



MINUTES

**Southern Nevada District Board of Health Meeting
Finance Committee Meeting
March 20, 2017 - 3:00 pm
Lake Mead Trail Conference Room
280 S. Decatur Blvd., Las Vegas, Nevada 89107**

BOARD: Bob Beers, Chair – Councilmember, City of Las Vegas
(Present) Douglas Dobyne – At-Large Member, Regulated Business/Industry
Rod Woodbury, Mayor, City of Boulder City (via teleconference)

(Absent):

ALSO PRESENT: None
(In Audience)

LEGAL COUNSEL: Heather Anderson-Fintak, Esq.

EXECUTIVE SECRETARY: Joseph Iser, MD, DrPH, MSc, Chief Health Officer

STAFF: Emmy Lou Garcia, Andy Glass, Fermin Leguen, Sharon McCoy-Huber, Michelle Nath, Jacqueline Reszetar, Janet Webster, Jacqueline Wells

I. CALL TO ORDER

Chair Beers called the Southern Nevada District Board of Health Finance Committee meeting to order at 3:02 p.m.

- II. PUBLIC COMMENT:** A period devoted to comments by the general public about those items appearing on the agenda. 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.

Seeing none, this portion of the meeting was closed.

III. ADOPTION OF THE MARCH 20, 2017 AGENDA (for possible action)

A motion was made by Member Dobyne and unanimously carried to adopt the March 20, 2017 Finance Committee Agenda as presented.

IV. Report/Discussion/Action:

- 1. Approve Finance Committee Meeting Minutes – November 28, 2016 (for possible action)**

A motion was made by Member Dobyne and unanimously carried to adopt the minutes of the November 28, 2016 Finance Committee meeting minutes as presented.

- 2. Receive/Discuss FY2017 – FY2018 Budget; direct staff accordingly or take other action as deemed necessary (for possible action)**

Sharon McCoy-Huber, Financial Services Manager introduced Emmy Lou Garcia, Budget Analyst and Janet Webster, new Accounting Supervisor.

Ms. McCoy-Huber presented the financial presentation prepared for the Finance Committee, noting that the budget will be submitted to Clark County no later than April 1. She reported Clark County has shared that they believe there is no longer a requirement for the District to submit its budget through Clark County, instead deliver it directly to the State. The District will look to do this next year, as the process has already started this year. Ms. McCoy-Huber will work with Jeff Share (Clark County) to ensure that everything runs smoothly. Mr. Share added the tentative budget is due to the state Department of Taxation on April 15 and a public hearing will need to be held, in conjunction with the regular Board of Health meeting, in May.

Ms. McCoy-Huber presented 2017/2018 Revenues by Source is as follows:

- Taxes are projected to be \$20,805,013, approximately \$695,000 more than last year, final numbers pending from Clark County by end of month;
- License and Permit Fees - \$20,541,971
- Intergovernmental - \$16,563,142
- Charges for Services - \$12, 860,420
- Investment Earnings, \$166,000

In summary, the revenues are flat, as they were last year. There were several grants eliminated or reduced this last year. The PICH, SAPTA, Adult Immunizations and Ryan White B grants were significantly reduced. No staff was eliminated due to reassignments and moving staff into vacant positions. The Zika Birth Defect grant was just received and is not yet in the budget. It will be funded at \$200,000 per year for five years. Pending Reductions – only half of the Family planning grant of \$750,000 has been awarded due to a pending Congressional reconciliation based on a continuing resolution until the end of April. Ryan White A is also partially funded. The Immunization AFIX grant in the amount of \$150,000 from the State was eliminated, which provided funds to do inspections and work with Day Care Centers on getting immunization records for children at the centers. Dr. Iser expects the Ryan White B funds may be replaced, but not until October. In the meantime, this loss of funds generally affects the pharmacy and hiring two pharmacy technicians have been put on hold.

Ms. McCoy-Huber outlined changes to revenues for 2017/18 as:

- General Fund
 - Property Tax Allocation
 - Increase of \$695,982 per Clark County
 - Charges for Services
 - Clinical Services – Insurance charges by \$300,000
 - Community Health – Laboratory fees by \$300,000
 - Community Health – Vital Statistics fees by \$250,000
 - Administration – Food Handler fees by \$200,000

Changes to categories related to expenditures consist of:

- Salaries - \$2.1 million dollars
 - Staff adjustments (11.3 net increase from 2016/17 adopted budget)
 - 2.5% increase for staff not at step 14
 - Adjustment for implementation of Comp & Class Study
- Services & Supplies - \$1.2 million dollars
- Transfers Out
 - Reduction of \$1.9 million dollars; transfer out to capital improvements

In discussing expenditures by division:

- Clinical Services remained flat at \$25.6 million dollars to \$26.2 million dollars.
- Environmental Health’s original budget was \$22.3 million dollars, now estimated at \$19.7 million dollars, projected at \$22 million dollars.
- Community Health had an adopted budget of \$21.9 million dollars, estimated at \$24.3 million dollars, projected at \$22.2 million dollars.
- Administration, which includes cost allocations, was \$500,000 above two years ago, \$3 million dollars in the original budget below, \$2.3 million dollars estimated and \$2 million dollars projected.

