

Fees and Charges Recommendations



Audit, Finance, and Enterprise Committee

Presenters: Samuel Schultz – Office of Management & Budget Deputy Director
Kristi Griffin – Operations Budget Coordinator

March 23, 2023

Fees and Charges Process and Recommendation

- Market comparisons conducted
- Cost of providing service and applicability of fee evaluated
- Full listing of recommended adjustments, additions, and deletions are included in the report
- Proposed effective date: July 1, 2023
- Estimated impact on revenue of all recommendations is an increase of \$607,409

Departments Recommending Modifications



Arts & Culture



Development Services



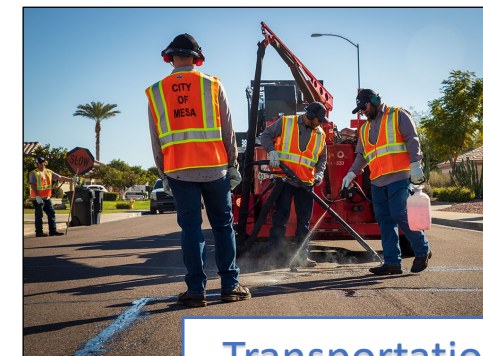
Falcon Field



Fire & Medical



Municipal Court



Transportation

Arts & Culture



Recommendation:

- ***Increase*** Mesa Arts Center Facility Rental Fees by 5% to partially offset increasing costs of operations and building maintenance.
 - Industrial, Commercial, Non-Profit Rates
 - Daily and Weekly rates
 - Increase in revenue by facility:
 - Tom and Janet Ikeda Theater \$10,865
 - Virginia G. Piper Repertory Theater \$5,232
 - Nesbitt/Elliott Playhouse \$4,156
 - Anita Cox Farnsworth Studio \$838

Total Estimated Revenue Increase: \$21,091

Development Services



Recommendation:

- **Remove** the partial certificate of occupancy, as this service is no longer provided by the City
 - No Revenue Increase
- **Increase** the Solid Waste Residential Permit fee from \$227 to \$311 to recover increasing costs of providing services to new residential development. These fees cover the purchase of a new residential solid waste truck.
 - Revenue Increase: \$170,000

Total Estimated Revenue Increase: \$170,000

Falcon Field



Recommendation:

- ***Overall Average Increase*** in most fees and charges by 9.9% due to the following factors:
 - Inflationary cost increases of 7-10% in utilities, insurance, maintenance
 - Market fee increases across Arizona General Aviation Airports
 - Federal Aviation Administration (FAA) requires maximum self-sufficiency efforts to receive federal grants
 - Increased demand, low supply – hangar waitlist of several years
 - Revenue Increase: \$209,318
- ***New*** Storage Container fee of \$150/unit per month
 - Revenue Increase: \$54,000
- Effective August 1, 2023

Total Estimated Revenue Increase: \$263,318

Fire and Medical



Recommendation:

- ***New False Alarm Response*** fee
 - First occurrence: \$0
 - Second occurrence: \$100 charge
 - Third occurrence and beyond \$200
 - Revenue Increase: \$6,000
- ***New additional charge*** for tents with firework sales, \$250 per tent inspected (plus the Special Event Permit fee)
 - Revenue Increase: \$10,000

Total Estimated Revenue Increase: \$16,000

Municipal Court



Recommendation:

- ***Increase*** the Court Construction Fee by \$3 per case (from \$31.50 to \$34.50) as outlined in the City Ordinance (4621) every third year to reduce the debt service obligation

Total Estimated Revenue Increase: \$75,000

Transportation



Recommendation:

- ***Increase*** the existing fee for payment in lieu of surface treatments from \$1.70/sq yd to \$2.75/sq yd due to market price increases and the cost of slurry seal

Total Estimated Revenue Increase: \$62,000

Administrative Updates



Recommendation:

- City Clerk: Replaced “CD” with “digital media”
- Business Services:
 - ** added to Mobile Food Vendor, indicating a required Investigation Fee of \$25.00 per license. The ** was omitted in error in the FY22/23 schedule publication.
 - Massage/Bodywork Establishments: removed late renewal fee, not applicable.
- Police:
 - Removal of alarm company fees due to preemption by State
 - Removal of printed photos, no longer offered

Next Steps:

City Council to consider proposed fees and charges amendments
on **June 5, 2023**

If approved by City Council, fee & charges adjustments are
effective **July 1, 2023**



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