

NOVEMBER 30, 2018

Fee Study – Recorder-Clerk Fees

ClearSource Financial Consulting

TERRY MADSEN | PRINCIPAL CONSULTANT

tmadsen@clearsourcefinancial.com | 831.288.0608

7960 B Soquel Drive, Suite 363 | Aptos, California 95003

www.clearsourcefinancial.com

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November 26, 2018

COUNTY OF EL DORADO RECORDER-CLERK

Attn: William E. Schultz, Recorder-Clerk
360 Fair Lane
Placerville, California 95667

Fee Study

Dear Mr. Schultz:

ClearSource Financial Consulting submits the following report describing the findings of our preparation Fee Study for the County of El Dorado Recorder-Clerk.

Please refer to the Executive Summary for the key findings of the analysis, proposed changes to Recorder-Clerk fees, and estimated impacts to County funds. The balance of the report and its appendices provide the necessary documentation to support those outcomes.

Thank you for the opportunity to serve the County on this topic. We are happy to continue discussion on this Fee Study as the need arises or consult with you on additional topics.

Sincerely,



TERRY MADSEN, PRESIDENT | CLEARSOURCE FINANCIAL CONSULTING

PHONE NUMBER: 831.288.0608
EMAIL ADDRESS: tmadsen@clearsourcefinancial.com

STUDY OVERVIEW

The County of El Dorado Recorder-Clerk has completed a **Fee Study**. California counties and cities regularly conduct these studies to justify fee amounts imposed and to optimize the overall portfolio of revenues available to fund services.

Industry practice and fiscal conditions in the state have led most counties and cities to link cost recovery for services of individual action, cause, or benefit to that same individual through user fee revenue, relieving the agency's general revenues as much as possible for use toward services of broader community benefit.

USER AND REGULATORY FEES

The County derives its annual revenue from a number of sources. These include, but are not limited to, property taxes, sales taxes, franchise fees, fines, rents, and user and regulatory fees. **User and regulatory fees are intended to cover all, or a portion of, the costs incurred by the County for providing fee-related services and activities that are not otherwise provided to those not paying the fee.**

California law provides guidance regarding the amounts the County may charge for fee-related services and activities. Specifically, in order to avoid being considered taxes, the **fees charged shall not exceed the estimated reasonable cost of providing the services**, activities, or materials for which fees are charged.

At its conclusion, this Fee Study proposes for Board of Supervisors review and consideration at public hearing **an updated schedule of Clerk-Recorder fees**. The proposed fees are illustrated in **Appendix A** of this report. To view proposed fees against current fees and costs of service, refer to **Appendix B**.

COST RECOVERY POLICY AND PRACTICE

Recovering the costs of providing fee-related services directly influences the County's fiscal health and increases the Clerk-Recorder's ability to meet the service level expectations of fee payers.

The services for which the County imposes a user or regulatory fee typically derive from an individual person or entity's action, request, or behavior. Therefore, except in cases where there is an overwhelming public benefit generated by the County's involvement in the individual action, **a fee for service ensures that the individual bears most, if not all, of the cost incurred by the County to provide that service**. When a fee targets "100% or full cost recovery," the individual is bearing the entirety of the cost. When a fee targets less than full cost recovery, another County revenue source – in most cases, the General Fund – subsidizes the individualized activity.

FEES EXAMINED IN THIS STUDY

Most of the functions of the County Recorder-Clerk’s Office are covered by fees which are set by State law. However, for some functions, fees or charges may be established by the Board of Supervisors to recover the cost of service from the user. These functions include, but are not limited to:

- Fictitious business name filings (FBN)
- Abandonments of FBN and withdrawals from Partnership Under a FBN
- Filing of each additional business name or each additional owner under FBN
- Marriage license issuance (regular license and confidential license)
- Filing, Canceling, Revoking, or Withdrawal of a Notary Oath
- Filing of 20-day preliminary notices

These are the functions reviewed in this study.

FINDINGS AND PROPOSED ACTION

During the course of study, information and analysis was generated and is discussed substantively throughout this report and its technical appendices. However, summarized in the following table by fee category and highlighted in the subsequent findings statements, are outcomes and proposals of particular interest to County leaders and policymakers.

EXHIBIT 1 | ILLUSTRATION OF CURRENT AND PROPOSED FEES

FEE DESCRIPTION	Current Fee	Proposed Fee	Average Fee Collected by Other Counties *	Cost of Service (i.e. County Cost + Fees Collected on Behalf of Other Agencies)
1 Fictitious Business Name Filings (FBN)	\$35	\$37	\$39	\$64
2 Abandonment of FBN or Withdrawal from Partnership Under an Existing FBN	\$30	\$32	\$33	\$61
3 Filing of Each Add'l Business Name or Each Add'l Owner Under an Existing FBN	\$5.50	\$7	\$7	\$13
4 Regular Marriage Licenses	\$68	\$75	\$80	\$88
5 Confidential Marriage Licenses	\$58	\$80	\$87	\$98
6 Filing, Canceling, Revoking, or Withdrawal of a Notary Oath	\$25	\$35	\$36	\$55
7 Twenty Day Preliminary Lien Notice	\$35	\$40	\$46	\$66

* See Appendix for a listing of agencies included in the comparison of average fees collected by other counties.

