



Office of the Clerk/Treasurer

**DATE:** February 10, 2017  
**TO:** Finance Committee  
**FROM:** Cindy Rupprecht  
**RE:** Alcohol license fees

**Class "B" Liquor fee increase from \$400 to \$500**

Statutes allow for a maximum combined fee for Class "B" Malt & Liquor fees to be \$600. The City is currently at \$400 for liquor and \$100 for malt for a combined total of \$500. The majority of the communities around Watertown charge the maximum fee as indicated on the attached chart. I am recommending that Watertown increase fees to the statutory maximum of **\$600**. This was discussed with Finance during the 2016 budget process but the code was in the process of codification so this was not implemented.

**Beverage Operator License fees**

Fees are all over the board for beverage operator licenses per the attached chart. Watertown is currently charging \$25 and is losing money on the beverage operating license process.

Applications for licenses are sent to the police department for background checks. Each time a name is run through the state's system, the cost is \$7 which is currently being charged to the Clerk's budget. Names are often run two, three and even four times for a number of different reasons, but most commonly for women who have had multiple names, even maiden names that have not been used for 20 or more years. Often there is no record of arrest, but the cost to discover this can be \$14, \$21 or even \$28 which exceeds the license fee collected. On top of these charges, there is cost for the staff time in my office and in the police department related to the licensing process.

In 2016 we had a combined new/renewal license count of 329 that needed beverage operator license checks completed. At \$7 each, this should have resulted in \$2,303 in charges. Instead, my budget had to absorb \$4,109 in background check fees. This means the average cost per background check was \$12.49 each without any staff time considered. Bear in mind, some were run only once but others two, three or even four times. Based on the chart attached, my recommendation is to increase the annual beverage operator license fee to **at least \$35** or possibly even more to recoup some of our costs.

\*\*\*Both of these license fees were last increased effective 7/1/2004.

## CITIES

## COMBO TAVERN

## BEVERAGE OPERATOR

## BACKGROUND CHECKS

Watertown	\$500	\$25	Annual fee but background check every 2 yrs upon renewal
Oconomowoc	\$600	\$30 + \$20 background	PD does background - recommends approval/denial. Chief/Attorney meet with recommended denials.
Sun Prairie	\$600	\$25 plus \$7 for background	
Waterloo	\$600	\$60 new/\$30 renewal 2 yr odd	no background check on renewal
Johnson Creek	\$600	\$25	no background check on renewal
Delafield	\$600	\$55 2 yr license expire in even yrs	
Marshall	\$600	\$25	
Pewaukee, City	\$600	\$30 new/ \$25 renewal	
Pewaukee, Village	\$600	\$40	
Jefferson	\$600	\$32/\$42 new \$25/\$35 renewal	no background check on renewal
Hartford	\$600	\$15 +\$25+ \$10 = \$50	\$15 license +\$25 Background +\$10 processing
Fort Atkinson	\$600	\$25 2 yr odd/\$15 even	
West Bend	\$600	\$67 for 2 years	
Town of Watertown	\$600	\$25	
Lake Mills	\$500	\$10	
Juneau	\$350	\$20	
Waupun	\$350	\$20	
Beaver Dam	\$400	\$20 1yr / \$35 2 yr	Plus "sufficient fee" to cover background check

\*Higher than  
Watertown

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