

Proposed Lodging Fee Structure



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DEPARTMENT OF AGRICULTURE, TRADE, AND CONSUMER PROTECTION

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BACKGROUND

- Lodging fees have not been addressed since 2008, with a 5% increase in 2010.
- 16 years, fees have remained at the current rate.
- Program costs have dramatically increased and the gap between expenses and program revenue is increasing.
- The program cannot continue to operate effectively with the current fee structure.



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METHODOLOGY

- Total Expenses for Retail and Recreational Programs:
 - % Central Office Staff cost to support program needs-agent reimbursement.
 - Field staff cost.
 - Supplies and services
 - HealthSpace.
 - Laboratory Costs
- Calculations
 - Average time to perform a type of inspection is calculated – multiplied by the total number of establishments of that type. Total number of hours spent performing all inspections divided by the hours of lodging inspections=% of inspection hours dedicated to lodging inspections.



METHODOLOGY

- Calculations
 - The calculated percentage is applied to the total expenses needed to run the retail and recreational program.
 - That number is the basis for calculating the fee structure.
 - Three different models are proposed for consideration.
 - Other ideas can be presented, but at the end of the day the total revenue generated needs to offset the expenses to run the lodging program.



BREAKDOWN OF CURRENTLY DATCP LICENSED LODGING FACILITIES

Lodging 5-30 Rooms (LH1)	308
Lodging 31-99 Rooms (LH2)	154
Lodging 100-199 (LH3)	8
Lodging 200+ (LH4)	6
Tourist Rooming House (LTR)	2825
Total	3301