- **Filing of Fictitious Business Name Statements (FBN)**
 - This fee is proposed to increase by two dollars (\$2) to enhance County cost recovery. The proposed fee is in-line with fees collected by other counties for similar services.
- **Abandonment of Use of a Fictitious Business Name Statement (FBN) or Withdrawal from Partnership Under a Fictitious Business Name (FBN)**
 - These fees are proposed to increase by two dollars (\$2) to enhance County cost recovery. The proposed fees are in-line with fees collected by other counties for similar services.
- **Filing of Each Additional Business Name or Each Additional Owner under FBN**
 - This fee is proposed to increase by one dollar and fifty cents (\$1.50) to enhance County cost recovery. The proposed fee is in-line with fees collected by other counties for similar services.
- **Regular Marriage License Issuance (Public, Declared and Non-Clergy)**
 - This fee is proposed to increase by two dollars (\$7) to enhance County cost recovery. The proposed fee remains five dollars (\$5) lower than the average fees collected by other counties.
- **Confidential Marriage License Issuance**
 - This fee is proposed to increase by twenty-two dollars (\$22) to enhance County cost recovery. The proposed fee remains seven dollars (\$7) lower than the average fees collected by other counties.
- **Filing, Canceling, Revoking, or Withdrawal of a Notary Oath**
 - This fee is proposed to increase by ten dollars (\$10) to enhance County cost recovery. The proposed fee is in-line with fees collected by other counties for similar services.
- **Twenty Day Preliminary Lien Notice**
 - This fee is proposed to increase by five dollars (\$5) to enhance County cost recovery. The proposed fee is six dollars (\$6) lower than the average fees collected by other counties.

IMPACT TO COST RECOVERY AND COUNTY REVENUES

In order to maintain fees in-line with fees collected by other counties for similar services and to avoid fee spikes, the proposed fees continue to target less than full recovery of the County's cost of service. **Consequently, the fee changes are estimated to generate total additional revenue of \$57,000.** If the County adopted fees targeting full cost recovery (100%), the additional fee revenue would be \$153,000.

EXHIBIT 2 | COST RECOVERY IMPACT OF PROPOSED FEE CHANGES

FEE DESCRIPTION	Est. Annual Volume (i.e. # of requests)	Revenue at Current Fee (County Share Only)	Revenue at Proposed Fee (County Share Only)	Revenue at 100% Recovery (County Share Only)
1 Fictitious Business Name Filings (FBN)	1,375	\$48,125	\$50,875	\$88,275
2 Abandonment of FBN or Withdrawal from Partnership Under an Existing FBN	75	\$2,250	\$2,400	\$4,548
3 Filing of Each Add'l Business Name or Each Add'l Owner Under an Existing FBN	330	\$1,815	\$2,310	\$4,237
4 Regular Marriage Licenses	1,050	\$44,100	\$51,450	\$65,538
5 Confidential Marriage Licenses	2,000	\$62,000	\$106,000	\$142,667
6 Filing, Canceling, Revoking, or Withdrawal of a Notary Oath	185	\$4,625	\$6,475	\$10,227
7 Twenty Day Preliminary Lien Notice	5	\$175	\$200	\$330
TOTAL	5,020	\$163,090	\$219,710	\$315,822

Additional revenues expected from the proposed fee changes are intended to offset the cost of providing existing services associated with those fee-related functions. Additional fee revenue is not intended to fund new services.

Please continue to the following technical report and appendices for further discussion of this Fee Study.

SCOPE OF STUDY

Key tasks expected by the County Recorder-Clerk of this Fee Study included the following:

- Review eligible fee-related services to establish the reasonable relationship between current fees for service and the underlying costs of service.
- Calculate the full cost of service.
- Recommend fees to be charged for each service.
- Recommend cost recovery strategies and best practices in setting fees, while considering the complexities and demands of responsible programs or departments.
- Develop a thoroughly documented analysis to ensure compliance with Proposition 26, Proposition 218, and other statutes, as applicable.

DIRECT SERVICES UNDER REVIEW

Most of the functions of the County Recorder-Clerk's Office are covered by fees which are set by State law. However, for some functions, fees or charges may be established by the Board of Supervisors to recover the cost of service from the user. These functions include, but are not limited to:

- **Fictitious business name filings (FBN)**
 - This is a fee authorized by the State for filing a fictitious business name statement
- **Abandonments of FBN and withdrawals from Partnership Under a FBN**
 - These are fees authorized by the State for filing an abandonment of use of a fictitious business name statement
- **Filing of each additional business name or each additional owner under FBN**
 - This is a fee authorized by the State for each additional fictitious business name or owner on the same statement
- **Marriage license issuance (regular license and confidential license)**
 - These are fees authorized by the State for issuing public, declared or non-clergy marriage licenses or for issuing confidential marriage licenses
- **Filing, Canceling, Revoking, or Withdrawal of a Notary Oath**
 - This is a fee authorized by the State for filing, canceling, revoking, or withdrawal of a Notary Oath
- **Filing of 20-day preliminary notices**
 - This is a fee authorized by the State for filing a Preliminary 20-day Notice (of Mechanic's Lien). This fee covers the costs of notifying the requestor of any notices of completion or cessation recorded within two years of the filing.

REASON FOR STUDY

California counties and cities regularly conduct these studies to justify fee amounts imposed and to optimize the overall portfolio of revenues available to fund services.

Industry practice and fiscal conditions in the state have led most counties and cities to link cost recovery for services of individual action, cause, or benefit to that same individual through user fee revenue, relieving the agency's general revenues as much as possible for use toward services of broader community benefit.

PREVAILING GUIDANCE

The objectives of this study, the methodology used to complete the study, and the formulation of outcomes and recommendations for future consideration were significantly influenced by Article 13C of the California Constitution and Section 54985 of the California Government Code.

Article 13C states that the local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payer bear a fair or reasonable relationship to the payer's burdens on, or benefits received from, the governmental activity. Additionally, Article 13C identifies the following as items that are not defined as taxes:

- A charge imposed for a specific benefit conferred or privilege granted directly to the payer that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege.
- A charge imposed for a specific government service or product provided directly to the payer that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product.
- A charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof.
- A charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property.
- A fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government, as a result of a violation of law.
- A charge imposed as a condition of property development.
- Assessments and property-related fees imposed in accordance with the provisions of Article XIII D.

Section 54985 of the California Government Code includes the following, “Notwithstanding any other provision of law that prescribes an amount or otherwise limits the amount of a fee or charge that may be levied by a county, a county service area, or a county waterworks district governed by a county board of supervisors, a county board of supervisors shall have the authority to increase or decrease the fee or charge, that is otherwise authorized to be levied by another provision of law, in the amount reasonably necessary to recover the cost of providing any product or service or the cost of enforcing any regulation for which the fee or charge is levied. The fee or charge may reflect the average cost of providing any product or service or enforcing any regulation...”

