

AGENDA ITEM NO. 23

June 22, 2015

TO: Honorable Mayor and City Council

THROUGH: Finance Committee (May 11, 2015)

FROM: Director of Finance

**SUBJECT: FISCAL YEAR 2016 RECOMMENDED SCHEDULE OF TAXES, FEES,
AND CHARGES**

RECOMMENDATION:

It is recommended that the City Council close the public hearing and adopt the Fiscal Year (FY) 2016 Recommended 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 0.0987 percent between March 1, 2014 and March 1, 2015. The FY 2016 Recommended Schedule of Taxes, Fees, and Charges was previously submitted to the City Council on May 11, 2015 pursuant to Pasadena Municipal Code Section 1.08.060 (C).

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, 2015, if approved. Staff is recommending an increase of 0.0987 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 2016 Grandstand Permit Application Tax, Rose Bowl Admission Tax, and Grandstand Seat Surcharge rates were approved by the City Council on December 8, 2014 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:

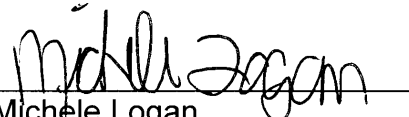
When adopted, the amendments to the *Schedule of Taxes, Fees, and Charges* are expected to have a negligible impact due to the fact that the CPI increase was only 0.0987 percent. These revenue projections have been factored in to the FY 2016 Recommended Operating Budget.

Respectfully submitted,



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Department of Finance

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Department of Finance

Approved by:



MICHAEL J. BECK
City Manager

Attachments: 1

Attachment A – FY 2016 Recommended Schedule of Taxes, Fees, and Charges