Laboratory (SNPHL) Fund
- b) Insurance Liability (Worker's Compensation) Fund

Fiduciary Fund:

- a) Retiree Health Insurance Fund

10

Ms. Glaser reviewed Budget Assumptions for Fiscal Year 2014 and noted the current labor contract runs through 2014 and contains no general increase.

| Southern Nevada Health District Budget Assumptions Fiscal Year 2014 | | | |
|--|---|-----------------------------|--------------------|
| <ul style="list-style-type: none"> • No general salary increase • Budgeted one step increase • Fringe Benefits ** and Payroll Taxes *** at 38 % • Budget expenses based on known expenses • Estimated inflationary rates: | | | |
| Inflationary Rates | | | |
| <u>Rate *</u> | <u>Categories</u> | | |
| 4.0 % | Supplies, services and contracts, in general. | | |
| 3.0 % | Facilities & Maintenance Supplies | | |
| 7.0 % | Janitorial Supplies | | |
| 4.7 % | Medical Supplies | | |
| C P | Testing, Laboratory | | |
| P A | Vaccines | | |
| Legend: | | | |
| * If staff has more specific information, a different rate maybe used provided it is explained in the notes section of budget, and copy of information on source and rate is submitted to the Purchasing Agent. | | | |
| C P Please use Current Pricing. | | | |
| P A Please coordinate with Purchasing Agent on pricing. | | | |
| <u>Fringe Benefits</u> | | <u>Payroll Taxes</u> | |
| | <u>Rate</u> | | <u>Rate</u> |
| Retirement | 24.75 % | Medicare | 1.45 % |
| Medical | 11.00 % | | |
| Liability Insurance | 0.80 % | | |
| TOTAL Fringe Benefits Rate | 36.55 % ** | Total P/R Tax Rate | 1.45 % |
| Total Fringe Benefits & Payroll Tax Rates | | 38.00 % | |
| 11 | | | |

The budget includes known or anticipated revenues as well as the underfunded tax allocation, which was budgeted and Ms. Glaser noted that the Clean Water Coalition is a one-time addition. Total revenue is budgeted at \$57,294,581. Budget transfers to the Building Fund were added to the slide at the recommendation of the Audit Committee. The Building Reserve Fund for 2012 and 2013 reflect what would normally be funded if the Board chooses to fully fund at historical levels. To catch up for 2012 it is approximately \$1 million, 2013 underfunding of \$149,000; the full transfer for the building reserve fund for 2014 is \$1.3 million totaling \$2.463 million in transfer if funded at historical levels. The ending fund balance is estimated at \$15,105,403 representing 25% or 2.8 months of 2014 budgeted General Fund Operating Expenses. The Board authorized by policy that we maintain a balance between 16.6 and 25% of the General Fund and Ms. Glaser stated we are in that percentage.

General Fund Tentative Budget - FY 2014

12

| | | | |
|---|---------------|----------------------|------------|
| Beginning Fund Balance | | \$ 6,765,386 | (a) |
| Estimated Receipts of Underfunded Share in Tax Allocation: | | | |
| Property Taxes: | | | |
| FY 2012 | \$ 14,177,948 | | |
| FY 2013 | 2,093,578 | | |
| Total Property Taxes | 16,271,526 | (b) | |
| Clean Water Coalition Case | 1,690,000 | (b) | |
| Interest Income due | 1,500,000 | (c) | |
| Total Estimated Receipts of Underfunded Share in Tax Allocation | | 19,461,526 | |
| Budgeted Revenues | | 57,294,581 | (d) |
| Budgeted Operating Expenditures | | (65,923,078) | (e) |
| Budgeted Transfers to Building Fund | | | |
| FY 2014 | (1,301,226) | | |
| FY 2013 - Underfunded reserve | (149,481) | (f) | |
| FY 2012 - Underfunded reserve | (1,012,305) | (f) | |
| Total Transfers to Building Fund | | (2,463,012) | |
| Ending Fund Balance | | \$ 15,135,403 | (g) |
| <p>(a) Based on the approved FY 2013 estimated operating revenues and expenditures (b) Amount due SNHD per State Supreme Court decision (c) 5% interest income due on item (b) above (d) See page 17 for FY 2014 Budgeted Revenues (e) See page 19 for FY 2014 Budgeted Operating Expenditures (f) Underfunded reserve. Please see (b) above. (g) This represents 23.0 % or around 2.8 months of FY 2014 budgeted General Fund Operating Expenditures.</p> | | | |
| <p><i>Note: SNHD BoH approved a policy authorizing SNHD to maintain at a minimum, unrestricted fund balance in the General Fund of between two to three months or 16.6% to 25% of general fund operating expenditures.</i></p> | | | |

Review of the General Fund Ending Balance of \$57,294,581 includes the underfunded allocation. Operating Expenditures total \$65,923,078. Ms. Glaser stated that fully funding the building bond reserve fund is recommended. Ending fund balance is estimated at \$15,135,403.

