Environmental Health

FEE SCHEDULE PROPOSAL - BOH

JUNE 27, 2019

Current Situation

- Environmental Health has not had a fee increase in 10 years.
- Program expenses exceed program revenues and the community continues to grow.
- At this time, Environmental Health is not financially self-sufficient.
- Workload and community demands exceed current staffing levels.
- Services and staffing have been adversely impacted.
- Additional resources are critically needed to meet mandated requirements, customer demands, and to keep our programs and services sustainable.

Fee Committee Recommendations:

- Staff will provide the Board of Health (BOH) with the correct accounting categorization for the three slides titled Additions/Modifications from the May 29, 2019, EH Fee Committee presentation, so the correct revenue stream is going to the correct accounts and the proposed fees will pay for the services being provided.

  Staff agree.

- Staff will provide the BOH with a proposal for expedited services and fees for those services.

  Staff agree.

- Staff will provide the BOH with a proposal allowing staff to work overtime with an appropriate fee schedule that will pay for all staff time and other costs associated with such overtime work.

  Staff will continue to allow justified overtime. Staff will continue to evaluate overtime efficiencies.

Committee Recommendations Continued:

- Vector Control will remain part of EH, but costs for the program will be paid from property taxes, not fees.

  Staff recommends that Vector Control services and expenses remain in the EH budget.

- The BOH support changing the State statutes to increase the tire tax and that the tire tax thereafter is tied to an annual increase in the cost of living.

  Staff agrees.

- The BOH does not adopt a cost of living increase for fees at this time.

  Staff recommends that fees are annually adjusted to the Western Consumer Price Index, similar to Washoe County. (The WCPI includes 13 states in the Western region.)

Committee Recommendations Continued:

- The BOH require that policies and procedures be adopted so that the costs of performing services and the fees charged for services can be tracked accurately.

  Staff will continue to improve processes for tracking revenue and expenses.

- Staff will charge for re-inspections and increase fees for downgrades and closures. There will be no fees for B Downgrades due to repeat violations or 11-13 demerits. The following fees will be imposed or increased: $400 for B Downgrades due to 14-17 demerits, $600 for B Downgrades due to 18-20 demerits, $1,000 for C Downgrades, and $1,200 for Closures.

  All re-inspections require staff resources. Staff agrees with the increases for C Downgrades and Closures; however, staff recommends a flat fee ($580) for all B Downgrades for cost recovery.

Committee Recommendations Continued:

- Staff will provide the BOH with recommendations concerning very specific and selective staffing increases that will help relieve the delays SNHD is experiencing in certain areas in order to improve services.

  Staff agree with prioritizing/phasing in additional staff.

- Staff will research ways to track tires and other illegal dumping in a cost-effective manner to enhance revenue and thereafter advise the BOH on the findings of such research.

  Staff will continue to look for ways to enhance revenue in a cost-effective manner.

Staff Recommendations:

