

**BOARD OF SUPERVISORS | AUGUST 27, 2019**

**RECORDER-CLERK  
FEE SCHEDULE UPDATE**

*Presentation of Findings*

**ClearSource** Financial Consulting

TERRY MADSEN | PRINCIPAL CONSULTANT  
tmadsen@clearsourcefinancial.com | 831.288.0608  
www.clearsourcefinancial.com

# FEE-RELATED SERVICES REVIEWED

## ➔ Fees Not Examined

- **Fees Set by the State: Most Recorder-Clerk fees are established by the State**

## ➔ Fees Examined

- **Certain Recorder-Clerk fees are established by the Board of Supervisors**
  - Fictitious Business Name
  - Marriage License Issuance
  - Notary Filing
  - 20-Day Preliminary Notice Filing

# PURPOSE OF FEE STUDY

## Optimize Revenues Available to Fund County Services:

- ➔ Ensure user and regulatory fees are set according to the **costs of service**, in compliance with statutory allowance and limits
- ➔ Enable more direct recovery of costs incurred to serve **private interests/benefit** or respond to **individual actions**
- ➔ Provide opportunity for **relief to General Fund resources** that are often viewed more critical to services of broader public benefit, subject to Board of Supervisors policy direction
- ➔ Enable **continuity of service level expectations** by improving cost recovery levels

# STATUTORY ALLOWANCE AND LIMITATIONS

## Board of Supervisors has Authority to Directly Approve User and Regulatory Fees and Increases to Fees:

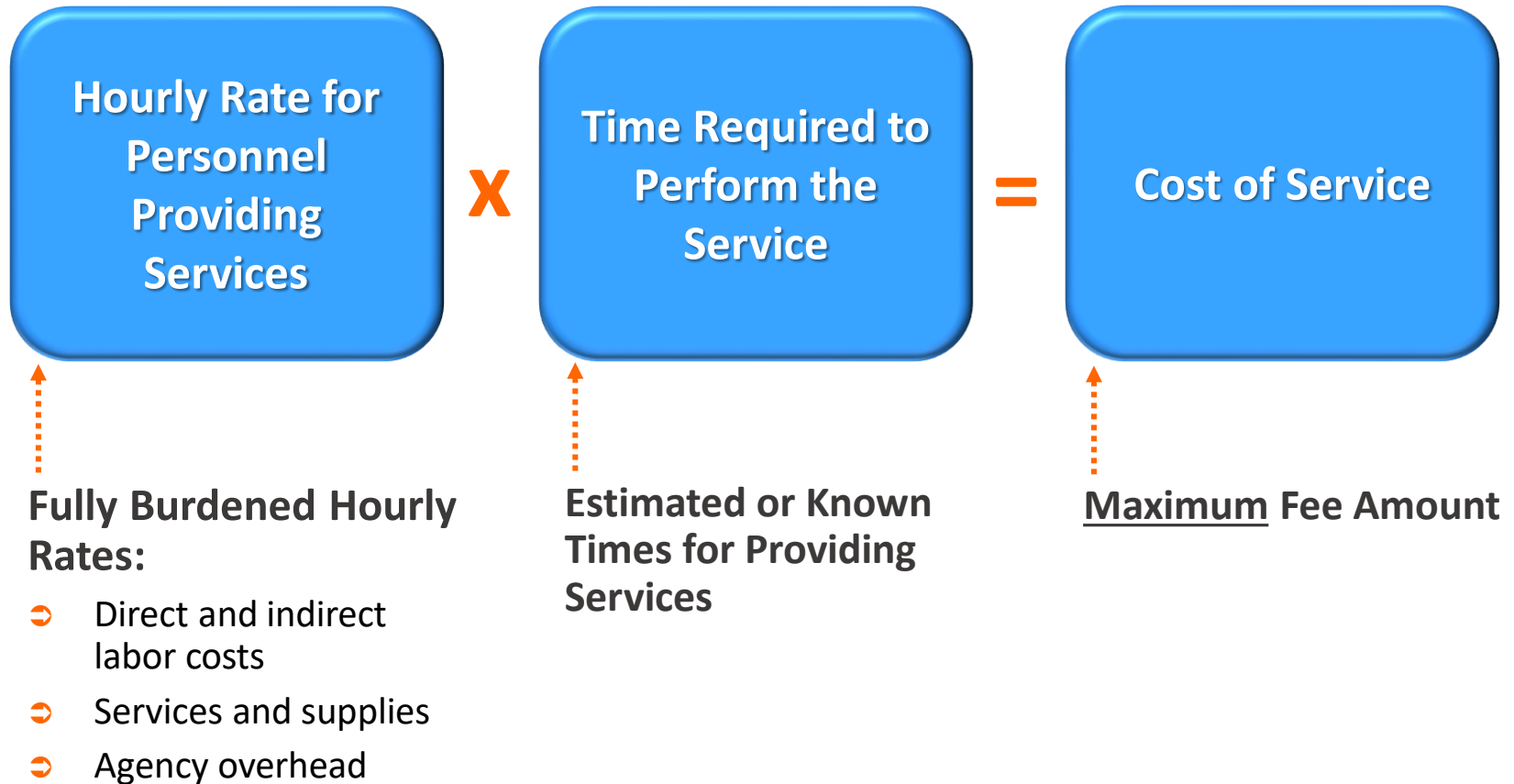
- ➔ Fees proposed are not taxes, as defined by Article 13C of the California State Constitution
- ➔ Fees are set in accordance with parameters set by Article 13C and by Section 54985 of the California Government Code:
  - Costs allocated to the payer should bear a fair or reasonable relationship to the payer's burdens on or benefits received from the governmental activity
  - Fees should not exceed the reasonable cost of providing the service for which the fee is charged