The outcomes and recommendations of the study are intended to comply with applicable federal, state, and local laws including providing confirmation that the proposed fees (“charges”) recommended as a result of this study are not taxes as defined in Article 13C of the California Constitution and that the proposed fees are no more than necessary to cover the reasonable costs of the County’s activities and services addressed in the fees. Additionally, this report is intended to show that the manner in which the costs are allocated to a payer bear a fair and reasonable relationship to the payer’s burdens on, or benefits received from the activities and services provided by the County.

METHODOLOGY AND DATA SOURCES

This study calculated the estimated reasonable cost of providing various fee-related services performed by the Recorder-Clerk’s Office. Generally, the estimated reasonable cost of providing the fee-related services and activities examined in this study can be calculated as the product of the composite fully-burdened hourly labor rate of the division responsible for providing services and the estimated labor time required to process a typical request for service.

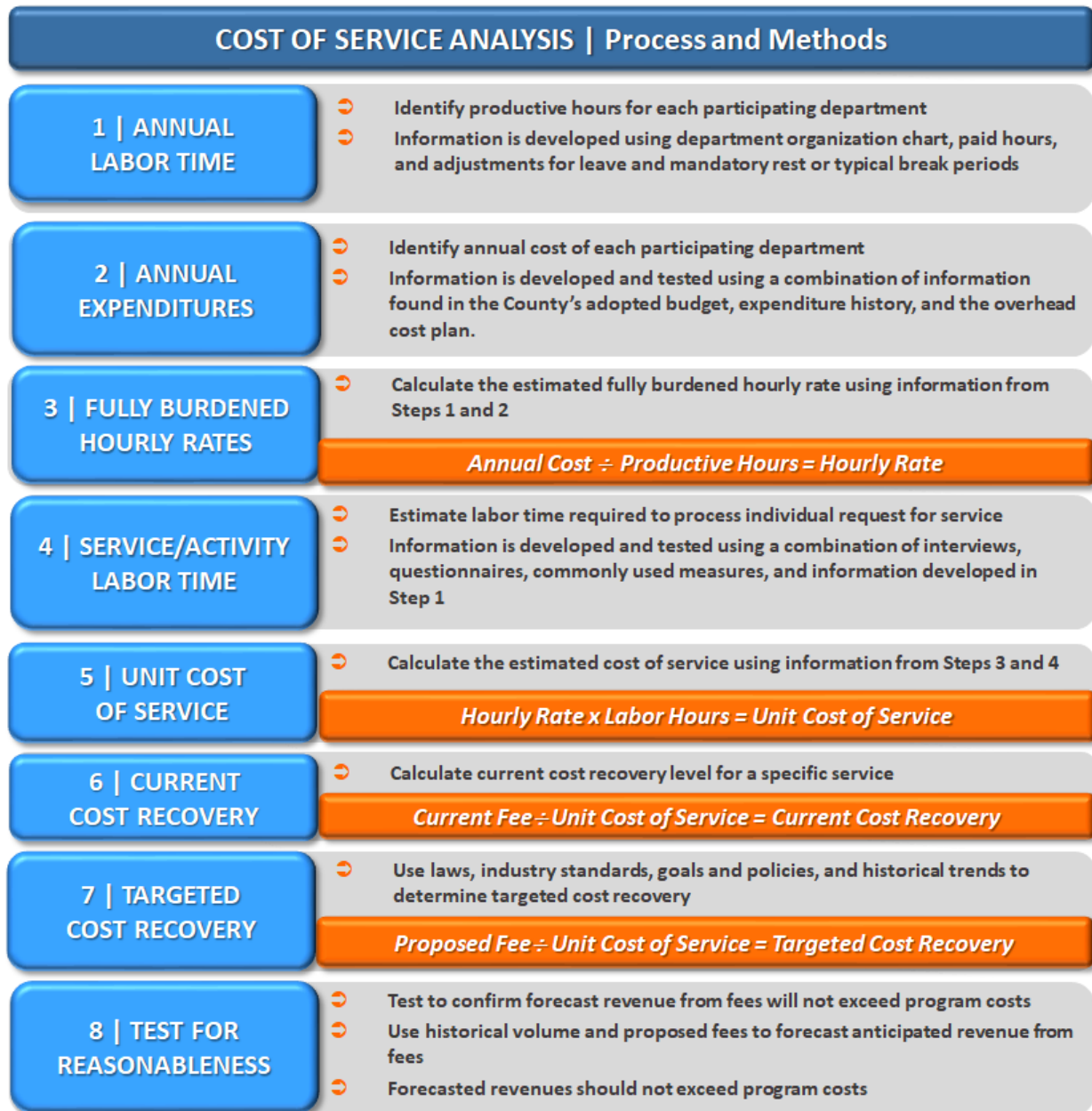
The composite fully-burdened hourly rates calculated in this study are based on the estimated annual productive hours for Recorder-Clerk’s Office employees, and estimated labor, services and supplies, and countywide overhead expenditures, sourced as follows:

- Estimated productive hours were developed using the department’s current employee count as of FY 18/19 and annual paid hours reduced by annual leave and mandatory rest period/break assumptions.
- Labor expenditures for in-house personnel were based on budgeted salary and benefits expenditures.
- Services and supplies expenditures were based on budgeted expenditures with adjustments made to amortize the costs of one-time purchases and to reflect historical averages for on-going services and supplies expenses.
- Countywide overhead allocated to the Recorder-Clerk is based on the most recent countywide cost allocation plan (2 CFR Part 200 Cost Allocation Plan for Use in Fiscal Year 2018/2019)
- Estimated labor times and annual service volume was developed based on responses received from Recorder-Clerk staff.

