

## FINANCE DEPARTMENT

### Impact Analysis Report

#### ***OVERVIEW***

The Finance Department is responsible for collecting, accounting, and monitoring the license and permit fees for Christmas tree and pumpkin patch lots, circuses, carnivals, and parades. The Department is also responsible for a number of miscellaneous fees, along with Integrated Waste Management (IWM)-related late charges.

It is estimated that the Finance Department fees and charges program for 2011-2012, excluding penalties and non-cost recovery fees, will bring revenues to the City of approximately \$438,000, reflecting a 99.2% cost recovery rate, compared to 2010-2011 revenues of \$422,000.

Late payment charges related to the Solid Waste Delinquency Program and Solid Waste Delinquency Service fees, not subject to cost recovery restrictions, are anticipated to generate approximately \$3.46 million in the Integrated Waste Management (IWM) Fund. An increase to the Solid Waste Delinquency fee structure is proposed in 2011-2012.

#### ***SUMMARY AND IMPACT OF PROPOSED FEE REVISIONS***

##### Existing Fees

For 2011-2012, minimal changes to the existing fees in the Finance Department's fee structure are proposed. A number of the proposed fee changes are downward adjustments to reflect the net change from employee total compensation reductions and adjustments to maintain the

required annual retirement and unemployment contributions. These actions are further discussed in the 2011-2012 Proposed Operating Budget.

While maintaining full cost recovery, two fees are proposed to increase due to increased overhead costs and changes in staffing: the Exempt Business Tax Fee from \$35 to \$37 and the Christmas Tree/Pumpkin License – Lot fee from \$85 to \$88. In addition, after careful review of actual staff resources related to the Administrative Remedies and the Sidewalk Lien Fees categories, a change to these two lien fees is recommended in 2011-2012, increasing both fees to \$54.00 per lien.

A proposed change to two of the Solid Waste Delinquency Fees in 2011-2012 will increase the Administrative Charges for Collection Procedure from \$72.00 to \$76.00 per lien and increase the Notice of Intent to Lien from \$18.00 to \$19.00 per notice.

A complete list of fee revisions by service is located in the Summary of Proposed Fee Changes section of this document and in the tables that follow this section.

#### ***NOTIFICATION***

The Proposed Fees and Charges Report was released on May 6, 2011, allowing for a minimum of 10 days for public review. Public input on fee proposals will be heard by the City Council at public hearings held on Tuesday, May 17, 2011, at 7:00 p.m. and Monday, June 13, 2011, at 7:00 p.m. in the Council Chambers.

# DEPARTMENTAL FEES AND CHARGES

# FINANCE

Service	2010-2011 Adopted Fee	2010-2011 % Cost Recovery	2011-2012 Proposed Fee	2011-2012 Estimated Cost	2011-2012 Estimated Revenue		2011-2012 % Cost Recovery		
					Current Fee	Proposed Fee	Current Fee	Proposed Fee	
<b>FINANCE DEPARTMENT GENERAL FEES - CATEGORY I</b>									
<b>1. Administrative Remedies Lien Fee</b>									
1 Administrative Remedies Lien Fee	\$35 per lien		\$54 per lien						
<b>Sub-total Administrative Remedies Lien Fee</b>		<b>99.4%</b>		<b>2,463</b>	<b>1,575</b>	<b>2,430</b>	<b>63.9%</b>	<b>98.7%</b>	
<b>2. Business Tax Special Reports</b>									
1 CD/E-mail	\$47 per CD/transmission		\$45 per CD/transmission						
2 Computer Printout	\$47 up to 25 pages, \$1 each additional page		\$45 up to 25 pages, \$1 each additional page						
<b>Sub-total Business Tax Special Reports</b>		<b>99.4%</b>		<b>2,898</b>	<b>3,008</b>	<b>2,880</b>	<b>103.8%</b>	<b>99.4%</b>	
<b>3. Circus/Carnival/Parade</b>									
1 Carnival Permit	\$250 1st week; \$25 each additional day		No Change						
2 Carnival Permit (Charitable)	\$100 1st week; \$10 each additional day		No Change						
3 Circus Advertising	\$100 bond for removal within 48 hours of last performance		No Change						
4 Circus Parade (Circus Outside of City Limits)	\$250 per day		No Change						
5 Circus Permit	\$250 1st day; \$183 each additional day		\$250 1st day; \$114 each additional day						
6 Circus Permit (Charitable)	\$100 1st day; \$50 each additional day		No Change						
7 Circus Sideshow Permit	\$12.50 each per day		No Change						
8 Circus or Carnival Permit - Sanitary Standards Bond	\$1,000 bond		No Change						
<b>Sub-total Circus/Carnival/Parade</b>		<b>99.9%</b>		<b>574</b>	<b>1,040</b>	<b>570</b>	<b>181.2%</b>	<b>99.3%</b>	

