

# **Auditor's Office FY 2015-16 Requested Budget**

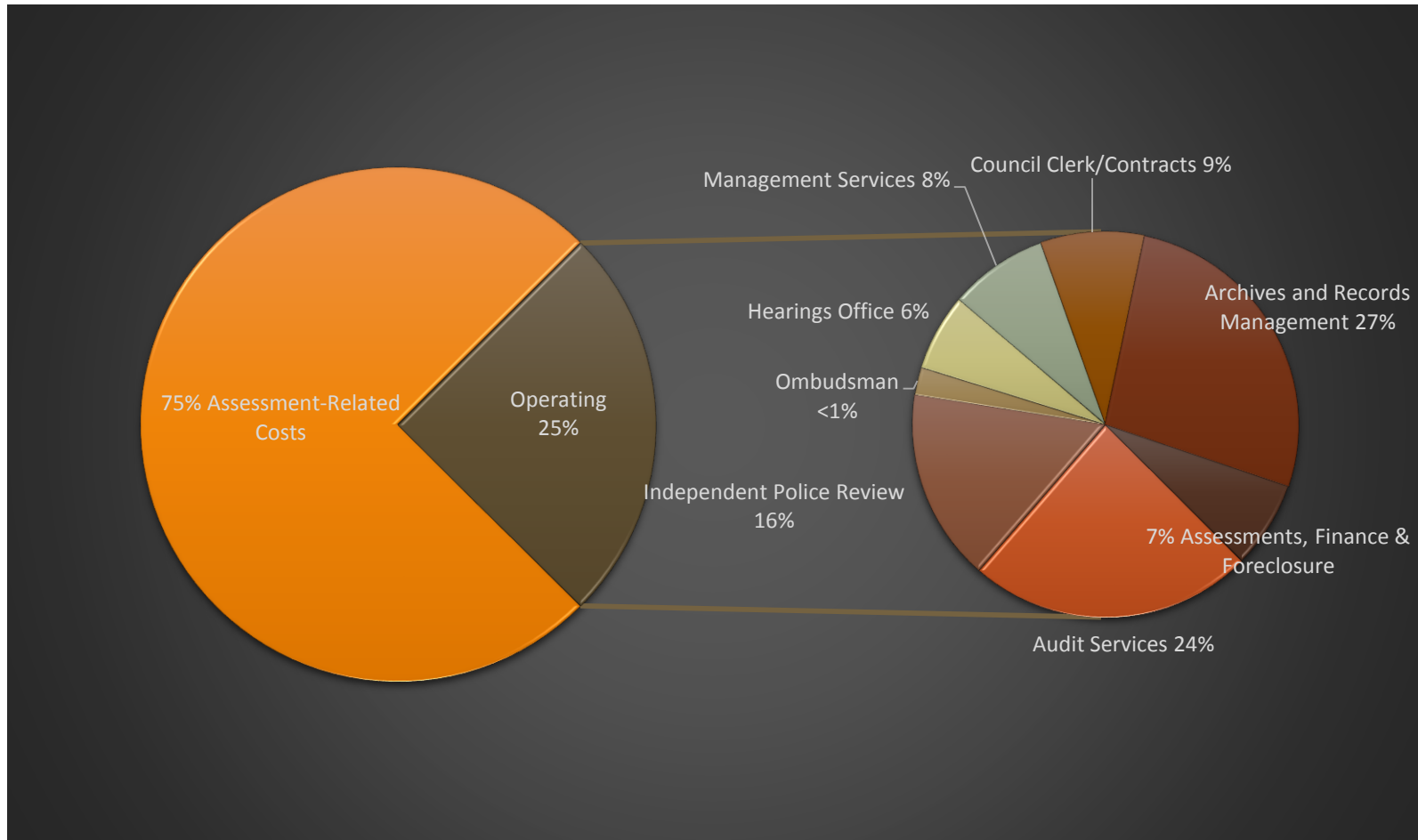
**March 31, 2015 Budget Worksession**

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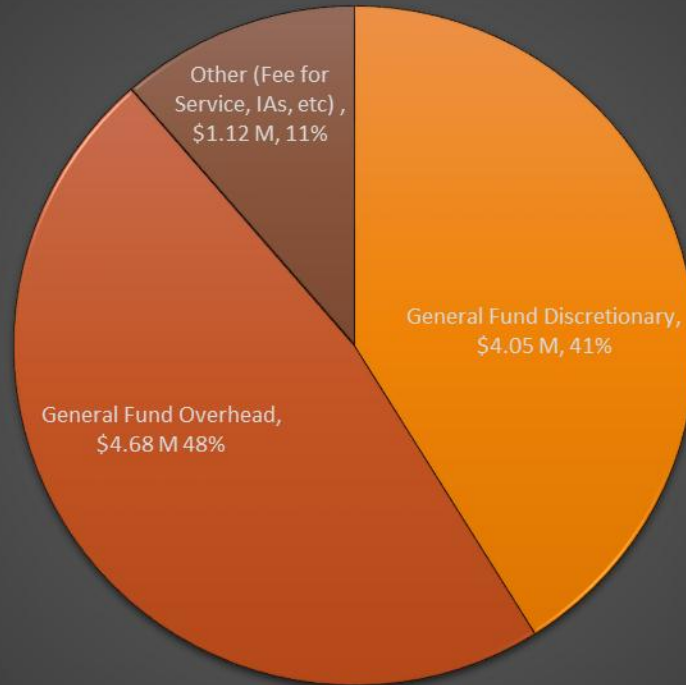


# Auditor's Requested Budget: Requirements





# Auditor's Requested Budget: Operating Revenues





# Auditor's Requested Budget: Decision Package

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## Hearings Office Code Appeal Funding

- ❖ Part of a larger Auditor's Office effort to remove barriers to appeals processes and the Hearings Office in particular
- ❖ Priority for the City Auditor to address equity and access to justice
- ❖ Aligned with the Mayor's budget priority for Equity and Opportunity
- ❖ Additional legislative proposals developed, to be considered by Council in April



# Auditor's Requested Budget: Decision Package

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## Hearings Office Code Appeal Funding

- ❖ Auditor's Office has to recover costs from other bureaus when it conducts hearings
- ❖ This practice has been in place since its inception in the 1980s and is unlike any other municipality's practice that we could find
- ❖ For code enforcement and appeals cases, the cost charged to bureaus is \$1,368 in FY 2015-16 based on a fee study in FY2013-14
- ❖ Some bureaus pass along all or some of this amount to the party seeking the appeal
- ❖ Appeal fee is out of reach for many, sometimes more than the cost of the underlying or original amount



# Auditor's Requested Budget: Decision Package

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## Hearings Office Code Appeal Funding

Cost recovery model is likely out of compliance with City financial policies

**"FIN 2.08.02 Cost Allocation Criteria and Metrics**

The criteria for determining the costs to be allocated through the General Fund Overhead Model (GFOH) include:

- ☑ If the service provides a benefit to all City bureaus,
- ☑ If the service provides an oversight or regulatory function for City bureaus,
- ☑ If the service exists within the General Fund,
- ☑ If the bureau demand for a service is difficult to predict from one fiscal year to the next, or
- ☑ If the costs of a service are difficult to charge to customer bureaus through a rate times unit model."



# Requested Budget: Decision Package

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## Hearings Office Code Appeal Funding

- ❖ Request is for elimination of planned interagency agreements with 6 bureaus for code and appeal hearings
- ❖ Total of \$56,088
- ❖ Replaced by funds from General Fund and Overhead (based on split)
- ❖ One-time request allows us time to:
  - assess impact of changes on workload
  - develop recommendations for stable, compliant funding mechanism for Hearings Office
  - conduct fee study for all fees charged by the Hearings Office



# Requested Budget

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Questions?