



Resolution Amending the Master Fee Schedule for Fiscal Year 2018/19



Background

- California State Law, Government Code 66014(a)
 - States that user fees may not exceed the estimated reasonable cost of providing the service for which the fee is charged

- Chapter 6.02 of the Pacific Grove Municipal Code
 - Requires a review of fees annually

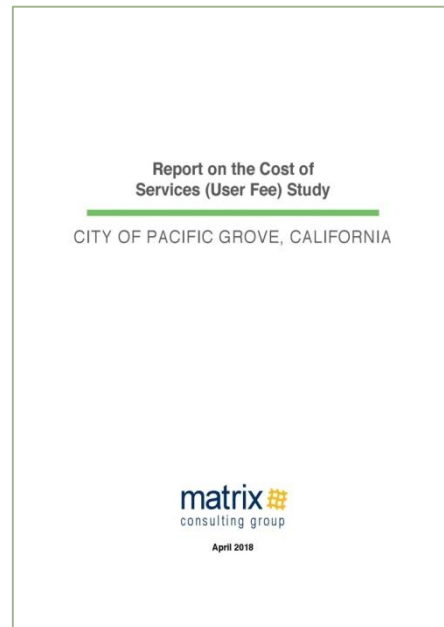
- Council Policy 400-4: Fees, Charges & Cost Recovery
 - Provides guidance on cost recovery
 - Additional Council direction

- Other Line Items on Schedule
 - Land usage, fines, and similar types of items



User Fee Study & Master Fee Schedule

- Conducted a User Fee Study
 - City under-recovery costs: \$488,000
 - General Fund: \$443,000
 - Cemetery Fund: \$45,000
- Updated some fees
 - Time constraints
- Received additional direction
 - Review and recommend changes to policy
 - Provide additional fee updates
 - Line item and percentage review
 - Two Meetings: First Meeting in September
 - Evaluate fines and property-based revenues





September Meeting

Amended Council Policy 400-4: Fees, Charges, and Cost Recovery

Department	Prior Recovery Rate	Matrix Study Typical Level	Approved Policy Guidelines
Administration	52%	20-40%	At least 30% of costs
Cemetery	75%	80-100%, Market	Market; yet at least 80% of costs
Building	94%	80%-100%	80%-100%
Planning	69%	50-80%	80%-100%
Public Works	54%	80%-100%	80%-100%
Police	34%	20-40%	30%-50%
Parks & Rec.	50%	20-40%	Market; yet at least 30% of costs

Unique fee categories, such as Facility Rental, Hyperbaric Chamber, and Special Events listed separately in Policy 400-4



September Meeting

Department Schedules

- Public Works:
 - Cost Recovery Level: 100%
- Planning
 - Select Fees: Two-Year Phase in
 - Est. Cost Recovery Level: Close to 100% over phase-in period
 - Evaluate EIR Fee – New proposed amount reflects a deposit
- Police Department
 - Estimated Cost Recovery Level: 50%
 - Land-based fees
 - Parking meter increases of \$0.25, outside of study
 - Retain fines at current level
- Library
 - Administrative updates



