



Date: November 5, 2024

To: Salt Lake County Council Members

From: Dorothy Adams, Health Department Executive Director

CC: Erin Litvack, Deputy Mayor of County Services; Kelly Colopy, Human Services Department Director

**RE: Salt Lake County Health Department Fee Schedule Change Proposal and 2025 Fall Budget Fee Revenues Projection**

## **SUMMARY**

Salt Lake County Health Department (SLCoHD) has completed its fee schedule review process to address the rising costs of services and to update the fee schedule due to changes in regulations and rules, and program services. The proposed schedule will be used to adjust the overall fee revenues projection and inform the 2025 Fall budget process.

The fees subjected to this review are categorized into four main areas relating to the environment health services, the general immunization services, the infectious disease services and the community health services. SLCo needs the approvals from the Board of Health and the County Council. This proposal has been vetted by the County's Revenue Review Committee on August 14, 2024, for the analysis methodology and the 2025 revenue projection with no concerns. In addition, the Board of Health approved the proposal on September 5, 2024.

## **ANALYSIS METHODOLOGY**

Generally speaking, the rate structure for fees is based on the following definition with a few exceptions, such as the landfills' tonnage fees and others.

- **Rate Structure:** The summation of staff's time to perform identified services multiplied by staff's hourly rate which includes indirect costs to arrive at cost of performing the service. The revenue that is projected from performing those services are multiplied the number of services performed. The projected units of services are based on the previous year's actual number of services delivered.
- **Benchmarking:** A fee comparison with applicable national or/and neighboring counties was conducted. The necessary adjustments are made to the full cost rate to stay marketable, competitive, and maintain affordable to the public.
- **Industries outreach:** The proposed fees are shared with industry representatives including key contacts in professional organizations, licensing boards and certified operators. Programs with a very large volume of permit holders make it unfeasible to contact every operator. In these cases, we select a representative number of both large and small businesses to contact. We also inform customers about the proposed fee changes when interacting with them during inspections, and when in the office or on the phone.

**2025 FALL BUDGET FEE REVENUES PROJECTION**

The table below shows the fee revenues trending since 2019. 2025 Fall Budget Projection is based on the proposed new fee schedule with an increase of \$1.2M from 2024 budgeted fee revenues.

Areas	2025 Fee Revenues Projection	2019 Actuals	COVID				2024 Adjusted Budget	2025F Revenues Projection	Changes
			2020 Actuals	2021 Actuals	2022 Actuals	2023 Actuals			
EHS	407010 - Air Bureau	\$ 193,858	\$ 144,952	\$ 162,952	\$ 191,743	\$ 137,013	\$ 133,840	\$ 140,853	\$ 7,013
EHS	407015 - Sanitation	\$ 456,654	\$ 489,033	\$ 564,400	\$ 740,394	\$ 927,905	\$ 701,550	\$ 1,024,630	\$ 323,080
EHS	407020 - Food Bureau	\$ 2,557,458	\$ 2,088,715	\$ 2,566,621	\$ 2,882,616	\$ 3,360,855	\$ 3,334,967	\$ 3,887,890	\$ 552,923
EHS	407025 - Water Bureau	\$ 3,557,168	\$ 3,706,967	\$ 4,062,113	\$ 4,374,043	\$ 4,267,628	\$ 4,631,852	\$ 4,787,424	\$ 155,572
EHS	409004 - Retail Tobacco Fee	\$ 14,584	\$ 17,174	\$ 10,443	\$ 10,086	\$ 17,709	\$ 8,500	\$ 8,680	\$ 180
EHS	409005 - Emission Fees	\$ 2,951,389	\$ 2,807,839	\$ 3,026,337	\$ 2,983,825	\$ 3,044,524	\$ 2,907,426	\$ 3,044,523	\$ 137,097
IMIMS	421195 - Mac Travel Clinic	\$ 759,133	\$ 190,437	\$ 255,958	\$ 424,753	\$ 399,502	\$ 957,560	\$ 957,560	\$ -
ID	421205 - Medical Office Fee	\$ 342,179	\$ 210,776	\$ 268,471	\$ 306,248	\$ 329,878	\$ 344,000	\$ 344,000	\$ -
CHS	421215 - Comm Serv Fee	\$ 52,232	\$ 12,718	\$ 20,633	\$ 144,817	\$ 74,581	\$ 33,000	\$ 48,000	\$ 15,000
PHS	421225 - Vital Statistics	\$ 1,061,699	\$ 1,123,073	\$ 1,403,745	\$ 1,436,359	\$ 1,363,474	\$ 1,299,875	\$ 1,299,875	\$ -
IMIMS	421230 - Immunizations	\$ 1,678,648	\$ 1,451,754	\$ 1,630,706	\$ 1,754,518	\$ 2,302,104	\$ 5,687,578	\$ 5,687,578	\$ -
EHS	425040 - EHS Penalties	\$ 34,859	\$ 21,799	\$ 24,760	\$ 54,723	\$ 97,060	\$ 65,000	\$ 50,000	\$ (15,000)
<b>TOTAL</b>		<b>\$ 13,659,860</b>	<b>\$ 12,265,239</b>	<b>\$ 13,997,140</b>	<b>\$ 15,304,124</b>	<b>\$ 16,322,234</b>	<b>\$ 20,105,148</b>	<b>\$ 21,281,013</b>	<b>\$ 1,175,865</b>
Comparing to previous year \$		\$ 457,527	\$ (1,394,622)	\$ 1,731,901	\$ 1,306,984	\$ 1,018,109	\$ 3,782,914	\$ 1,175,865	
Comparing to previous year %		3.47%	-10.21%	14.12%	9.34%	6.65%	23.18%	5.85%	

The Health Department will request one new FTE Environmental Health Scientist in Food Program, estimated position budget \$133K, to be funded by the program fee revenues. The new FTE will help the program cover keep up with the increasing costs to providing mandated regulatory services to a growing food service industry. The vast majority of establishments and certifications regulated by the Food Protection program continue to increase. This includes food handler permits, brick and mortar food establishments, residential care establishments, mobile food units, temporary food establishments and temporary mass gatherings. See the program fee analyses for the current # of services and projected # of services for each fee type. Additional details showing the current # of establishments, inspections and 5-year growth are shown in the Food Protection New FTE Justification document.

**FEE CHANGES AND DESCRIPTION**

The documents of the fee schedule change proposal and the narratives are enclosed:

- [Salt Lake County Health Department Program Fee Schedule Proposal, effective January 1, 2025](#)
- [Environmental Health Services Fee Schedule Proposal Narrative](#)
- [EHS Food Protection New FTE Justification](#)
- [Clinical Services Infectious Disease Fee Schedule Proposal Narrative](#)
- [Clinical Services Immunization Fee Schedule Proposal Narrative](#)
- [Community Health Services Car Seat Fee Schedule Proposal Narrative](#)

## **FINAL NOTES**

The Department has historically staggered the review of their fees but found that keeping track of these different dates difficult to manage so will moving forward complete this review every three years. We have worked to ensure that our fee schedule is current and reflective of all the fees that we charge so that our clients are well informed. With the fluctuation of fees in immunizations we have changed the model so that increases in contracted costs do not have to go through the review process but only the administration fee so that price changes can quickly be implemented.

The department does not want our fees to be a barrier to service as we know foundational public health protections ensure the health of our community. We closely monitor fees charged by our partners and communicate regularly so as a system we are addressing gaps and ensuring service. We will continue this practice in the future.