

**REPORT BY THE
AUDITOR GENERAL
OF CALIFORNIA**

**CITY OF IMPERIAL BEACH
USER FEE STUDY**



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STATE OF CALIFORNIA
Office of the Auditor General

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Kurt R. Sjoberg
Acting Auditor General

December 19, 1990

C-018

Honorable Ken Maddy, Vice Chairman
Members, Joint Legislative
Audit Committee
State Capitol, Room 305
Sacramento, California 95814

Dear Mr. Vice Chairman and Members:

The Office of the Auditor General presents a report prepared under contract by Ernst & Young entitled "City of Imperial Beach User Fee Study."

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Kurt Sjoberg".

KURT R. SJOBERG
Acting Auditor General

A Report to the State of California
Office of the Auditor General

City of Imperial Beach
User Fee Study

DECEMBER 1990

 **ERNST & YOUNG**

In association with

Macias & Pierini

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Executive Summary

In May, 1989, the City of Imperial Beach approached the State of California to discuss a \$4.5 million loan to the City. As a result of these discussions, the California Auditor General retained Ernst & Young and subcontractor Macias & Pierini to conduct a review of the City's fiscal operations and financial condition. One of the recommendations was a detailed examination of the City's user fees.

User fees (sometimes called beneficiary-based charges) are payments made by users for specific government services. Increasing costs and insufficient revenues since the mid-1970s have caused governments to seek new ways to finance services. User fees are one of the fastest growing revenue sources for local governments. California legislation stipulates that many fees may not exceed the cost of providing the service¹.

City management estimates that existing city fees recover only half of the cost of providing services for which a fee is charged. Ernst & Young and the firm of Macias & Pierini were engaged by the Office of the Auditor General to assess the current user fees; identify other potential user fees; and develop a cost allocation methodology for the City to recover the full cost of providing programs and services.

Political reality, however, demands that fees be examined for reasonableness as well as pure mathematics. Competition from neighboring cities, public attitudes and historical levels of fees often lead to a tempering of calculated fees. Despite this reality, fiscal soundness requires understanding of what "full fees" are before any modifications are made.

Findings

We were able to identify over 100 services and programs provided by the City of Imperial Beach. More than half of these services benefit specific users and not the general public and are therefore candidates for user fees.

Specifically, fifty seven services have potential for cost recovery. Within this group, the fees of 10 activities were recently reviewed by city staff, and were not re-evaluated by the study team. Building inspection fees, for example, are established by the Uniform Building Code and adopted by reference. Fire inspection fees were recently established and implemented by the City. The remaining 47 services were analyzed for their full cost and potential cost recovery. Table 1 outlines the listing of City services evaluated and selected for study.

As reflected in Table 1, the Community Development Department and City Clerk's Office already have cost recovery programs. The Public Safety Department contracts out many of its services and the service provider, not the City, collects fees. The Public Works Department covers the cost of most of its services with special tax funds.

¹ California Government Code Section 54990

Table 1
Services Evaluated for User Fees
 (page 1 of 9)

Department	Activity	Service	Primary User	Special Funding Source	Services Reviewed	Cost Recovery Potential
General Government	Administrative	Business license issuance (includes fees for various types of businesses including amusement, advertising on benches and billboards, cabs, garage sales, pawnbroker, massage parlor, rental units and vending machines)	Business	Business license	■	
		Special event permit issuance	Business	Special event permit	■	■
		Pier parking revenue collection	Residents	Pier parking revenue	■	■
		Records management	Residents		■	
		Document research & duplication	Residents	Fees	■	
Public Services	Police	Agenda/staff report subscription	Residents	Fees	■	
		Patrol	Res/Bus			
		Crime investigation	Res/Bus			
		Vehicle accident response	Residents			
		Accident/Crime reports	Residents	County fees	■	■
	DUI response	Residents		■	■	
	Hazardous materials incident response	Business	County fees			

Table 1
Services Evaluated for User Fees
 (page 2 of 9)

Department	Activity	Service	Primary User	Special Funding Source	Services Reviewed	Cost Recovery Potential	
Public Services (continued)	Police (continued)	Special event security	Business	Special event permits	■	■	
		Business license applicant review	Business	Business license	■	■	
		False alarms	Business		■	■	
	Fire Safety	Concealed weapon permits Drug prevention Fingerprinting Photos CAT Permit Issuance Fire suppression - Home - Business - Car		Residents	County permit		
				Residents	School District		
				Residents	County fees		
				Residents	County fees		
				Residents			
				Residents			
	Fire Safety	Fire inspection - Business - Home - Apartment Fire plan checks Paramedic (emergency treatment)		Business	Business license	■	■
				Residents		■	■
				Residents		■	■
				Developer/ Builder	City fire plan check fee	■	■
			Residents	Contractor bills directly	■	■	

Table 1
Services Evaluated for User Fees
 (page 3 of 9)

Department	Activity	Service	Primary User	Special Funding Source	Services Reviewed	Cost Recovery Potential
Public Services (continued)	Fire Safety (continued)	False alarms	Business		■	■
		Hazardous material inspection	Business			
		Hazardous materials incident response	Business	County fees		
		Underground tank plan review & inspection	Business		■	■
		Disaster preparedness	Res/Bus			
		Animal control	Residents	Animal licenses/ Fines	■	■
		Parking enforcement	Residents	Parking fines	■	■
		Abandoned vehicle removal	Residents		■	■
		Stored vehicle release	Residents			
		Bicycling licensing	Residents	Bicycle licenses	■	■
Beach Services	Lifeguard	Nuisance abatement	Residents	Fines	■	■
		Beach maintenance	Residents	Port District contract		
		Pier maintenance	Residents	Port District contract		

Table 1
Services Evaluated for User Fees
 (page 4 of 9)

Department	Activity	Service	Primary User	Special Funding Source	Services Reviewed	Cost Recovery Potential
Public Works	Street Maintenance	Street sweeping	Residents	Gas tax		
		Street lighting	Residents	Gas tax		
		Street resurfacing	Residents	Gas tax/Sales tax		
		Street repair	Residents	Gas tax/Sales tax		
		Street striping	Residents	Gas tax/Sales tax		
		Street sign repair/installation	Residents	Gas tax/Sales tax		
		Streetscape maintenance	Residents		■	■
		Storm drain maintenance	Residents			
		Repair in public R-O-W inspection	Residents			■
		Signal maintenance	Residents	Gas tax/Sales tax		
		Alley maintenance	Residents	Assessment districts		
		Sidewalk repair	Residents	Gas tax/Sales tax		
		Park Maintenance/ Recreation	- Sports Park	Landscape maintenance	Residents	
Recreation	Residents					
- All other parks	Facility maintenance		Residents			
	Landscape maintenance		Residents			
	Facility maintenance	Residents				

Table 1
Services Evaluated for User Fees
 (page 5 of 9)

Department	Activity	Service	Primary User	Special Funding Source	Services Reviewed	Cost Recovery Potential
Public Works (continued)	Sewer Collection/ Maintenance	Sewer connection	Residents	Sewer connection fee		
		Sewer maintenance	Residents	Sewer rate		
		Sewer inspection	Residents			
		Sewer repair	Residents	Sewer rate		
		Sewer replacement	Residents	Sewer rate/ Capacity fee		
		Sewer line installation	Residents	Sewer rate/ Capacity fee		
		Pump station maintenance	Residents	Sewer rate		
		Civic center maintenance	Residents			
		Senior center maintenance	Residents			■
		Community center maintenance	Residents			■
Solid waste	Refuse collection	City Hall, Sheriff, Fire Bldgs.	City			
		Public Works yard	City			
		Recycling program	Residents			■
Other	Fleet/Equip maintenance	City depts.	City depts.	Internal service		

Table 1
Services Evaluated for User Fees
 (page 6 of 9)

Department	Activity	Service	Primary User	Special Funding Source	Services Reviewed	Cost Recovery Potential
Community Development	Building Inspection	Building inspections	Developer/Builder	Building permits	■	
		Building permit issuance	Developer/Builder	Building permits	■	
		Annual housing inspection	Apt. owner	Business license	■	■
		Electrical permit issuance	Developer/Builder	Electrical permits	■	
		Plumbing permit issuance	Developer/Builder	Plumbing permits	■	
		Mechanical permit issuance	Developer/Builder	Mechanical permits	■	
		Encroachment permit issuance	Developer/Builder		■	■
		Health permit issuance	Developer/Builder	County fee	■	
		Swimming pool inspection	Developer/Builder	County fee	■	
		Residential inspection	Developer/Builder	City fee	■	■
		Residential building report	Developer/Builder	Fees	■	
		Grading permit issuance	Developer/Builder	Grading permit	■	■
		Grading inspection	Developer/Builder	Grading permit	■	■

Table 1
Services Evaluated for User Fees
 (page 7 of 9)

Department	Activity	Service	Primary User	Special Funding Source	Services Reviewed	Cost Recovery Potential
Community Development (continued)	Building Inspection (continued)	Sign permit issuance	Developer/Builder	Sign permit	■	■
		Pre-Cert. of Occupancy Inspections	Developer/Builder		■	■
		Reinspection	Developer/Builder	Building permit	■	■
		Request for refund	Developer/Builder			■
Planning		Appeal	Developer/Builder	Deposit	■	■
		Boundary adjustment	Developer/Builder	Deposit	■	■
		Certificate of compliance	Developer/Builder	Deposit	■	■
		Conditional use permit	Developer/Builder	Permit	■	■
		Condomium inspection	Developer/Builder	Deposit	■	■
		Design review	Developer/Builder	Deposit	■	■
		Encroachment inspection	Developer/Builder	Permit/Fee	■	■
		Environmental initial assessment	Developer/Builder	Deposit	■	■
		Environmental impact report	Developer/Builder	Deposit	■	■

Table 1
Services Evaluated for User Fees
 (page 8 of 9)

Department	Activity	Service	Primary User	Special Funding Source	Services Reviewed	Cost Recovery Potential
Community Development (continued)	Planning (continued)	General plan amendment	Developer/Builder	Deposit	■	■
		Planning commission interpretation	Developer/Builder	Deposit	■	■
		Planning Department building plan check	Developer/Builder	Deposit	■	■
		Preapplication conference	Developer/Builder	Deposit	■	■
		Rezoning	Developer/Builder	Deposit	■	■
		Engineer estimate review	Developer/Builder	Deposit	■	■
		Sign permit	Developer/Builder	Permit	■	■
		Site plan review	Developer/Builder	Deposit	■	■
		Special use permits	Developer/Builder	Permit	■	■
		Temporary use permit	Developer/Builder	Permit/Fee	■	■
		Variance	Developer/Builder	Deposit	■	■
		Tentative parcel map	Developer/Builder	Deposit	■	■
		Replacement tentative parcel map	Developer/Builder	Deposit	■	■

Table 1
Services Evaluated for User Fees
 (page 9 of 9)

Department	Activity	Service	Primary User	Special Funding Source	Services Reviewed	Cost Recovery Potential
Community Development (continued)	Planning (continued)	Tentative parcel map (time ext)	Developer/Builder	Deposit	■	■
		Revised tentative parcel map	Developer/Builder	Deposit	■	■
		Parcel map	Developer/Builder	Deposit	■	■
		Expired tentative parcel map	Developer/Builder	Deposit	■	■
		Tentative map	Developer/Builder	Deposit	■	■
		Replacement tentative map	Developer/Builder	Deposit	■	■
		Revised tentative map	Developer/Builder	Deposit	■	■
		Final map	Developer/Builder	Deposit	■	■
		Expired tentative map	Developer/Builder	Deposit	■	■
		Alley improvement plan	Developer/Builder	Deposit	■	■
		Grading plan	Developer/Builder	Deposit	■	■
		Coastal permit	Developer/Builder	Deposit	■	■

Analysis

Three elements of costs must be identified to determine the “full cost” of a City service or program. These three components are: direct cost, indirect cost and capital cost.

- **Direct costs** include direct labor, fringe benefit and operating costs for a particular fee area.
- **Indirect costs** include the allocation of central service costs such as administrative, legal, financial, data processing, and other services provided to operating departments.
- **Capital cost** include the use of buildings and equipment. For purposes of this study, capital costs were identified and included as part of city-wide overhead.

Our findings indicate that existing fees have been set at a level that, in most instances, recovers only direct costs. Consequently, most services are subsidized by the general fund. In a few instances, fees have been established that recover more than the full cost of providing the service. Overall, we find 44% of the cost of services is subsidized by the general fund.

Ernst and Young developed a cost allocation methodology to adequately assess the cost of providing services. We identified both direct and indirect costs for each service and recommended a fee based on full cost recovery.