CENTRAL OFFICE EMPLOYEE EXPENSES FOR THE RFRP

POSITION	RATE OF PAY	ANNUAL SALARY	FRINGE	TOTAL SALARY	% OF TIME	TOTAL COST TO RETAIL AND REC	Standard Costs	Grand Total
Food Scientist-Adv (Licensing Specialist)	\$34.68	\$72,127.19	\$31,570.07	\$103,697.26	\$0.70	\$72,588.08	\$15,374.80	\$87,962.88
Internal Operations Manager	\$46.40	\$96,512.00	\$42,243.30	\$138,755.30	\$0.40	\$55,502.12	\$8,785.60	\$64,287.72
Food Scientist-Adv.	\$36.65	\$76,238.85	\$33,369.74	\$109,608.59	\$0.15	\$16,441.29	\$3,294.60	\$19,735.89
Food Scientist-Adv. - Licensing Specialist	\$35.60	\$74,053.18	\$32,413.07	\$106,466.25	\$0.70	\$74,526.37	\$15,374.80	\$89,901.17
Program & Policy Supervisor	\$39.26	\$81,670.57	\$35,747.21	\$117,417.78	\$0.60	\$70,450.67	\$13,178.40	\$83,629.07
License Program and Permit Associate	\$21.71	\$45,163.35	\$19,768.00	\$64,931.35	\$0.75	\$48,698.51	\$16,473.00	\$65,171.51
Reg Specialist Sr.	\$35.28	\$73,382.33	\$32,119.44	\$105,501.77	\$0.85	\$89,676.50	\$18,669.40	\$108,345.90
Food Scientist-Adv. - Licensing Specialist	\$36.86	\$76,671.65	\$33,559.18	\$110,230.84	\$0.70	\$77,161.59	\$15,374.80	\$92,536.39
Program Assistant Supervisor Advanced	\$30.21	\$62,836.80	\$27,503.67	\$90,340.47	\$0.60	\$54,204.28	\$13,178.40	\$67,382.68
License Program and Permit Associate Sr.	\$23.49	\$48,863.84	\$21,387.70	\$70,251.55	\$1.00	\$0.75	\$21,964.00	\$21,964.00
Food Scientist Advanced	\$35.23	\$73,278.40	\$32,073.96	\$105,352.36	\$0.50	\$52,676.18	\$10,982.00	\$63,658.18
Financial Specialist Sr.	\$25.40	\$52,824.02	\$23,121.07	\$75,945.10	\$0.60	\$45,567.06	\$13,178.40	\$58,745.46
IS Business Automation Analyst	\$31.56	\$65,635.09	\$28,728.48	\$94,363.57	\$0.90	\$84,927.21	\$19,767.60	\$104,694.81
Regulatory Specialist	\$29.87	\$62,129.36	\$27,194.02	\$89,323.38	\$0.50	\$44,661.69	\$10,982.00	\$55,643.69
Food Scientist Advanced	\$35.94	\$74,745.67	\$32,716.18	\$107,461.84	\$0.50	\$53,730.92	\$10,982.00	\$64,712.92
Food Scientist Adv.	\$36.13	\$75,156.83	\$32,896.15	\$108,052.98	\$0.50	\$54,026.49	\$10,982.00	\$65,008.49
Financial Specialist Sr.	\$25.40	\$52,824.02	\$23,121.07	\$75,945.10	\$0.15	\$11,391.76	\$3,294.60	\$14,686.36
Budget and Policy Analyst-Division Adv.	\$36.78	\$76,498.53	\$33,483.41	\$109,981.94	\$0.15	\$16,497.29	\$3,294.60	\$19,791.89
Division Administrator	\$53.94	\$112,195.20	\$49,107.84	\$161,303.04	\$0.20	\$32,260.61	\$4,392.80	\$36,653.41
Deputy Division Administrator	\$54.32	\$112,985.60	\$49,453.80	\$162,439.40	\$0.20	\$32,487.88	\$4,392.80	\$36,880.68
Financial Specialist Sr.	\$25.40	\$52,824.02	\$23,121.07	\$75,945.10	\$0.35	\$26,580.78	\$7,687.40	\$34,268.18
Program & Policy Analyst Adv Mgt	\$41.39	\$86,085.19	\$37,679.49	\$123,764.68	\$0.35	\$43,317.64	\$7,687.40	\$51,005.04
Bureau Director	\$52.94	\$110,105.95	\$48,193.37	\$158,299.32	\$0.20	\$31,659.86	\$4,392.80	\$36,052.66
Office Management Specialist	\$32.13	\$66,825.31	\$29,249.44	\$96,074.75	\$0.20	\$19,214.95	\$4,392.80	\$23,607.75
Food Scientist Adv.	\$36.78	\$76,498.53	\$33,483.41	\$109,981.94	\$1.00	\$109,981.94	\$21,964.00	\$131,945.94
Food Scientist Adv.	\$35.60	\$74,053.18	\$32,413.07	\$106,466.25	\$1.00	\$106,466.25	\$21,964.00	\$128,430.25
Food Scientist Advanced	\$36.76	\$76,455.25	\$33,464.46	\$109,919.71	\$1.00	\$109,919.71	\$21,964.00	\$131,883.71
Food Scientist Advanced	\$36.76	\$76,455.25	\$33,464.46	\$109,919.71	\$1.00	\$109,919.71	\$21,964.00	\$131,883.71
Food Scientist-Adv	\$36.76	\$76,455.25	\$33,464.46	\$109,919.71	\$1.00	\$109,919.71	\$21,964.00	\$131,883.71
Food Scientist-Adv.	\$35.95	\$74,767.31	\$32,725.65	\$107,492.96	\$1.00	\$107,492.96	\$21,964.00	\$129,456.96
Section Manager	\$47.59	\$98,982.82	\$43,324.78	\$142,307.61	\$1.00	\$142,307.61	\$21,964.00	\$164,271.61
Environmental Health Services Supervisor	\$39.87	\$82,925.71	\$36,296.58	\$119,222.29	\$1.00	\$119,223.29	\$21,964.00	\$141,187.29
							GRAND TOTAL	\$2,457,269.91

TOTAL CENTRAL OFFICE EXPENSE

Laboratory Costs	\$150,000.00
CO Staffing Expense	\$2,457,269.91
HealthSpace	<u>\$400,000.00</u>
Total Overhead	\$2,857,269.91
Agent Reimbursement	<u>\$1,087,146.60</u>
Net CO Expense	\$1,920,123.31



