

Fee/Cost Recovery Fiscal Analysis Summary of MGT America Fiscal Study of Environmental Health Division of Monterey County Health Department, 2017.

Results from the user fee study conducted by MGT America indicates that a net revenue increase (combination of fee increases and decreases) of \$822,204 is recommended to have health permit fees cover 100% of operations. This increase averages out to be a 14% percent overall increase in user fees. Additionally, the user fee results include the following proposals:

1. Proposed Fee -
  - a. For most fees, recommend adjusting the fee to the full cost amount.
  - b. For several fees which were inactive last year, recommend no fee adjustment.
  - c. For many Hazmat fee categories, the Envision data was unreliable. For these, recommend a 10% increase.
  - d. County staff recommended that several fees remain below the full cost amount.
2. Annual Revenue - this reflects the current fee multiplied by 2015/16 annual volume. Since only data for 10 months was received, a factor of 1.2 was added in the annual revenue cells.
3. Projected Revenue - this reflects the proposed fee multiplied by 2015/16 annual volume. Since data for 10 months was received, a factor of 1.2 was added in projected revenue cells.

Based on the proposal recommendations from MGT America, Environmental Health has considered the financial impact that a 14% increase would have on the public and requests a conservative approach of increasing fees incrementally. The initial incremental increase of 4% was requested for Fiscal Year 2017-18, the second increase of 3% is requested for this fiscal year and any subsequent increases will continue to be requested incrementally. The Full Study document/spreadsheet/report is available upon request.