Proposed Updates: Recreation Fees

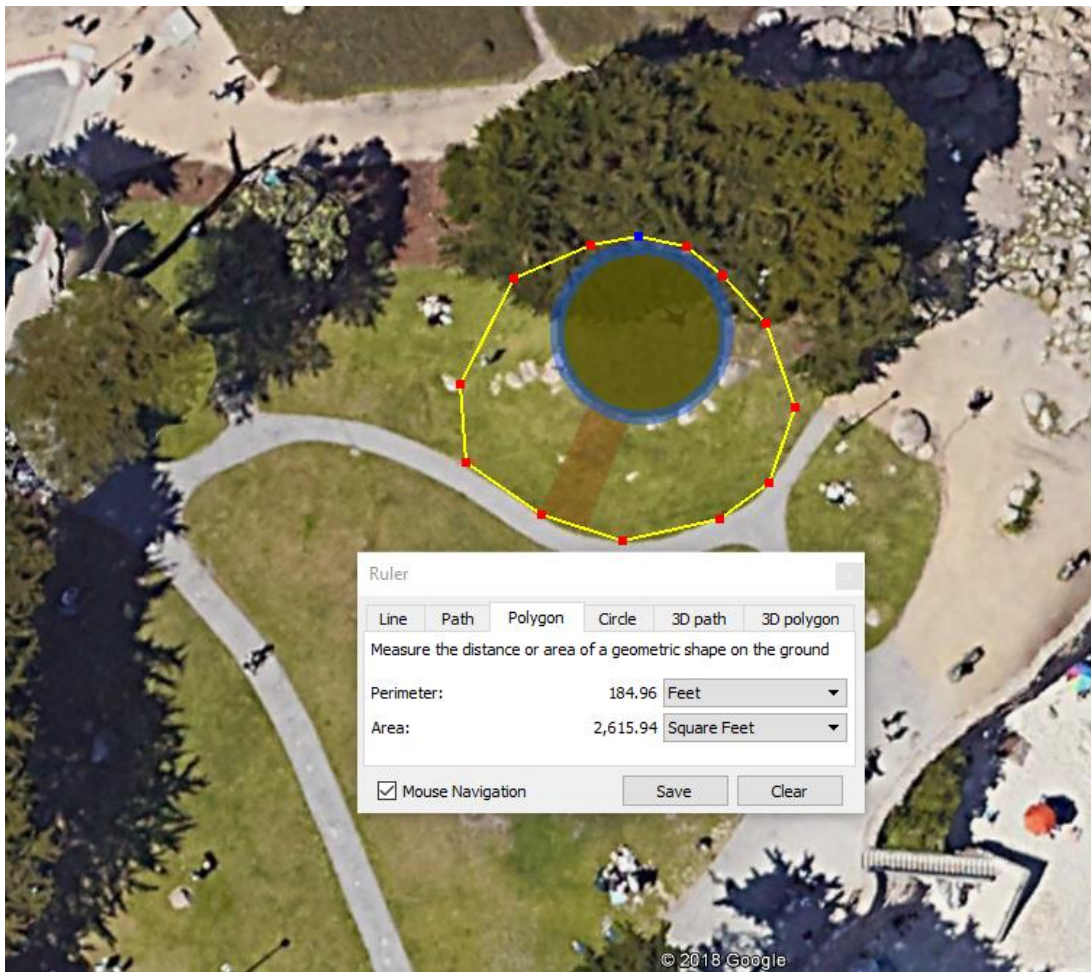
- Recreation Programs
 - Alignment for 10% difference between residential and non-residential rates
 - Most updates are under \$5.00

- Facility Rentals
 - Retains residential and non-residential rates
 - Elimination of Class IA Rates
 - Discounted rates still offered for activities co-sponsored by the Recreation Department and a non-profit

- Key Facility Rental
 - Alignment for 40% difference in base between residential and non-residential rates
 - Private swimming pool use
 - Chautauqua Hall
 - Lovers Point Park Wedding area, Lighthouse, and similar sites
 - Adjusted based on land calculation