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					Current Fee	Proposed Fee	Current Fee	Proposed Fee
<b>FINANCE DEPARTMENT GENERAL FEES - CATEGORY I</b>								
<b>4. Collection Fee</b>								
1 Collection Agency Recovery Fee (90 days past due)	\$25 or 15% of the bill; whichever is higher		No Change					
2 Collection Fee (60-90 days past due)	\$25.75		\$27.00					
<b>Sub-total Collection Fee</b>		<b>99.7%</b>		<b>114,859</b>	<b>108,150</b>	<b>113,400</b>	<b>94.2%</b>	<b>98.7%</b>
<b>5. Exempt Business Tax</b>								
1 Exempt Business Tax Fee	\$35 per account		\$37 per account					
<b>Sub-total Exempt Business Tax</b>		<b>98.8%</b>		<b>267,706</b>	<b>252,000</b>	<b>266,400</b>	<b>94.1%</b>	<b>99.5%</b>
<b>6. Handbill Distributors</b>								
1 Commercial Distributor Permit	\$1 per distribution		No Change					
2 Handbill Distributors License	\$36.75 per year		\$36.00 per year					
3 Owner's Permit	\$28 per year		No Change					
<b>Sub-total Handbill Distributors</b>		<b>99.9%</b>		<b>28,950</b>	<b>28,352</b>	<b>28,795</b>	<b>97.9%</b>	<b>99.5%</b>
<b>7. Returned Check Fee</b>								
1 Returned Check Fee	\$28.75 per returned check		\$23 per returned check					
<b>Sub-total Returned Check Fee</b>		<b>99.3%</b>		<b>21,302</b>	<b>25,875</b>	<b>20,700</b>	<b>121.5%</b>	<b>97.2%</b>
<b>8. Sale of Publications</b>								
1 Comprehensive Annual Financial Report	Actual printing and mailing costs		No Change					
2 Monthly Investment Report	Actual printing and mailing costs		No Change					
3 Single Audit (Grants)	Actual printing and mailing costs		No Change					
<b>Sub-total Sale of Publications</b>								

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					Current Fee	Proposed Fee	Current Fee	Proposed Fee
<b>FINANCE DEPARTMENT GENERAL FEES - CATEGORY I</b>								
<b>9. Sales</b>								
1 Christmas Tree/Pumpkin License - Deposit (Refundable)	\$100 per lot		No Change					
2 Christmas Tree/Pumpkin License - Lot	\$85		\$88					
<b>Sub-total Sales</b>		<b>99.2%</b>		<b>442</b>	<b>425</b>	<b>440</b>	<b>96.2%</b>	<b>99.5%</b>
<b>10. Sidewalk Lien Administrative Fee</b>								
1 Sidewalk Lien Administrative Fee	\$41 per lien account		\$54 per lien account					
<b>Sub-total Sidewalk Lien Administrative Fee</b>		<b>99.9%</b>		<b>2,189</b>	<b>1,640</b>	<b>2,160</b>	<b>74.9%</b>	<b>98.7%</b>
<b>SUB-TOTAL FINANCE DEPARTMENT GENERAL FEES - CATEGORY I</b>		<b>99.2%</b>		<b>441,383</b>	<b>422,065</b>	<b>437,775</b>	<b>95.6%</b>	<b>99.2%</b>
<b>INTEGRATED WASTE MANAGEMENT LATE CHARGES - CATEGORY II</b>								
<b>1. Solid Waste Delinquencies</b>								
1 Administrative Charges for Collection Procedure	\$72 per lien	100.0%	\$76 per lien	1,611,656	1,526,832	1,611,656	94.7%	100.0%
2 Late Payment Charge (The charge level is set to encourage customers to submit payments by due date)	\$7.00 or 7% of the bill, whichever is greater		No Change		1,415,015	1,415,015		
3 Notice of Intent to Lien (The notice is not a penalty)	\$18 per notice	99.6%	\$19 per notice	402,914	381,708	402,914	94.7%	100.0%
4 Special Assessment Charge (The charge is not a penalty)	\$5.00 per parcel	100.0%	No Change	34,425	34,425	34,425	100.0%	100.0%
<b>Sub-total Solid Waste Delinquencies</b>		<b>193.0%</b>		<b>2,048,995</b>	<b>3,357,980</b>	<b>3,464,010</b>	<b>163.9%</b>	<b>169.1%</b>
<b>SUB-TOTAL INTEGRATED WASTE MANAGEMENT LATE CHARGES - CATEGORY II</b>		<b>193.0%</b>		<b>2,048,995</b>	<b>3,357,980</b>	<b>3,464,010</b>	<b>163.9%</b>	<b>169.1%</b>

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					Current Fee	Proposed Fee	Current Fee	Proposed Fee
TOTAL DEPARTMENT - GENERAL FUND				441,383	422,065	437,775	95.6%	99.2%
TOTAL DEPARTMENT - NON-GENERAL FUND				2,048,995	3,357,980	3,464,010	163.9%	169.1%
TOTAL DEPARTMENT - Category I				441,383	422,065	437,775	95.6%	99.2%
TOTAL DEPARTMENT - Category II				2,048,995	3,357,980	3,464,010	163.9%	169.1%
TOTAL DEPARTMENT				2,490,378	3,780,045	3,901,785	151.8%	156.7%