Once cost of service levels are identified, the County may use this information to inform targeted cost recovery from fees. Fees set at the cost of service target full cost recovery. Fees set at any amount less than the cost of service targets less than full cost recovery.

An illustration of the methods used in this analysis is shown below.

EXHIBIT 3 | STEPS IN ANALYZING COSTS OF SERVICE AND USER FEES



CONSIDERATIONS FOR IMPLEMENTATION

If the County decides to adopt or otherwise utilize outcomes generated through this study, it should:

- **Update Systems for Fee Outcomes** – Ensure that County staff incorporate updated fees into the Master Fee Schedule. Values should be included in all official fee schedules used throughout the County (e.g., departmental pamphlets, counter schedules, and online information). Additionally, ensure collections processes are updated, which may include coding in billing systems and training for personnel who handle fees directly with the public.
- **Actively Monitor the Use of Fees** – In order to recover accurate and eligible amounts expected, the County should be diligent about ensuring fees are applied in the correct amount and using the correct and intended basis.
- **Monitor Feedback and Volume Statistics** – Monitor service volume and applicant feedback to determine if fee modifications are resulting in any unanticipated changes in service frequency.
- **Annually Review and Adjust Fee Values** – In order to generally maintain pace with regional cost inflation and/or the County’s salary cost inflation, the County should consider adjusting fees on an annual basis. A commonly used, reasonable inflation index is the annual change in the all-urban Consumer Price Index (CPI) for San Francisco-Oakland-San Jose.
- **Periodically Perform Cost of Service Analysis** – A fee study should be conducted every three to five years to ensure fee levels remain at or below legal limits and are consistent with evolving service practices and local conditions.

SERVICE PROFILE

The County Recorder accepts, records and preserves for permanent record, certain legal documents affecting land title, and vital statistics. The County Recorder also creates and maintains a daily index of these documents for reference, research, and issuance of certified copies.

The County Clerk issues and registers marriage licenses; accepts and indexes Fictitious Business Name statements; files notary bond certificates, powers of attorney, surety bonds, inventory statements, certain environmental documents, and maintains a list of public rosters. The County Clerk issues ID cards to Professional Photocopiers, Process Servers, Unlawful Detainer Assistants, Legal Document Assistants, Probate Referee and Humane Officers.

FEE-RELATED SERVICES STUDIED

Most of the functions of the County Recorder-Clerk's Office are covered by fees which are set by State law. However, for some functions, fees or charges may be established by the Board of Supervisors to recover the cost of service from the user. These functions include, but are not limited to:

- **Fictitious business name filings (FBN)**
- **Abandonments of FBN and withdrawals from Partnership Under a FBN**
- **Filing of each additional business name or each additional owner under FBN**
- **Marriage license issuance (regular license and confidential license)**
- **Filing, Canceling, Revoking, or Withdrawal of a Notary Oath**
- **Filing of 20-day preliminary notices**

FULLY BURDENED HOURLY RATES

A fully burdened hourly rate is a value placed on time spent in a program area, designed to recover costs associated with direct services, as well as a share of indirect services necessary to support that provision of direct service. Fully burdened hourly rates include labor (salaries and benefits); recurring non-labor services, supplies, and materials; amortized costs of periodic purchases; and centralized agency support services. **On a composite basis for this function, a fully burdened rate for service is determined to be \$107 per hour.** This rate is applied to time estimates for categories of direct service for which a fee is imposed. A brief illustration of the basis for this rate is shown in the following exhibit.

EXHIBIT 4 | HOURLY RATE

RECORDER-CLERK	Total
Expenditure Basis for Hourly Rate	\$2,111,871
Fee-Related Direct Service Hours	19,710
Hourly Rate	\$107

SERVICE TIME

The underlying cost of fee-related services is nearly, if not entirely, driven by the amount of staff effort required to complete the service. Except in cases where significant, specialized materials and equipment are deployed, the proportionality of fees between different services is driven by that dynamic: Services with higher fees require greater time than services with lower fees.

On several occasions direct service providers in the department have been interviewed and conducted time studies to determine average and range of service times on each fee category under review in this study. Time estimates are inclusive of all effort anticipated on a typical occurrence of individual service, including intake, processing, technical reviews, inspections, meetings, and issuance/approvals. Refer to **Appendix C** to review service time assumptions by individual fee category.

COST RECOVERY

Cost Recovery and Targeted Fees

- Overall, the fees examined in this study recover approximately 52% of the costs of service. However, individual fee cost recovery levels vary between 43% and 77% of the full cost of service. Fees are proposed to increase to improve recovery of costs. However, in order to maintain fees in-line with fee amounts collected by other counties and to avoid fee spikes, fees will continue to recover less than the County's full cost of service.
- If the proposed fee changes are adopted overall cost recovery will increase to approximately 70% of the costs of service. However, individual fee cost recovery levels vary between 53% and 85% of the full cost of service.

Details regarding proposed fee changes are included in **Appendix C**. Summary information is provided below:

➤ **Filing of Fictitious Business Name Statements (FBN)**

- This fee is proposed to increase by two dollars (\$2) to enhance County cost recovery. The proposed fee is in-line with fees collected by other counties for similar services.

Fictitious Business Name Filings (FBN)	Current	Proposed
Fee	\$35	\$37
Cost Recovery	55%	58%

➤ **Abandonment of Use of a Fictitious Business Name Statement (FBN) or Withdrawal from Partnership Under a Fictitious Business Name (FBN)**

- These fees are proposed to increase by two dollars (\$2) to enhance County cost recovery. The proposed fees are in-line with fees collected by other counties for similar services.

Abandonment of FBN	Current	Proposed
Fee	\$30	\$32
Cost Recovery	49%	53%

Withdrawal from Partnership Under FBN	Current	Proposed
Fee	\$30	\$32
Cost Recovery	49%	53%

➤ **Filing of Each Additional Business Name or Each Additional Owner under FBN**

- This fee is proposed to increase by one dollar and fifty cents (\$1.50) to enhance County cost recovery. The proposed fee is in-line with fees collected by other counties for similar services.