Recommendations

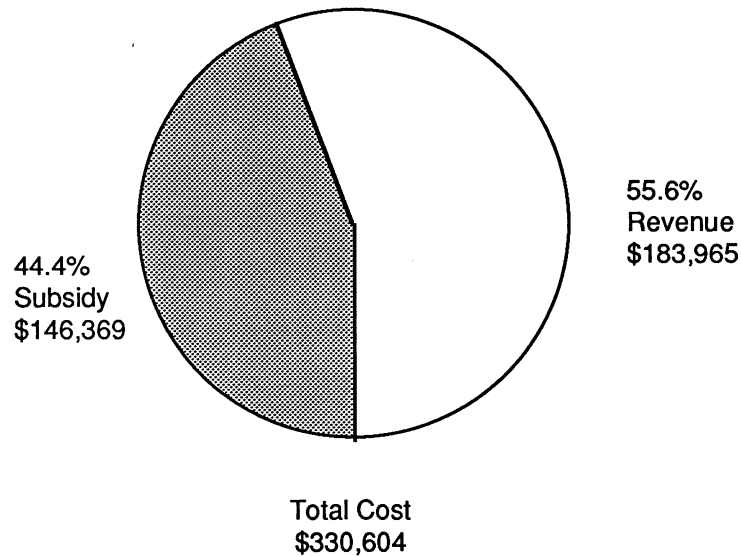
Table 2 summarizes the fee analysis of studied services. The table lists service volume, current fee and revenue, and the proposed fee and resulting revenue. The table also identifies percentage of current general fund subsidy and the potential revenue increase if full cost recovery is applied.

We recommend:

1. The City of Imperial Beach adopt policies and guidelines which define services for which user fees are appropriate.
2. The City should attempt to recover the full cost of all services for which a fee is charged, when possible.
3. The City modify its accounting system, as soon as possible, to capture user fee cost accounting data.

-
4. The City adopt the user fee model to maintain rates for current services and to establish rates for new services.
 5. The City review user fees on an annual basis as part of the budget process.
 6. The City adopt a fee schedule that substantially reduces the City's subsidy of user fees.
 7. The City consider conducting a development impact fee study.

Cost Recovery for Studied Services



Adoption of full cost recovery should generate approximately \$146,000 in additional revenue annually. While we recognize that increasing fees is never easy, fees based on actual costs are the most equitable city-wide.

Table 2
Summary of User Fee Findings

	Volume	Current		Recommended		Percent Subsidy(1)	Revenue Increase/Decrease
		Fee	Revenue	Fee	Revenue		
Planning—Appeal	4	\$452	\$1,808	\$627	\$2,507	28%	\$699
Planning—Conditional Use Permit	3	1,993	5,979	2,967	8,902	33%	2,923
Planning—Design Review	28	652	18,263	953	26,692	32%	8,429
Planning—Encroachment Inspection	20	0	0	113	2,268	100%	2,268
Planning—Environment Initial Assessment	40	295	11,780	437	17,463	33%	5,683
Planning—Environmental Impact Report	2	3,403	6,806	5,004	10,009	32%	3,203
Planning—General Plan Amendment	3	2,438	7,314	1,363	4,090	(44%)	(3,224)
Planning—Planning Commission Interpretation	3	507	1,521	713	2,138	29%	617
Planning—Building Plan Check	200	0	0	193	38,649	100%	38,649
Planning—Engineering Estimate Review	35	14	475	21	744	36%	269
Planning—Sign Permit Issuance	4	155	620	28	113	(82%)	(507)
Planning—Site Plan Review	26	3,594	93,444	5,643	146,718	36%	53,274
Planning—Temporary Use Permit	3	36	108	43	128	15%	20
Planning—Special Use Permit	3	1,543	4,630	2,236	6,708	31%	2,078
Planning—Variance	10	1,303	13,025	1,906	19,062	32%	6,037
Planning—Parcel Map	12	400	4,800	450	5,395	11%	595
Planning—Final Map	1	600	600	443	443	(26%)	(157)
Planning—Alley Improvement Map	8	300	2,400	356	2,851	16%	451
Planning—Grading Plan	12	200	2,400	251	3,018	20%	618
Planning—Tentative Parcel Map	12	550	6,600	316	3,793	(43%)	(2,807)
Planning—Tentative Map	1	800	800	316	316	(60%)	(484)
Planning—Pre-application Conference	0	20	0	151	0	87%	0
Planning—Rezoning	0	2,868	0	3,882	0	26%	0
Public Safety—DUI Response	23	0	0	223	5,131	100%	5,131
Public Safety—False Alarm Response (Fire)	70	0	0	223	15,615	100%	15,615
Public Safety—Bicycle Licensing	200	1	200	4.53	906	78%	706
Public Safety—Business License Review (Fire Only)	0	0	0	7	0	100%	0
Public Safety—Underground Tank Planning & Inspection	0	28	0	147	0	81%	0
Public Works—Repair in Public Right of Way Inspection	156	0	0	39	6,091	100%	6,091
City Clerk—Agenda/Staff Report Subscription	7	56	392	122	854	54%	462
			<u>\$183,965</u>		<u>\$330,604</u>		<u>\$146,639</u>

(1) Parentheses indicate percentage above cost

Study Methodology

The methodology we used to determine user fee levels includes five steps:

1. Identified and selected relevant City services
2. Analyzed revenue potential
3. Determined costing methodology
4. Calculated service costs
5. Estimated service volume

Selected City Services

With city participation, we identified over 100 City services and programs which had the potential for user fees. These included:

- General government administrative services
- Law enforcement services
- Fire prevention and emergency rescue services
- Code enforcement services
- Park and street maintenance activities
- Sewer and solid waste collection, and
- Planning and building inspection services

Revenue Potential Analysis

The following criteria were applied to identify services offering the greatest potential for revenue generation:

- Individual or group benefit versus city-wide benefit
- Revenue potential
- Availability of cost data
- Ease and cost effectiveness of fee collection

We narrowed the list of services to 47 activities that should be evaluated for user fees.

Costing Methodology

We designed a costing methodology to capture both indirect and direct cost components. For the analysis, we used data from the FY90/91 budget and information obtained through staff interviews. Our first step, was to calculate administrative overhead rates for City-wide operations and for each department.

In order to accurately estimate City-wide overhead, we included the cost of government support offices including: the City Attorney, City Manager, City Clerk, and Mayor/City Council. We also included miscellaneous costs for administrative services and insurance, and capital asset costs for building, plants and equipment. City-wide administrative overhead costs were calculated to be 18.2% of total budget cost. (The overhead cost calculation worksheets are included in Appendix A.)

Overhead rates were also calculated for each department. For this component, we asked department directors to estimate the percent of time staff spent on administrative services. That percentage of salary and fringe benefit cost was added to departmental supply and services costs not attributable to a specific program or service. Departmental overhead rates varied between departments from a low of 29% to a high of 38% and do not include city-wide costs.

Overhead Rates

City-wide	18.2%
Community Development	38.4%
Public Safety	28.7%
Public Works	34.8%

We interviewed department directors and reviewed department specific tracking systems, when available, to determine volume of services and direct labor and cost of supplies and contractual services. We entered data into the cost allocation model to calculate the full cost of providing each service on a unit basis and to generate recovery rates.

Service Cost Calculation

The final step of the study was to determine the full cost of services and present alternative cost recovery scenarios, where appropriate. The user fees calculated in this step reflect full cost recovery and do not take into account political, social, and economic characteristics which may need consideration. The City of Imperial Beach will want to insure that its fees do not preclude low income or disadvantaged groups from using its services. Also, City

fees should compare favorably with private sector service providers and other local governments.

Estimated Service Volume

Service volume was estimated based on historical data and department interviews to determine projected demand.

The remainder of the report will identify services studied, analysis of current fees, and rationale for proposed fees. Chapter 8 includes recommendations on cost accounting changes. Chapter 9 presents policies and guidelines. Appendix B contains the costing worksheets used to support the recommendations.

Key Assumptions

When analyzing the cost of specific services, it is often necessary to make assumptions concerning cost data. Key assumptions in this study are:

- The FY90/91 budget was used to determine direct costs.
- The definition of full costs for purposes of this report includes direct and indirect costs. Direct cost includes labor, fringe benefits, and cost of supplies and services. Indirect costs include administrative overhead costs of both the department and City as a whole and capital costs.
- Annual projected revenue is based on full cost recovery with no change in demand for service.
- Fee calculations did not take into account social, political, or economic considerations which may affect demand and resulting revenue.

Reliance on Financial Data

We relied on the City of Imperial Beach to provide necessary financial and technical data. Cost accounting data in most instances were not available to verify the information obtained during interviews. The estimates provided during interviews were reviewed and confirmed by City management. Cost and revenue projections employed in this report should not be construed as statement of fact. The accuracy of financial projection is dependent upon the occurrences of future events which cannot be assured.

Department of Community Development

Services

The Department of Community Development provides planning and building/housing inspection services.

The Planning Division recommends plans, programs, and legislation on land use and construction on property within City limits. Division staff provide recommendations to the Planning Commission and City Council. They conduct specialized planning and environmental studies; prepare reports and recommendations on plan applications, review tentative subdivisions and maps; and enforce or grant variances to the municipal code by issuing permits.

The Building/Housing Inspection Division enforces State and Municipal codes to assure minimum construction and building standards. By regulating construction, quality of materials, use, and maintenance of buildings and structures, the Division safeguards public health, safety, and welfare.

Fee Collection

The Community Development department has a number of deposit and fee programs to recover costs for services provided to developers and builders.

Issues

Our study evaluated the fees for 35 department services. The major findings were:

- The City does not charge fees for encroachment inspection and building plan checks. Based on the volume and full cost of services these present major opportunities to recover costs.
- Building plan checks and site plan reviews are two of the largest dollar cost recovery areas, which could potentially recover \$80,000 a year.
- For 12 services, such as the boundary adjustments, certification of compliance and a number of mapping services, the City has established fees but there is no demand for service. City staff were unable to provide estimates of time and cost of services and materials for these potential services. Therefore, we did not recommend new fees. When these service occur, the City should monitor time and expenses and charge for cost reimbursement accordingly.

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- Several of the fees exceed the cost of providing the service. Our analyses identified five of these fee areas: general plan amendments, sign permit issuance, tentative parcel maps, tentative map, and final map.
 - The City should continue to monitor local building inspection fees and change its rates accordingly.
 - A Development Impact Fee study (not part of this study) should be conducted as soon as possible as it is potentially a significant revenue source and a logical next step toward long-term financial stability.

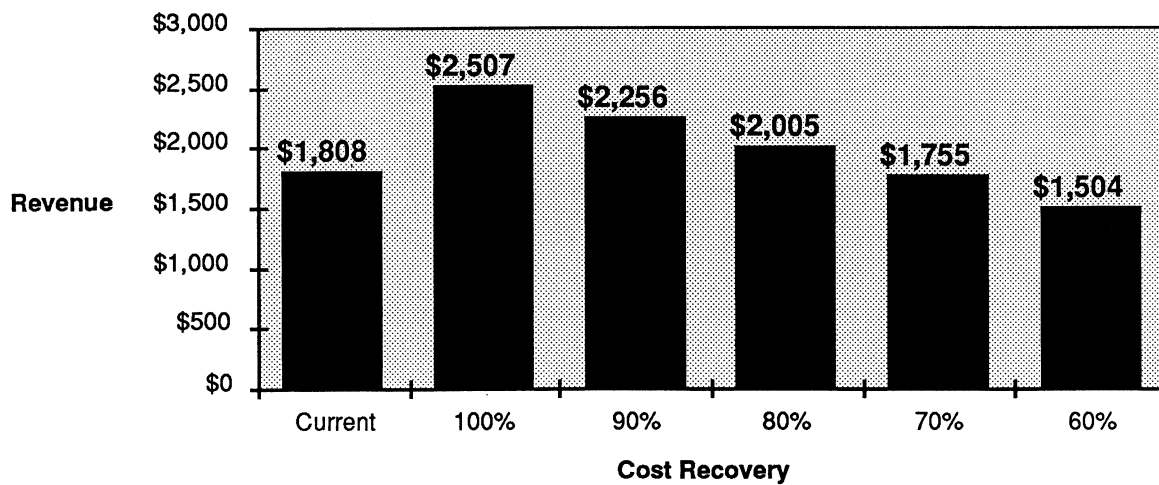
The following pages outline the planning services evaluated and the cost recovery recommendations.

Appeals

The City of Imperial Beach expects to process 4 appeals during 1990-91. The Department Director estimated that it takes 3 hours to review and evaluate an appeal plus 5 hours of consultant time. To recover full cost, including administrative overhead of the department and city, the City should charge \$627.

Current Fee:	\$452
Cost of Service:	\$627
Subsidy:	28%

Planning—Appeal

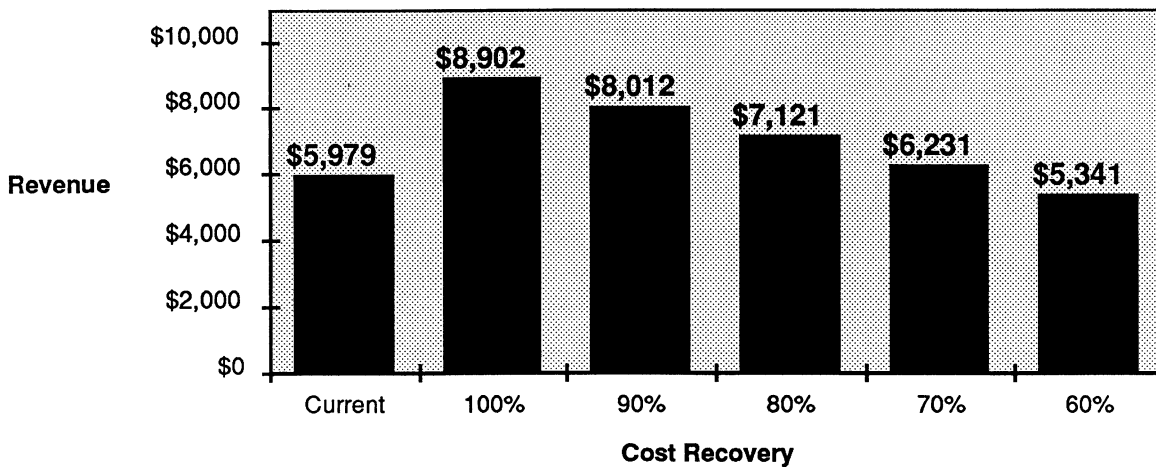


Conditional Use Permit

The City of Imperial Beach expects to issue 3 Conditional Use Permits in 1990/91. Issuance of this permit requires a review of the requested use and determination of compatibility with surrounding uses. An outside consultant charges 30 hours for review of the permit request. It is estimated that the Director and Planning Technician spend another 7 hours of review. The direct cost of this service is \$1,895. To recover full cost the City should charge \$2,967.

