



Legislation Text

File #: 19-1568, **Version:** 1

HEARING - Recorder-Clerk recommending the Board conduct a public hearing and approve and authorize the Chair to sign Ordinance **5108** adding Chapter 3.25 to the El Dorado County Ordinance Code pertaining to a schedule of fees and fee changes for the Recorder-Clerk's Office, with fee changes to become effective January 1, 2020. (Est. Time: 15 Min.)

FUNDING: General Fund Revenue.

DISCUSSION / BACKGROUND

Government Code Chapter 12.5 County Fees, section 54985 authorizes the Board of Supervisors to adopt new fees, fee levels and charges "in the amount reasonably necessary to recover the cost of providing any product or service..."(Attachment B). A majority of Recorder-Clerk fees are set by statute, under Government Codes 54985 (c)(6). An ordinance is required to adopt a new fee or change an existing fee, the amount of which is prescribed or otherwise limited by statute, to reasonably recover the cost of providing the service under Government Code 54986. The Department worked with County Counsel to draft the Ordinance adding a new chapter 3.25 containing the Recorder-Clerk fee schedule.

In general, adoption of an ordinance requires two Board meetings, with the ordinance being introduced at one meeting and passed later at a second meeting. However, an ordinance which by statute can be passed only after notice and a public hearing may be introduced and passed at a single public hearing held during a regular meeting of the Board of Supervisors as provided under Government Code 25131. Fee adoption and fee increases require a notice and public hearing under Government Code 66018. Therefore, the Recorder Clerk Fee Schedule Ordinance may be introduced and passed at a single hearing during a Board meeting. A Notice of Public Hearing was published in both the Mountain Democrat and the Tahoe Daily Tribune in accordance with Government Code 6062a.

Background and Prior Board Actions:

In September 2015, the Board approved the increase of seven (7) Recorder-Clerk fees to be effective October 1, 2015. At the meeting, the Recorder-Clerk agreed to return to the Board with a further analysis and fee adjustments within three years (Legistar 15-0921, 9/1/15).

In May 2018, the County released Request for Proposal (RFP) 18-918-056 for a Multi-Department Fee and Nexus Study. After reviewing the awarded proposals, the Recorder-Clerk chose and entered into a contract with Clear Source Financial Consulting to conduct a Fee Study. The purpose of the study was to determine the County's cost for providing services including personnel, indirect and overhead costs, supervision, equipment and reasonable fees to recover the cost of providing said services.

In December 2018, the Board received and filed the Fee Study completed by Clear Source Financial Consulting. The study has identified and recommends the increasing of seven (7) Recorder-Clerk fees, three (3) of which have not been increased since 1993. (Legistar 18-1872, 12/18/18).

In April 2019 (Legistar 19-0681, 4/30/19), the Board approved the conceptual approval of an

ordinance to set fees and the Recorder-Clerk has completed a draft ordinance for the Board's review and adoption. The ordinance includes a proposed increase in fees for the following: Fictitious Business Name Statement filings, Regular and Confidential Marriage Licenses, Notary Oath Filing; and amend the Official Map CD fee to be a subscription for service and lower the map CD fee from a quarterly fee based on the number of CD/DVD to a flat rate of \$120.00 a year. The subscription service will allow users to log in with a user name and password to access recorded maps.

In May 2019, we requested the Consultant to update the Fee Study (Attachment A) to reflect the elimination of the two Microfilm/Image Technicians positions.

On August 27, 2019, the Board held a public hearing to review revised Recorder-Clerk fees as recommended as a result of a recent Fee Study by ClearSource Financial Consulting, and to approve new Chapter 3.25 to El Dorado County Ordinance Code pertaining to a schedule of fees and fee changes for the Recorder-Clerk Office. The Department recommended fee increases that are "reasonably necessary", resulting in approximate annual revenue of \$76,000 and cost recovery ranging from 49% to 84% of full cost of service. During the meeting, the Recorder-Clerk asked that the subscription for service in place of the CD fee be removed based on public feedback. (Legistar 19-1205, 8/27/19)

At the August 27th board meeting all five Board members voted to approve Alternative 2 noted in the staff report, full cost recovery, and directed staff to return to the Board with an amended Ordinance and fees established at full cost recovery for services to be adjusted over a two year period, with an inflationary component applied after full cost recovery is attained.

