1/27 030 (3)
Selectmen's

Christine Joyce

1/27
7:35

From: Steve Ledoux
Sent: Monday, December 02, 2013 9:22 AM
To: Christine Joyce
Subject: Fwd: Uniform Fee Policy
Attachments: Recommended Uniform Fee Policy.pdf; ATT00001.htm; UnifromFeePolicy.pdf; ATT00002.htm

For January agenda some time

Sent from my iPad, please excuse any brevity or typos

Begin forwarded message:

> **From:** Doug Halley <dhalley@acton-ma.gov>
> **Date:** December 2, 2013 at 9:05:47 AM EST
> **To:** Steve Ledoux <sledoux@acton-ma.gov>
> **Cc:** Stephen Barrett <sbarrett@acton-ma.gov>, Brian McMullen <bmcmullen@acton-ma.gov>, Frank Ramsbottom <framsbottom@acton-ma.gov>
> **Subject: Uniform Fee Policy**
>
> Steve,
>
> The Permit Fee Tiger Team has amended the Board of Selectmen's Uniform Fee policy with the input of Town Counsel and Department Heads. The Recommended Uniform Fee Policy is attached along with the current Uniform Fee policy (adopted in 1992). The amendments have better defined the policy and now includes OPEB as one of the fee components. Given the Selectmen's current schedule we would recommend that the policy be considered at one of their regularly scheduled meetings in January. Thanks.
>
> Doug

TOWN OF ACTON
UNIFORM FEE POLICY

The purpose of this policy is to ensure consistency across all municipal Boards, Committees, Commissions and Departments regarding the establishment, amendment, application or waiver of fees for permits, licenses or services that each of these entities provide. The goal of this policy is to provide a fair and equitable method for establishing fees, a process for amending fees and a system for applying and/or waiving any fee.

As a policy, it is expected that this will serve as a guideline for the Town to follow, except in circumstances where the Board of Selectmen determine the strict application of this policy would not be beneficial to the Town or person required to pay the fee.

ESTABLISHMENT OF FEES

Prior to the establishment of any fee, a Town Board, Commission, Committee or Department shall make an assessment of all costs (by using the attached Permit Fee Components and Permit Fee Calculation Chart) necessary to provide the service applicable to the proposed fee. In cases where costs are not easily defined, the Town Board, Commission, Committee or Department may use an alternative measure by surveying the fees of at least three (3) Massachusetts towns with similar programs, and/or with similar populations and average income. The average of those three towns can serve as the assessment of the cost for Acton for the purposes of proceeding to establish a fee under this policy.

Using either method, the Town Board, Commission, Committee or Department shall make a recommendation on the appropriate permit fee(s) to the Board of Selectmen for their review and approval. When applicable, that recommendation shall also include a recommended implementation date of the proposed fees. Unless specifically exempted by the Board of Selectmen, State law (MGL or CMR), local Bylaw or existing union contracts, no fees shall be established outside of this process. In all cases, no fee shall exceed any statutorily-mandated amount or limit.

REVIEW AND AMENDMENT OF FEES

All established fees shall be reviewed at least every three (3) years by each Town Board, Commission, Committee and Department responsible for such a fee. This review should consist of an examination of any increase or decrease in Permit Fee Components for a service and an examination of all cost of living increases since the last fee increase. Should this review determine that the cost of delivering a service has increased 10% or more from the levels used to establish the current fee, a recommendation shall be made to the Board of Selectmen regarding amending that fee to reflect the current cost.

The recommendation for amendment shall follow the same procedure and process as the establishment of a fee. Town Board, Commission, Committee and Department should also suggest an implementation date, along with any recommended fee change. No fees should be altered or amended outside the Uniform Fee Policy, other than by operation of law.

APPLICATION OF FEES

The Town recognizes that it provides a wide range of services to a wide variety of users. As a result, the following classifications are established in order to ensure that consistent fees are appropriately applied to meet the needs of each user and compensate the Town adequately for the services it renders. The following are the user classifications:

A. Class 1 – Acton Municipal Sponsored Groups

This group shall include any local municipal Board, Commission, Committee or Department. In addition, it shall include any people or groups directly sponsored by an official municipal organization of the Town or any contractors working directly for the Town.

All of these classified entities that must utilize a service provided by the Town in the process of performing their duties, should not be charged a fee. Any people or groups directly sponsored in writing by one of these classified entities shall also not be charged a fee. Any contractors working directly for these classified entities shall not be charged a fee, however, whenever applicable, their contracts should reflect the waiver of the fee. Any out-of-pocket expenses that must be borne by the department to fulfill the services should be excluded from the waiver of fees and reimbursed to the department.

B. Class 2 – Regional Districts, Authorities & Other Communities

This group would include the Acton/Boxborough Regional School District, the Acton Water District, the Acton Housing Authority and any other district authority or community that is legally formed for the purpose of providing direct services to the residents of Acton.