Filing of Each Add'l Business Name or Each Add'l Owner Under an Existing FBN	Current	Proposed
Fee	\$5.50	\$7
Cost Recovery	43%	55%

➤ **Regular Marriage License Issuance (Public, Declared and Non-Clergy)**

- This fee is proposed to increase by two dollars (\$7) to enhance County cost recovery. The proposed fee remains five dollars (\$5) lower than the average fees collected by other counties.

Regular Marriage License	Current	Proposed
Fee	\$68	\$75
Cost Recovery	77%	85%

➤ **Confidential Marriage License Issuance**

- This fee is proposed to increase by twenty-two dollars (\$22) to enhance County cost recovery. The proposed fee remains seven dollars (\$7) lower than the average fees collected by other counties.

Confidential Marriage License	Current	Proposed
Fee	\$58	\$80
Cost Recovery	59%	81%

➤ **Filing, Canceling, Revoking, or Withdrawal of a Notary Oath**

- This fee is proposed to increase by ten dollars (\$10) to enhance County cost recovery. The proposed fee is in-line with fees collected by other counties for similar services.

Filing, Canceling, Revoking, or Withdrawal of a Notary Oath	Current	Proposed
Fee	\$25	\$35
Cost Recovery	45%	63%

➤ **Twenty Day Preliminary Lien Notice**

- This fee is proposed to increase by five dollars (\$5) to enhance County cost recovery. The proposed fee is six dollars (\$6) lower than the average fees collected by other counties.

Twenty Day Preliminary Lien Notice	Current	Proposed
Fee	\$35	\$40
Cost Recovery	53%	61%

REVENUE IMPACTS OF PROPOSED ACTION

In order to maintain fees in-line with fees collected by other counties for similar services and to avoid fee spikes, the proposed fees continue to target less than full recovery of the County's cost of service. **Consequently, the fee changes are estimated to generate total additional revenue of \$57,000.** If the County adopted fees targeting full cost recovery (100%), the additional fee revenue would be \$153,000.

Additional revenues expected from the proposed fee changes are intended to offset the cost of providing existing services associated with those fee-related functions. Additional fee revenue is not intended to fund new services.

PROPOSED FEES

El Dorado County Recorder-Clerk

Fee Description	Proposed Fee	Note
1 Fictitious Business Name Statement (FBN)	\$37	
2 Abandonment of Use of a Fictitious Business Name Statement	\$32	
3 Withdrawal from Partnership Under a Fictitious Business Name Statement	\$32	
4 Filing of Each Additional Business Name or Each Additional Owner Under an Existing Fictitious Business Name Statement	\$7	
5 Public, Declared and Non-Clergy Marriage License	\$75	
6 Confidential Marriage License	\$80	
7 Filing, Canceling, Revoking or Withdrawal of a Notary Oath	\$35	
8 Preliminary 20-Day Notice	\$40	

ILLUSTRATION OF PREVAILING FEES, MAXIMUM FEES (FULL COST OF SERVICE), AND PROPOSED FEES

El Dorado County Recorder-Clerk

Fee Description	Current Fee	Cost of Service (i.e. Maximum Fee)	Proposed Fee	Note
1 Fictitious Business Name Statement (FBN)	\$35	\$64	\$37	
2 Abandonment of Use of a Fictitious Business Name Statement	\$30	\$61	\$32	
3 Withdrawal from Partnership Under a Fictitious Business Name Statement	\$30	\$61	\$32	
4 Filing of Each Additional Business Name or Each Additional Owner Under an Existing FBN	\$5.50	\$13	\$7	[a]
5 Public, Declared and Non-Clergy Marriage License	\$68	\$88	\$75	[a]
6 Confidential Marriage License	\$58	\$98	\$80	[a]
7 Filing, Canceling, Revoking or Withdrawal of a Notary Oath	\$25	\$55	\$35	
8 Preliminary 20-Day Notice	\$35	\$66	\$40	

Notes:

[a] Amounts shown include fees collected by the County but passed-through to other agencies. In other words, the County Recorder-Clerk only receives a portion of the total fees collected for marriage licenses. \$26 of regular marriage license is passed through to other agencies. \$27 of confidential marriage license is passed through to other agencies.

