



# Board Agenda Item 59

DATE: July 10, 2018

TO: Board of Supervisors

SUBMITTED BY: David Pomaville, Director, Department of Public Health

SUBJECT: Amendment to Master Schedule of Fees, Charges, and Recovered Costs

RECOMMENDED ACTION(S):

1. **Conduct second hearing and adopt Ordinance to amend the Fresno County Master Schedule of Fees, Charges, and Recovered Costs Section 2100 - Public Health, subsections 2101, 2103 through 2107, 2109 through 2112, and adding subsections 2114 through 2115; and waive reading of the Ordinance in its entirety; and**
2. **Conduct second hearing and adopt Ordinance to amend the Fresno County Master Schedule of Fees, Charges, and Recovered Costs Section 900 - Environmental Health, sections 902 through 906, 908 through 916, 917, 919 through 934.1, 937 through 940.1, 948, 950, and adding subsections 902.1, 916.1, 939.2, 939.3, and 940.2; and waive reading of Ordinance in its entirety.**

Approval of the first recommended action will amend the identified rates in Section 2100 of the Master Schedule of Fees (MSF), last amended in FY 2012-13, to enable full cost recovery, delete inapplicable rates, reduce where necessary, or are related to added services. Approval of the second recommended action will amend the identified rates in Section 900 of the MSF, last amended in FY 2008-09. The proposed amendment to Section 900 is an 8% to 13% increase. To allow for the eventual 90% cost recovery in Section 900, similar increases will be required in FYs 2019-20 and 2020-21, thereby reducing the use of 1991 Health Realignment (Realignment) to offset permit fee-based program costs. This item is countywide.

ALTERNATIVE ACTION(S):

Your Board may direct staff to use current fees or propose alternative fees, which may not recover 100% of costs for Public Health or 90% of costs in Environmental Health, are no longer applicable, warrant a reduction, or are related to additional services.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the adoption of the recommended rates. The rates will be used by the Department to recover direct and indirect costs for services performed at 100% for Public Health and 90% for Environmental Health with the 10% difference in program cost covered by Realignment to ensure the continued protection to public health. In addition, the amendments will delete rates that are no longer applicable.

DISCUSSION:

The recommended rates consist of applicable direct and indirect salaries, benefits, services and supplies,

including departmental and countywide overhead costs. The changes proposed to the existing rates for include revised, reduced, increased, and deleted fees as well as the addition of new fees. The last time Public Health fees were updated was FY 2012-13, Environmental Health FY 2008-09.

The proposed amendment to Section 2100 is recommended to recover 100% direct and indirect costs for services. The Department completed its Public Health Fee Study in 2017. In November and December 2017, the Auditor-Controller/Treasurer-Tax Collector reviewed and approved the methodology and calculation of the permit rates.

The proposed amendment to Section 900 is an estimated 8% to 13% increase, with the exception of subsection 902 - Kennel License, which is based on the current hourly rate required for review of these facilities; and subsection 939.2 - Semi Frozen Soft Serve License, which is mandated by the California Department of Food and Agriculture. Except for these two subsections, to allow for the eventual 90% cost recovery, similar increases will be required in FYs 2019-20 and 2020-21. The Department completed its Environmental Health Permit Fee Study in 2017. In March 2018, the Auditor-Controller/Treasurer-Tax Collector reviewed and approved the methodology and calculation of the permit rates. In the last ten years, increased State mandated programs and costs to run the programs have driven the need for the proposed permit fee increases. The amendment would decrease the use of Realignment to offset permit fee-based program costs. The redirection of Realignment in 2014 resulting from Assembly Bill 85 and the redirection of growth to the In-Home Support Services Account beginning in 2018 have significantly reduced Realignment available for programs and services. Additionally, increased cost in other Realignment funded programs including correctional health and public health have reduced available funding for Environmental Health Division programs.

The recommended rates, including their calculation, and methodology applied for cost recovery, has been reviewed and approved by the Auditor-Controller/Treasurer-Tax Collector. If approved the recommended rates will become effective September 1, 2018.

REFERENCE MATERIAL:

BAI #10, June 12, 2018

BBR - Update Regarding Proposal to Increase Environmental Health Permit Fees, June 7, 2018

BBR - Proposal to Increase Environmental Health Permit Fees, May 4, 2018

ATTACHMENTS INCLUDED AND/OR ON FILE:

Exhibit A - Proposed Rates Public Health

Exhibit B - Proposed Rates Environmental Health

Attachment A - Public Health MSF Rate Change Comparison

Attachment B - Environmental Health MSF Rate Change Comparison

Public Health Proposed Ordinance

Environmental Health Proposed Ordinance

CAO ANALYST:

Sonia M. De La Rosa