



# FY 2022-23 Consolidated Fee Hearing

**March 22, 2022**

# Introduction

- **Overview of Fee Package**
- **Discussion of Departmental Changes**
- **Discussion of Fee Study**
- **Recommended Actions**



# Introduction

## Why a Consolidated Fee Hearing

- Fees hearing noticed on **March 10 and March 15**
- Fee hearing takes place in spring so that adjustments can be included in revenue projections for the new year
- Fee hearings consolidated for transparency



# Introduction

## Why a Consolidated Fee Hearing

- **Revenue Management Board Policy was ratified on 6/18/2021**
- **“...fees and charges should cover all costs of the services provided, unless otherwise directed by the Board of Supervisors, to provide for the public benefit.”**



# Introduction

## Why fees are changing

- **Proposed changes reflect:**
  - **Increases in cost of doing business**
  - **Changes to service delivery**
  - **Updated cost studies**
  - **Statutory increases**



# Introduction

## Regular Updates

- **Tax Collector's Office**
- **County Administrator's Office**
- **Clerk-Recorder-Assessor's Office**
- **Public Health Lab**
- **Regional Parks**
- **Regional Parks/Sonoma Water (Spring Lake)**
- **Sheriff's Office**
- **Transportation and Public Works - Airport**



# Overview of Fee Changes

## Cost of doing business

### Two main factors:

- **Salary and Benefits**
  - **Average S&B expected to rise by 1% to 2.5% in FY 2021-22, depending on department**
- **Goods and Services**
  - **Consumer Price Index for San Francisco Bay Area – 4.2% (and rising)**
- **Average total around 3%**



# Introduction

- **Comprehensive Fee Study**
  - **Animal Services**
  - **Agriculture/Weights and Measures**
  - **Permit Sonoma**





# Overview of Fee Changes

## Regular Updates

**Overall 158 Fee items are changing**

- **128 increasing**
- **12 decreasing**
- **1 eliminated**
- **17 new fees**
- **All changes effective 7/1/2022**



# Overview of Fee Changes By Department

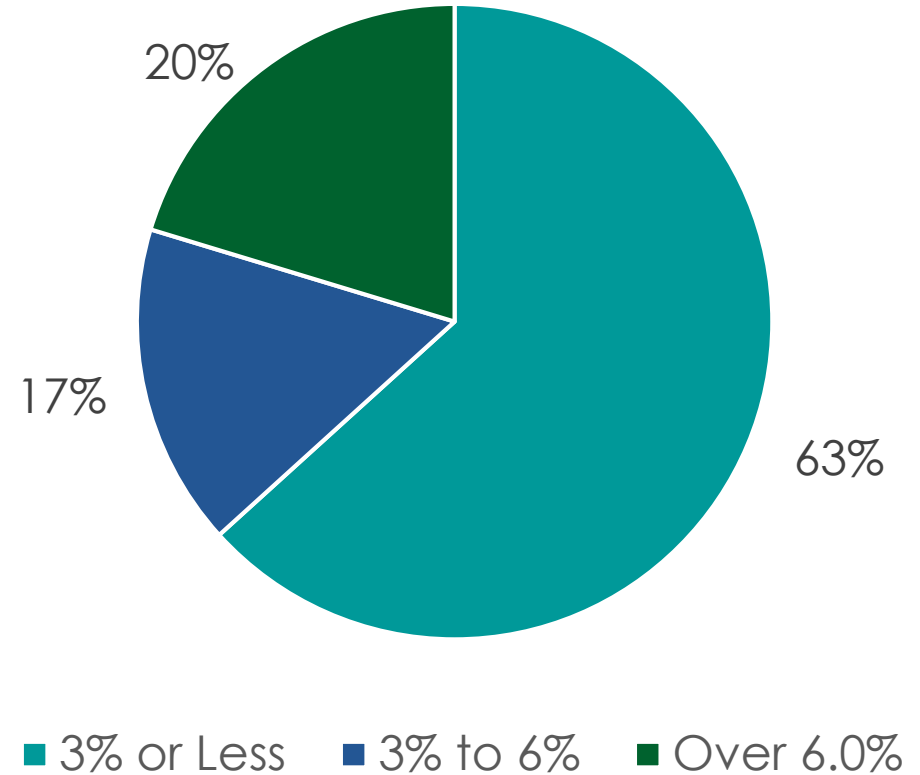
Department	Fee Increasing	Fee Decreasing	Fee Eliminated	New Fee / Reinstated	Total
Auditor-Controller-Treasurer-Tax Collector	0	0	0	3	3
County Administrator's Office (for Sheriff)	2	0	0	0	2
Clerk-Recorder-Assessor	14	1	0	10	25
Health Services - Public Health Lab	41	0	1	0	42
Regional Parks	2	0	0	0	2
Sheriff's Office	59	10	0	0	69
Regional Parks/Sonoma Water Spring Lake	2	0	0	0	2
Transportation and Public Works - Airport	8	1	0	4	13
<b>Total</b>	<b>128</b>	<b>12</b>	<b>1</b>	<b>17</b>	<b>158</b>