General Fund Ending Fund Balance

13

| Description | Actual FY 2011 | Actual FY 2012 | Approved FY 2013 | Estimated FY 2013 | Tentative FY 2014 |
|---|-----------------------|-----------------------|---------------------|----------------------|-------------------------|
| Fund Balance, Beginning | 32,409,640 | 28,332,469 | 13,382,077 | 13,382,077 | 6,765,386 |
| Prior year Adjustment | | 1,717,608 | | | |
| Estimated Underfunded Share in Tax Allocation: | | | | | |
| Property Taxes: | | | | | |
| FY 2012 | | | | | 14,177,948 (a) |
| FY 2013 | | | | | 2,093,578 (a) |
| Clean Water Coalition Case | | | | | 1,690,000 (a) |
| Interest Income due | | | | | 1,500,000 (b) |
| Revenues | 74,090,014 | 56,309,126 | 61,007,461 | 57,375,588 | 57,294,581 (c) |
| Operating Expenditures | (71,447,967) | (68,224,066) | (70,654,660) | (62,858,450) | (65,923,078) (d) |
| Transfer to Capital Fund | (2,243,864) | (3,534,845) | (1,526,461) | 0 | 0 |
| Transfer to Liability Reserve Fund | (300,000) | (300,000) | 0 | 0 | 0 |
| Transfer to Proprietary Fund | (2,650,861) | (511,771) | 0 | 0 | 0 |
| Transfer to Bond Reserve (Building) Fund | (1,524,493) | (406,444) | (1,283,311) | (1,133,829) | |
| FY 2014 | | | | | (1,301,226) |
| FY 2013 - Underfunded reserve | | | | | (149,481) (e) |
| FY 2012 - Underfunded reserve | | | | | (1,012,305) (e) |
| Fund Balance, Ending | 28,332,469 | 13,382,077 | 925,106 | 6,765,386 | 15,135,403 |
| Fund Balances: | | | | | |
| Non-spendable: | | | | | |
| Inventory | 295,230 | 629,770 | | | |
| Prepaid Items | 302,828 | 377,737 | | | |
| Assigned: | | | | | |
| Other purposes | 407,366 | | | | |
| Unassigned | 27,327,045 | 12,374,570 | 925,106 | 6,765,386 | 15,135,403 |
| Total Fund Balances | 28,332,469 (f) | 13,382,077 (f) | 925,106 | 6,765,386 | 15,135,403 |
| Note: | | | | | |
| (a) Amount due SNHD per State Supreme Court decision. | | | | | |
| (b) Interest Income due. (See note (a) above). | | | | | |
| (c) See page 17 for FY 2014 Budgeted Revenues | | | | | |
| (d) See page 19 for FY 2014 Budgeted Operating Expenditures | | | | | |
| (e) Underfunded reserve. Please see also note (a) above. | | | | | |
| (f) Ending Fund Balance comes from the audited Comprehensive Annual Financial Report (CAFR). | | | | | |

Ms. Glaser reviewed the General Funds Transfer and reported no contributions were planned for the Capital Reserve Fund, Proprietary (SNPHL) Fund and Liability Reserve Fund (Worker's Comp) as these funds contain sufficient resources. SNHD Worker's Compensation experience is low.

| General Fund Transfers Tentative Budget FY 2014 | | | |
|--|----------------|------------------------------|---|
| <u>Description</u> | | <u>Amount</u> | |
| Capital Reserve Fund | | \$ - | * |
| Proprietary (SNPHL) Fund | | - | * |
| Liability Reserve (Worker's Comp) Fund | | - | * |
| Bond Reserve (Building) Fund | | | |
| FY 2014 | (1,301,226.00) | | |
| FY 2013 - Underfunded reserve | (149,481.00) | | |
| FY 2012 - Underfunded reserve | (1,012,305.00) | | |
| Total Transfers to the Building Fund | | (2,463,012) | |
| Total Transfers | | <u>\$ (2,463,012)</u> | |
| Note: | | | |
| * No transfer was budgeted for FY 2014. | | | |

14

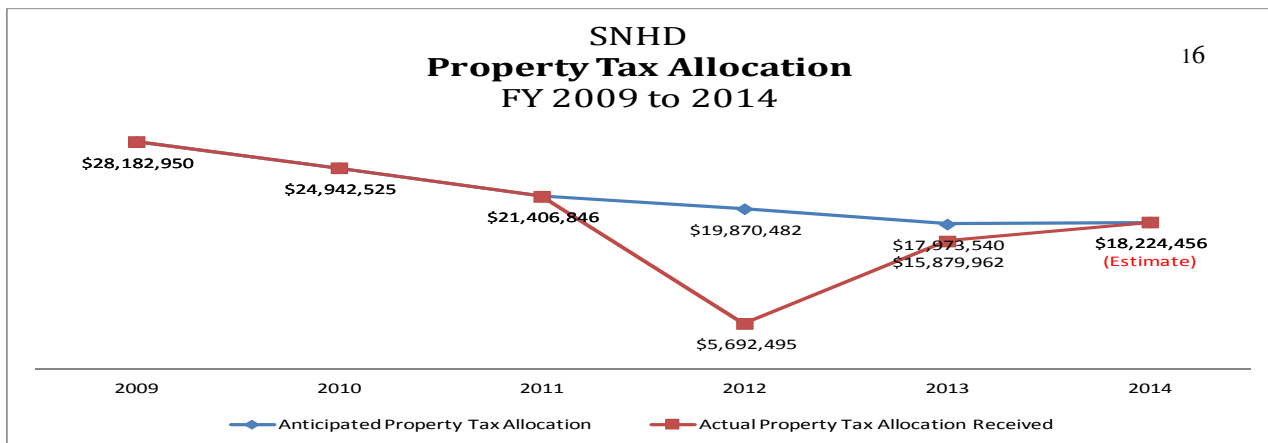
General Fund Revenue Comparison Fiscal Years 2010-2014 shows actual revenues by program illustrating 2010-2012 Actual, 2013 Estimates and 2014 Budget. Restructuring of the health card program and elimination of hepatitis A vaccines for childcare, massage and adult care result in \$3.4 million revenue reduction.

