



City of San Antonio

Agenda Memorandum

File Number:18-5190

Agenda Item Number: 4E.

Agenda Date: 9/13/2018

In Control: City Council A Session

DEPARTMENT: Office of Management and Budget

DEPARTMENT HEAD: Justina Tate

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

Amending Fees and Establishing New Fees for FY 2019

SUMMARY:

An ordinance establishing new fees and amending existing fees for various City departments and funds as recommended in the FY 2019 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 2019 Proposed Budget as presented by the City Manager to the City Council on August 9, 2018:

FY 2019 PROPOSED BUDGET REVENUE ADJUSTMENTS - General Fund	
Department	Projected Additional Revenue
Convention & Sports Facilities/Carver	\$12,084
Fire	\$529,550
Health	\$139
Historic Preservation	\$12,500

FY 2019 PROPOSED BUDGET REVENUE ADJUSTMENTS BY FUND	
Fund	Projected Additional Revenue
Carver Special Revenue Fund	\$16,960
Parking Operating & Maintenance Fund	\$128,690

Solid Waste Operating & Maintenance Fund	\$6,088,594
Storm Water Operating Fund	\$1,012,259

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 2019 budget process regarding revenue adjustments focused on implementation of City Council adopted policy, 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:

The FY 2019 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 \$554,273. The policy direction for the FY 2018 budget process regarding revenue enhancements focused on revenue changes that impact those who benefit from service (User Fees) as well as service areas that had not been adjusted in recent past. Several categories of cost recovery and user fees were evaluated, including: Convention & Sports Facilities - Carver Center, Fire, Health, and Historic. 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 2019 Proposed Budget Document.

Restricted Funds

The FY 2019 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.

FY 2019 PROPOSED BUDGET REVENUE ADJUSTMENTS BY FUND	
Fund	Projected Additional Revenue
Carver Special Revenue Fund	\$16,960
Parking Operating & Maintenance Fund	\$128,690
Solid Waste Operating & Maintenance Fund	\$6,088,594
Storm Water Operating Fund	\$1,012,259

Carver Special Revenue Fund: The FY 2019 Proposed Budget includes fee increases at the Carver Center to increase or establish fees related to season tickets and/or individual ticket prices at the Little Carver Civic Center Theatre and the Jo Long Theatre. Additionally, a new fee is established for playbill advertising.

Solid Waste Operating & Maintenance Fund: The Solid Waste Management Department is guided by the Recycling and Resource Recovery plan approved by City Council in June 2010 and revised in January 2013. One of the goals of this plan is to ensure all single-family residents achieve a 60% recycling rate by 2025. In order to achieve the 60% residential recycling goal by 2025, the City began Pay as You Throw conversion in FY 2016. With this program, residents can select from three different sizes of brown garbage carts (48, 64, or 96 gallons). Customers who select a smaller brown garbage cart pay a lower rate to help incentivize residents to recycle. The FY 2019 Proposed Budget includes a \$4.32 increase to the large brown cart, a \$0.93 decrease to the medium cart, and a \$0.93 decrease to the small cart.

Storm Water Operating Fund: In FY 2016, the Adopted Budget introduced a new impervious cover methodology and rate structure. The new methodology and rate structure assesses fees based on rate and volume of storm water runoff. A five-year rate plan using the new methodology was adopted by City Council. The FY 2019 Proposed Budget includes an increase to fees consistent with the five-year rate plan of 2%, which is estimated to generate \$1 million in additional revenue for new capital projects.

Attached is a report that lists all the recommended fees/rate adjustments for the General Fund and Restricted Funds. Material in this report has been included in the FY 2019 Proposed Budget Document. (See attachment for individual rate increases).

ALTERNATIVES:

The FY 2019 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:

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RECOMMENDATION:

Staff recommends approval of the proposed fees.