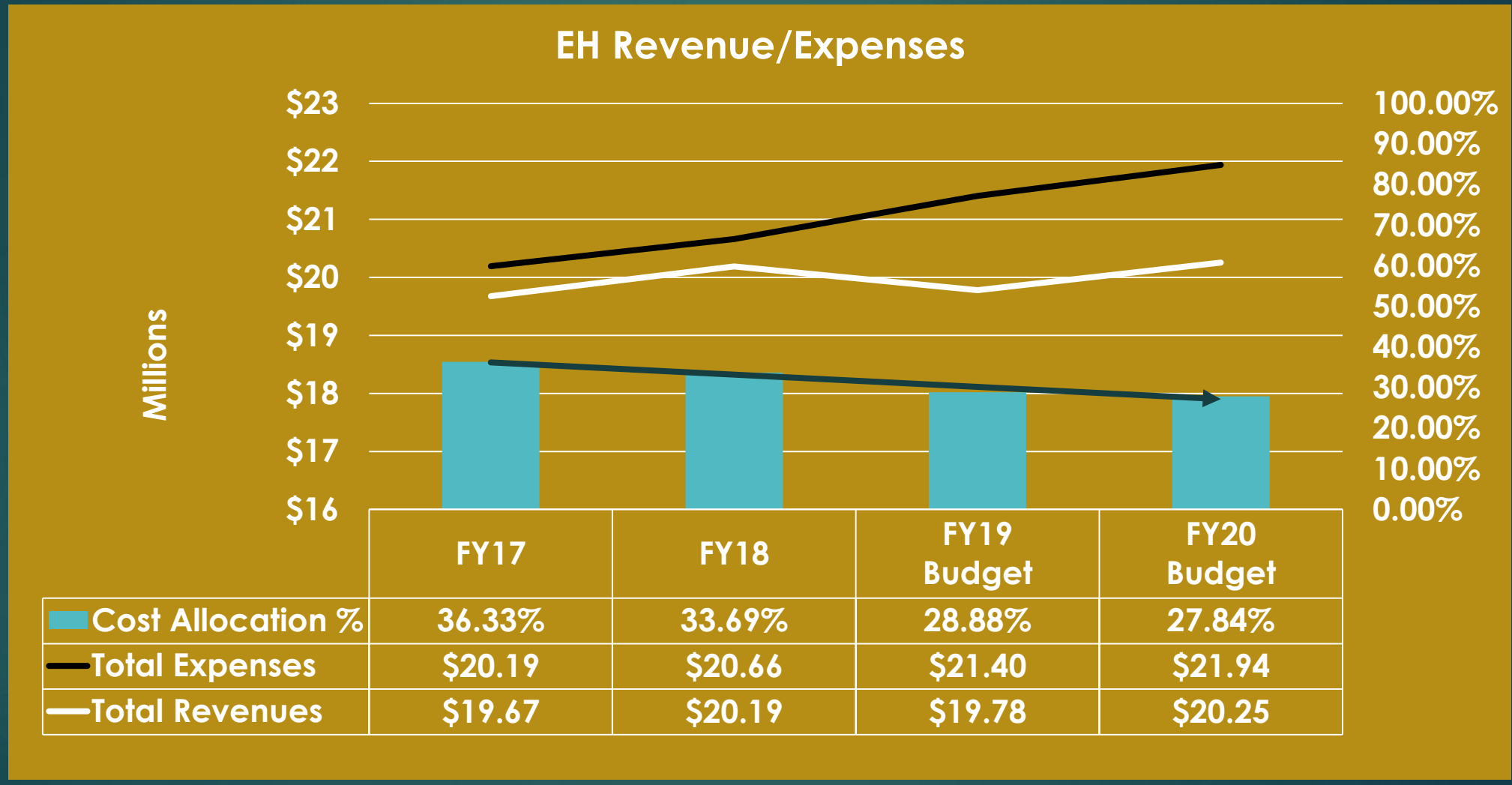
- Environmental Health should cover all of its costs and be self-sufficient.
- Environmental Health should adjust fees to cover costs of critically needed, proposed staff (possible phase in time).
- Environmental Health's major programs must pay for themselves (permits and other fees should pay for the costs of the services).
- Environmental Health fees should be adjusted and charged for Bs, Cs, and Downgrades.
- Annual, automatic fee adjustments should be tied to the Western Consumer Price Index. These fee adjustments would allow Environmental Health to remain self-sustaining.

Staff Recommendations Continued:

- EH recommends that clean-up be done to the fee schedule, new fees added for new services, and that money is allocated to the correct revenue account.
- Vector should remain a part of EH and be paid for by all permit holders and fees in EH.

Note: It has been 10 years since the last adjustment to EH fees.