Current Fee:	\$1,993
Cost of Service:	\$2,967
Subsidy:	33%

Planning—Conditional Use Permit

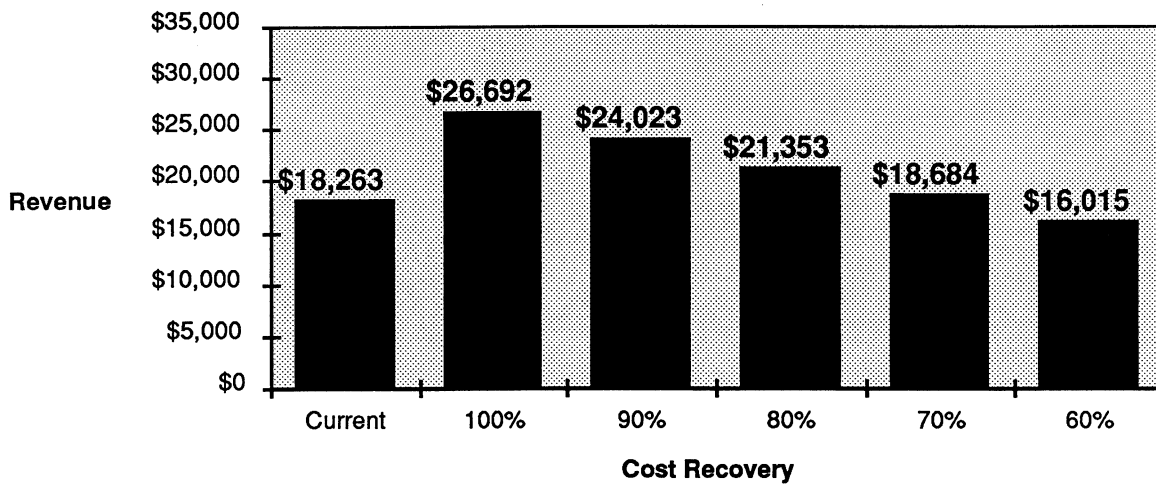


Design Review

The City of Imperial Beach expects to conduct 28 design reviews for adherence to City and state codes in 1990/91. A planning consultant spends 9 hours, on average, reviewing the plans. The Director and Planning Technician spend 4 hours to verify design requirements for a direct cost of \$609. To recover full cost, the City should charge \$953.

Current Fee:	\$652
Cost of Service:	\$953
Subsidy:	32%

Planning—Design Review

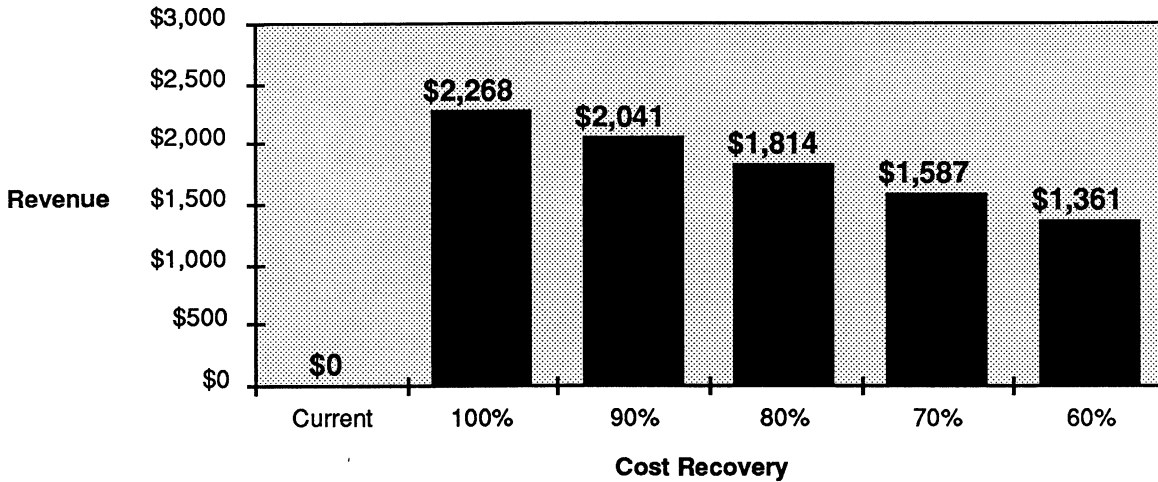


Encroachment Permits

The City anticipates approximately 20 requests for encroachment permits in 1990/91. It takes the Planning Technician approximately 4 hours to review the request and prepare the report for a direct cost of \$72. To recover full cost, the City should charge \$113. No charges are currently levied for encroachment permits.

Current Fee:	\$0
Cost of Service:	\$113
Subsidy:	100%

Planning—Encroachment Inspection

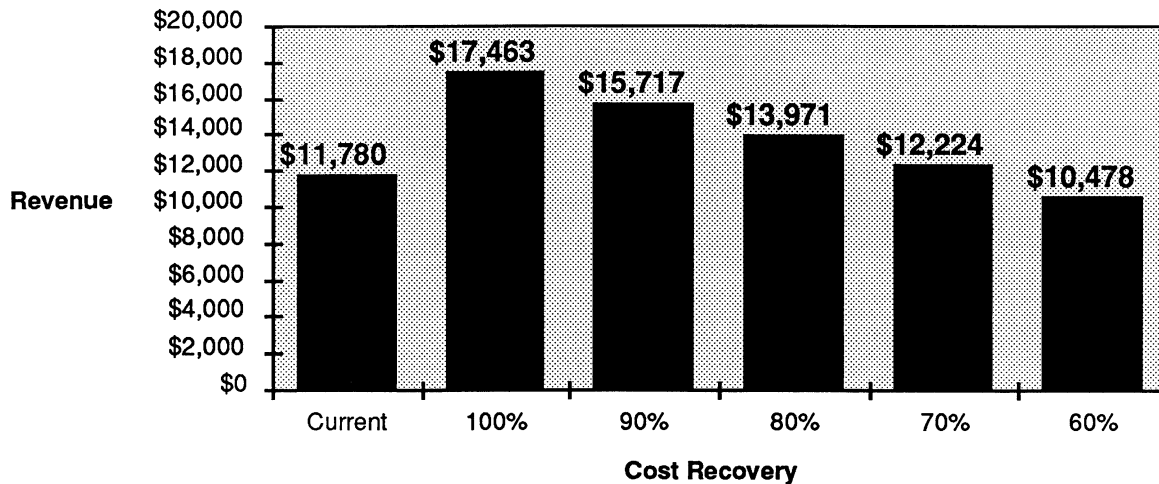


Initial Environmental Assessment

The City expects to receive approximately 40 initial environmental assessment requests in 1990/91. Any project requiring a land-use entitlement also requires an environmental assessment. The review is to determine whether the project is exempt from the provision, requires a negative declaration, or needs an environmental impact report. This service involves approximately 4 and 1/2 hours of the planning consultant's time and another 3/4 of an hour of the Director's time for a direct cost of \$279. To recover full cost, the City should charge \$437.

Current Fee:	\$295
Cost of Service:	\$437
Subsidy:	33%

Planning—Environmental Initial Assessment

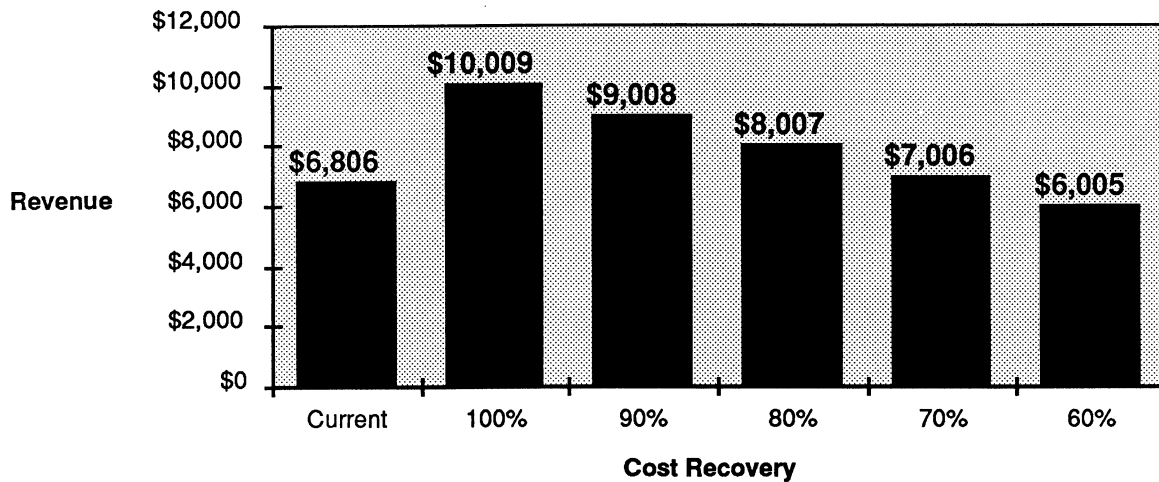


Environmental Impact Report

The City anticipates receiving only 2 environmental impact requests. This service involves approximately 49 hours of the planning consultant's time and another 12 hours of the Director's time to determine the impact of the project on the environment, for a direct cost of \$3,196. To recover full cost, the City should charge \$5,004.

Current Fee:	\$3,403
Cost of Service:	\$5,004
Subsidy:	32%

Planning—Environmental Impact Report

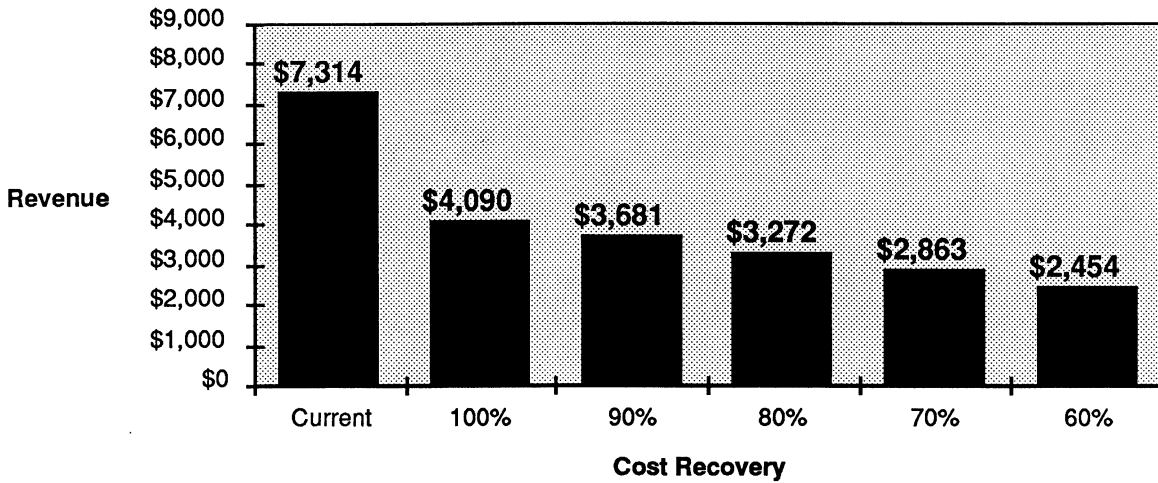


General Plan Amendment

The City expects 3 requests for general plan amendments in 1990/91. This service involves reviewing request for changes to the general plan. The Department Director estimates that these type of applications require approximately 20 hours of his time and another two hours of the Planning Technician's time for a total direct cost of \$871. To recover full cost, the City should charge \$1,363.

