

# Agenda Report

TO: CITY COUNCIL  
THROUGH: FINANCE COMMITTEE  
FROM: CITY MANAGER  
SUBJECT: Amendments to the General Fee Schedule (Cost of Service Study Annual Adjustments)

Date: April 24, 2000

## RECOMMENDATIONS

It is recommended that the City Council adopt a resolution approving the FY 2000-2001 General Fee Schedule, which contains amended fees using data gathered during the annual review of the Cost of Service.

## EXECUTIVE SUMMARY

This action will set the fees charged by the City for the upcoming fiscal year, as well as maintain an on-going policy of the City Council to recover the full cost of specific services rendered by the City; and will ensure that the fees charged do not exceed the reasonable cost of providing services, facilities, or regulatory activity for which they are charged. Subsidies from general tax revenue are to be held to a minimum, so that only those individuals requesting specific services bear the cost of those services. Those fees to be increased by the Consumer Price Index (CPI) of 2.8% have been proposed by the administering departments. The past practice of the City Council has been to approve the CPI fee increases to reflect the increase in the cost of doing business.

## BACKGROUND

The Department of Finance has the responsibility to ensure that an annual review of the General Fee Schedule occurs to determine whether any of these fees should be adjusted to capture the full cost of providing services, and if so, by how much.

Each department having fees listed on the Schedule, participates in the update process. The Fee Schedule is distributed to departments for review of services and fees. The administering departments then make recommendations as to proposed changes with the technical and analytical assistance of the Department of Finance. This collaborative effort ensures that the fees reflect costs reasonably borne.

04/24/2000

6.A. (8:00 P.M.)

Proposed changes to the General Fee Schedule, over and above the CPI are documented by the Department of Finance's approved Cost of Service methodology and analysis which demonstrates that the amount of the fee recovers no more than the cost of providing the service for which the fee is imposed.

Deletion of fees may be due to re-evaluation and modification of service provision, refinement of service definition, or the listing of the fee on the Schedule of Taxes, Fees and Charges.

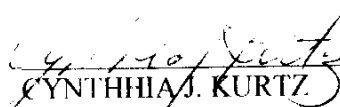
A "NEW" fee is either truly new charge; or merely new to the General Fee Schedule. To allow for easy location, fees listed on the Fee Schedule are sorted by department.

All proposed fee modifications, other than those modified by the CPI, are detailed in Appendix A, attached to the General Fee Schedule.

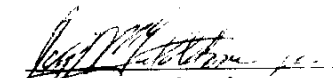
### **FISCAL IMPACT STATEMENT**

The fees new to the General Fee Schedule this year, and those increased by the CPI, will generate minor amounts of revenue, approximately \$52,000, and have been included in the estimated revenue portion of the proposed budget for FY2001.

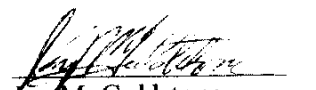
Respectfully submitted,

  
CYNTHIA J. KURTZ  
City Manager

Prepared by

  
Bonnie Guadagnino  
Management Analyst

Approved by:

  
Jay M. Goldstone  
Director of Finance