| General Fund Revenue Comparison Fiscal Years 2010-2014 | | | | | | |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|------------|
| <u>Description</u> | <u>ACTUAL</u> | | | <u>Estimated</u> | <u>Budget</u> | |
| | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | |
| Charges for Services: | | | | | | |
| Title XIX Medicaid | 595,060 | 547,452 | 608,192 | 561,091 | 533,285 | |
| Fees for Services | 5,963,518 | 5,581,494 | 5,200,688 | 5,373,273 | 5,241,941 | |
| Regulatory Services | 23,142,972 | 22,978,296 | 22,897,904 | 21,641,596 | 19,583,000 | |
| Program Contract Services | 2,835,603 | 2,308,693 | 1,879,517 | 530,787 | 1,360,226 | |
| Intergovernmental Revenues: | | | | | | |
| State Funding | 987,147 | 979,488 | 437,330 | 400,000 | 400,000 | |
| Indirect Federal Grants | 13,947,975 | 9,463,763 | 8,092,743 | 9,308,323 | 9,364,171 | |
| Direct Federal Grants | 2,351,437 | 10,105,237 | 10,995,381 | 3,312,143 | 2,366,002 | |
| Contributions and Donations | 12,556 | 13,777 | 13,157 | 8,678 | 11,000 | |
| General Receipts | | | | | | |
| Interest Earnings | 732,424 | 683,871 | 477,086 | 350,000 | 200,000 | |
| Other Receipts | 17,870 | 21,097 | 14,594 | 9,735 | 10,500 | |
| Clark County Property Tax Allocation | 24,942,525 | 21,406,846 | 5,692,534 | (a) 15,879,962 | (b) 18,224,456 | (c) |
| Total Revenues | <u>75,529,087</u> | <u>74,090,014</u> | <u>56,309,126</u> | <u>57,375,588</u> | <u>57,294,581</u> | |
| Note: | | | | | | |
| (a) Does not include underfunded Property Tax allocation of \$14,177,948 plus 5% interest income per State Supreme Court decision. | | | | | | |
| (b) Does not include underfunded Property Tax allocation of \$2,093,578 plus 5% interest income per State Supreme Court decision. | | | | | | |
| (c) Estimate provided by the County Budget Office. | | | | | | |

15

Dr. Middaugh stated that the Public Health Informatics Scientist position was approved a few years ago to develop epidemiology surveillance and outbreak investigation programs. Funding from the Department of Homeland Security enabled us to hire additional informaticians to support tuberculosis, STD and HIV and is the only mobile platform in America in development. CDC supports the SNHD informatics program and has provided support. A 3-5 year MOU with the CDC is under development and may include the State Health Division and expanded to include the other two states using the program (Utah and Kansas). Applications to enable SNHD to produce descriptive epidemiologic information supporting infectious disease control and expansion to chronic disease make it possible for us to collect laboratory reportable disease data from all the commercial labs and acute care hospitals in the community. The Informatics Department has application and development teams. Development of the informatics department and reorganization of epidemiology blend these areas to communicate and develop tools to use that data.

The Audit Committee requested the Property Tax Allocation information below:



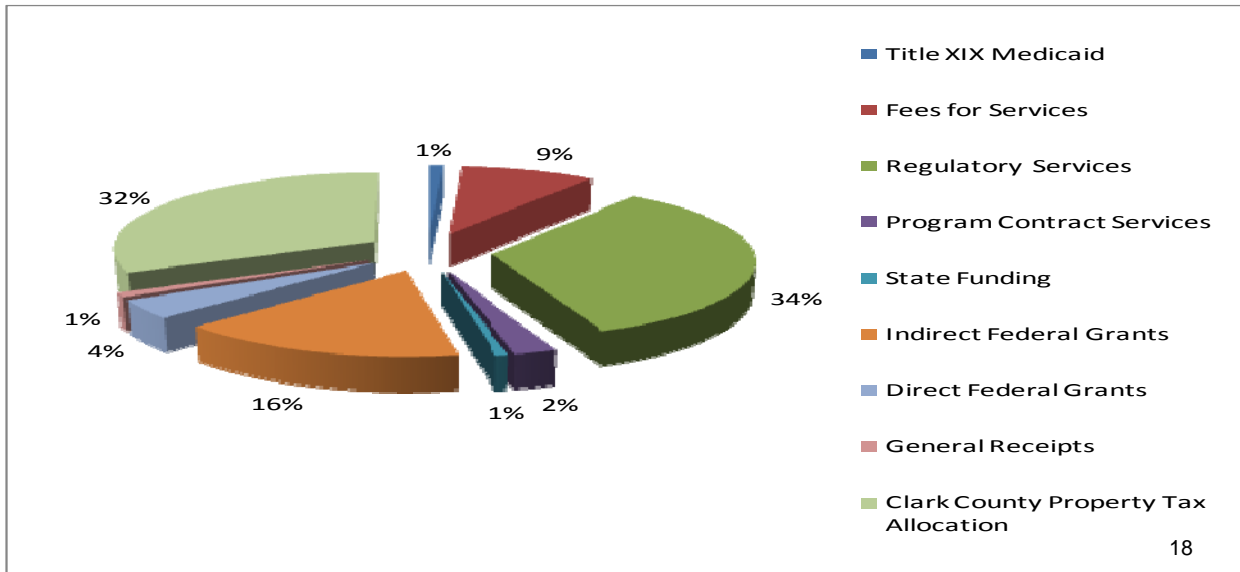
The General Fund Sources of Budgeted Revenue for Fiscal Years 2013-2014 compares the budgets in the two following two slides showing it graphically as well:

**General Fund
 Sources of Budgeted Revenue
 Fiscal Years 2013 - 2014**

17

| Description | FY 2013 BUDGET | | FY 2014 BUDGET | |
|---|---|-------------|---------------------|-------------|
| | Amount | % | Amount | % |
| Charges for Services: | 29,308,167 | 48% | 26,718,452 | 47% |
| Title XIX Medicaid | 588,895 | 1% | 533,285 | 1% |
| Fees for Services | 5,458,740 | 9% | 5,241,941 | 9% |
| Regulatory Services | 22,676,666 | 37% | 19,583,000 | 34% |
| Program Contract Services | 583,866 | 1% | 1,360,226 | 2% |
| Intergovernmental Revenues: | 13,360,430 | 22% | 12,130,173 | 21% |
| State Funding | 400,000 | 1% | 400,000 | 1% |
| Indirect Federal Grants | 9,412,091 | 15% | 9,364,171 | 16% |
| Direct Federal Grants | 3,548,339 | 6% | 2,366,002 | 4% |
| Contributions and Donations | 6,355 | 0% | 11,000 | 0% |
| General Receipts: | 358,969 | 1% | 210,500 | 0% |
| Interest Earnings | 350,000 | 1% | 200,000 | 0% |
| Other Receipts | 8,969 | 0% | 10,500 | 0% |
| Clark County Property Tax Allocation | 17,973,540 | 29% | 18,224,456 * | 32% |
| Total Revenues | 61,007,461 | 100% | 57,294,581 | 100% |
| Note: | * Estimate provided by the County Budget Office | | | |

**General Fund
 Tentative Budget
 Fiscal Year 2014
 Detail of Revenues - \$57,294,581**

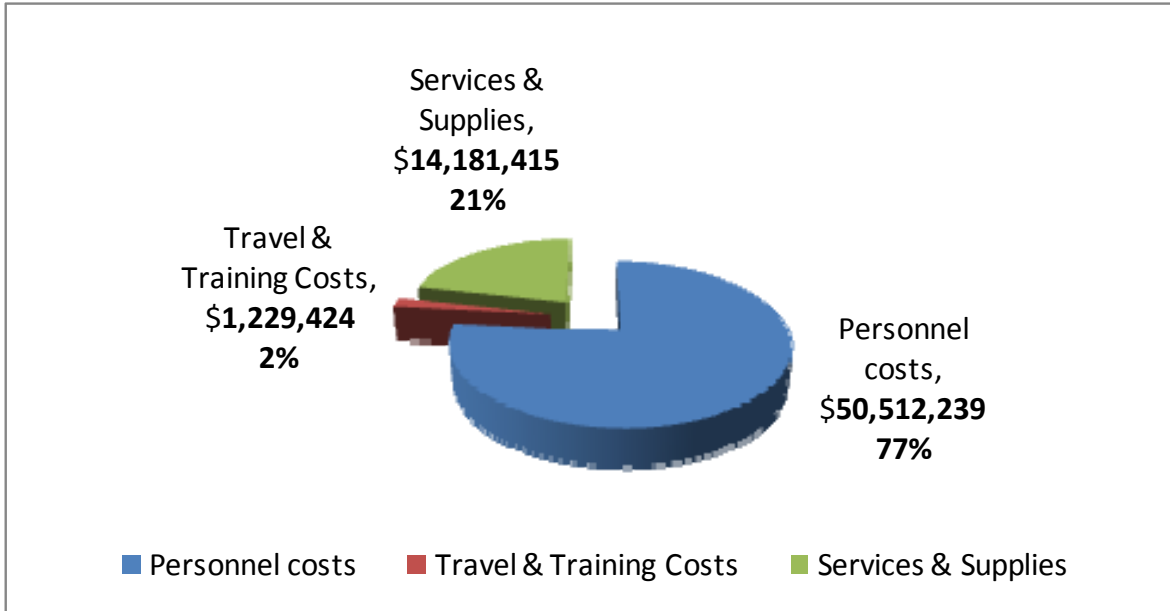


The Operating Expenditures slides 19 and 20 compare Fiscal Years 2013 and 2014 also illustrated graphically in slide 20.

