

Agenda Report

May 12, 2014

TO: Honorable Mayor and City Council

THROUGH: Finance Committee

FROM: Director of Finance

**SUBJECT: FISCAL YEAR 2015 RECOMMENDED SCHEDULE OF TAXES, FEES,
AND CHARGES PUBLIC HEARING**

RECOMMENDATION:

It is recommended that the City Council:

1. Open the public hearing on the Fiscal Year (FY) 2015 Recommended Schedule of Taxes, Fees, and Charges;
2. Continue this public hearing to each subsequent regular meeting of the City Council at 7:00 p.m., until June 9, 2014 or such other date as the City Council may determine, and at which time the City Council will be asked to close the public hearing and formally adopt the Fiscal Year 2015 Schedule of Taxes, Fees, and Charges.

BACKGROUND:

Pasadena Municipal Code Section 1.08.060 provides that all taxes, fees, and charges referred to in the code will be adjusted on July 1st of each year to reflect changes in the Consumer Price Index (CPI) for the year ending March 1st. Pursuant to California Government Code Section 53750, the City Council has the authority to increase taxes pursuant to a CPI adjustment formula that was in place prior to November 6, 1996. The City's CPI formula was adopted in 1978. The municipal code requires the Director of Finance to compute the changes and submit them for review. The CPI for all urban consumers in the Los Angeles-Riverside-Orange County metropolitan areas increased by 0.5447 percent between March 1, 2013 and March 1, 2014.

Attachment A shows the current rates of all taxes, fees, and charges affected by these provisions and the proposed rates that would take effect July 1, 2014, if approved. Staff is recommending an increase of 0.5447 percent to the flat amount tax rates to reflect the change in the most recent CPI data. Staff is not recommending changes to any tax

rate which is based upon a percentage because, under Proposition 218, these are subject to electoral approval. Further, the FY 2015 Grandstand Permit Application Tax, Rose Bowl Admission Tax, and Grandstand Seat Surcharge rates were approved by the City Council on December 9, 2013 and are not subject to change at this time.


COUNCIL POLICY CONSIDERATION:

The City Council's strategic planning goal of maintaining fiscal responsibility and stability will be advanced by annually updating the Schedule of Taxes, Fees, and Charges.

FISCAL IMPACT:

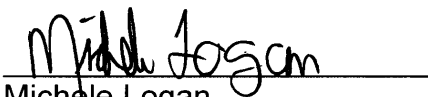
When adopted, the amendments to the *Schedule of Taxes, Fees, and Charges* are expected to increase the revenues in FY 2015 in the General Fund by approximately \$118,100 and other funds by \$200,600. These revenue projections have not been factored into the General Fund Five-Year Plan or the FY 2015 Recommended Operating Budget.

Respectfully submitted,



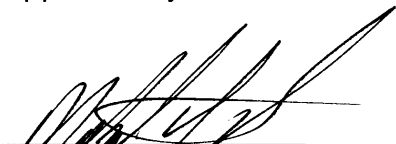
ANDREW GREEN
Director of Finance
Department of Finance

Prepared by:



Michele Logan
Management Analyst
Department of Finance

Approved by:



MICHAEL J. BECK
City Manager

Attachments: 1

Attachment A – FY 2015 Recommended Schedule of Taxes, Fees, and Charges