Current Fee:	\$2,438
Cost of Service:	\$1,363
Above Cost:	44%

Planning—General Plan Amendment

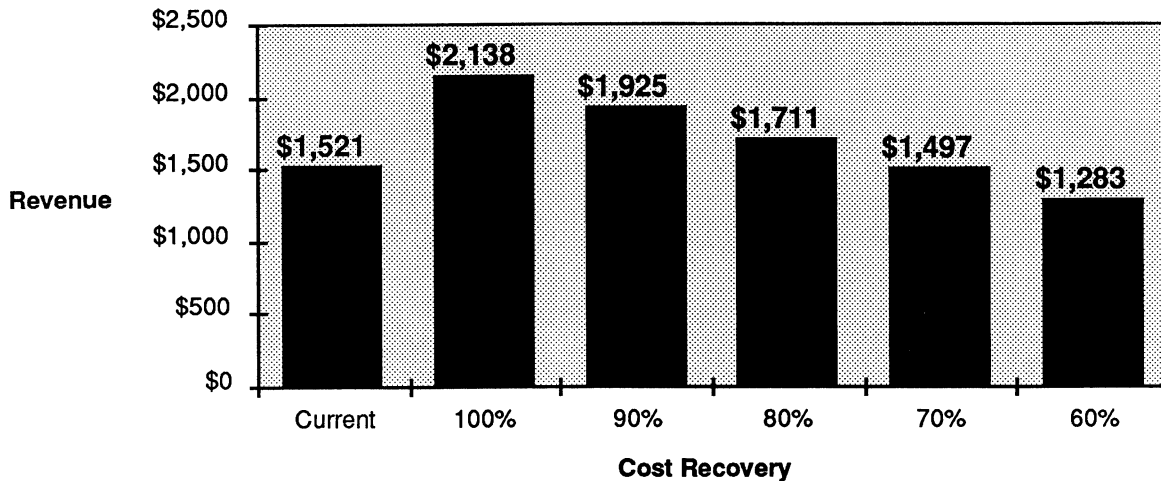


Planning Commission Interpretation

The City expects to receive 3 requests for planning commission interpretations in 1990/91. These requests involve research of the issue by a consultant and then 3 hours of preparation and presentation before the Commission. The direct cost of this service is calculated at \$455. To recover full cost, the City should charge \$713.

Current Fee:	\$507
Cost of Service:	\$713
Subsidy:	29%

Planning—Planning Commission Interpretation



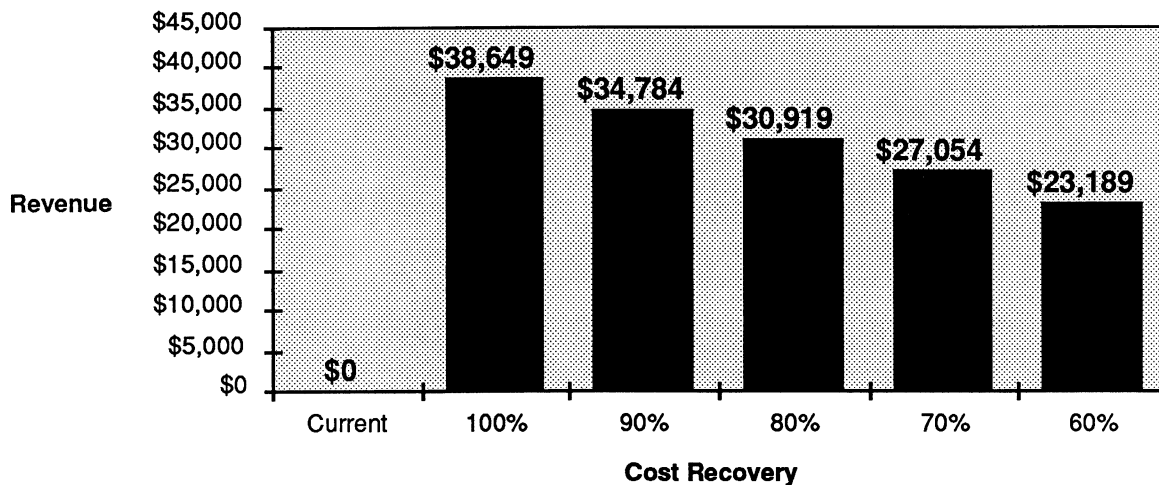
Building Plan Check

The City of Imperial Beach expects to receive approximately 200 requests for building checks in 1990/91. This review ensures that building plans meet City and state building codes and city development regulations. On average, the building plan checks require 1.75 hours of a consultant's time and 1.5 hours of the Planning Technician's time for a direct cost of \$123. To recover full cost, the City should charge \$193. There is currently no charge for the building plan check. The service therefore is fully subsidized.

Based on the volume of requests, the City could find considerable revenue if this cost were recovered.

Current Fee:	\$0
Cost of Service:	\$193
Subsidy:	100%

Planning—Building Plan Check

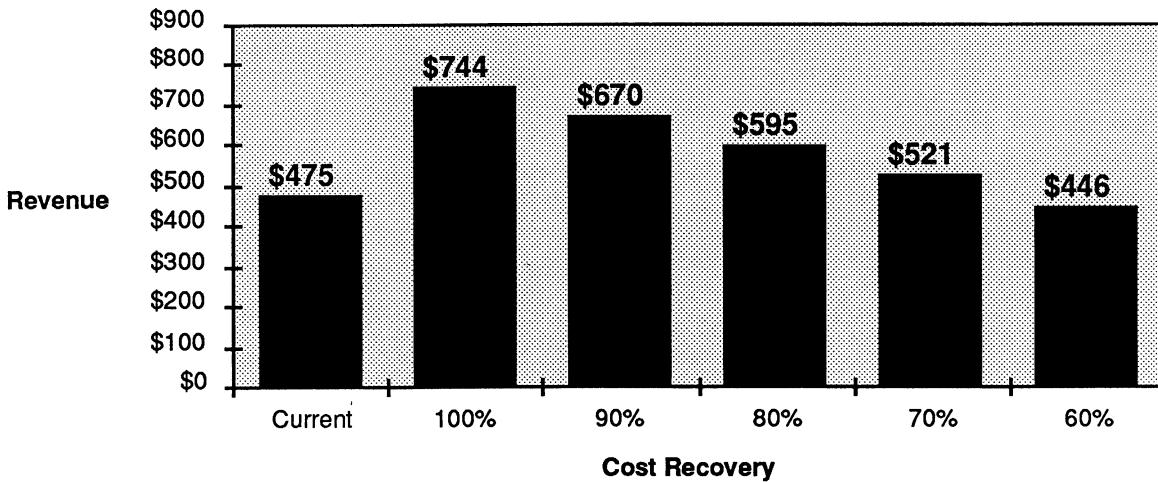


Engineering Estimate Review

The engineering estimate review is a process whereby the City checks the engineering calculations of a plan. The City anticipates approximately 35 such request in 1990/91. This process requires on average 3/4 of an hour of the Planning Technician's time at a direct cost of \$14. To recover full cost, the City should charge \$21.

Current Fee:	\$14
Cost of Service:	\$21
Subsidy:	36%

Planning—Engineer Estimate Review

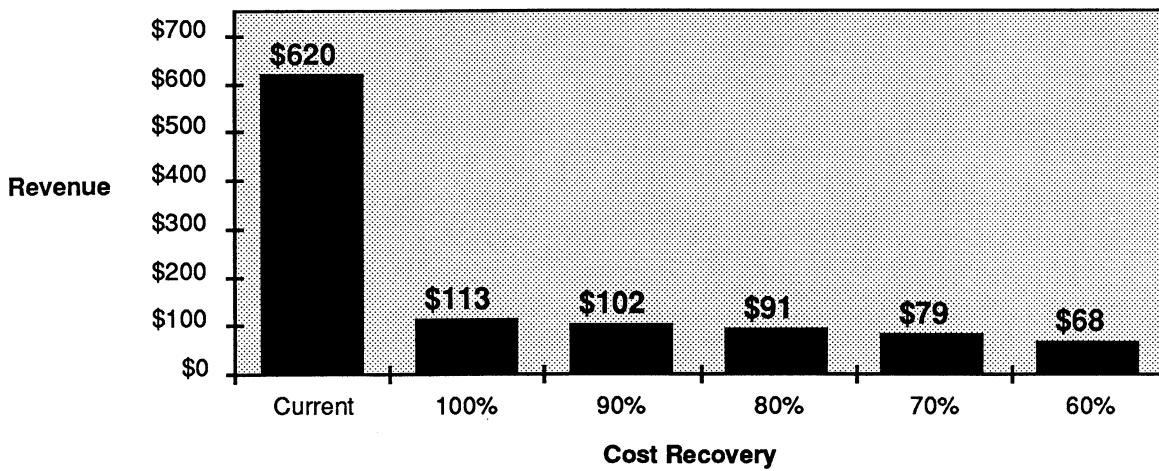


Sign Permit Issuance

The City expects approximately 4 requests for sign permits in 1990/91. This service involves verifying the sign construction and placement request for consistency with zoning and building code regulations. The request for permit issuance takes on average 1 hour of the Planning Technician's time for a direct cost of \$28. Full recovery costs are \$28. The current fee is \$155, 82% over the actual cost. This fee should be reduced.

Current Fee:	\$155
Cost of Service:	\$28
Above Cost:	82%

Planning—Sign Permit Issuance

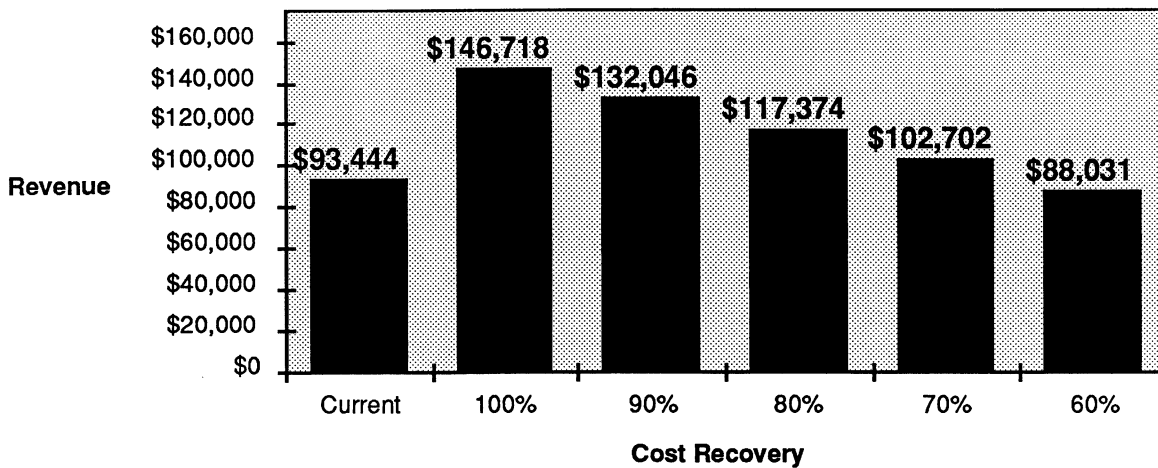


Site Plan Review

The review of site plans involves approximately 64 hours of a planning consultant's time and 2 hours of the Director's time. The direct cost of this service is \$3,604. To recover full cost, the City should charge \$5,643.

Current Fee:	\$3,594
Cost of Service:	\$5,643
Subsidy:	36%

Planning—Site Plan Review

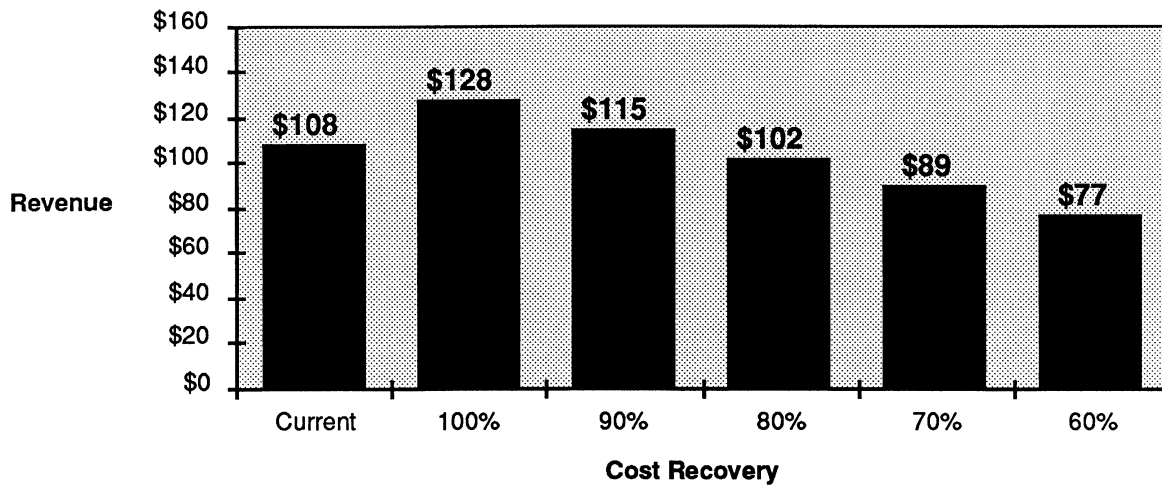


Temporary Use Permit

The City anticipates three requests for temporary use permits. It is estimated that the Planning Technician spends approximately 1.5 of an hour to review and issue a temporary use permit at a direct cost of \$27. To recover full cost, the City should charge \$43.