Lovers Point Wedding or Key Event Area



Land Fee:
 $\$0.15 \times 2616 = \392
Discount: 25%
Adj. Land Rate: \$294

Class III
Resident: \$177
Non-Resident: \$294

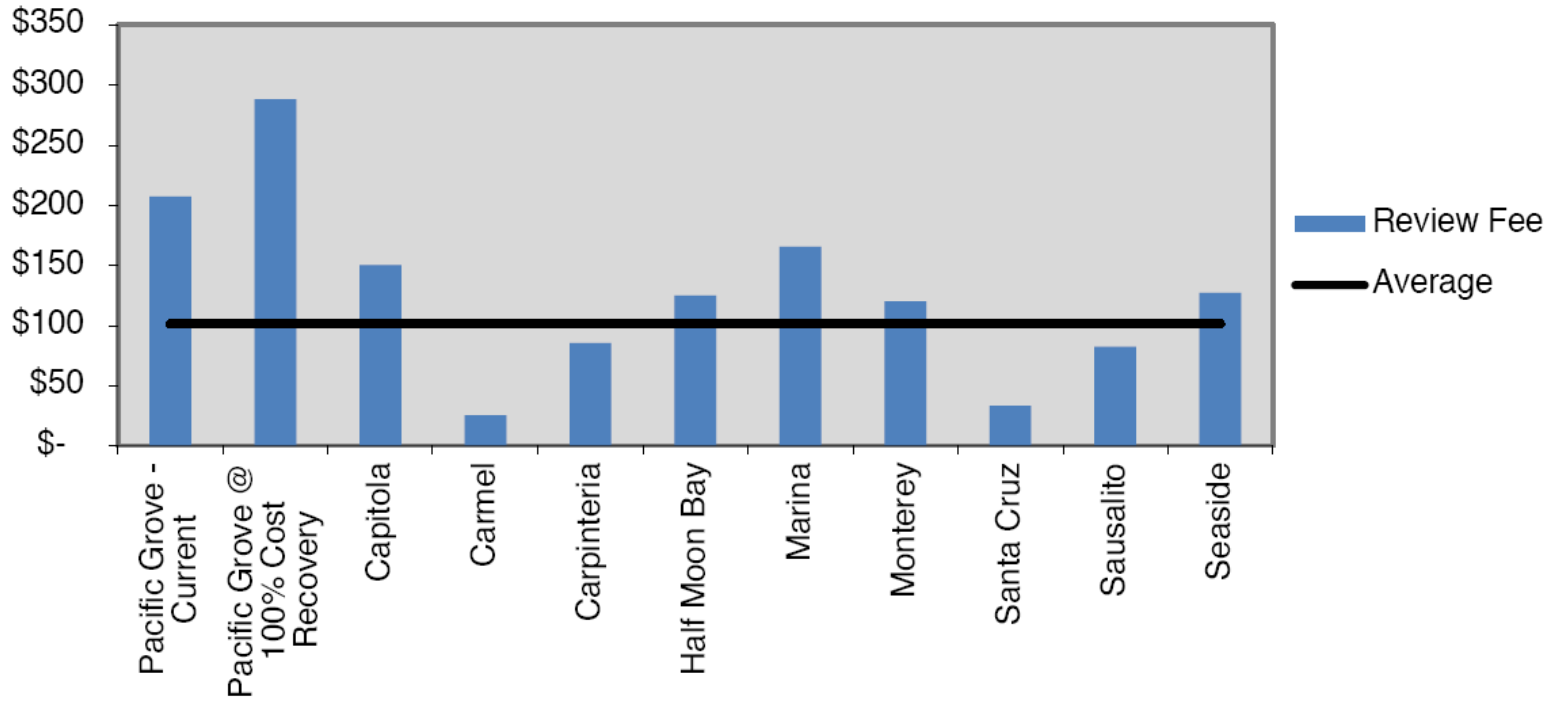
Class II
Resident: \$152
Non-Resident: \$269



Review of Facility Rental Fees

Matrix Study

Facility Rental - Max / Hr





Recreation Programs

Program		City of Pacific Grove		City of Monterey
		Study Fee	Proposed Fee	Current Fee
Resident Fee Comparison				
Preschool	3 day/week	\$526	\$260	\$189
	5 days/week	\$877	\$425	\$314
Day Camp	5 days/week	\$139	\$165	\$145
Swimming	8 lessons	\$181	\$69	\$49
Non-Resident Fee Comparison				
Preschool	3 day/week	\$526	\$281	\$240
	5 days/week	\$877	\$467	\$399
Day Camp	5 days/week	\$139	\$183	\$170
Swimming	8 lessons	\$181	\$77	\$54



