

# Agenda Report

**TO:** CITY COUNCIL  
**ATTN:** FINANCE COMMITTEE

**DATE:** May 21, 2001

**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 3.6% between March 1, 2000 and March 1, 2001. 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, 2001.

Staff is not recommending increasing any tax rate that 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. The tax rates that are based upon a percentage, which are not being recommended for an increase, would have generated new revenue of approximately \$1.7 million.


**FISCAL IMPACT**

Implementation of all scheduled rate adjustments would increase estimated revenues for FY 2002 by the following amounts:

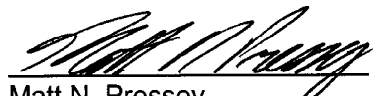
|   |           |
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| General Fund                            | \$83,800  |
| Sewer Construction and Maintenance Fund | \$127,450 |
| Library Special Tax Fund                | \$41,250  |

Except for the library tax increase, the projected revenue from these increases have not been included in the FY 2002 Operating Budget. If approved, revenues will be included in future 5 year financial plans.

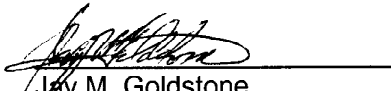
Respectfully submitted,

  
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APPROVED BY:

  
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Director of Finance

Attachment