**General Fund
 Tentative Budget
 FY 2014
 Operating Expenditures**

| Description | Budget FY 2013 | Budget FY 2014 | Variance | |
|--|-------------------|-------------------|--------------------|------------|
| | | | Inc or (Dec) | % |
| Personnel Costs: | | | | |
| Grant | 9,192,644 | 9,072,042 | (120,602) | -1% |
| District | 44,772,296 | 41,440,196 | (3,332,100) | -7% |
| Total Personnel Cost | 53,964,940 | 50,512,238 | (3,452,702) | -6% |
| Note: | | | | |
| District: 5% or \$2.6 million vacancy factor was applied based on historical data. Personnel Costs for new or vacant positions were calculated based on estimated hire date. | | | | |
| Services & Supplies: | | | | |
| Grant | 3,794,098 | 3,456,270 | (337,828) | -9% |
| District | 12,895,622 | 11,954,570 | (941,052) | -7% |
| Total Services & Supplies | 16,689,720 | 15,410,840 | (1,278,880) | -8% |
| Note: | | | | |
| Grants: Reduction of Other professional services by \$124,324 Reduction of Other contract services by \$ 265,740 | | | | |
| District: Reduction of Vaccine and Injections supplies by \$887,357 Reduction of Other Laboratory Services by \$ 154,789 | | | | |
| Total Expenditures: | | | | |
| Grant | 12,986,742 | 12,528,312 | (458,430) | -4% |
| District | 57,667,918 | 53,394,766 | (4,273,152) | -7% |
| Total Expenditures | 70,654,660 | 65,923,078 | (4,731,582) | -7% |

**SNHD
 Tentative Budget
 FY 2014
 Operating Expenditures
 \$65,923,078**



20

FTE Comparison was reviewed:

**S N H D
 Tentative Budget
 FY 2014
 FTE Comparison**

| <u>Division</u> | <u>FTE FY13</u> | <u>FTE FY14</u> | <u>Change</u> |
|---|---------------------|---------------------|---------------|
| TOTAL | 565.00 | 575.05 | 10.05 |
| Note: | | | |
| Additional FTE's were budgeted in: | | | |
| Environmental Health | | | 8.05 |
| Office of Public Health Informatics | | | 2.00 |
| Total Change in FTE's | | | 10.05 |

21

No transfer is recommended to the Proprietary Fund this year.

**Enterprise (or Proprietary) Fund
 Budgeted Revenue & Expenses
 Fiscal Years 2013 – 2014**

**SOUTHERN NEVADA PUBLIC HEALTH LABORATORY
 (S N P H L)**

- **Expenditures total \$ 3,479,087 ***
Note:
 - **Excludes depreciation expense of \$ 183,000.**

NRS 354.517 "Enterprise fund" defined. "Enterprise fund" means a fund established to account for operations:

 1. Which are financed and conducted in a manner similar to the operations of private business enterprises, where the intent of the governing body is to have the expenses (including depreciation) of providing goods or services on a continuing basis to the general public, financed or recovered primarily through charges to the users; or
 2. For which the governing body has decided that a periodic determination of revenues earned, expenses incurred and net income is consistent with public policy and is appropriate for capital maintenance, management control, accountability or other purposes.
 (Added to NRS by 1971, 200; A 1981, 1761)
- **Revenue of \$ 1,443,546 is made up of:**
 - **\$ 1,372,546 Federal Funds Distributed by State**
 - **\$ 68,000 General Receipts**
 - **\$ 3,000 Program Contract Services**
- **No Transfer from the General Fund is planned for FY 2014.**

22

Ms. Glaser reviewed the Estimated Ending Fund Balances Tentative Budget Fiscal Year 2014 in the slide below:

**Estimated Ending Fund Balances
 Tentative Budget
 Fiscal Year 2014**

| Description | GOVERNMENTAL FUNDS | | | PROPRIETARY FUNDS | | FIDUCIARY FUND |
|---|--------------------|-------------------------|-------------------|-----------------------|------------------|----------------------------------|
| | General Fund 05 | Capital Reserve Fund 06 | Building Fund 07 | Worker's Comp Fund 62 | SNPHL Fund 70 | Retiree Health Insurance Fund 80 |
| Estimated Fund Balance, Beginning | 6,765,386 | 6,738,560 | 12,519,530 | 850,482 | 3,312,475 | (a) 435,074 |
| Underfunded Share in Tax Allocation | | | | | | |
| Property Taxes: | | | | | | |
| FY 2012 | 14,177,948 | | | | | |
| FY 2013 | 2,093,578 | | | | | |
| Clean Water Coalition Case | 1,690,000 | | | | | |
| Interest Income due | 1,500,000 | | | | | |
| Revenue | 57,094,581 | - | - | - | 1,375,546 | |
| Transfer In | - | - | 2,463,012 | - | - | |
| Interest Earned | 200,000 | 62,000 | 96,000 | 8,400 | 42,000 | 15,000 |
| Operating Expenditures | (65,923,078) | (629,000) | - | (100,000) | (3,479,087) | |
| Transfer Out | (2,463,012) | - | - | - | - | |
| Estimated Fund Balance, Ending | 15,135,403 | 6,171,560 | 15,078,542 | 758,882 | 1,250,934 | 450,074 |
| Note: | | | | | | |
| (a) Added Depreciation Expenses which were deducted from the Fund Balance: | | | | | | |
| FY 2012 | \$ 182,828 | | | | | |
| FY 2013 | \$ 183,000 | | | | | |
| Total | \$ 365,828 | | | | | |

23

Member Beers stated that this is the third year of significant deficit spending for SNHD; about \$12 million FY 2012, \$5.5 million in 2013 and \$8.5 in 2014. In this budget some of the funds recovered from Clark County are being used for ongoing operating expenses. SNHD currently has significant savings, but at some point will be out of savings. Member Giunchigliani stated there is discussion regarding removal of the tax cap that may help the entire state.

