



COUNTY OF MENDOCINO

Executive Office

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MEMORANDUM

Date: April 8, 2019

To: Honorable Board of Supervisors

From: Carmel J. Angelo, Chief Executive Officer

Subject: April 23, 2019, Annual Fee Hearing

BACKGROUND

Pursuant to County Policy No. 47, Master Fee Schedule Policy, an annual fee hearing is conducted each spring in conjunction with the fiscal year budget development process. Subsequent to the annual hearing, on December 7, 2018, the Board directed the Executive Office to work with Department Heads and the Auditor/Controller to investigate the process of obtaining full cost recovery for County services. Since the December 2018 Board direction, the Executive Office has analyzed our current fees and have found them to be, in most cases, are not set at a full cost recovery level and therefore are being heavily subsidized by the County General Fund. This is particularly true of the Cannabis Management Program related fees which have been repeatedly denied or reduced by Board direction.

As we prepare to enter a particularly difficult fiscal year, it is more important than ever the Board, where feasible, seek to end such subsidies and adopt fee amounts that pursue full cost recovery of the services provided.

A summary regarding the changes are presented below:

- Cultural Services Agency
 - The Cultural Services Agency (CSA) has recently taken responsibility for the County's Park reservations and is presenting the Board with a revision to related fees. CSA staff have compiled a comprehensive overhaul of the Park fees including many deletions, changes, and adds. Additionally the Museum has proposed some minor changes.
- HHSA - Environmental Health
 - Environmental Health is again asking for cannabis program fees that cover work currently being completed by the division without any cost recovery since the inception of the Cannabis program. These fees were originally presented to the Board for consideration at the December 4, 2018 Fee Hearing, but were not adopted.

- Planning & Building Services
 - Planning Division is updating their permitting fees for FY19-20 to account for increased salaries, benefits, and A-87 cost allocations.
 - Cannabis Management division, formerly housed under the Agriculture department, has moved under the umbrella of Planning & Building Services. With this change in personnel and operations the current cannabis related fees were reviewed and updated accordingly.

In addition to the internal reviews performed by the individual Departments for the proposed fee adjustments, both the Executive Office and Auditor-Controller's Office have conducted reviews of the department submitted fee changes and find them to be in accordance with Board directives in regard to full cost recovery.