Changes by Division include:

- Clinical Services
 - Net staff decrease of 1.0 (loss of RWB)
 - Pharmacy increase \$500,000
 - SAPTA reduction of \$675,000
 - Other program increases \$750,000
- Community Health
 - Net staff increase of 3.0 (DIIS/DDCS)
 - Reduction in grant funding \$2.5 million dollars
 - Addition of Laboratory to the General Fund \$2.1 million dollars
- Administration
 - Net staff increase of 1.0 (Compliance Officer)

Discussed staffing (FTEs) by Division as:

<i>Division</i>	<i>2015/16 Actual</i>	<i>2016/17 Adopted</i>	<i>2016/17 Estimated</i>	<i>2017/18 Proposed</i>	<i>Percentage Change*</i>
Clinical Services	123.0	129.2	134.5	133.5	- 0.7 %
Environmental Health	150.0	161.0	160.0	160.0	0.0 %
Community Health	111.0	113.0	113.0	116.0	2.7 %
Administration	<u>114.0</u>	<u>111.0</u>	<u>115.0</u>	<u>116.0</u>	<u>0.9 %</u>
Total	498.0	514.2	522.5	525.5	0.6 %

*Percentage Change is calculated from 2016/17 Estimated to 2017/18 Proposed

There was no action taken on this item at this time.

3. Review/Discuss Three Year Projection; direct staff accordingly or take other action as deemed necessary (*for possible action*)

Dr. Iser discussed cost options related to additional increases in food service fees. Workshops are being scheduled and this item will be coming before the Board shortly. The proposed fee increase of \$2 million only covers the cost of the program as it now exists, no new staff. Possible Board options could be:

- Direct to not increase fees
 - No decrease in services, cost of \$2 million dollars.

- Decrease our costs to eliminate need for increase
- Direct to return with 50% increase along with 50% decrease in staffing.

With regard to the advantages of approving a future fee increase, Dr. Iser explained that \$2 million could possibly buy:

- Thousands of vaccines
- Continue programs when they are no longer funded, such as the possibility of NFP or RW or FP
- Employee wages
- Expanding programs and locations

Ms. McCoy-Huber reviewed the Three-Year projection, noting that the actual ending fund balance after the audit was \$16.2 million dollars. When the adoption of last year's budget was done, it was thought that this year would end with \$16.0 million dollars. Now that the revenues and expenditures have been scrubbed, the projection is almost \$17 million estimated ending fund balance. Dr. Iser noted the end fund balance is stable.

Ms. McCoy-Huber noted there may be a need for a 2016/17 Budget Amendment around May or June for funding for additional current needs may require an amendment in the following funds:

- Capital Projects Fund
 - Public Health & Clinical Laboratories Equipment
 - Records Management Information System
 - 2nd Mobile Clinical Unit
 - Parking lot & Patio renovations at Decatur
- Bond Reserve (Building) Fund
 - Clinical Laboratory Improvements - \$435,000
 - Roof replacement - \$550,000

Current Unknowns are:

- Affordable Care Act
 - New federal administration may make changes
- Community Health Improvement Plan
 - May result in additional needs for services
- Need for Potential Future leases
 - North Las Vegas
 - Others
- Vector Control Program

Ms. McCoy-Huber reviewed the fund balance over the last few years.

- 2011/12 - \$13.4 million
- 2012/13 - \$21.1 million
- 2013/14 - \$12.9 million
- 2014/15 - \$15.4 million
- 2015/16 - forward funds have been flattened between \$16 - \$17 million dollars

The Laboratory Fund closed at the beginning of the fiscal year.

The Building Reserve Fund will have an ending fund balance of approximately \$1 million dollars after proposed repairs.

The expenditures in the Capital Project Fund are expected to rise to \$3.4 million instead of the original \$750,000.

There must be a District contribution to the Insurance Liability Reserve Fund beginning next year in order to compensate for workers' compensation.

There was no action taken on this item at this time.

4. Review/Discuss Pending Expenses; direct staff accordingly or take other action as deemed necessary (*for possible action*)

Dr. Iser discussed this item earlier (EH Fees). His presentation will be modified and included in the budget presentation for the full Board.

There was no action taken on this item.

5. Discuss and Approve Recommendations to the Southern Nevada District Board of Health on March 23, 2017; direct staff accordingly or take other action as deemed necessary (*for possible action*)

A motion was made by Member Dobyne and unanimously carried to direct staff to bring forward the budget presentation or abbreviated version of the presentation and proposed budget to the March 23, 2017 Board of Health meeting.

A motion was made by Member Dobyne and unanimously carried to direct staff to bring forward the three-year projection to the March 23, 2017 Board of Health meeting.

A motion was made by Member Dobyne/Woodbury seconded by Member Dobyne/Woodbury and unanimously carried to recommend approval of the 2017/18 Budget to the Board of Health at March 23, 2017 meeting to include any tax revenue budget adjustments after Clark County notifies the Health District on March 31, 2017.

- V. 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.

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

XI. ADJOURNMENT

The Chair adjourned the meeting at 3:59 p.m.

Joseph P. Iser, MD, DrPH, MSc
Chief Health Officer/Executive Secretary

/jw