Motion made by Member Giunchigliani, seconded by Member Batemen and carried unanimously to accept the Tentative FY 2014 Budget as presented.

The approved budget will be provided to Clark County. Mr. Jeffrey Share, Clark County Budget Department, was in attendance. He stated that financial numbers for property tax are expected from the state at the beginning of next week. The Clark County Assessor Board of Equalization requested an extension due to the number of cases requested. The numbers in the SNHD budget are tentative. Dr. Middaugh is meeting with Don Burnet and will review the budget information and may present a revised budget in May.

- 3. RECEIVE REPORT AND RECOMMENDATIONS:** From the March 12, 2013 CHO Succession Committee: Accept Committee Recommendations; and/or take other action deemed appropriate (Committee: Chair Jones: Members: Beers, Crowley, Nemec, Scow, Wood, Woodbury) **(for possible action)**

CHO Succession Committee Chair Jones reported the committee met with Pam Derby, Executive Recruiter, DPS, who identified only one qualified candidate, Dr. Thomas Coleman. There was another person with a potential interest, but does not have a Nevada medical license. Ms. Derby will work with Dr. Middaugh and Ms. Bradley to solicit applications from other industry and professional groups. It is a board decision to proceed with the one candidate or wait to see if additional candidates are interested. Chair Scow asked the Board for input. Member Beers stated an amendment was being introduced today in Carson City eliminating the requirement for a Nevada medical license. Chair Jones suggested that Dr. Coleman would go through the formal interview process and proceed from there.

Motion made by Member Beers, seconded by Member Noonan and carried unanimously to proceed to interview Thomas R. Coleman, MD, MS, for the position of Chief Health Officer.

Discussion regarding the interview process will be determined by the committee who will create a list of interview questions. It was noted that the interview process is required to be public. Chair Jones asked Board and Joint Labor Committee members to forward interview questions or input and stated that a meeting will be scheduled after April 8, 2013. Dr. Middaugh is leaving SNHD on August 23, 2013.

- 4. CHO QUALIFYING CRITERIA and SUCCESSION PLANNING DISCUSSION:** Direct staff accordingly or take other action as deemed necessary **(for possible action)**

Member Jones stated in the past the second physician position would be in place to fill the Chief Health Officer position. Chair Jones stated it would be helpful to have a list of existing physician positions at SNHD that could fill the role. NALBOH, NACCHO and Association of State and Territorial Health Offices (ASPA) would have

information on the role, expectations and Chief Health Officer job descriptions. Dr. Middaugh stated that states have many counties, most of which are small. He continued stating that most comparable large city health departments are run by a physician Chief Health Officer and is related to the size and complexity of the responsibility for looking at those types of credentials. Over the last 30-40 years the level of sophistication and credentials for this type of position have grown significantly and Dr. Middaugh stated that requiring standards for this position is essential, e.g., physician with a degree in public health or board certification in public health and preventive medicine, adding that most state epidemiologists, state health officers and large county leads would have those credentials. Removal of those credentials could result in a physician leading the agency with no training or experience in public health and he strongly urged and offered to assist to secure job descriptions for agencies similar to Las Vegas, Baltimore, Miami-Dade, Seattle King County, Oregon, Los Angeles to get a sense of expected credentials and scope of responsibility and authority provided in the county for huge health departments with the kind of responsibility as SNHD. Dr. Middaugh stated the Board of Health should insist that the person they hire have these kinds of credentials with the 2 million residents and 40 million annual visitors. Having someone with proven skills and training for the position is essential to provide responsible guidance to the staff on a technical level and expertise to provide the Board information and hold the partnership accountable. Dr. Middaugh continued stating that legislation was introduced and a hearing scheduled this afternoon on these issues and reported that he will testify at that hearing. He reviewed the proposals stating they are a huge step backwards for the state and would do severe damage to SNHD and public health for this community. A realistic recruitment strategy is necessary and Dr. Middaugh stated that when he was hired at SNHD he signed a statement saying that he would not practice medicine until receipt of his Nevada license, which could be a useful strategy in physician recruitment and may expedite the process. Member Nelson stated Nevada physician licensing makes it difficult and limits physicians relocating to Nevada.

Member Beers suggested a resolution urging the legislature to look at the structure of the boards of medicine that SNHD believes it is a public health issue and defeats the attraction of qualified medical professionals to Nevada urging them to solve this problem. He suggested establishing a non-political, neutral subcommittee to review the language of the resolution prior to the April 22, 2013 meeting. Committee volunteers: Members Beers, Giunchigliani, Nelson and Noonan.