FIELD STAFF EXPENSES FOR THE RFRP

POSITION	RATE OF PAY	ANNUAL SALARY	FRINGE	TOTAL SALARY	Standard Costs	TOTAL COST TO RETAIL AND REC
Entry Sanitarian	\$29.51	\$61,371.95	\$26,862.50	\$88,234.45	\$21,964.00	\$110,198.45
Senior Sanitarian	\$33.64	\$69,963.15	\$30,622.87	\$100,586.03	\$21,964.00	\$122,550.03
Entry Sanitarian	\$29.51	\$61,371.95	\$26,862.50	\$88,234.45	\$21,964.00	\$110,198.45
Advanced Sanitarian	\$34.68	\$72,127.19	\$31,570.07	\$103,697.26	\$21,964.00	\$125,661.26
Supervisor	\$39.55	\$82,254.86	\$36,002.95	\$118,257.81	\$21,964.00	\$140,221.81
Supervisor	\$39.49	\$82,146.65	\$35,955.59	\$118,102.25	\$21,964.00	\$140,066.25
Entry Sanitarian	\$29.50	\$61,360.00	\$26,857.27	\$88,217.27	\$21,964.00	\$110,181.27
Entry Sanitarian	\$29.51	\$61,371.95	\$26,862.50	\$88,234.45	\$21,964.00	\$110,198.45
Senior Sanitarian	\$33.48	\$69,638.55	\$30,480.79	\$100,119.34	\$21,964.00	\$122,083.34
Senior Sanitarian	\$31.31	\$65,115.72	\$28,501.15	\$93,616.87	\$21,964.00	\$115,580.87
Advanced Sanitarian	\$34.68	\$72,127.19	\$31,570.07	\$103,697.26	\$21,964.00	\$125,661.26
Supervisor	\$39.92	\$83,033.91	\$36,343.94	\$119,377.85	\$21,964.00	\$141,341.85
Entry Sanitarian	\$27.91	\$58,060.98	\$25,413.29	\$83,474.27	\$21,964.00	\$105,438.27
Advanced Sanitarian	\$34.96	\$72,711.48	\$31,825.81	\$104,537.29	\$21,964.00	\$126,501.29
Senior Sanitarian	\$33.53	\$69,746.75	\$30,528.15	\$100,274.90	\$21,964.00	\$122,238.90
Advanced Sanitarian	\$35.85	\$74,572.54	\$32,640.40	\$107,212.94	\$21,964.00	\$129,176.94
Entry Sanitarian	\$29.51	\$61,371.95	\$26,862.50	\$88,234.45	\$21,964.00	\$110,198.45
Senior Sanitarian	\$33.64	\$69,963.15	\$30,622.87	\$100,586.03	\$21,964.00	\$122,550.03
Entry Sanitarian	\$29.50	\$61,360.00	\$26,857.27	\$88,217.27	\$21,964.00	\$110,181.27
Entry Sanitarian	\$29.51	\$61,371.95	\$26,862.50	\$88,234.45	\$21,964.00	\$110,198.45
Entry Sanitarian	\$29.51	\$61,371.95	\$26,954.56	\$88,326.51	\$21,964.00	\$110,290.51
Entry Sanitarian	\$29.51	\$61,371.95	\$26,954.56	\$88,326.51	\$21,964.00	\$110,290.51
					GRAND TOTAL	\$2,631,007.89

TOTAL FIELD STAFF EXPENSE

Total Field Staff Expense \$2,631,007.89



TOTAL RFRP EXPENSES

Total Program Expense

Co Staff Expense	\$1,920,123.31
Field Staff Expense	<u>\$2,631,007.89</u>
Total RFRP Expense	\$4,551,131.20



AVERAGE INSPECTION TIMES

Lodging	Time (hr.)	# of Facilities	Total Time
Tourist Rooming House	1.42	2825	4011.50
Lodging 5-30 Rooms	1.60	308	492.80
Lodging 31-99 Rooms	2.03	154	312.62
Lodging 100-199 Rooms	2.51	8	20.08
Lodging 200+ Rooms	3.00	<u>6</u>	<u>18.00</u>
		3301 Total	4855.00