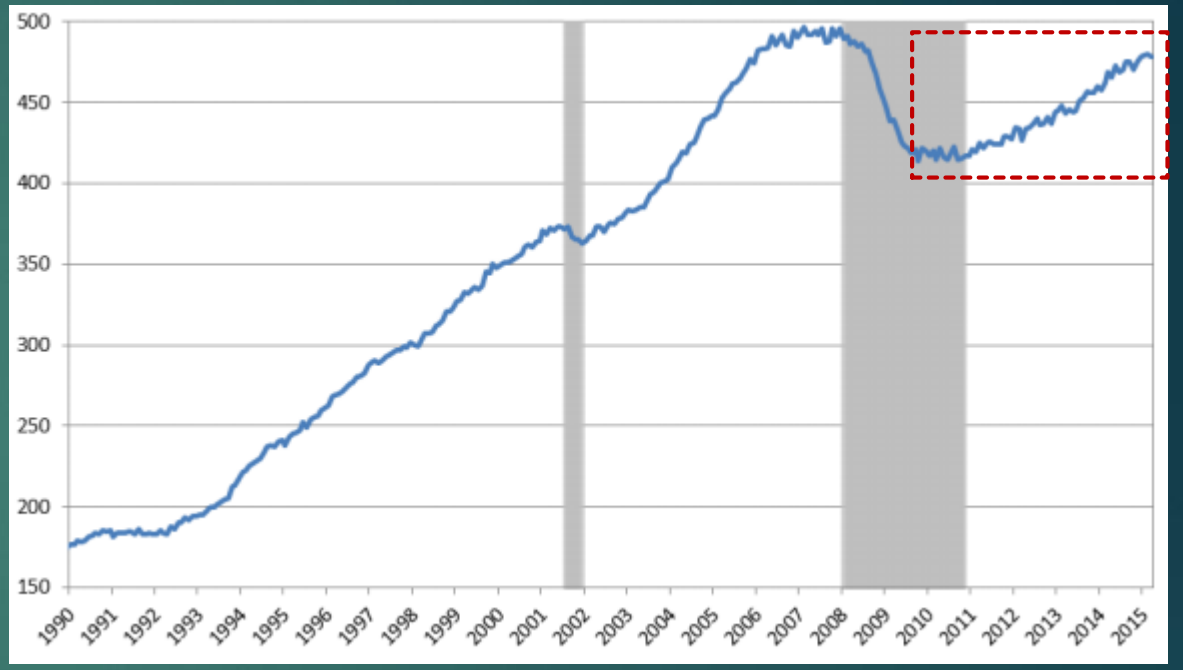
EH Revenue/Expenses



	FY17	FY18	FY19 Budget	FY20 Budget
Cost Allocation %	36.33%	33.69%	28.88%	27.84%
Total Expenses	$20.19	$20.66	$21.40	$21.94
Total Revenues	$19.67	$20.19	$19.78	$20.25

