



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 3/22/2022

To: County of Sonoma Board of Supervisors

Department or Agency Name(s): Auditor-Controller-Treasurer-Tax Collector

Staff Name and Phone Number: Tasha Houweling, ASO II 565-3583

Vote Requirement: Majority

Supervisorial District(s): All

Title:

Consolidated Fee Hearing - FY22-23 Fees for Auditor-Controller-Treasurer-Tax Collector and Introduction of An Ordinance Adopting NEW Fees Effective 07/01/2022 for Auditor-Controller-Treasurer-Tax Collector - First Read

Recommended Action:

Adopt a Resolution Introducing, reading the title of, and waiving the reading of an ordinance Adopting NEW fees Effective 07/01/2022 for Auditor-Controller-Treasurer-Tax Collector - First Read

Executive Summary:

The Auditor-Controller-Treasurer-Tax Collector's Office (ACTTC) is requesting authority to impose three pass-thru fees related to debt collection activities. The first two fees are associated with utilizing the California Local Government Debt Offset program titled CalTRECS. The third requested fee is to offset a one-dollar hold fee currently being charged by the Department of Motor Vehicles (DMV) to place a hold on vessel registrations until delinquent property taxes are paid or the hold is canceled as part of the Tax Delinquent Vessels Program.

Discussion:

CalTRECS was developed through a joint collaboration of the California Association of Counties Finance Corporation and the National Association of Counties Financial Services Center. CalTRECS was established under California Government Code sections 12419.2 - 12419.12 and allows local government agencies, including counties, cities, and special districts, to collect delinquent debt easily and efficiently in coordination with the state through the withholding of a debtor's state personal income tax refunds, lottery proceeds, or unclaimed property to help ensure tax equity as more citizens are paying their fair share for services. There is no additional cost to the County to participate in the program, but there are two associated fees, a twenty-five dollar (\$25.00) collection assistance fee and a three dollar (\$3.00) Franchise Tax Board fee imposed on the debtor which is added to the debt amount if offset occurs.

The additional pass-thru fee being requested is a \$1.00 Department of Motor Vehicles hold fee that is charged to place a hold on vessel registrations until delinquent unsecured property taxes are paid as part of the Tax Delinquent Vessels Program.

The County will not directly generate revenue from these fees, however by enabling easy and efficient collection of debt they should increase collection rates on delinquent taxes and other debt without additional cost for the County.

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Strategic Plan:

N/A

Prior Board Actions:

N/A

FISCAL SUMMARY

| Expenditures | FY 21-22 Adopted | FY22-23 Projected | FY 23-24 Projected |
|------------------------------------|-----------------------------|------------------------------|-------------------------------|
| Budgeted Expenses | | | |
| Additional Appropriation Requested | | | |
| Total Expenditures | | | |
| Funding Sources | | | |
| General Fund/WA GF | | | |
| State/Federal | | | |
| Fees/Other | | | |
| Use of Fund Balance | | | |
| Contingencies | | | |
| Total Sources | | | |

Narrative Explanation of Fiscal Impacts:

As these are all pass-thru fees, there is no direct revenue generating impact at this time. While anticipated, the increase in collections based on participating in the CalTRECS program is unknown at this time.

| Staffing Impacts: | | | |
|--|--|-------------------------------|-------------------------------|
| Position Title (Payroll Classification) | Monthly Salary Range (A-I Step) | Additions (Number) | Deletions (Number) |
| | | | |
| | | | |

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

1. FY 22-23 ACTTC Fees Summary
2. Ordinance
3. Resolution

Related Items "On File" with the Clerk of the Board:

N/A

