

Agenda Report

TO: CITY COUNCIL
ATTN: FINANCE COMMITTEE

DATE: June 5, 2000

FROM: CITY MANAGER

SUBJECT: SCHEDULE OF TAXES, FEES, AND CHARGES

RECOMMENDATION

It is recommended that the City Council reject scheduled rate increases in the Construction Tax, all Utility Users' Tax rates, Underground Surtax, Street Light and Traffic Signal Tax, and Transient Occupancy Tax and allow all other scheduled rate increases, as listed on the attached schedule, to stand.

BACKGROUND

Section 1.08.060 of the Pasadena Municipal Code provides that all taxes, fees and charges referred to in the Code will be adjusted on July 1 of each year to reflect changes in the Consumer Price Index (CPI) during the 12 months which ended the preceding March 1. The Municipal Code requires the Director of Finance to compute the changes and submit them to the Council for review. The Council may reject any or all of the recommended increases, however, it may not modify any adjustments before ordering the report filed. The actions to reject any one of the recommendations must be taken by June 30. At that time, changes which have not been rejected will automatically be implemented.

The Consumer Price Index for all Urban Consumers in the Los Angeles-Long Beach Metropolitan areas increased by 2.8% between March 1, 1999 and March 1, 2000. The attached list is accordingly submitted showing the current rates of all taxes, fees and charges affected by these provisions, and the adjusted rates that would take effect July 1, 2000.

Staff is not recommending increasing any tax rate which is based upon a percentage because the City of Pasadena's taxes, that are based upon a percentage, are currently among the highest compared to other cities in California (See attached *FY 2000 UUT, TOT & Construction Tax Rate Survey*). The tax rates that are based upon a percentage, which are not being recommended for an increase, would have generated new revenue of approximately \$1 million.

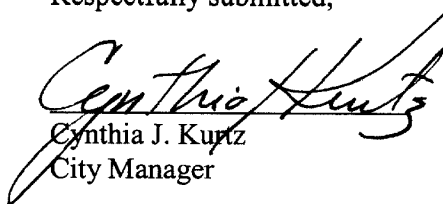
FISCAL IMPACT

Implementation of all scheduled rate adjustments would increase estimated revenues for FY 2001 by the following amounts:

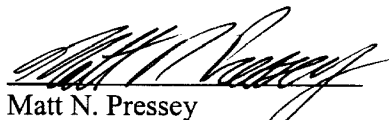
General Fund	\$71,700
Sewer Construction and Maintenance Fund	\$111,800
Library Special Tax Fund	\$36,800

Except for the library tax increase, the projected revenue from these increases have not been included in the FY 2001 Operating Budget. If approved, staff will return with a supplemental budget recommendation.

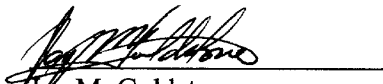
Respectfully submitted,


Cynthia J. Kurtz
City Manager

PREPARED BY:


Matt N. Pressey
Accounting Administrator

APPROVED BY:


Jay M. Goldstone
Director of Finance