

- Exhibit XVII - Sheriff - Animal Care and Control
- Exhibit XVIII - Human Resources
- Exhibit XIX - Department of Child Support Services
- Exhibit XX - Nut Tree Airport

2.) After closing the noticed/published hearing, adopt the 15 attached fee resolutions amending the Solano County Code, modifying and establishing various fees for the departments listed above and authorizing the enactment of fees by resolution, effective July 1, 2019 for all the listed departments except for Resource Management's Planning Services Division, effective July 8, 2019 and for the Department of Child Support Services, effective October 1, 2019 as set by statute.

SUMMARY:

This is the annual submission of updates and revisions to the countywide user fee schedules. The County Administrator's Office facilitates and supports County departments in the update of their fees on an annual basis. Fourteen established fee exhibits included in Chapter 11 of the Solano County Code are being revised to reflect updated salary/benefit costs and programmatic changes. In addition, the Nut Tree Airport fee exhibit (Exhibit XX) included in Chapter 2.4 of the Solano County Code is also proposed to be revised to reflect fees that are tied to the productive hourly rate, comparable market rates and new development application fees.

Since 1992, the Board has supported the need to recover 100% of the costs associated with a service provided by the County to members of the public when allowed by law. For FY2018/19, the majority of the fees are recommended to remain unchanged; however, there are a number of fees for which the recommendation is to adjust the fee. Most of the adjustments are due to changes in the respective department's productive hourly rate to provide a service, and depending on the specific department, may have increased or decreased due to staffing levels, operational costs and additional time to provide the service. And in many cases, the public may obtain the service online at no cost.

The fee schedules also contain fee adjustments based on federal and state mandates that are set by statute, which is noted on the fee schedules.

Each department has provided a summary of proposed fee revisions, including new fees, and an explanation for the fee revisions which are included in Attachment A. If all proposed fee charges are approved by the Board, there would be a net increase of approximately \$243,309 in fee revenues collected in FY2019/20. Resolutions for adopting the revised Fee Schedules include the corresponding listing of all provided fee exhibits (Attachment B).

Subject to Board adoption of the department fee resolutions, the new and revised fees will be effective July 1, 2019. In accordance with Government Code 66017, the new and revised fees for Resource Management's Planning Division will be effective July 8, 2019 to meet the statutory requirements of 60 days following the board's adoption of fees. The Department of Child Support Services fee is effective October 1, 2019 as set by statute.

FINANCIAL IMPACT:

The cost of preparing this report is borne in part by the departments who prepare and charge fees for services and is covered within their existing budgets. This year's annual fee review and update reflects that several departments project fee adjustments, and therefore, adjustments in revenue should the Board adopt the resolutions.

The following departments anticipate additional FY2019/20 revenues should the Board adopt the fee resolutions: \$172,779 for Resource Management Environmental Health, \$25,618 for Resource Management's Planning Services, \$21,411 for Resource Management Building and Safety, \$1,366 for Resource

Management's Administration Services, \$20,886 for Public Work's Engineering Surveyor, \$3,669 for Sheriff - Animal Care and Control and the Department of General Services - Nut Tree Airport for \$22,924. The following departments anticipate decreases in FY2019/20 revenues should the Board adopt the fee resolutions: \$22,620 for Treasurer/Tax Collector/County Clerk and \$2,724 for Sheriff/Coroner.

These fee adjustments will be reflected in the FY19/20 recommended budget.

DISCUSSION:

In 1992, the Board directed staff to hire a consultant to develop a user fee model and a countywide standardized cost methodology, and the establishment of user fees for chargeable services. Using the cost documentation compiled by the consultant, staff began the implementation of fees for provided County services based on 100% cost recovery.