At the time of the August 27th board meeting, the board did not consider the effect of future system enhancements in the Recorder-Clerk Department. The Department will purchase and implement a new Recorder-Clerk Management system over the next year and this will likely result in new efficiencies that will reduce costs in the Recorder-Clerk Department. Therefore full cost recovery assumptions are likely to change or decrease.

According to County ordinance Section 2.03.140 Reconsideration, the Board may reconsider an action previously taken based on new evidence or information that was not considered at the time the previous action was taken. A motion to reconsider may be made by a Board member who voted in the majority in the previous action. If a majority of the Board members vote to reconsider, the matter will be placed on the agenda again for reconsideration.

On September 24, 2019, the Board decided to reconsider the item, the Recorder-Clerk Department has re-noticed the public hearing for today's meeting and adjusted the fee increases effective date in the Ordinance to January 1, 2020. (Legistar 19-1423, 9/24/19)

Recommended Fee Changes:

Below is a list that includes the current fee, the proposed fee, the average fee of other counties, and the cost of service:

Fee Description	Current Fee	Proposed Fee	Average Fee	Cost of Service
Fictitious Business Name Statement (FBN)_____	\$35.00	\$40.00	\$39.00	\$71.00

Abandonment/Withdrawal of Partnership FBN__	\$30.00	\$35.00	\$33.00	\$67.00
Each Additional Name (business or owner)_____	\$5.50	\$7.00	\$7.00	\$14.00
Regular Marriage License_____	\$68.00	\$80.00	\$80.00	\$95.00
Confidential Marriage License_____	\$58.00	\$85.00	\$87.00	\$106.00
File/cancel/revoke/withdrawal Notary Oath_____	\$25.00	\$35.00	\$36.00	\$61.00
Preliminary Notice 20 Day Lien_____	\$35.00	\$45.00	\$46.00	\$73.00

These increases will assist in closing the gap between the cost of providing Recorder-Clerk services and the amount collected from the public for the service. The proposed increase will raise the fees to the median level of the counties in the geographic area studied, however will not recover full costs from the public for these services.

If the Board determines the proposed fee increases are "reasonably necessary", the resulting revenue increase will be approximately \$76,000 annually and result in cost recovery ranging from 49% to 84% of the full cost of service. The Recorder-Clerk's office intends to conduct a departmental review of fees 6 months after implementation of the new records management system at full cost recovery.

ALTERNATIVES

The Board could:

- 1) Deny approval of an ordinance to establish a Schedule of Fees for the Recorder-Clerk's Office-- this would result in no further cost recovery of providing Recorder-Clerk services to the public; or
- 2) Direct staff to return to the Board with an ordinance replacing the proposed fees with full cost of services fees based on the current analysis. This would likely result in greater than 100% cost recovery given future efficiencies in the Recorder-Clerk Department as a result of system enhancements from implementation of a new recorder-clerk management system.

PRIOR BOARD ACTION

Legistar 19-1423, Board reconsideration of Ordinance, 9/24/19
Legistar 19-1205, Recorder-Clerk Fee Study Hearing, 8/27/19
Legistar 19-0681, Conceptual approval of Ordinance to set fees, 4/30/19
Legistar 18-1872, Receive and File of Fee Study, 12/18/18
Legistar 15-0921, Adopted Resolution 150-2015

OTHER DEPARTMENT / AGENCY INVOLVEMENT

Chief Administrative Office, Procurements and Contracts, County Counsel

CAO RECOMMENDATION / COMMENTS

It is recommended that the Board approve this item.

FINANCIAL IMPACT

The proposed increase in fees would result in an increase in revenue of approximately \$76,000 annually and cost recovery from 49% to 84% of budgeted cost, depending on the fee.

CLERK OF THE BOARD FOLLOW UP ACTIONS

If adopted, publish the ordinance

STRATEGIC PLAN COMPONENT

Good Governance

CONTACT

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