



# City of San Antonio

## Agenda Memorandum

**File Number:**16-4819

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**Agenda Item Number:** 4E.

**Agenda Date:** 9/15/2016

**In Control:** City Council A Session

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**DEPARTMENT:** Office of Management and Budget

**DEPARTMENT HEAD:** John Woodruff

**COUNCIL DISTRICTS IMPACTED:** City Wide

**SUBJECT:**

Amending Fees and Establishing New Fees for FY 2017

**SUMMARY:**

An ordinance establishing new fees and amending existing fees for various City departments and funds as recommended in the FY 2017 Proposed Budget and revised by subsequent City Council budget amendments. The following table summarizes, by Fund, the proposed additional revenues projected to be generated from the recommendations included in the FY 2017 Proposed Budget as presented by the City Manager to the City Council on August 18, 2016:

FY 2017 PROPOSED BUDGET REVENUE ADJUSTMENTS BY FUND	
Fund	Projected Additional Revenue
General Fund	\$181,688
Airport Operating & Maintenance Fund	\$974,025
Development Services Fund	\$886,417
Parking Fund	\$12,176
Public Education & Government Fund	\$450

**BACKGROUND INFORMATION:**

City staff annually reviews existing revenue sources and service delivery processes in order to identify both new sources of revenue and potential changes to existing revenues. The policy direction for the FY 2017 budget process regarding revenue adjustments focused on revenue changes that allow cost recovery from those who benefit from service (User Fees) as well as service areas that had not been adjusted in the recent past. The

concept of cost recovery is to recover some or all of the costs associated with providing city services and programs at varying levels depending on factors such as the nature of the service provided, the population served, and the intended impact to the community.

#### **ISSUE:**

#### **General Fund**

The FY 2017 Proposed Budget includes increases to several existing fees and creates new fees and charges for service. These new and adjusted revenue items for the General Fund total \$181,688. The policy direction for the FY 2017 budget process regarding revenue enhancements focused on revenue changes that impact those who benefit from services (User Fees) as well as service areas that had not been adjusted in the recent past. Several categories of cost recovery and user fees were evaluated, including: Animal Care Services, Fire, Health, Library, and Parks & Recreation. Attached is a report that lists all the recommended fees/rate adjustments for the General Fund. Material in this report has been included in the FY 2017 Proposed Budget Document.

#### **Restricted Funds**

The FY 2017 Proposed Budget includes increases to several existing fees and also creates new fees and charges for service in certain Restricted Funds. Funds impacted and projected additional revenues for the new or adjusted revenues can be found in the table below.

<b>FY 2017 PROPOSED BUDGET REVENUE ADJUSTMENTS BY FUND</b>	
<b>Fund</b>	<b>Projected Additional Revenue</b>
Airport Operating & Maintenance Fund	\$974,025
Development Services Fund	\$886,417
Parking Fund	\$12,176
Public Education & Government Fund	\$450

Attached is a report that lists all the recommended fees/rate adjustments for the Restricted Funds. Material in this report has been included in the FY 2017 Proposed Budget Document.

The FY 2017 proposed budget includes an increase to the Stormwater Utility Fee that would generate \$3.1 million. A separate action approving this fee will be presented to City Council on September 29, 2016, for City Council consideration.

#### **ALTERNATIVES:**

The FY 2017 Proposed Budget accounts for the estimated additional revenues to be generated from the proposed revenue changes included in this item. Should any of these proposed revenue adjustments not be approved by the City Council, City staff will need to determine if the exclusion of the anticipated revenue will cause a negative impact to the Budget. If so, one or both of the following actions must be taken by City Council:

1. Reduce expenditure levels
2. Increase other sources of revenue

#### **FISCAL IMPACT:**

The individual revenue adjustment items included herein propose to increase revenues within various City funds as outlined in the table below:

<b>FY 2017 PROPOSED BUDGET REVENUE ADJUSTMENTS BY FUND</b>	
<b>Fund</b>	<b>Projected Additional Revenue</b>
General Fund	\$181,688
Airport Operating & Maintenance Fund	\$974,025
Development Services Fund	\$886,417
Parking Fund	\$12,176
Public Education & Government Fund	\$450

**RECOMMENDATION:**

Staff recommends approval of the proposed fees.