# Overview of Fee Changes

**Most increases in line with salary and benefit increases**

## Rate of Fee Increases



# Overview of Fee Changes

## Estimated Revenue Increase

<b>Department</b>	<b>Total</b>
Auditor-Controller-Treasurer-Tax Collector	\$0
County Administrator's Office	\$672
Clerk-Recorder-Assessor	\$216,844
Health Services - Public Health Lab	\$56,249
Regional Parks	\$16,059
Sheriff's Office	\$29,048
Regional Parks/Sonoma Water Spring Lake	\$151
Transportation and Public Works - Airport	\$3,223
<b>Total</b>	<b>\$322,246</b>



# Auditor-Controller-Treasurer Tax Collector

Total change: \$0

- **Implement new fees related to collection of local debt in coordination with the state:**
  - **\$25 and \$3 fees to allow for collection of debt through withholdings of state income tax refund**
  - **\$1 fee for DMV Vessel Registration Hold Fee**



# Jail Booking Fees/Jail Access Fees (CAO)

Total change: \$672

- Jail Booking Fees charged to arresting agencies for booking of inmates *only* if the state does not allocate funding
  - Not expected to be charged in FY 2022-23
- Jail Access Fee charged to arresting agencies for certain misdemeanor arrests in excess of average



# Clerk-Recorder-Assessor's Office

**Total change: \$216,844**

- **Most revenue expected from new Recorder Covenant Fee allowed for implementation of AB 1466**
- **Adjust Assessors fees in line with a comprehensive fee study. Wide range of changes, with largest percentage increases in small dollar fees**
- **Implement new fees related to information requests**



# Public Health Lab

**Total change: \$56,249**

- **Public Health Lab primarily funded with other sources**
- **Fees make up about 10% of total Health Lab budget;**
- **Receives \$1.2 million from Realignment funding that Board directs toward this service**
- **Increase of 2% to help maintain level**
- **Primary revenue increase based on expected increase in volume of certain fees**





# Regional Parks

**Total change: \$16,059**

- **Increase campsite electrical hookup fee from \$10 to \$12 to offset increasing costs, including utilities**
- **Increase Residence Maintenance fee by 3% to offset cost increases**



# Regional Parks/Sonoma Water (Spring Lake)

**Total change: \$151**

- **Increase campsite electrical hookup fee from \$10 to \$12 to offset increasing costs, including utilities**
- **Increase Residence Maintenance fee by 3% to offset cost increases**



# Sheriff's Office

Total change: \$29,048

- **Adjustments to a variety of fees based on changes to cost and new time studies**
- **Expected revenue increases primarily around security services and body removal fees**



# Transportation and Public Works - Airport

Total change: \$3,100

- **New parking convenience fees for online bookings and fees for street parking on Airport site**
- **4% to 6% Increase to ground leases**
- **Increase to commercial vehicle operator permits of 20% to 33%**



# Fee Study

## Overview

- **Comprehensive fee study for Animal Care and Control, Agriculture/Weights and Measures, and Permit Sonoma**
- **Launched in 2019**
- **Delayed due to COVID**



# Fee Study Overview

- **Fee study designed to determine the full cost of providing services**
- **Study is not designed to look at efficiencies**
- **Study does include comparison to other agencies**



# Agriculture/Weights and Measures Fee Study Findings

- **Total Cost recovery of 51% in study**
- **Remainder subsidized by General Fund and some state/grant funds**
- **Subsidy varies across divisions**
  - **Highest in Land Stewardship Division (VESCO, Frost Ordinance)**
  - **Lowest in Weights and Measures**



# Agriculture/Weights and Measures

Total change: \$107,102

- **Recommendation:**
  - **Increase General Fund by \$145,000 to mitigate increases**
  - **Agriculture Division adjusted from 57% to 62% cost recovery**
  - **Land Stewardship Fees adjusted from 50% to 57% cost recovery**
    - **Current VESCO subsidy over \$300,000**
  - **Weights and measures fees adjusted from 83% to 92% cost recovery**





# Animal Care and Control

## Fee Study Findings

- **Division at cost recovery as a whole**
- **Many fees not comprehensively reviewed in 15 to 20 years**
- **Some fees now recover above cost due to efficiencies, others well below cost recovery**
- **Division receives support from General Fund (\$1.4 million) and contract revenues**



# Animal Care and Control

**Total change: \$99,686**

- **Increase General Fund support by \$234,000 to allow for subsidy of fees that promote good outcomes such as adoption of older pets and prevent significant increases**
- **Reduce all fees that are now above cost recovery to level of cost recovery**
- **Increase other fees by an average of 13%, in line with cost-of-doing business increases from FY 2019-20 to 2022-23**



# Permit Sonoma

## Fee Study Findings

- **Total Cost recovery of 79%**
- **Fees supported by significant \$3.6 million in General Fund Support, have received additional support in recent years**
- **Fees are being significantly restructured to better align with services, including deletion and replacement of many categories**



# Permit Sonoma

**Total Changes: \$705,849**

- **Provide additional \$1 million in General Fund support to limit increase of fees**
- **Restructure fee schedule to better align with services provided**
- **Increase fees by an average of 9% to account for increased costs of doing business between 2019-20 and 2022-23**



# FY 2022-23 Fee Hearings

## Recommended Actions

- **Approve additional ongoing General Fund support for departments as follows:**
  - **\$145,000 for Agriculture/Weights and Measures**
  - **\$234,000 for Animal Care and Control**
  - **\$1 million for Permit Sonoma**
- **Approve fee adjustments as described in individual board items**