Since 1992, Solano County departments have used this standardized cost methodology for calculating countywide user fees. Annually, fees are reviewed and charges recommended which adhere to the Board of Supervisors' policy to recover 100% of the costs associated with the services provided by the County to members of the public when allowed by law. The basic fee methodology is as follows:

Direct Costs + Indirect Costs = Total Cost of Services

While there are exceptions to the above policy each department's goal is to have 100% cost recovery whenever possible. Between 2009 and 2014, during the economic downturn, departmental review of the fees focused on minimizing the impact to the community in an effort to encourage economic recovery and to minimize cost burdens to the public. Departments remain aware of the need to balance between recovering costs through fees versus minimizing cost burdens to the public from fees and the associated suppression of economic activity. Recognizing that need for balance, some of the fees do not reflect an increase or decrease, but reflect a narrower gap between actual cost to provide service and the recommended fee amount. Departments also review market factors which would show a decline in demand if the costs of the fees were increased beyond what the market would allow, i.e. agriculture, animal care and health and social services.

The Auditor-Controller's Office has reviewed the application of the standard fee methodology used by each department in the calculation of their productive hourly rates and indirect overhead rates, and concurred that the methodology used was sound for calculating their fees. The Auditor-Controller's staff did not review any of the statutory fees as they are federal or state mandated and set by the statute or law. However, the County Counsel reviewed the fee authority as noted on the fee schedules under the Fee Authority column.

Other departments refined their calculations to more accurately reflect the cost of providing the service. Several fees have been recommended to be eliminated and new fees are proposed to be established. Most of the adjustments are due to changes in the respective department's productive hourly rate and largely attributed to wage and benefit costs. Depending on the specific department, fees may have increased or decreased due to staffing levels, operational costs and additional time to provide the service. In the case of Tax Collector, decreases for electronic records requests fee may be considered a public record act requests and department cannot charge for ancillary tasks necessarily associated with the retrieval, inspection and handling of the file. In the case of the Recorder's Office, the use of electronic information technology with security protocols (E-Recording) made it technically feasible to electronically record real estate documents allowing work efficiency while creating overhead savings.

Check marks in the New Fee or Revised Fee columns of each department's Fee Exhibit (Attachment B), reflects changes to current approved fees (addition of new fees, increases/decreases, deletions, consolidations, etc.).

The majority of the departmental fees remain unchanged with the exception of the Department of Health and

Social Services (H&SS). The majority of H&SS fees are based on similar provider fees in the market and are dependent on federal and state reimbursements. Payments received from these programs are subject to audits that could result in cost settlement. Patients are charged on a sliding fee discount scale to ensure income or lack of insurance is not a barrier in acquiring the services needed.

A summary of the proposed FY2019/20 fee changes, including new fees, are listed by department in Attachment A.

In accordance with Government Code 6062(a) public notice was given through publication of notice of the fee hearing on two successive weeks with at least five days between publications.

ALTERNATIVES:

- a) The Board may choose to not approve any of the new fees or proposed fee increases. This alternative is not recommended. While it may result in the nominal loss of revenues for most departments; if the Department of Agriculture, Assessor/Recorder, Resource Management, Tax Collector/County Clerk, Auditor-Controller, Registrar of Voters, Clerk of the Board, County Counsel, Sheriff's Office/Coroner, Sheriff's Office/Animal Care and Human Resources proposed fees are not adopted, there may be an increased cost to the General Fund.
- b) The Board may choose to not approve any proposed fee decreases. This alternative is not recommended as it would result in the collection of fees in excess of cost.
- c) The Board may choose to approve fee schedules and resolutions by individual departments and directing or specifying modifications to the proposed adjustments to fees. If the Board chooses not to approve proposed fee revisions and additions, there may be an impact to revenue for any affected department and staff has provided initial estimates for projected revenues.

OTHER AGENCY INVOLVEMENT:

The County Administrator Office, in developing the proposed revisions and new fees as detailed in each of the respective fee exhibits included in this report, worked with the following departments: Agricultural Commissioner/Sealer of Weights and Measures, Assessor/Recorder, Resource Management (including Environmental Health, Planning, Building and Safety, Administration Services and Public Works), Tax Collector/County Clerk, Auditor-Controller, Registrar of Voters, Clerk of the Board, County Counsel, Health and Human Services (including the Public Guardian), Sheriff (including Animal Care Services), Department of Child Support Services, Human Resources and General Services - Nut Tree Airport. The Public Notice of the proposed fee schedule revisions was published in the Daily Republic on April 25 and May 1, 2019.