Motion by Member Beers, seconded by Member Woods to submit a resolution to the Nevada Legislature urging them to look at the structure of the Medical Boards regarding medical licensure in Nevada to solve the problem regarding the difficulty for physicians to acquire Nevada medical licensure. A neutral subcommittee will review the language prior to the April 22, 2013 Board of Health meeting.

5. **RECEIVE REPORT:** From the March 14, 2013 Medical Corridor Committee: Direct staff accordingly or take other action as deemed appropriate. (Committee: Chair Tarkanian: Members: Beers, Giunchigliani, Nelson, Scow, Winchell) **(for possible action)**

Member Giunchigliani presented the report of the Medical Corridor Committee meeting in the absence of Committee Chair Tarkanian. Review of the Las Vegas Medical District Plan adopted June 19, 2002 and maps depicting the corridor and signage were reviewed by Mr. Scott Adams, City of Las Vegas Chief Urban

Development Officer, who also addressed comments or questions. The corridor would be amended to include SNHD as needed. Suggestions for inclusion in the corridor were research centers, medical resident housing, establishing a cadaver school, establishing a medical mart for diversification of job skills, utilization of vacant buildings for medical education programs in conjunction with Clark County School District. Member Giunchigliani noted that legislatively UNLV has a budget in their capital fund for \$42 million for relocation of the School of Nursing and Physical Therapy to the dental school campus in the Medical District. Committee suggestions included maximizing and not duplication of services, construction of parking garages, hospital parking validation, removal of the parking meters on residential streets, Truluck and Tonapah. The next meeting is scheduled on May 23, 2013, 1:00 pm, in the Olive Conference Room at the City of Las Vegas building.

Dr. Middaugh will present information on the corner of public health and veterinarian service at the next Board of Health meeting as requested by Member Beers. He stated that 70% of the last major outbreaks have been from epizootic illnesses; viruses or bacteria that are endemic to animals that cross over humans like SARS.

VI. BOARD REPORTS: The Southern Nevada District Board of Health members may identify emerging issues to be addressed by staff or by the Board at future meetings, and direct staff accordingly. Comments made by individual Board members during this portion of the agenda will not be acted upon by the Southern Nevada District Board of Health unless that subject is on the agenda and scheduled for action. There were none.

VII. HEALTH OFFICER & STAFF REPORTS

- **New Grant Opportunities:** New grant opportunities were discussed in the budget presentation. We are coordinating with Nevada State Health Division on the CTG Grant. Every state will receive funds regarding chronic disease and Nevada will receive \$513,000 in the basic application for this grant. The competitive grant of \$1.5 million per year for five years will be awarded to 25 states; there will not be another federal grant opportunity for five years. We are meeting with state colleagues from Carson City, Washoe County and Richard Whitley, Nevada State Health Division, to discuss apportionment of funds including the rural areas. Coordination of the application and apportionment of funds between health districts and the state present a challenge.
- **EMS and DUI Follow Up – City of Mesquite:** Dr. Middaugh hopes to meet with the Mayor, Hospital Administrator and Chief of Staff (Mesquite) in the near future to discuss and resolve the EMS DUI blood draw situation.
- **New Recruitment–HR Director:** The District contracted with a recruiter and received over thirty candidate responses for the position. It is expected to take approximately two months to fill the position.
- **Update: Department of Homeland Security Grant:** SNHD has been working with the state office of Homeland Security regarding compliance with procurement and timekeeping issues. Review of documentation during a two year period showed deficiency in our internal financial procedures and timekeeping procedures. It is possible that some of the work may not be reimbursed due to incomplete documentation with \$300,000-400,000 in question. SNHD is working with the Clark County Office of Emergency Management and Homeland Security to resolve the

situation. Dr. Middaugh reported SNHD has \$2 million in grants related to surveillance system and outbreak investigation, isolation and quarantine issues and development of the Bench Book. Major turnover at the state and county levels resulted in program change requests submitted by the District were not processed. We are reconstructing records from the past two years. Alternate, Stan Smith sits on that board and is available for assistance if needed.

- Update: 2013 Legislative Session: Jennifer Sizemore, Public Information Manager, reported that two major issues will be presented at today's legislative hearing.

Senate Bill No. 315 would change the make-up of the Board of Health and Senate Bill No. 450 would change the Chief Health Officer requirements and an amended was received combining the two bills that will be introduced by the County. The bill makes the Board all elected officials and creates an advisory board with the At-Large Members for Environmental Health, Physician, Registered Nurse and adds two additional members with solid waste management experience and from a recycling center. The bill changing qualifications of the Chief Health Officer (CHO) now makes that person leading the District an administrator who would appoint a CHO that reports to that administrator. SNHD will provide testimony as it is important to keep the expertise of the appointed members of the board and strikes a balance with political aspects of the board and the expertise of the appointed members. Part of the testimony to be presented will discuss the extreme difficulty in getting a Nevada medical license and SNHD agreed with language originally presented in the bill stating the physician was *eligible to be licensed*. SNHD recommends that the physician would have to be licensed within twelve months; otherwise they would never have to be a licensed physician, which is an important aspect of the job. Dr. Middaugh stated the proposal to remove any qualifications for the district health officer and lack of any qualifications for the public health administrator removes any standard for the needed expertise needed for this agency and community. This move to put an administrator over the CHO was presented in 2005 and is a step backwards to be moving in that direction once again. Current qualifications were added based on the education process we went through and the Master in Public Health qualification brought the CHO position up to date with standards.