Current Fee:	\$36
Cost of Service:	\$43
Subsidy:	15%

Planning—Temporary Use Permit

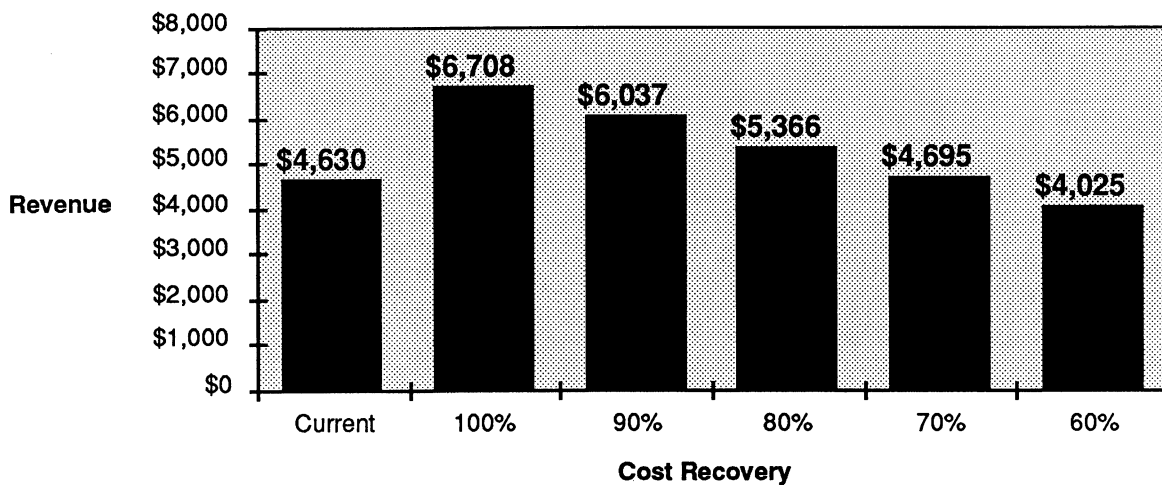


Special Use Permit

The City expects to receive 3 requests for special use permits in 1990/91. It is estimated that the time for consultant review is approximately 20.75 hours with another 8 hours of in-house review by the Department Director and Planning Technician. The cost of providing this service is \$1,428. To recover full cost, the City should charge \$2,236.

Current Fee:	\$1,543
Cost of Service:	\$2,236
Subsidy:	31%

Planning—Special Use Permit

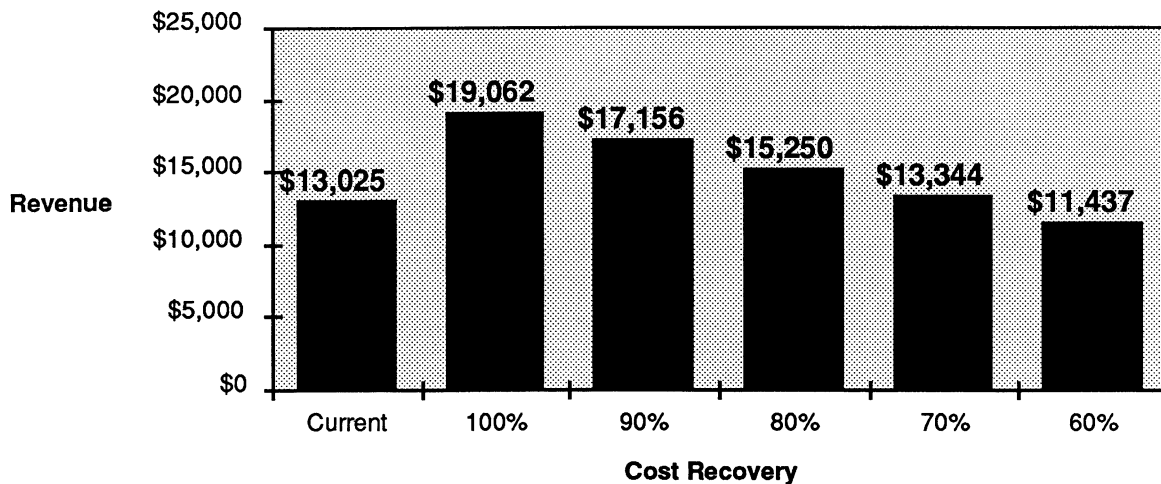


Variance

The City anticipates 10 requests for variances. It is estimated that it takes the consultant 18.25 hours to review variance request and another 6.25 hours for the Director and Planning Technician to review. The direct cost of providing the variance is \$1,217. To recover full cost, the City should charge \$1,906.

Current Fee:	\$1,303
Cost of Service:	\$1,906
Subsidy:	32%

Planning—Variance

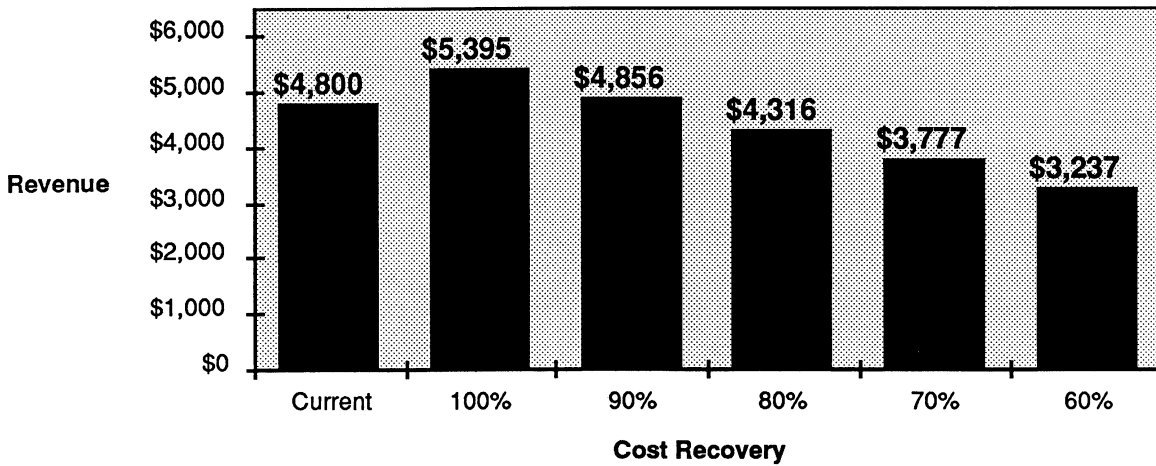


Parcel Map

The City anticipates 12 requests to review parcel maps in 1990/91. To review and process a parcel map takes the planning consultant and Planning Technician each one hour at a direct cost of \$287. To recover full cost, the City should charge \$450.

Current Fee:	\$400
Cost of Service:	\$450
Subsidy:	11%

Planning—Parcel Map

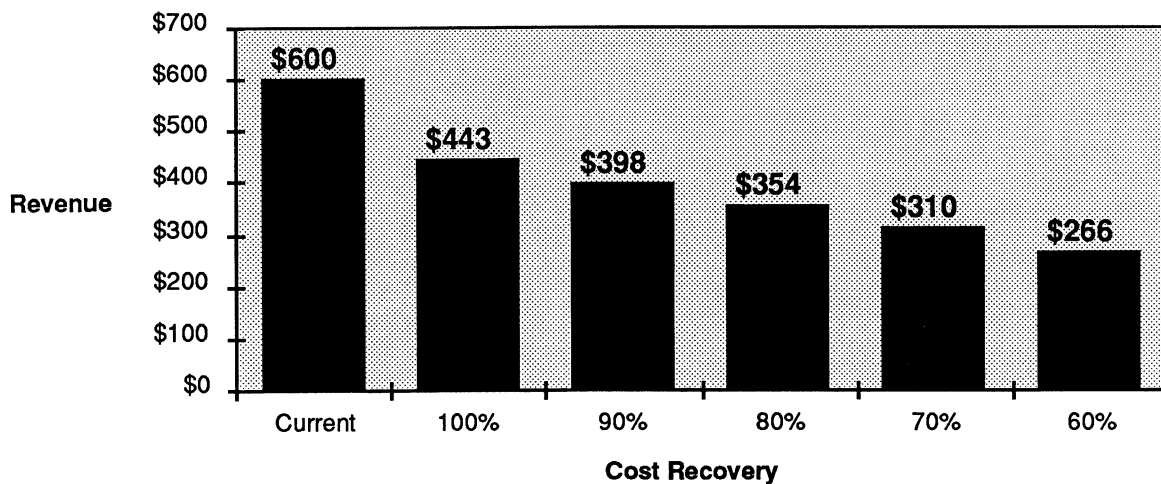


Final Map

The City expects only one request for a final map review. A review of all final maps is required prior to the map being recorded. It is estimated that the Planning Technician spends approximately 3/4 of an hour to process the map and 1 hour for a planning consultant to review the final map. The direct cost of providing this service is \$283. For full recovery, the City should charge \$443. This charge is much less than the current charge of \$600 and should be reduced.

Current Fee:	\$600
Cost of Service:	\$443
Above Cost:	26%

Planning—Final Map

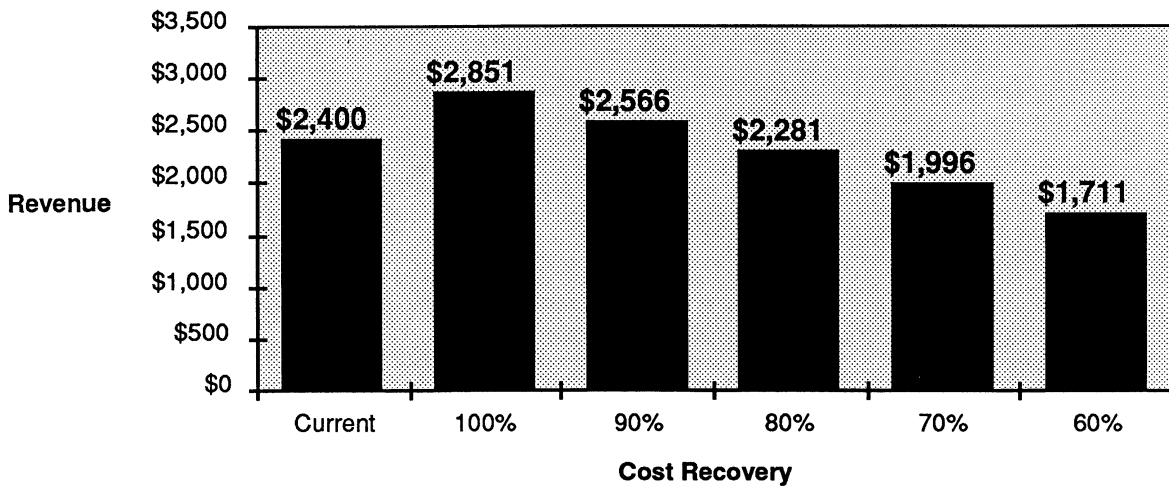


Alley Improvement Map

The City anticipates 8 alley improvement requests in 1990/91. It is estimated that the Planning Technician spends approximately 3/4 of an hour processing an alley improvement map plus the charges for an engineering consultant to review the map for a direct cost of \$228. For full recovery, the City should charge \$356.

Current Fee:	\$300
Cost of Service:	\$356
Subsidy:	16%

Planning—Alley Improvement Map

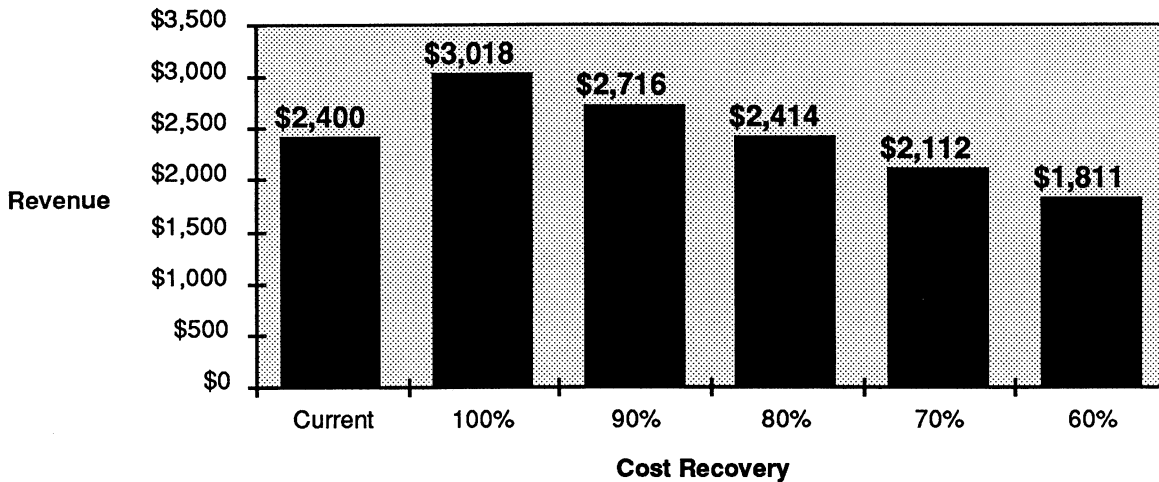


Grading Plan

The City anticipates receiving 12 requests for grading plan reviews in 1990/91. It is estimated that the Planning Technician spends approximately 3/4 of an hour to process grading plans in addition to the charges of an engineering consultant for a direct cost of \$161. For full recovery, the city should charge \$251.