The Board of Selectmen, if requested by the Town Manager, shall determine which, if any, fees should be applied to the Regional Districts and Authorities. The Board of Selectmen shall make such a determination based on the services the Town provides to the Districts and Authorities, the services the Districts and Authorities provide to the Town and the current fees being paid by each entity. Otherwise all fees shall be applicable to each District and Authority. Any out-of-pocket expenses that must be borne by the department to fulfill the services should be excluded from the waiver of fees and reimbursed to the department.

C. Class 3 – Community Service Organizations

This class represents groups/individuals whose main purpose is charitable, social, educational, cultural or recreational and NOT business related. Examples include Girl Scouts, Boy Scouts, League of Women Voters, local churches and other similar organizations.

All fees shall be charged as stated in the Board of Selectmen's approved fee schedule. However, for any one-time permits that do not need an annual renewal, no fee would be charged to these applicants as long as the fee is less than One Hundred dollars ($100). Additional waivers can be requested from the Board of Selectmen, provided that the request is in writing and the applicant provides sufficient information regarding financial hardship necessitating the waiver of the fee. Any out-of-pocket expenses that must be borne by the department to fulfill the services should be excluded from the waiver of fees and reimbursed to the department.

D. Class 4 – Commercial and Residential

All other entities, whether commercial or residential, that do not fit the descriptions of the first three classes would fall into Class 4.

All fees shall be charged as stated in the Board of Selectmen's approved fee schedule. Waivers can be requested provided that the request is in writing and the applicant provides sufficient information regarding a substantial financial hardship necessitating such a waiver. Any out-of-pocket expenses that must be borne by the department to fulfill the services should be excluded from the waiver of fees and reimbursed to the department.

PERMIT FEE COMPONENTS

Salary: Shall be based on the highest step of the salary range of the dedicated position assigned to perform all of the duties required to accept, process, issue, monitor and finalize all activities related to a permit's requirements.

Benefits: Shall be based on the last fiscal year's total salaries measured against the last year's total benefit costs, expressed in the form of a percentage. Benefits shall include health insurance, life insurance, vacation days, sick days, personal days, holidays, pension (less employee contribution), Workmen's Compensation, Payroll Tax, employee betterment programs, and any other payments made by the Town to the benefit of its employees.

Hours: Shall be based on the last fiscal year's experienced, average amount of time a dedicated position spent to perform the duties required to accept, process, issue, monitor, and finalize all activities related to a permit's requirements.

Overhead:
Shall be based on the last fiscal year's total salaries measured against the last year's total non-salary expenses (utilities, supplies, rent, etc.), expressed in the form of a percentage. Capital purchases shall not be included in as overhead.

Capital: Shall be based on the last fiscal year's total salaries, measured against, the average of the last five years of capital expenses, directly related to permit processes or inspectional services, expressed in the form of a percentage.

Other Post-Employment Benefits (OPEB): Shall be based on the current Annual Required Contribution or actual contribution, whichever is greater, divided by the current eligible Full Time Employee count, divided by the total number of annual work hours, expressed in a cost per hour.

APPLICATION OF FEES

The Town recognizes that it provides a wide range of services to a wide variety of users. Due to the wide variety of users, classifications are herein established in order that consistent fees can be applied in appropriate ways which meet the needs of each user and compensate the Town adequately for the services it renders. The following are the user classifications:

CLASS 1 - Municipal Sponsored Groups

This group shall include any Local Municipal Board, Commission, Committee or Department. In addition, any people or groups directly sponsored by an official municipal organization of the Town or any contractors working directly for the Town.

CLASS 2 - Regional Districts & Authorities

This group would include the Acton Boxborough Regional School District, the Water District, the Housing Authority and any other district or authority which is legally formed for the purpose of providing direct services to the residents of Acton.

CLASS 3 - Community Service Organizations

This class represents groups/ individuals whose main purpose is charitable, social, educational, cultural or recreational and NOT business related. Examples include Girl Scouts, Boy Scouts, League of Women Voters, local churches and other similar organizations.

CLASS 4 - Commercial and Residential

All other entities, whether commercial or residential, that do not fit the descriptions of the first three classes would fall into class four.

Fee Requirements

Class 1

All of these classified entities which must utilize a service, provided by the Town, in the process of performing their duties, should not be charged a fee. Any people or groups directly sponsored in writing by one of these classified entities shall also not be charged a fee. Any contractors working directly for these classified entities shall not be charged a fee, however their contracts should reflect this condition.

Class 2

The Board of Selectmen, if requested by the Town Manager, shall determine which, if any, fees should be applied to the Regional Districts and Authorities. Any determination shall be made in relationship to the services provided to the Districts and Authorities, the services the Districts and Authorities provide to the Town and the current fees being paid by each entity. Otherwise all fees shall be applicable to the Districts & Authorities.

Class 3

All fees shall be charged as stated in the Board of Selectmen's approved fee schedule. However, for any applications which do not need annual renewal no fee would be charged, as long as the fess is less than fifty ($50) dollars. Additional waivers can be requested from the Board of Selectmen provided that the request is in writing and the applicant provides information regarding financial hardship.

Class 4

All fees shall be charged as stated in the Board of Selectmen's approved fee schedule. Waivers can be requested provided that the request is in writing and the applicant provides significant information regarding a substantial financial hardship.