

Reply to Common Council File No. 050413
From DOA-Budget and Management Division

September 8, 2005

Ref: 2006 BF, 7-E

In 1999, the Mayor and Common Council passed a resolution increasing most permit, license and fee amounts as part of the 2000 budget process (#990471). Most fees had not been updated in over ten years and this was the first step of a new city policy to adjust fees on a biennial basis that is consistent with changes in estimated city costs. Since then, each budget process has included a change in at least some fees.

A preliminary review of fees for the 2006 budget focused on those that have not been updated since at least 2004. Adjustments were then made to account for the subsequent salary, fringe benefit and/or other cost increases. The increase in revenue from these changes is estimated between \$460,000 and \$586,000.

DEPARTMENT	RANGE OF ESTIMATED REVENUE INCREASE*
City Clerk	\$110,000 - \$135,000
Community Development	\$90,000 - \$105,000
Health	\$90,000 - \$110,000
Neighborhood Services	\$50,000 - \$60,000
Public Works	\$100,000 - \$150,000
Treasurer	\$20,000 - \$26,000
TOTAL	\$460,000 - \$586,000

*Subject to recognition by the Comptroller's Office

Included below are some specific assumptions and considerations related to each department.

City Clerk

- The City Clerk's Office collects many of the license and permit fees defined in Chapter 81. The increase in revenue reflects an incremental increase to many of these fees based on the date they were last updated and/or based on the labor involved.
- There is a \$150 increase in the Class "A" Fermented Malt Beverage Retailer's License (from \$100 to \$250).

Community Development

- Changes in Community Development assume an increase in plan examination fees, such as fire protection and plumbing plan examinations.

Health

- Incremental fee increases are made to some food licenses, although a majority of these were recently adjusted and therefore are not included in this year's review. Plan review and preinspection costs were increased more significantly to better reflect the actual staff time involved in these activities.
- Peddler and temporary food dealer fees were increased incrementally based on their most recent update.
- Over half of the estimated revenue increase from the Health Department is from an increase in the weights and measures licenses. Most of these have not been updated since 2000.

Neighborhood Services

- There is an incremental increase in many of the license and permit fees collected in DNS, such as the dry cleaning license and the erosion control permit.
- There are no changes to the 'trades' permits (e.g., building permit, plumbing permit, heating permit), the reinspection fee, fire prevention inspections or the title search fee.

Public Works

- Changes in Public Works include an incremental increase in inspection fees and permits, such as street occupancy and oversize load permits.

Treasurer

- The change in the Treasurer's Office is due to an incremental increase in cat and dog license fees.

RECOMMENDATION: ADOPT THE VARIOUS FEE CHANGES RECOMMENDED IN THIS FILE.



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Budget and Management Director

Finance:resolute/06budgetresolutions/feesSR