Growth in Southern Nevada Business Activity

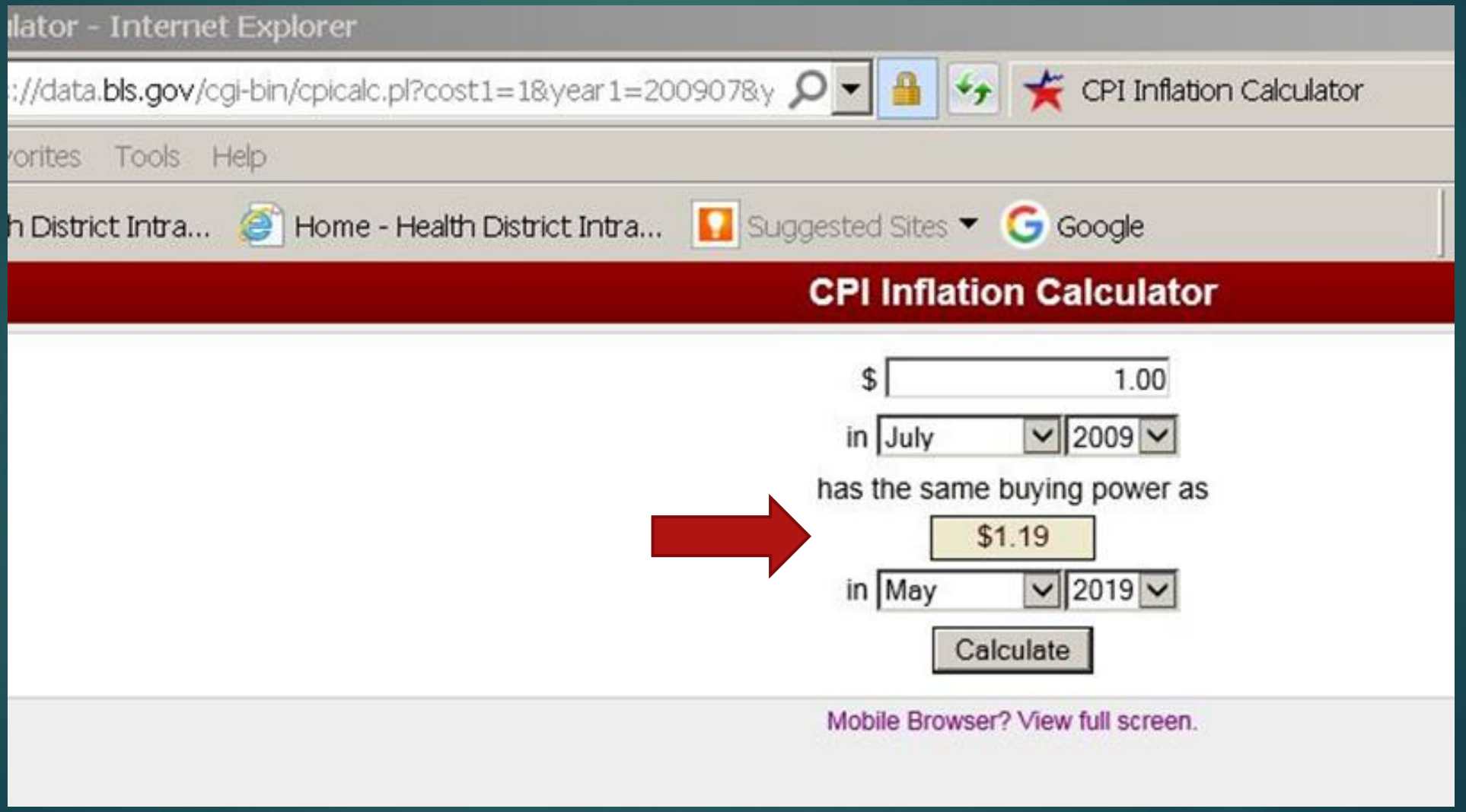
- Clark County population has grown 13% since 2010.
- Clark County Business Activity Index increased 14.3% between 2010 and 2015



Source: *The Center for Business and Economic Research, UNLV*

Cost of Living – Bureau of Labor Statistics

(6/20/19)



Critically Needed Staff

- **FOOD OPERATIONS:**
  - 7 Environmental Health Specialists (2 for Illegal Vending Support)
  - 1 Manager
  - 1 Supervisor
  - 1 Senior Environmental Health Specialist
  - 1 Administrative Assistant
- **CONSUMER HEALTH:**
  - 3 Environmental Health Specialists (FDAP, Special Programs, & Pool Plan Review)
  - 1 Senior Environmental Health Specialist (Pool Plan Review)
- **SOLID WASTE**
  - 2 Environmental Health Specialists (Restricted Waste & UST)
  - 1 Environmental Health Engineer (ISDS/Nitrate Removal System Program)

Original Fee Increase Proposals

Environmental Health General Fund Fee Increase Calculation

	Priority 1 Cost Total		Priority 2 Cost Total	Total Annual Expense Increase
FY20 Budget Revenue	$19,455,000	$1,698,300	$2,114,173	$3,812,473
FY20 Estimated Budget Expenditures	$21,153,300	Current Expenditure Shortfall	Percentage Increase over Flat Expense Increase:	
Flat % Increase Required		8.7%	10.9%	19.6%