Total Program Inspection Hours / Lodging Inspection Hours = 20233.43/4855.00 =24%



TOTAL RFRP EXPENSES

Total Program Expense

Co Staff Expense	\$1,920,123.31
Field Staff Expense	<u>\$2,631,007.89</u>
Total RFRP Expense	\$4,551,131.20
	<u>X 24%</u>
Lodging Program	\$1,092,271.49



PROPOSED LODGING FEE - TOURIST ROOMING HOUSE

License Fee Type (Lodging unit is based on each individually keyed unit (IKU))	Current License Fee	# of Facilities	Model #1 License fee	Model #2 License Fee	Model #3 License Fee	Model 1# Total License Fee 2027 (5% increase)	Model #2 Total License Fee 2027 (5% increase)	Model #3 Total License Fee 2027 (5% increase)
Tourist Rooming House (TRH)								
1 TRH	\$110	2635	\$296.00	\$298.50	\$294.00	\$311.00	\$313.50	\$309.00
1 TRH Preinspection		130	\$592.00	\$524.00	\$587.00	\$621.50	\$550.00	\$616.00
2 to 4 TRH's		23	\$450.00	\$475.00	\$500.00	\$472.50	\$499.00	\$525.00
2 to 4 TRH's Preinspection		2	\$900.00	\$800.00	\$950.00	\$945.00	\$840.00	\$997.50
5 to 9 TRH's		25	\$550.00	\$575.00	\$590.00	\$577.50	\$604.00	\$619.50
5 to 9 TRH's Preinspection		2	\$1,100.00	\$850.00	\$1,150.00	\$1,155.00	\$892.50	\$1,207.50
10 to 19 TRH's		5	\$600.00	\$650.00	\$625.00	\$630.00	\$682.50	\$656.00
10 to 19 TRH's Preinspection		1	\$1,200.00	\$1,000.00	\$1,250.00	\$1,260.00	\$1,050.00	\$1,312.50
20 to 39 TRH's		8	\$700.00	\$750.00	\$725.00	\$735.00	\$787.50	\$761.00
20 to 39 TRH's Preinspection		1	\$1,400.00	\$1,300.00	\$1,450.00	\$1,470.00	\$1,365.00	\$1,522.50
40 to 99 TRH's		13	\$800.00	\$825.00	\$815.00	\$840.00	\$866.00	\$856.00
40 to 99 TRH's Preinspection		1	\$1,600.00	\$1,500.00	\$1,630.00	\$1,680.00	\$1,575.00	\$1,711.50
100 to 299 TRH's		3	\$900.00	\$950.00	\$925.00	\$945.00	\$997.50	\$971.00
100 to 299 TRH's Preinspection		1	\$1,800.00	\$1,600.00	\$1,850.00	\$1,890.00	\$1,680.00	\$1,942.50
300 to 599 TRH's		1	\$1,000.00	\$1,050.00	\$1,025.00	\$1,050.00	\$1,102.50	\$1,076.00
300 to 599 TRH's Preinspection		0	\$2,000.00	\$1,700.00	\$2,050.00	\$2,100.00	\$1,785.00	\$2,152.50
600+ TRH's		0	\$1,100.00	\$1,100.00	\$1,150.00	\$1,155.00	\$1,155.00	\$1,207.50
600+ TRH's Preinspection		0	\$2,200.00	\$1,800.00	\$2,300.00	\$2,310.00	\$1,890.00	\$2,415.00