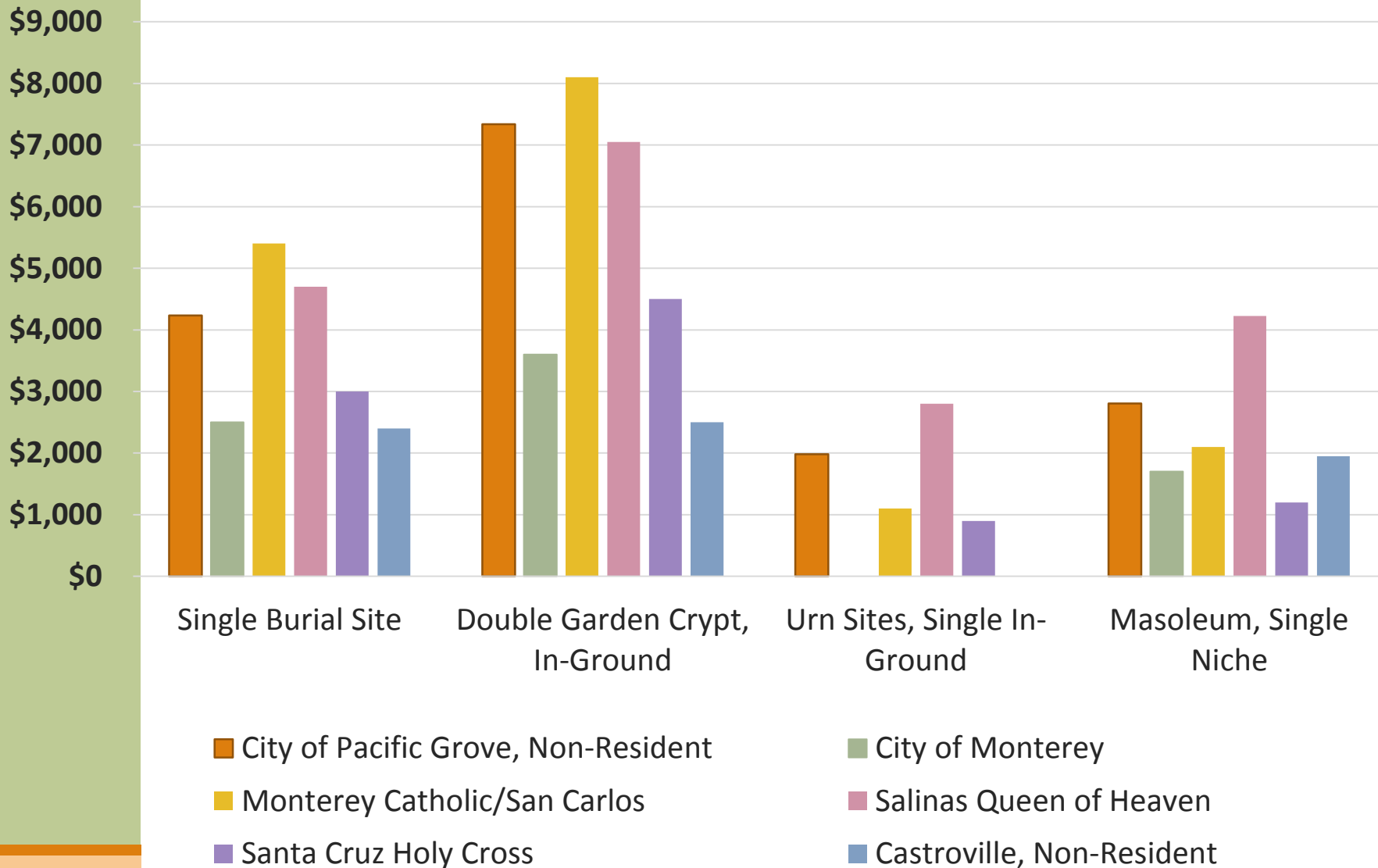
Proposed Updates: Cemetery

- Cost Recovery on Services
 - Fees at full cost
- Property-Based Fees
 - Elimination of the residential rate
 - Provides the City Manager the authority to offer a 10% resident reduction
 - Must be advertised





Comparative Cemetery Site Sales



Reflects non-resident rates at premium locations



Summary

- **Recreation**
 - Elimination of the non-profit rate
 - Estimated recovery rate: 50%

- **Cemetery**
 - Estimated Cost Recovery Rate: 100%

- **Administration and City Clerk**
 - Estimated Recovery Rate: 50%
 - Some fees subject to external recovery rates
 - Transferred Filming Fees not included in the recovery rate

- **Fire**
 - Retained at current rate
 - Hyperbaric Chamber
 - Estimated recovery rate: 100%

- **Estimated overall increases**
 - General Fund revenue increase from fees: \$ 235,000
 - General Fund revenue increase from meters: \$ 47,000
 - Cemetery revenue increase from fees: \$ 45,000
 - Cemetery revenues increase from land sales: \$ 3,500 - \$7,000



Questions