FY20 Total Estimated Fees When Approved: $23,267,473

Priority 1: Cover the negative difference between Revenue and Expenses in FY20 General Fund Budget

Suggested Fees For Downgrades

Grade	Issued in FY18	Current Fee	Suggested Fee
B grade	1,623	0	580
C grade	348	477	1,000
Closure	146	716	1,200
Total	2,117	$270,532	$1,464,540

FY20 Budget

Program	Revenue	Expenses	Balance	B, C, Closures	Proposed Adj.
Food Operations (Annual Itinerants, Farmer's Markets, Food Ops., Illegal Vending, Mobile Vending, Seasonal, Temp. Events, Epi/Comm, Training, Special Proc. Review)	$10,461, 603	$11,221,467	($759,864)	$1,194,008	0
Food Plan Review	$1,381,238	$1,795,538	($414,300)		33.73%
Pool Operations	$2,813,634	$1,686,304	$1,127,330		0
Pool Plan Review	$383,677	$557,172	($173,495)		49.39%
Vector Control	$0	$590, 734	($590,734)		
Public Accommodations	$910,594	$588,513	$322,081		0

FY20 Budget Continued

Program	Revenue	Expenses	Balance	B, C, Closures	Proposed Adj.
Special Programs (Body Art, Childcare, Schools, Institutions)	$552,495	$1,033,476	($480,980)		92.43%
Solid Waste Management (ISDS, Restricted Waste, Illegal Dumping, Waste Management, PDFs, UST)	$2,547,618	$3,019,324	($471,706)		21.92%
Solid Waste Management Plan Review (Liquid Waste, Subdivision Review, Solid Waste Plan Review)	$404,140	$660,726	($256,586)		68.19%
	$19,455,000	$21,153,253	($1,698,254)	$1,194,008	

Note: Priority 2 increases the Revenue balance of Priority 1 ("Expense Total" plus "B, C, Closure" Total) by 3.37% across the board to achieve a $23,267,473 Revenue balance.

Conclusion:

- EH is seeking BOH direction on EH fee adjustments so staff can proceed with public workshops.
- EH recommends a fee adjustment that has major programs pay for themselves.
- EH recommends paying for Vector Control using EH funds.
- EH recommends tying the fee schedule to the Western Consumer Price Index, similar to Washoe County. The CPI will allow growth to pay for growth and EH to be self-sufficient in the future.
- EH recommends that clean-up be done to the fee schedule, new fees added for new services, and that money is allocated to the correct revenue account.

Environmental Health (EH) Fee Committee
Board of Health (BOH) Recommendations From 06/11/19

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B. Staff will provide the BOH with a proposal for expedited services and fees for those services.

C. Staff will provide the BOH with a proposal allowing staff to work overtime with an appropriate fee schedule that will pay for all staff time and other costs associated with such overtime work.

D. Vector Control will remain part of EH, but costs for the program will be paid from property taxes, not fees.

E. The BOH support changing the State statutes to increase the tire tax and that the tire tax thereafter be tied to an annual increase in the cost of living.

F. The BOH does not adopt a cost of living increase for fees at this time.

G. The BOH require that policies and procedures be adopted so that the costs of performing services and the fees charged for services can be tracked accurately.

H. Staff will charge for re-inspections and increase fees for downgrades and closures. There will be no fees for B Downgrades due to repeat violations or 11-13 demerits. The following fees will be imposed or increased: $400 for B Downgrades due to 14-17 demerits, $600 for B Downgrades due to 18-20 demerits, $1,000 for C Downgrades, and $1,200 for Closures.

I. Staff will provide the BOH with recommendations concerning very specific and selective staffing increases that will help relieve the delays SNHD is experiencing in certain areas in order to improve services.

J. Staff will research ways to track tires and other illegal dumping in a cost-effective manner to enhance revenue and thereafter advise the BOH on the findings of such research.