Current Fee:	\$200
Cost of Service:	\$251
Subsidy:	20%

Planning—Grading Plan

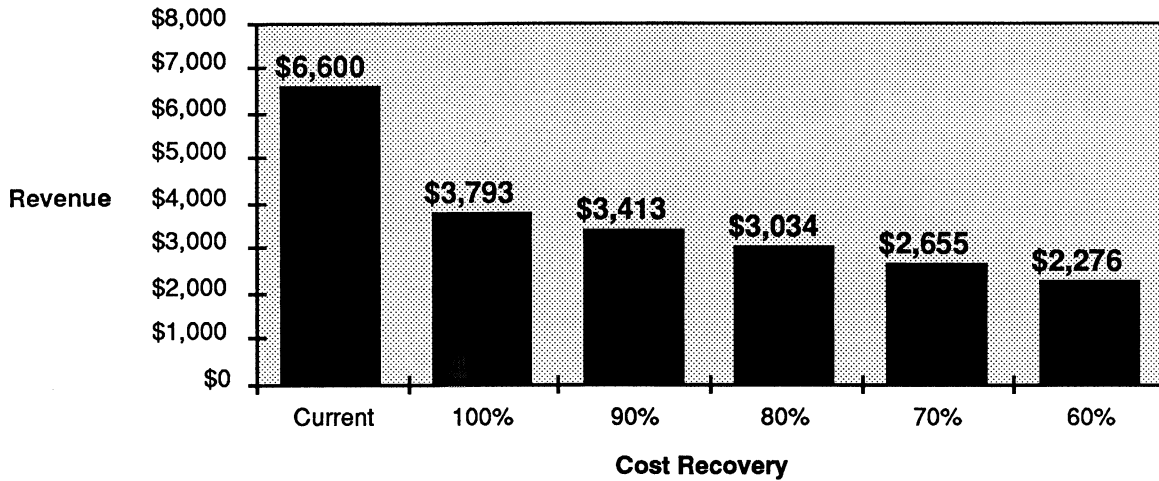


Tentative Parcel Map

The City expects 12 requests for tentative parcel map reviews in 1990/91. To process tentative parcel maps, the City uses an outside engineering firm and a planning consultant. The Planning Technician also spends approximately 3/4 hour processing tentative parcel maps. The direct cost of providing this service is \$202. To recover full cost, the City should charge \$316. This charge is much less than the current charge of \$550 and should be reduced.

Current Fee:	\$550
Cost of Service:	\$316
Above Cost:	43%

Planning—Tentative Parcel Map

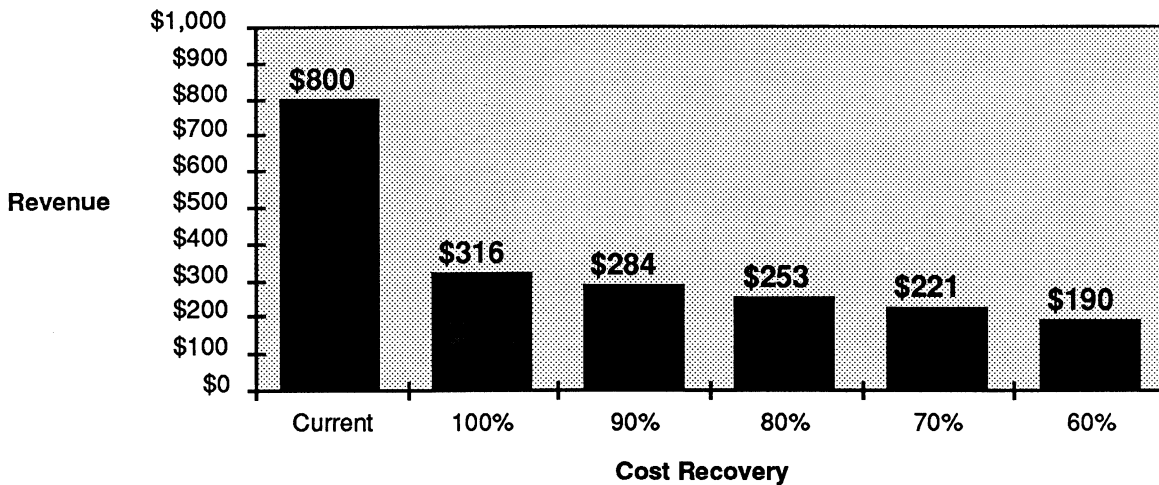


Tentative Map

The City expects only one request for review of a tentative map. Tentative map processing involves reviewing tentative maps to insure compliance with city and state codes. To provide this service the City uses an outside engineering firm and a planning consultant. The Planning Technician, also, spends approximately 3/4 hour processing tentative maps. The direct cost of providing this service is \$202. To recover full cost, the City should charge \$316. This charge is much less than the current charge of \$800 and should be reduced.

Current Fee:	\$800
Cost of Service:	\$316
Above Cost:	60%

Planning—Tentative Map



Pre-application Conference

No pre-application conferences are anticipated for the coming year. The pre-application conference is a meeting between the applicant, the Development Director, and a planning consultant. It is estimated that these conferences take about 1 hour of time, for a direct cost of \$97. To recover full cost, the City should charge \$151. The City currently charges \$20 for a pre-application conference; an 87% subsidy.

Rezoning

The City does not anticipate receiving any requests for rezoning; so no potential revenue is anticipated. Rezoning request are reviewed to ensure that zoning changes are consistent with the General Plan and community standards. To process such a request the Director estimated an average of 28 hours of a planning consultant's time and 22.5 hours of the director's time is required. The direct cost of such a request is estimated to be \$2,479. To recover full cost, the City should charge \$3,882. The current charge is \$2,868; a 26% subsidy.

Department of Public Safety

Services

The Department of Public Safety provides municipal services in the areas of code enforcement, fire safety, law enforcement, disaster preparedness, and beach and senior services.

The Code Enforcement Division provides for animal control, parking enforcement, and abandoned vehicle abatement. Fire Safety involves all aspects of protecting life and property against fire, explosion, and natural disasters seriously disrupting normal living conditions. Paramedic services are provided by an outside contractor. Law enforcement services are provided under contract with the San Diego County Sheriff's Department.

Disaster Preparedness provides for planning and coordinating the City's disaster plan in the event of natural or man-made disasters. Beach services include lifeguard services for the City's designated swimming areas and maintenance of the City Beach property. The city also provides senior services which includes maintaining the Senior Citizens center.

Fee Collections

The Public Safety Department currently receives revenues through fines, licenses, and some fees. Since law enforcement services are contracted out, fees are collected by the County. The City recently implemented the fire inspection fees.

Issues

Fifteen service were identified for potential user fee cost recovery.

- False alarm and special event security are two law enforcement services for which neither the City nor the County charge fees. When we inquired, the County Sheriff's Department could not provide specific time estimates for providing these services. Before the next contract negotiation, the City should request specific time and cost estimates for these services and establish fees for these services.
- Several code enforcement services are funded though Proposition A and the Gas Tax Fund.
- In the Public Safety Department, the City may consider applying a user fee as a regulatory control. For example, implementing a false alarm fee after a number of no charge responses may reduce the occurrence of false alarm calls.

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- The stand-by time of public safety personnel was not included in calculating the cost of services; only the time of service delivery.

The following pages outline the services analyzed in the Public Safety Department and the cost recovery recommendations.

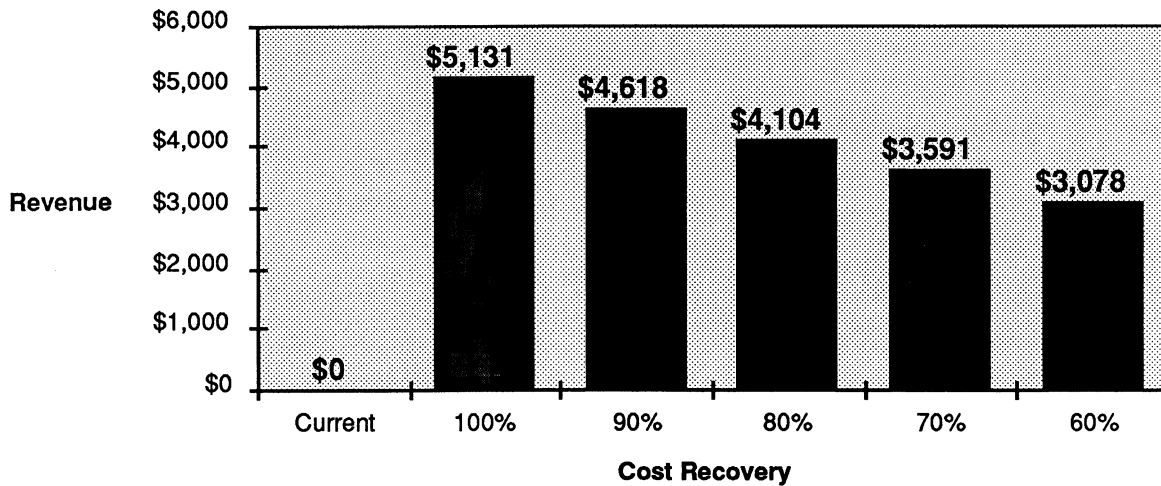
DUI Responses

The City anticipates approximately 23 emergency responses for drivers being under the influence of alcohol or drugs in 1990/91. This service includes the response of a fire unit and related report writing. One fire fighting truck, with three fire fighters, responds to DUI incidents. The direct cost of this task is \$152. For the City to recover full cost, the department should charge \$223. Currently, the city fully subsidizes this work as no fee has been established.

It should be noted that California law limits an individual's fee liability on a DUI accident up to \$1,000 per incident. In order to collect the fee the individual must be found guilty of the Driving Under the Influence.

Current Fee:	\$0
Cost of Service:	\$223
Subsidy:	100%

DUI Response



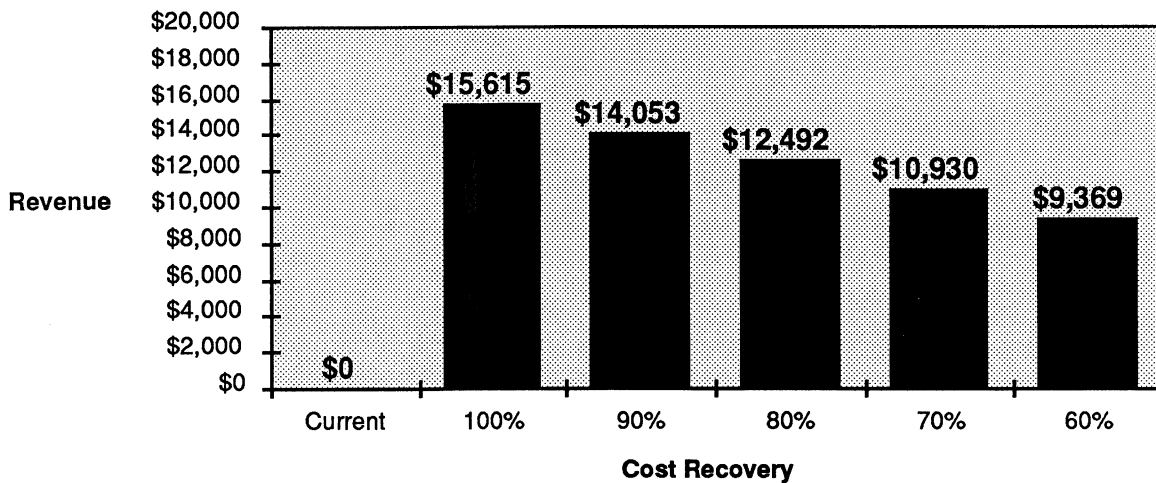
False Alarm Responses

The Fire Division expects to respond to approximately 70 false alarm calls in 1990/91. The time required for these alarms is, on average, one hour per call. The direct cost of false alarms is \$152. To recover full costs, the City should charge \$223. It should be emphasized that these charges do not account for the stand by time of the fire fighting team. Currently this service is fully subsidized; there is no charge for the service.

We would like to point out that this is a service where establishing a fee can have a regulatory impact. In other words, if the City were to charge a fee for repeated false alarms, requests for the service could be reduced.

Current Fee:	\$0
Cost of Service:	\$223
Subsidy:	100%

False Alarm Response (Fire)



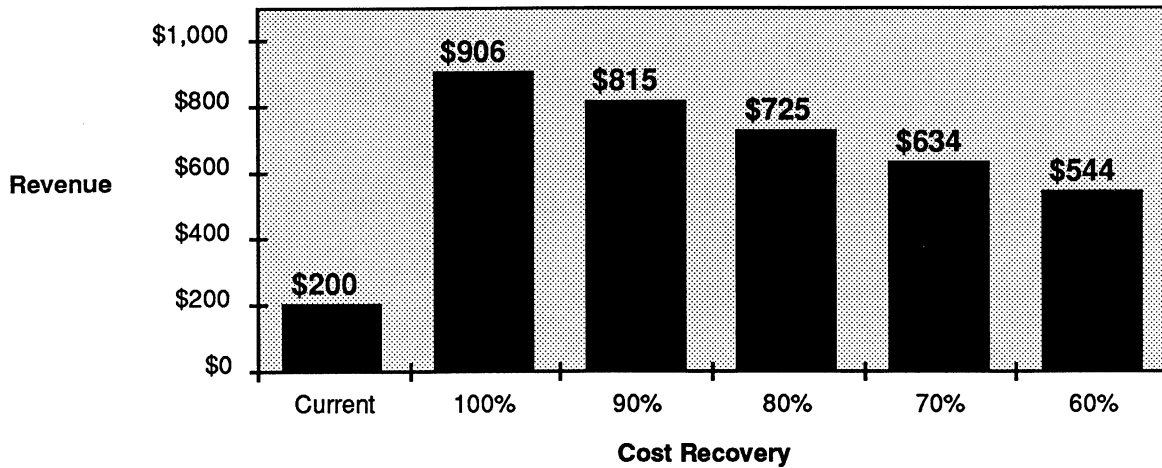
Bicycle Licensing

The City expects to issue approximately 200 bicycle licenses in 1990/91. The issuing of the license and related administrative paperwork requires approximately 12 minutes of a clerk's time at a direct cost of \$3. To recover full cost, the City should charge \$4.53.