COST OF SERVICE ANALYSIS



Fee Study

Fee-Related Cost of Service Analysis

Recorder-Clerk

Allocation of Annual Labor Effort

Position	Recorder / Clerk	Assistant Recorder / Clerk	Recorder / Clerk Svcs Supervisor	Fiscal Asst. II	Sr. Recorder Doc Examiner	Sr. Recorder Doc Examiner	Recorder Doc Examiner / Indexer II	Recorder Doc Examiner / Indexer II	Recorder Doc Examiner / Indexer II	Recorder Doc Examiner / Indexer II	Recorder Doc Examiner / Indexer II	Recorder Doc Examiner / Indexer II	Recorder Doc Examiner / Indexer I
Assumptions Regarding Labor Hours													
Total FTE (or FTE Equivalent/Contractor)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Annual Paid Hours Per FTE	2,080	2,080	2,080	2,080	2,080	2,080	2,080	2,080	2,080	2,080	2,080	2,080	2,080
Less: Leave													
Holiday	112	112	112	112	112	112	112	112	112	112	112	112	112
Vacation	120	120	120	120	120	120	120	120	120	120	120	120	120
Sick	80	80	80	80	80	80	80	80	80	80	80	80	80
Other	16	16	16	16	16	16	16	16	16	16	16	16	16
Subtotal	328	328	328	328	328	328	328	328	328	328	328	328	328
Total Number of Available Work Days	219	219	219	219	219	219	219	219	219	219	219	219	219
Less: Mandatory Rest Period / Admin Per Day													
Annual Hours for Breaks / Admin	110	110	110	110	110	110	110	110	110	110	110	110	110
Est. Annual Leave / Break / Admin Hours Per FTE	438	438	438	438	438	438	438	438	438	438	438	438	438
Est. Productive Hours Per FTE	1,643	1,643	1,643	1,643	1,643	1,643	1,643	1,643	1,643	1,643	1,643	1,643	1,643
Specific Employee Information													
Annual Salary & Benefits	\$ 207,610	\$ 129,276	\$ 92,153	\$ 80,215	\$ 93,013	\$ 70,375	\$ 60,820	\$ 70,666	\$ 57,762	\$ 69,242	\$ 69,242	\$ 69,242	\$ 68,880
Alloc. of Ret. Health, WC Ins, OT, Extra Help, Etc.	\$ 20,987	\$ 13,068	\$ 9,316	\$ 8,109	\$ 9,403	\$ 7,114	\$ 6,148	\$ 7,144	\$ 5,839	\$ 7,000	\$ 7,000	\$ 7,000	\$ 6,963
Total Salary & Employee Benefits	\$ 228,597	\$ 142,344	\$ 101,469	\$ 88,324	\$ 102,416	\$ 77,489	\$ 66,968	\$ 77,810	\$ 63,601	\$ 76,242	\$ 76,242	\$ 76,242	\$ 75,843
Salary and Wage Rate Per Paid Hour	\$ 100	\$ 62	\$ 44	\$ 39	\$ 45	\$ 34	\$ 29	\$ 34	\$ 28	\$ 33	\$ 33	\$ 33	\$ 33
All Other Sal & EE Benefits Costs Per Paid Hour	\$ 10	\$ 6	\$ 4	\$ 4	\$ 5	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3
Total Labor Hourly Rate Per Paid Hour	\$ 110	\$ 68	\$ 49	\$ 42	\$ 49	\$ 37	\$ 32	\$ 37	\$ 31	\$ 37	\$ 37	\$ 37	\$ 36
Labor Rate Per Productive Hour	\$ 139	\$ 87	\$ 62	\$ 54	\$ 62	\$ 47	\$ 41	\$ 47	\$ 39	\$ 46	\$ 46	\$ 46	\$ 46

Allocation of Annual Labor Effort

Position	Recorder Doc Examiner / Indexer I	Recorder Doc Examiner / Indexer I	Microfilm / Imaging Tech II	Microfilm / Imaging Tech II	Total	Note
Assumptions Regarding Labor Hours						
Total FTE (or FTE Equivalent/Contractor)	1.00	1.00	1.00	1.00	16.00	[a]
Annual Paid Hours Per FTE	2,080	2,080	2,080	2,080	33,280	
Less: Leave						
Holiday	112	112	112	112	1,792	[b]
Vacation	120	120	120	120	1,920	[b]
Sick	80	80	80	80	1,280	[b]
Other	16	16	16	16	256	[b]
Subtotal	328	328	328	328	5,248	
Total Number of Available Work Days	219	219	219	219	3,504	[c]
Less: Mandatory Rest Period / Admin Per Day						
Annual Hours for Breaks / Admin	110	110	110	110	1,752	[d]
Est. Annual Leave / Break / Admin Hours Per FTE	438	438	438	438	7,000	[e]
Est. Productive Hours Per FTE	1,643	1,643	1,643	1,643	26,280	[f]
Specific Employee Information						
Annual Salary & Benefits	\$ 71,738	\$ 38,509	\$ 78,757	\$ 79,901	\$ 1,338,159	
Alloc. of Ret. Health, WC Ins, OT, Extra Help, Etc.	\$ 7,252	\$ 3,893	\$ 7,961	\$ 8,077	\$ 135,273	[g]
Total Salary & Employee Benefits	\$ 78,990	\$ 42,402	\$ 86,718	\$ 87,978	\$ 1,473,432	[h]
Salary and Wage Rate Per Paid Hour	\$ 34	\$ 19	\$ 38	\$ 38	\$ 40	
All Other Sal & EE Benefits Costs Per Paid Hour	\$ 3	\$ 2	\$ 4	\$ 4	\$ 4	
Total Labor Hourly Rate Per Paid Hour	\$ 38	\$ 20	\$ 42	\$ 42	\$ 44	
Labor Rate Per Productive Hour	\$ 48	\$ 26	\$ 53	\$ 54	\$ 56	

Allocation of Annual Labor Effort

Notes:

- [a] Assumes 40 hours per week, 52 weeks per year (40*52 = 2,080).
- [b] Conservative estimate for purposes of this analysis. Actual amounts will vary by employee. Assumes 14 holidays, 15 vacation days, 10 sick days, 2 personal days.
- [c] Equals (A - B) / C where A = Total Paid Hours; B = Leave Hours; C = 8 hours per work day.
- [d] Assumes .5 hours per day worked.
- [e] Equals leave hours plus mandatory rest period / estimated admin hours.
- [f] Equals total work hours less leave hours and mandatory rest period / estimated admin hours.
- [g] Lump sum costs spread pro-rata amongst FTEs based on base salary and benefit totals by employee.
- [h] Ties to County FENIX budget system for FY 18/19.

El Dorado County Recorder-Clerk
 Fee Study
Fully-Burdened Hourly Rate Calculation

Labor Expenditures

Description	Dept Admin / Supervision	Direct Services	Total	Notes
Labor Related Expenditures	\$ 560,734	\$ 912,698	\$ 1,473,432	[a]
FTE	4.00	12.00	16.00	[a]
Productive Hours Per FTE	1,643	1,643	1,643	[b]
Total Productive Hours	6,570	19,710	26,280	