Member Bateman stated that the original Senate Bill 315 expanded the SNHD Board adding two additional members, one from a solid waste management facility and one from a recycling center, which would result in an equal number of appointed and elected members and would allow the counties and cities to appoint elected or appointed members and could appoint anyone they wanted and potentially the Board would end up with 16 non-elected members. SNHD did not want to expand the Board resulting in three environmental members because the existing member is supposed to have that expertise. Solid waste matters are only one of the issues that come before the board and don't come before the board at every meeting; when they do there is a process in place for testimony to be presented for those groups to be represented. Member Bateman asked Dr. Middaugh about composition of board of comparable jurisdictions and Dr. Middaugh stated that many jurisdictions do not have a board and the public health agency reports through the structure of the state or local government. He stated there is no board of health in Alaska and Florida, who were both part of governmental structures and had that oversight. He is unaware of other models with a freestanding district like SNHD, but the way public health is structured throughout the country and in general the larger health departments are primarily run by physicians with formal credentials in public health with either a Masters Degree, PhD or Board Certified in Public Health and Preventive Medicine, adding that

transition has occurred over the last 30 years. Member Wood questioned why so much is taken away from the position in this bill instead of eliminating the issue of medical licensure difficulty in the state. Member Jones stated that in Section 7(b) (d) regarding representatives for solid waste and waste disposal there is a change to the industry representative and the current language is that the person is non-gaming or in a regulated business and eliminates someone from the gaming industry in that position. Gaming represents better than ¼ of industry. Jennifer Sizemore stated that the gaming industry member was added at the last legislative session and the current bill is to add someone outside of the industry.

Dr. Middaugh stated there is no restriction from recruiting and hiring a physician currently unlicensed in Nevada that would move into the CHO position when licensed. One of the proposals in changing the SNHD credentials is to add the statement; *to be licensed or eligible to be licensed to practice in Nevada with a requirement to obtain Nevada medical license within 12 months of hire.* Absent any legislative change Dr. Middaugh stated the board could consider the application of any physician they want to interview and move forward in this transition and expressed concern that if either bill regarding credentials would pass in their current state any physician could be hired into this position, which is a tragic mistake.

If an Assistant CHO is hired it is the presumption that person would step into the CHO position and would also be Nevada licensed. Dr. Middaugh suggested the Assistant CHO could temporarily fill the position until the selected candidate met the licensing requirement and transition to CHO position. Member Beers stated under current state law we are required to have a CHO, so bringing in someone working on licensure only works if you have a CHO and agrees with the solution of being licensable produces more than one potential candidate. Member Woods wants to ensure the Lobbyists are informed to deal with these and all of the SNHD legislative issues. Ms. Sizemore reported our lobbyists are aware.

Dr. Middaugh stated that SNHD is working to make things work better, stabilize the budget and asked community leaders not to make any changes during this transition. He stated the SNHD multijurisdictional structure has served the community well and he is disappointed the legislature may make changes and would urge them to hold right now. Member Noonan stated the he will notify the Nevada Resort Association lobbyists and asked Ms. Sizemore to do so as well. Ms. Sizemore reported that she will provide updated legislative reports to the Board.

- Building Update: The final group to move from the 625 Shadow location by July 1, 2013.
- Board of Health Term Update: Annette Bradley reported that elected member terms expire this year and we will be sending notices to notify us of appointees

Chair Scow inquired about the new pool codes. Staff was going to work with industry on the pool codes to bring them in line with national codes. Dr. Middaugh will provide an update at the April meeting.

Chair Scow reminded the Board that the April 22, 2013 meeting will be held at 5:00 p.m.at SNHD.

Member Noonan gave Dr. Middaugh a letter of complaint sent to some of the Board members. Dr. Middaugh will follow-up on the complaint.

VIII. INFORMATIONAL ITEMS- DULY NOTED

A. Chief Health Officer and Administration:

1. **Monthly Activity Report** February 2013

B. Community Health:

1. **Monthly Activity Report.** February 2013

C. Environmental Health:

1. **Monthly Activity Report,** February 2013

D. Clinics and Nursing:

1. **Monthly Activity Report,** February 2013

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. No action may be taken upon a matter raised under this item of this Agenda until the matter itself has been specifically included on an agenda as an item upon which action may be taken pursuant to NRS 241.020. Comments will be limited to five (5) minutes per speaker. Please step up to the speaker's podium, 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 Chairman or the Board by majority vote. Chair Scow opened the Public Hearing and asked if anyone wished to comment.

Seeing on one else, the Chair closed the Public Hearing portion of the meeting.

IX. ADJOURNMENT

Motion made by Member Jones seconded by Member Litman and carried to adjourn the Board of Health Meeting at 11:22 a.m.

SUBMITTED FOR BOARD APPROVAL

John Middaugh, M.D., Interim Chief Health Officer
Executive Secretary

/vk