Bicycle licensing is an example of a service area where the City may wish to maintain a low user fee. The prevention of bicycle theft and bicycle recovery may outweigh the need to recover the full cost of the licensing program.

Current Fee:	\$1
Cost of Service:	\$4.53
Subsidy:	78%

Public Safety—Bicycle Licensing



Business License Review (Fire Only)

The Public Safety department reviews business license requests for adherence to fire code standards. Although the City anticipates no requests this coming year, it would take a clerk a half hour to review and provide fire department approval for the business license application. The direct cost of this service is \$4.63. To recover full cost, the City should charge \$7. Currently the City fully subsidizes this review and does not charge for it.

Underground Tank Plan and Inspection

The inspection consists of ensuring that the underground tanks are installed or removed properly and will not result in a hazard to the owner or other city residents. The City does not anticipate any inspection requests this coming year. One fire truck goes to the site to carry out the inspection. The direct cost of providing this inspection is \$100. To recover full cost, the City should charge \$147. Currently the City charges \$28; providing an 81% subsidy.

Public Works Department

Services

The Public Works Department provides services for:

- Fleet and equipment maintenance
- Street maintenance
- Recreation and park maintenance
- Building maintenance
- Sewer collection/maintenance
- Solid waste

The fleet, equipment, street, and building maintenance activities provide for the repair and maintenance of city owned vehicles and equipment, buildings, streets, alleys, storm drains, and signs. The City of Imperial Beach maintains and operates the sewer collection system. The City contracts with the City of San Diego for sewage treatment. Solid waste services are also provided by contract with a private sector firm.

Fee Collection

Many public works services are funded through gas tax and sales tax initiatives. The City recently implemented sewer connection fees.

Issues

- The City conducts approximately 156 Right-Of-Way Inspections annually at no charge. Based upon the volume of inspections and cost of service, this may be a good source to recover costs.

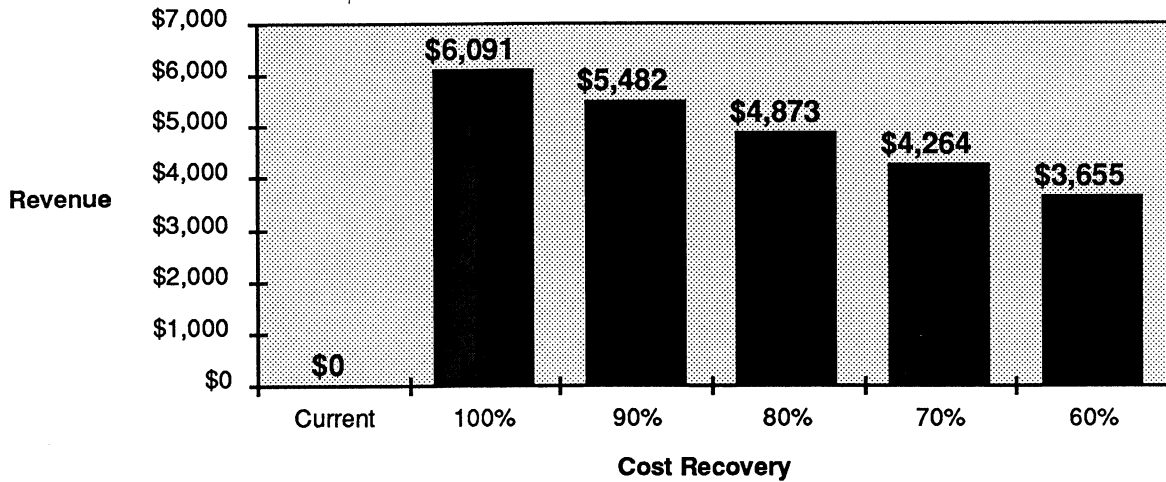
The following page outlines the R-O-W inspection service and cost recovery recommendations.

Inspections of Repairs in Public Right of Way

The City expects to conduct approximately 156 inspections on repairs in the Public Right of Way in 1990/91. These inspections are to ensure that Public Right of Way is restored to standard. The inspection takes approximately one hour of the Street Supervisor's time at \$26. To recover full cost, the City should charge \$39. The city assesses no fee; the service is currently fully subsidized.

Current Fee:	\$0
Cost of Service:	\$39
Subsidy:	100%

Public Works—Repair in Public ROW



City Clerk

Services

The City Clerk provides municipal services in the areas of records management and records reproduction. The records management function includes researching City records for private citizens and businesses. Record reproduction includes providing private citizens and businesses with requested copies of City records/documents, as well as providing copies of council meeting agendas to subscribers on a prepaid mailing list.

Fee Collection

Research time is charged to users at time and half of the City Clerk's hourly rate. The Agenda/Staff Reports subscription rate is set at \$56.

Issues

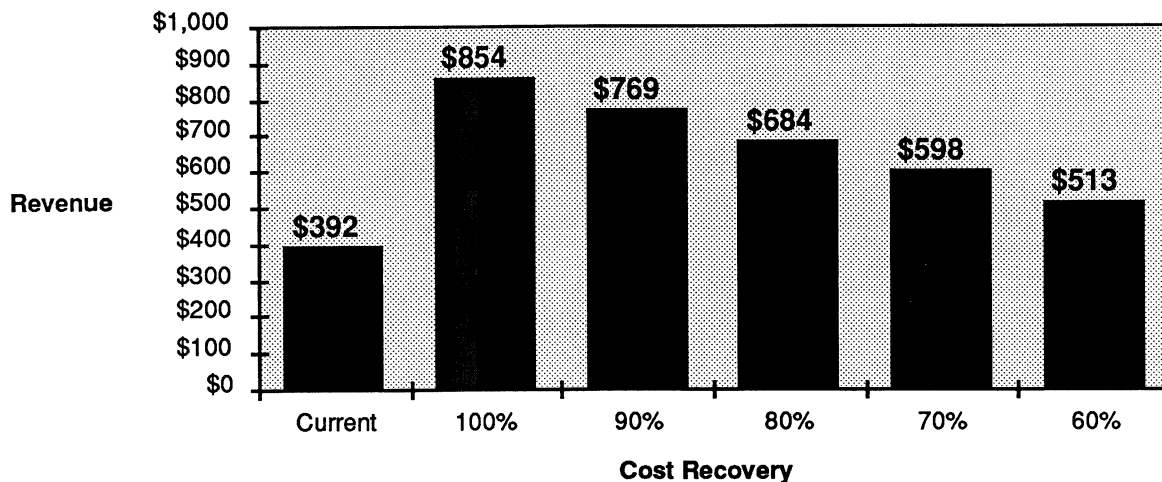
- Document research time varies substantially depending on the nature of the request. Therefore, the unit cost will vary. The City should consider an hourly fee of \$36. This fee includes salary and City-wide overhead.
- When agenda subscription fees were raised in the past the number of subscriptions decreased.

Agenda/Staff Report Subscription

The City Clerk provides copies of the agenda and staff reports to subscribers. There are 24 meetings a year and, according to the City Clerk, each package consists of 15 duplex copies. Currently there are 7 subscribers. The subscription rate has been set at \$56. The direct cost of preparing one agenda is approximately \$103. To recover full cost, the City should charge \$122.

Current Fee:	\$56
Cost of Service:	\$122
Subsidy:	54%

Agenda/Staff Report Subscription



Cost Accounting Requirements & Recommendations

Our research indicates that the City should change accounting and time charging practices to effectively implement a full cost recovery program. The present classification of accounts does not provide City management with accurate and descriptive reports about the cost of services and revenue earned.

The City's accounting system records revenues from user fee activities into three broad categories: licenses and permits, charges for services, and miscellaneous revenues. Presently there are 34 general ledger revenue accounts to record revenues from all user fee activities. The general ledger account listing should be as comprehensive as the number of user fee activities provided by the City. The City should consider revising its Chart of Accounts to include revenue classifications for all user fees thereby providing City management with timely information about revenue generated from user fee government activities.

The City should also implement changes in the way user fee costs are recorded. For example, in the Community Development Department the City classifies all revenues from user fee activities as cost recovery miscellaneous revenues. For example, revenue collected from a tentative parcel map review is recorded as "cost recovery miscellaneous revenues" rather than the more descriptive classification of "tentative parcel map user fees." The City uses the present revenue classification because it does not have adequate time and billing accounting procedures to accumulate and charge the time spend by department employees and consultants on activities for which cost recovery is appropriate.

The City's financial reporting system should include policies and procedures whereby employees and consultants report the time spent on user fee activities. The cost of their labor should be accumulated and reported to the Finance Department for comparison with revenues. The City may want to explore expanding their time and billing management systems.

Policies and Guidelines

In order for the City of Imperial Beach utilize and maintain an equitable user fee system, it must establish fundamental guidelines on how fees are determined and applied. These guidelines, or policies, should be adopted by the City Council and incorporated in the budget process.

The Council should consider the following guidelines:

1. It is the policy of the City of Imperial Beach to recover the full cost of the use of any facility or provision of service to any individual, group, firm, or organizations where it is possible to identify specific beneficiaries and recovery does not place an unusual financial burden on such individuals or groups.
2. Fees will be charged for those users and services where it is possible to divide service among beneficiaries without incurring a substantial number of nonusers who escape the charges but none-the-less receive the benefits.
3. "Full Cost" is defined to include both direct and indirect costs. Direct costs means all labor, fringe benefit, and operational costs for materials, supplies, and services to provide the service or use. Indirect costs or overhead share include the proportionate share of legislative, administrative, building, equipment use and other support service costs.
4. Only the cost of providing the service will be considered, as it is assured that the general tax dollar is spent to provide the "availability" of the service to everyone.
5. The city will maintain an accounting system which provides sufficient cost accounting breakdown to collect or provide vital cost of services detail.
6. A cost accounting model will be established for each fee or charge.
7. Direct and indirect cost rates will be reviewed on an annual basis.
8. Examination of all existing user fees will occur yearly as part of the preparation of the annual operating budget. Departments will review fee-funded services and estimate the upcoming cost and revenues.
9. Fees for new services will be established from the current budget rates and included in subsequent annual fee reviews.

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10. The City will contact affected citizen groups, business organizations, boards and commissions to discuss any changes in fee levels prior to their presentation to council for approval.
 11. All fee increases will be brought before the City Council for approval.
 12. Nothing in these guidelines or policy statement will prohibit the Council from establishing a fee at a lower rate than determined by full cost recovery.

Appendix A

Overhead Cost Calculations

**City of Imperial Beach
User Fee Study
City-wide Overhead Calculation**

Current Operating Expenditures		\$8,787,972
Support Cost Centers(1)		
Mayor/City Council	\$38,101	
City Clerk	\$82,891	
City Manager	\$248,250	
Administrative Services	\$339,920	
City Attorney	\$95,912	
Building/Plants(2)	\$146,277	
Miscellaneous	\$928,257	
	\$1,879,608	
Less: Adjustments to Support Cost Centers(3)		
Elections (City Clerk)(4)	\$3,500	
Agenda/Staff Report Subscription(5)	\$392	
Business License Issuance(6)	\$26,800	
Senior Center Maintenance	\$4,000	
Reimbursement for Gen. Fund Svcs Provided—Sewer	\$298,021	
Less Land Rental	(\$140,000)	\$158,021
Reimbursement for Gen. Fund Svcs Provided—Gas Tax	\$219,094	
Less Land Rental	(\$134,800)	\$84,294
	\$277,007	
Total Support Center Cost		\$1,602,601
City-wide Overhead Percentage		18.2%

Notes

- (1) Taken from 1990-91 Annual Budget
- (2) Includes \$112,857 building plants maintenance and operations costs plus \$33,420 annual building replacement cost (estimated over 40-year building life span)
- (3) Estimates provided by Director of Administrative Services based on 1990-91 elections budget submitted by the City Clerk
- (4) Estimate provided by Director of Administrative Services
- (5) Annual subscription cost (\$56) multiplied by number of subscriptions (7)
- (6) One full-time Accounting Technician Salary + FBs

**City of Imperial Beach
Departmental Administrative Cost Worksheet**

Community Development Department

Title	Total Salary & Benefits	Percent of Time Performing Administrative Duties (1)	Total Cost
Director	\$73,766	70%	\$51,636
Technician	\$32,000	90%	\$28,800
Inspector	\$45,075	10%	\$4,508
Inspector	\$36,300	10%	\$3,630
Secretary	\$35,101	100%	\$35,101
Secretary	\$27,893	100%	<u>\$27,893</u>
Total Admin Salary Cost			\$151,568
Total Charges & Services Cost			<u>\$42,757</u>
Total Departmental Administrative Costs			\$194,325
Total Department Budget			\$506,660
Planning = \$327,844			
Building & Housing Inspection = \$178,816			
Departmental Administrative Percentage			38.4%

**City of Imperial Beach
Departmental Administrative Cost Worksheet**

Public Safety Department

Title	Total Salary & Benefits	Percent of Time Performing Administrative Duties (1)	Total Cost
Director	\$87,675	50%	\$43,838
Clerk	\$27,262	100%	\$27,262
Total Admin Salary Cost			\$71,100
<u>Charges & Services</u>			<u>Total Cost</u>
Materials & Supplies			\$10,875
Charges & Services			\$154,602
Capital Outlay			\$29,613
Total Charges & Services Cost			\$195,090
Total Department Administrative Costs			\$266,190
Total Department Budget			\$927,326
Departmental Administrative Percentage			<u>28.7%</u>