Fully-Burdened Hourly Rate Calculation

Recurring Non-Labor Expenditures

Description	FY 18/19 Budget	Adjustment	Subtotal	Notes
40 - Services & Supplies	\$ 418,227	\$ -	\$ 418,227	
4040 - TELEPHONE VENDOR PAYMENTS	\$ 500	\$ -	\$ 500	
4080 - HOUSEHOLD EXPENSE	\$ 300	\$ -	\$ 300	
4100 - INSURANCE: PREMIUM	\$ 5,235	\$ -	\$ 5,235	
4140 - MAINT: EQUIPMENT	\$ 6,500	\$ -	\$ 6,500	
4141 - MAINT: OFFICE EQUIPMENT	\$ 100	\$ -	\$ 100	
4144 - MAINT: COMPUTER SYS/SFTWR/LICN	\$ 66,260	\$ -	\$ 66,260	
4221 - MEMBERSHIPS: LEGISLATIVE ADVCY	\$ 1,500	\$ -	\$ 1,500	
4260 - OFFICE EXPENSE	\$ 16,000	\$ -	\$ 16,000	
4261 - POSTAGE	\$ 20,000	\$ -	\$ 20,000	
4263 - SUBSCP/NEWSPAPER/JOURNALS	\$ 150	\$ -	\$ 150	
4264 - BOOKS / MANUALS	\$ 500	\$ -	\$ 500	
4300 - PROFESSIONAL & SPECIAL SRVS	\$ 133,710	\$ -	\$ 133,710	
4307 - MICROFILM IMAGING SERVICES	\$ 1,200	\$ -	\$ 1,200	
4420 - RENT & LEASE: EQUIPMENT	\$ 5,220	\$ -	\$ 5,220	
4460 - EQUIP: SMALL TOOLS & INSTRMNTS	\$ 100	\$ -	\$ 100	
4461 - EQUIP: MINOR	\$ 500	\$ -	\$ 500	
4462 - EQUIP: COMPUTER	\$ 2,600	\$ -	\$ 2,600	
4500 - SPECIAL DEPT EXPENSE	\$ 150,252	\$ -	\$ 150,252	
4538 - SOFTWARE	\$ 500	\$ -	\$ 500	
4600 - TRANSPORTATION & TRAVEL	\$ 900	\$ -	\$ 900	
4602 - MILGE: EMPLOYEE PRIVATE AUTO	\$ 700	\$ -	\$ 700	
4605 - RENT & LEASE: VEHICLE	\$ 400	\$ -	\$ 400	
4606 - FUEL PURCHASES	\$ 100	\$ -	\$ 100	
4608 - HOTEL ACCOMMODATIONS	\$ 2,500	\$ -	\$ 2,500	
4609 - STAFF DEVELOPMENT	\$ 2,500	\$ -	\$ 2,500	
72 - Intrafund Transfers	\$ 9,524	\$ -	\$ 9,524	
7223 - INTRAFND: MAIL SERVICE	\$ 8,080	\$ -	\$ 8,080	
7224 - INTRAFND: STORES SUPPORT	\$ 944	\$ -	\$ 944	
7232 - INTRAFND: MAINT BLDG & IMPRV	\$ 500	\$ -	\$ 500	
Adjstmt. to Account for One-time Purchases	\$ -	\$ (256,962)	\$ (256,962)	[c]
Software Lic'ns, Implementation, Prof Svcs	\$ -	\$ (256,962)	\$ (256,962)	[c]
Adjstmt. to Reflect Typical Annual On-Going Exp	\$ -	\$ 79,211	\$ 79,211	[d]
Software Lic'ns, Implementation, Prof Svcs	\$ -	\$ 79,211	\$ 79,211	[d]
Total	\$ 427,751	\$ (177,751)	\$ 250,000	

Periodic Non-Labor Expenditures

Description	FY 2018/19 Budget	Adjustment	Subtotal	Amortization / Useful Life	Annualized Amount	Notes
One-time Purchases	\$ 256,962	\$ 88,373	\$ 345,335		\$ 34,534	
Software Lic'ng, Implementation, Prof Svcs	\$ 256,962	\$ 88,373	\$ 345,335	10	\$ 34,534	[e]
Total	\$ 256,962	\$ 88,373	\$ 345,335		\$ 34,534	

Countywide Overhead Allocation

Description	Countywide Overhead Alloc	Adjustment	Subtotal	Notes
Countywide Overhead Allocation	\$ 353,905	\$ -	\$ 353,905	[f]
Total	\$ 353,905	\$ -	\$ 353,905	

Total Allocable Expenditures

Description	Amount	% of Total	Notes
Labor	\$ 1,473,432	70%	
Dept. Administration and Supervision	\$ 560,734		
Direct Services Labor	\$ 912,698		
Department Services and Supplies	\$ 284,534	13%	
Recurring Non-Labor Expenses	\$ 250,000		
Periodic Non-Labor Expenses	\$ 34,534		
Countywide Overhead	\$ 353,905	17%	
Countywide Overhead	\$ 353,905		
Total	\$ 2,111,871	100%	

Fully-Burdened Hourly Rate Calculation

Calculation of Fully-Burdened Hourly Rate

Description	Total	Hourly Rate	Notes
Dept. Administration and Supervision	\$ 560,734	\$ 28	
Direct Services Labor	\$ 912,698	\$ 46	
Recurring Non-Labor Expenses	\$ 250,000	\$ 13	
Periodic Non-Labor Expenses	\$ 34,534	\$ 2	
Countywide Overhead	\$ 353,905	\$ 18	
Total	\$ 2,111,871	\$ 107	< Hourly Rate
Productive Hours		19,710	

Notes:

- [a] Total expenditures and FTE tie to County FY 18/19 adopted budget
- [b] Conservative estimate for purposes of this analysis. Actual amounts will vary by employee. Assumes 14 holidays, 15 vacation days, 10 sick days, 2 personal days.
- [c] Adjustment to exclude \$256,962 for one-time purchase of Recorder-Clerk Management System. One-time purchase cost will be amortized over a multi-year period (see Periodic Non-Labor Expenses section of hourly rate calculation).
- [d] Adjustment to reflect typical annual services and supplies expenses based on historical expenditures and department projections of reasonably expected on-going expenditures.
- [e] One-time purchase cost will be amortized over a ten-year period. Adjustment to account for estimated cost inflation in replacement cost (assumes 3% cost inflation compounded over 10-year time frame).
- [f] Source: Countywide cost allocation plan.