PROPOSED LODGING FEE – HOTEL AND MOTEL

Hotel and Motel	Current License Fee	# of Facilities	Model #1 License fee	Model #2 License Fee	Model #3 License Fee	Model 1# Total License Fee 2027 (5% increase)	Model #2 Total License Fee 2027 (5% increase)	Model #3 Total License Fee 2027 (5% increase)
5 to 30 IKU	\$205	275	\$350.00	\$360.00	\$355.00	\$367.50	\$378.00	\$373.00
5 to 30 IKU Preinspection		13	\$700.00	\$600.00	\$710.00	\$735.00	\$630.00	\$745.50
31 to 99 IKU	\$280	133	\$450.00	\$460.00	\$455.00	\$472.50	\$483.00	\$478.00
31 to 99 IKU Preinspection		7	\$900.00	\$700.00	\$910.00	\$945.00	\$735.00	\$955.50
100 to 249 IKU	\$355	7	\$550.00	\$575.00	\$600.00	\$577.50	\$604.00	\$630.00
100 to 249 IKU Preinspection		1	\$1,100.00	\$800.00	\$1,200.00	\$1,155.00	\$840.00	\$1,260.00
250 to 499 IKU	\$490	2	\$650.00	\$675.00	\$700.00	\$682.50	\$708.75	\$735.00
250 to 499 IKU Preinspection		1	\$1,300.00	\$900.00	\$1,400.00	\$1,365.00	\$945.00	\$1,470.00
500 to 749 IKU		0	\$750.00	\$775.00	\$800.00	\$787.50	\$814.00	\$840.00
500 to 749 IKU Preinspection		0	\$1,500.00	\$1,200.00	\$1,600.00	\$1,575.00	\$1,260.00	\$1,680.00
750 to 1000 IKU		0	\$850.00	\$875.00	\$900.00	\$892.50	\$918.75	\$945.00
750 to 1000 IKU Preinspection		0	\$1,700.00	\$1,300.00	\$1,800.00	\$1,785.00	\$1,365.00	\$1,890.00
1001 + IKU		0	\$950.00	\$975.00	\$1,000.00	\$997.50	\$1,024.00	\$1,050.00
1001 + IKU Preinspection		0	\$1,900.00	\$1,400.00	\$2,000.00	\$1,995.00	\$1,470.00	\$2,100.00

PROPOSED LODGING FEE – SPECIALTY LODGING

Specialty Lodging (SL)	Current License Fee	# of Facilities	Model #1 License Fee	Model #2 License Fee	Model #3 License Fee	Model 1# Total License Fee 2027 (5% increase)	Model #2 Total License Fee 2027 (5% increase)	Model #3 Total License Fee 2027 (5% increase)
1 SL		0	\$296.00	\$305.00	\$294.00	\$311.00	\$313.00	\$309.00
1 SL Preinspection		0	\$592.00	\$525.00	\$588.00	\$621.50	\$550.00	\$616.00
2 to 4 SL's		0	\$450.00	\$475.00	\$500.00	\$472.50	\$499.00	\$525.00
2 to 4 SL's Preinspection		0	\$900.00	\$800.00	\$950.00	\$945.00	\$840.00	\$997.50
5 to 9 SL's		0	\$550.00	\$575.00	\$590.00	\$577.50	\$604.00	\$619.50
5 to 9 SL's Preinspection		0	\$1,100.00	\$850.00	\$1,150.00	\$1,155.00	\$892.50	\$1,207.50
10 to 19 SL's		0	\$600.00	\$650.00	\$625.00	\$630.00	\$682.50	\$656.00
10 to 19 SL's Preinspection		0	\$1,200.00	\$1,000.00	\$1,250.00	\$1,260.00	\$1,050.00	\$1,312.50
20 to 39 SL's		0	\$700.00	\$750.00	\$725.00	\$735.00	\$787.50	\$761.00
20 to 39 SL's Preinspection		0	\$1,400.00	\$1,300.00	\$1,450.00	\$1,470.00	\$1,365.00	\$1,522.50
40 to 99 SL's		0	\$800.00	\$825.00	\$815.00	\$840.00	\$866.00	\$856.00
40 to 99 SL's Preinspection		0	\$1,600.00	\$1,500.00	\$1,630.00	\$1,680.00	\$1,575.00	\$1,711.50

PROPOSED LODGING FEE MODEL REVENUE

Revenue Target

2025 \$1,092,271.49

2027 \$1,146,885.06

Model 1 \$1,092,770.00

\$1,147,922.50

Model 2 \$1,092,497.50

\$1,147,304.50

Model 3 \$1,092,890.00

\$1,148,380.50







James Kaplanek

Retail Food and Recreational Programs – DFRS - BFRB

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6/25/2024