# **COST OF SERVICE METHODS**

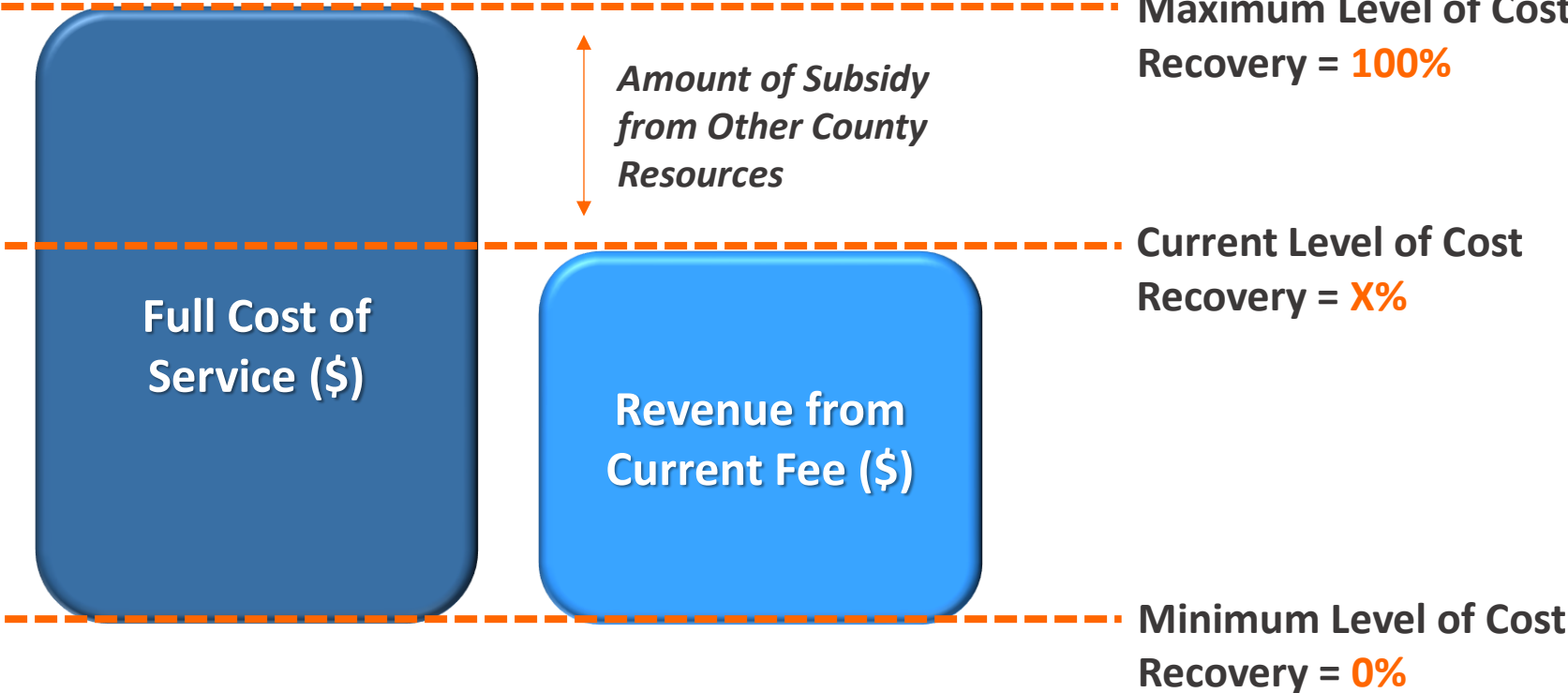
# DERIVING THE COST OF SERVICE

*Apply fully burdened hourly labor rates to time required to perform*



# EVALUATING COST RECOVERY

*Compare full cost of service to revenues available to fund activities*  
*Set policy for targeted recovery within the spectrum*





# **FINDINGS AND IMPACTS OF POTENTIAL ACTION**



# COST RECOVERY PERFORMANCE

Description	Revenue at Current Cost Recovery Level	Revenue at Proposed Cost Recovery Level	Revenue at Full Cost Recovery Level (100%)
Revenue	\$163,000	\$239,000	\$351,000
Cost of Service	\$351,000	\$351,000	\$351,000
County Subsidy	\$188,000	\$112,000	\$0
Cost Recovery Level	46%	68%	100%
<b>FISCAL IMPACT</b>	<b>\$0</b>	<b>\$76,000</b>	<b>\$188,000</b>

Additional revenues from proposed changes are intended to offset the cost of providing services

# OVERALL FINDING AND ACTION REQUESTED

## The County may enhance cost recovery for services of individual benefit or cause:

- ➔ Current fees and charges for service in certain service areas can be increased and/or restructured to statutory limits or less
- ➔ General Fund subsidy of individually-based service can be reduced

## The Board of Supervisors may direct changes to fees

# COMPARISON

Description	El Dorado County Current Fee	El Dorado County Proposed Fee	Average of Other Counties	El Dorado County Full Cost
Fictitious Business Name (FBN) Filings	\$35	\$40	\$39	\$71
Abandonment or Withdrawal of FBN	\$30	\$35	\$33	\$67
Filing Second or Additional Parties Under an Existing FBN	\$6	\$7	\$7	\$14
Regular Marriage Licenses	\$68	\$80	\$80	\$95
Confidential Marriage Certificate	\$58	\$85	\$87	\$106
Notary Bond Filing Fee	\$25	\$35	\$36	\$61
Twenty Day Preliminary Lien Notices	\$35	\$45	\$46	\$73

*\*Based on consultant review of fees for 26 other counties*

Proposed fees are in-line with County averages

# ACTION REQUESTED

- ➔ Recommend proposed fee adjustments or provide alternative direction

**DISCUSSION & QUESTIONS**

**ClearSource** Financial Consulting

TERRY MADSEN | PRINCIPAL CONSULTANT  
tmadsen@clearsourcefinancial.com | 831.288.0608  
www.clearsourcefinancial.com