Calculation of Estimated Cost of Service

Fee Description		Est. Labor Time (minutes)	Hourly Rate	County Cost of Service	Fees Collected on Behalf of Other County or State Programs	Total Cost of Service	Current Fee	Current Cost Recovery
1	Fictitious Business Name Statement (FBN)	36	\$107	\$64		\$64	\$35.00	55%
2	Abandonment or Withdrawal of Fictitious Business Name Statement	34	\$107	\$61		\$61	\$30.00	49%
3	Filing of Each Additional Business Name or Each Additional Owner Under an Existing FBN	7	\$107	\$13		\$13	\$5.50	43%
4	Public, Declared and Non-Clergy Marriage Licenses (i.e. Regular Marriage License)	35	\$107	\$62	\$26	\$88	\$68.00	77%
5	Confidential Marriage License	40	\$107	\$71	\$27	\$98	\$58.00	59%
6	Filing, Canceling, Revoking, or Withdrawal of a Notary Oath	31	\$107	\$55		\$55	\$25.00	45%
7	Twenty Day Preliminary Lien Notices	37	\$107	\$66		\$66	\$35.00	53%

Calculation of Estimated Cost of Service

Fee Description		Targeted Cost Recovery	Proposed Fee	Est. Annual Volume	Revenue at Current Fee (County Share Only)	Revenue at Full Cost Recovery (County Share Only)	Revenue at Proposed Fee (County Share Only)	Note
1	Fictitious Business Name Statement (FBN)	58%	\$37.00	1,375	\$48,125	\$88,275	\$50,875	
2	Abandonment or Withdrawal of Fictitious Business Name Statement	53%	\$32.00	75	\$2,250	\$4,548	\$2,400	
3	Filing of Each Additional Business Name or Each Additional Owner Under an Existing FBN	55%	\$7.00	330	\$1,815	\$4,237	\$2,310	
4	Public, Declared and Non-Clergy Marriage Licenses (i.e. Regular Marriage License)	85%	\$75.00	1,050	\$44,100	\$65,538	\$51,450	
5	Confidential Marriage License	81%	\$80.00	2,000	\$62,000	\$142,667	\$106,000	
6	Filing, Canceling, Revoking, or Withdrawal of a Notary Oath	63%	\$35.00	185	\$4,625	\$10,227	\$6,475	
7	Twenty Day Preliminary Lien Notices	61%	\$40.00	5	\$175	\$330	\$200	
Total >>>					\$163,090	\$315,821	\$219,710	
					Potential Increase >>>	\$152,731		
						Proposed Increase >>>	\$56,620	

FEE COMPARISON

Calculation of Estimated Cost of Service

County	
1	El Dorado County Current
2	El Dorado County Proposed
3	Average of Other County Agencies Examined

Fictitious Business Name (FBN) Filings	Abandonment or Withdrawal of Fictitious Business	Filing Second or Additional Parties Under an Existing FBN	Regular Marriage Licenses	Confidential Marriage Certificate	Notary Bond Filing Fee	Twenty Day Preliminary Lien Notices
\$35	\$30	\$5.50	\$68	\$58	\$25	\$35
\$37	\$32	\$7	\$75	\$80	\$35	\$40
\$39	\$33	\$7	\$80	\$87	\$36	\$46

County	
1	Alameda
2	Butte
3	Fresno
4	Humboldt
5	Imperial
6	Kern
7	Los Angeles
8	Marin
9	Merced
10	Napa
11	Nevada
12	Orange
13	Placer - (Currently conducting fee study)
14	Sacramento
15	San Francisco
16	San Luis Obispo
17	San Mateo
18	Santa Barbara
19	Santa Clara
20	Santa Cruz
21	Shasta
22	Stanislaus
23	Sutter
24	Yolo
25	Yuba
26	Douglas County and Washoe County, Nevada
27	Average

Fictitious Business Name (FBN) Filings	Abandonment or Withdrawal of Fictitious Business Names	Filing Second or Additional Parties Under an Existing FBN	Regular Marriage Licenses	Confidential Marriage Certificate	Notary Bond Filing Fee	Twenty Day Preliminary Lien Notices
\$40	\$35	\$7	\$81	\$90	\$50	\$45
\$50	\$40	\$5	\$92	\$102	\$30	\$35
\$35	\$17	\$7	\$58	\$69		\$19
\$50	\$40	\$10	\$78	\$80	\$35	\$89
\$35	\$35	\$5	\$87	\$100	\$30	\$75
\$35	\$18	\$6	\$82	\$94	\$40	
\$26		\$5	\$91	\$85		\$50
\$42		\$7	\$85	\$93		\$50
\$35	\$25	\$7	\$61	\$70	\$25	\$25
\$50	\$50	\$7	\$83	\$95	\$26	\$35
\$30	\$30	\$5	\$72	\$74	\$44	\$39
\$23	\$23	\$7	\$61	\$66	\$28	\$72
\$30	\$30	\$6	\$57	\$60		\$54
\$37	\$37	\$5	\$84	\$95	\$22	\$29
\$53	\$43	\$13	\$107	\$107	\$15	\$22
\$52	\$52	\$6	\$100	\$100	\$50	\$35
\$34	\$11	\$5	\$79	\$80	\$42	\$84
\$47	\$30	\$5	\$100	\$111	\$37	\$42
\$40	\$37	\$7	\$80	\$83	\$63	\$50
\$40	\$35	\$7	\$90	\$90	\$28	\$35
\$54	\$23	\$9	\$84	\$89	\$80	
\$34	\$34	\$7	\$76	\$81	\$24	\$57
\$24	\$20	\$5	\$59	\$78	\$24	\$40
\$55	\$55	\$8	\$98	\$109	\$34	\$34
\$30	\$30	\$5	\$65	\$70		\$35
\$39	\$33	\$7	\$80	\$87	\$36	\$46