**City of Imperial Beach
Departmental Administrative Cost Worksheet**

Public Works Department / Street Maintenance

Title	Total Salary & Benefits (1)	Percent of Time Performing Administrative Duties	Total Cost
Director	\$69,453	50%	\$34,727
Secretary	\$32,138	60%	<u>\$19,283</u>
Total Admin Salary Cost			\$54,010
<u>Charges & Services</u>			<u>Total Cost</u>
Materials & Supplies			\$30,600
Charges & Services			<u>\$96,018</u>
Total Charges & Services Cost			\$126,618
Total Department Administrative Costs			\$180,628
Total Department Budget			<u>\$518,391</u>
Departmental Administrative Percentage			<u><u>34.8%</u></u>

Appendix B
Cost of Services Worksheets

III. USER FEES

Department: Community Development

Service: Planning—Appeal

Work units: Per Appeal

Fee payment method: Cost Reimburse

Current Fee Per Unit: \$452

Volume: 4 Current revenue \$1,808

Cost of service:	Total	Per Unit	Per unit fees:	Potential total revenues:
Direct labor cost	\$500.64	\$125.16	100% recovery	Current \$1,808
Direct svcs/supplies cost	\$1,100.00	\$275.00	90% recovery	100% recovery \$2,507
Subtotal	\$1,600.64	\$400.16	80% recovery	90% recovery \$2,256
Dept'l overhead	\$614.65	\$153.66	70% recovery	80% recovery \$2,005
City-wide overhead	\$291.32	\$72.83	60% recovery	70% recovery \$1,755
Total cost	\$2,506.60	\$626.65	Recommended fee	60% recovery \$1,504
			% subsidy	Revenue at recommended fee \$2,507
				Estimated net increase/(decrease) \$699

Direct Labor Calculation

Personnel Involved
Comm. Development Director
Total

Hourly Rate	Hours Per unit	Cost Per Unit
\$41.72	3.00	\$125.16
		<u>\$125.16</u>

Direct Services/Supplies

Consultant
Total Direct Services

Hourly Rate	Hours Per unit	Cost Per Unit
\$55.00	5.00	\$275.00
		<u>\$275.00</u>

III. USER FEES

Department: Community Development

Service: Planning—Conditional Use Permit

Work units: Per Permit Fee payment method: Cost Reimburse

Current Fee Per Unit: \$1,993

Volume: 3 Current revenue \$5,979

Cost of service:	Total	Per Unit	Per unit fees:	Potential total revenues:
Direct labor cost	\$734.40	\$244.80	100% recovery	Current
Direct svcs/supplies cost	<u>\$4,950.00</u>	<u>\$1,650.00</u>	90% recovery	100% recovery
Subtotal	\$5,684.40	\$1,894.80	80% recovery	90% recovery
Dept'l overhead	\$2,182.81	\$727.60	70% recovery	80% recovery
City-wide overhead	<u>\$1,034.56</u>	<u>\$344.85</u>	60% recovery	70% recovery
Total cost	\$8,901.77	\$2,967.26	Recommended fee	60% recovery
			% subsidy	Revenue at recommended fee
				Estimated net increase/(decrease)
				\$5,979
				\$8,902
				\$8,012
				\$7,121
				\$6,231
				\$5,341
				\$8,902
				\$2,923

Direct Labor Calculation

Personnel Involved	Hourly Rate	Hours Per unit	Cost Per Unit
Comm. Development Director	\$41.72	5.00	\$208.60
Planning Technician	\$18.10	2.00	\$36.20
Total			<u>\$244.80</u>

Direct Services/Supplies

Consultant	Hourly Rate	Hours Per unit	Cost Per Unit
Total Direct Services	\$55.00	30.00	<u>\$1,650.00</u>
			<u>\$1,650.00</u>

III. USER FEES

Department: Community Development

Service: Planning—Design Review

Work Units: Per Permit

Fee Payment Method: Fee

Current Fee Per Unit: \$652.25 Volume: 28 Current revenue \$18,263

Cost of service:	Total	Per Unit	Per unit fees:	Potential total revenues:
Direct labor cost	\$3,184.58	\$113.73	100% recovery \$953.28	Current \$18,263
Direct svcs/supplies cost	<u>\$13,860.00</u>	<u>\$495.00</u>	90% recovery \$857.95	100% recovery \$26,692
Subtotal	\$17,044.58	\$608.74	80% recovery \$762.62	90% recovery \$24,023
Dept'l overhead 38.4%	\$6,545.12	\$233.75	70% recovery \$667.30	80% recovery \$21,353
City-wide overhead 18.2%	<u>\$3,102.11</u>	<u>\$110.79</u>	60% recovery \$571.97	70% recovery \$18,684
Total cost	\$26,691.81	\$953.28	Recommended fee \$953.28	60% recovery \$16,015
			% subsidy 31.58%	Revenue at recommended fee \$26,692
				Estimated net increase/(decrease) \$8,429

Direct Labor Calculation

Personnel Involved	Hourly Rate	Hours Per unit	Cost Per Unit
Community Development Director	\$41.72	1.75	\$73.01
Planning Technician	\$18.10	2.25	\$40.73
Total			<u>\$113.73</u>

Direct Services/Supplies

Consultant	Hourly Rate	Hours Per unit	Cost Per Unit
Total Direct Services	\$55.00	9.00	<u>\$495.00</u>
			<u>\$495.00</u>

III. USER FEES

Department: Community Development

Service: Planning—Encroachment Inspection

Work Units: Per Inspection

Fee Payment Method: Fee

Current Fee Per Unit: \$0.00

Volume: 20 Current revenue \$0

Cost of service:	Total	Per Unit	Per unit fees:	Potential total revenues:
Direct labor cost	\$1,448.00	\$72.40	100% recovery	Current
Direct svcs/supplies cost	\$0.00	\$0.00	90% recovery	100% recovery
Subtotal	\$1,448.00	\$72.40	80% recovery	90% recovery
Dept'l overhead	\$556.03	\$27.80	70% recovery	80% recovery
City-wide overhead	\$263.54	\$13.18	60% recovery	70% recovery
Total cost	\$2,267.57	\$113.38	Recommended fee	60% recovery
			% subsidy	Revenue at recommended fee
				Estimated net increase/(decrease)
				\$0
				\$2,268
				\$2,041
				\$1,814
				\$1,587
				\$1,361
				\$2,268
				\$2,268

Direct Labor Calculation

Personnel Involved
 Planning Technician
 Total

Hourly Rate \$18.10
 Hours Per unit 4.00

Cost Per Unit \$72.40
\$72.40

Direct Services/Supplies

Hourly Rate \$0.00
 Hours Per unit 0.00

Cost Per Unit \$0.00
\$0.00

Total Direct Services

III. USER FEES

Department: Community Development

Service: Planning—Environment Initial Assessment

Work Units: Per Assessment Fee Payment Method: Cost Reimburse

Current Fee Per Unit: \$294.50

Volume: 40 Current revenue \$11,780

Cost of service:	Total	Per Unit	Per unit fees:	Potential total revenues:
Direct labor cost	\$1,251.60	\$31.29	100% recovery	Current
Direct svcs/supplies cost	<u>\$9,900.00</u>	<u>\$247.50</u>	90% recovery	100% recovery
Subtotal	\$11,151.60	\$278.79	80% recovery	90% recovery
Dept'l overhead	38.4%	\$107.06	70% recovery	80% recovery
City-wide overhead	18.2%	<u>\$50.74</u>	60% recovery	70% recovery
Total cost	\$17,463.41	\$436.59	Recommended fee	60% recovery
			% subsidy	Revenue at recommended fee
				Estimated net increase/(decrease)
				\$11,780
				\$17,463
				\$15,717
				\$13,971
				\$12,224
				\$10,478
				\$17,463
				\$5,683

Direct Labor Calculation

Personnel Involved
Community Development Director
Total

Hourly Rate \$41.72
Hours Per unit 0.75

Cost Per Unit
\$31.29
\$31.29

Direct Services/Supplies

Consultant
Total Direct Services

Hourly Rate \$55.00
Hours Per unit 4.50

Cost Per Unit
\$247.50
\$247.50

III. USER FEES

Department: Community Development

Service: Planning—Environmental Impact Report

Work Units: Per Report

Fee Payment Method: Cost Reimburse

Current Fee Per Unit: \$3,403.00

Volume: 2 Current revenue \$6,806

Cost of service:	Per Unit fees:		Potential total revenues:	
	Total	Per Unit	Current	100% recovery
Direct labor cost	\$1,001.28	\$500.64	\$5,004.37	\$10,009
Direct svcs/supplies cost	<u>\$5,390.00</u>	<u>\$2,695.00</u>	\$4,503.94	\$9,008
Subtotal	\$6,391.28	\$3,195.64	\$4,003.50	\$8,007
Dept'l overhead	38.4%	\$1,227.13	\$3,503.06	\$7,006
City-wide overhead	18.2%	<u>\$1,163.21</u>	\$3,002.62	\$6,005
Total cost	\$10,008.74	\$5,004.37	Revenue at recommended fee	\$10,009
			% subsidy	32.00%
			Estimated net increase/(decrease)	\$3,203

Direct Labor Calculation

Personnel Involved	Hourly Rate	Hours Per unit	Cost Per Unit
Community Development Director	\$41.72	12.00	\$500.64
Total			<u>\$500.64</u>

Direct Services/Supplies

Consultant	Hourly Rate	Hours Per unit	Cost Per Unit
Total Direct Services	\$55.00	49.00	\$2,695.00
			<u>\$2,695.00</u>

III. USER FEES

Department: Community Development

Service: Planning—General Plan Amendment

Work Units: Amendment

Fee Payment Method: Cost Reimburse

Current Fee Per Unit: \$2,498.00

Volume: 3 Current revenue \$7,314

Cost of service:	Total	Per Unit	Per unit fees:	Potential total revenues:
Direct labor cost	\$2,611.80	\$870.60	100% recovery \$1,363.36	Current \$7,314
Direct svcs/supplies cost	<u>\$0.00</u>	<u>\$0.00</u>	90% recovery \$1,227.02	100% recovery \$4,090
Subtotal	\$2,611.80	\$870.60	80% recovery \$1,090.69	90% recovery \$3,681
Dept'l overhead 38.4%	\$1,002.93	\$334.31	70% recovery \$954.35	80% recovery \$3,272
City-wide overhead 18.2%	<u>\$475.35</u>	<u>\$158.45</u>	60% recovery \$818.02	70% recovery \$2,863
Total cost	\$4,090.08	\$1,363.36	Recommended fee \$1,363.36	60% recovery \$2,454
			% above cost (44.08%)	Revenue at recommended fee \$4,090
				Estimated net increase/(decrease) (\$3,224)

Direct Labor Calculation

Personnel Involved	Hourly Rate	Hours Per unit	Cost Per Unit
Community Development Director	\$41.72	20.00	\$834.40
Planning Technician	\$18.10	2.00	\$36.20
Total			<u>\$870.60</u>

Direct Services/Supplies

Hours Per unit	Hourly Rate	Cost Per Unit
0.00	\$0.00	\$0.00
		<u>\$0.00</u>

Total Direct Services

III. USER FEES

Department: Community Development

Service: Planning—Planning Commission Interpretation

Work Units: Interpretation

Fee Payment Method: Cost Reimburse

Current Fee Per Unit: \$507.00

Volume: 3 Current revenue \$1,521

Cost of service:	Per Unit		Potential total revenues:	
	Total	Per Unit	Per unit fees:	Current
Direct labor cost	\$375.48	\$125.16	100% recovery	100% recovery
Direct svcs/supplies cost	<u>\$990.00</u>	<u>\$330.00</u>	90% recovery	90% recovery
Subtotal	\$1,365.48	\$455.16	80% recovery	80% recovery
Dept'l overhead	\$524.34	\$174.78	70% recovery	70% recovery
City-wide overhead	<u>\$248.52</u>	<u>\$82.84</u>	60% recovery	60% recovery
Total cost	\$2,138.34	\$712.78	Recommended fee	Revenue at recommended fee
			% subsidy	Estimated net increase/(decrease)
				\$1,521
				\$2,138
				\$1,925
				\$1,711
				\$1,497
				\$1,283

Direct Labor Calculation

Personnel Involved	Hourly Rate	Hours Per unit	Cost Per Unit
Community Development Director	\$41.72	3.00	\$125.16
Total			<u>\$125.16</u>

Direct Services/Supplies

Consultant	Hourly Rate	Hours Per unit	Cost Per Unit
Total Direct Services	\$55.00	6.00	\$330.00
			<u>\$330.00</u>

III. USER FEES

Department: Community Development

Service: Planning—Building Plan Check

Work units: Per Plan Check

Fee payment method: Fee

Current Fee Per Unit: \$0 Volume: 200 Current revenue \$0

Cost of service:	Total	Per Unit	Per unit fees:	Potential total revenues:
Direct labor cost	\$5,430.00	\$27.15	100% recovery	Current \$0
Direct svcs/supplies cost	<u>\$19,250.00</u>	<u>\$96.25</u>	90% recovery	100% recovery \$38,649
Subtotal	\$24,680.00	\$123.40	80% recovery	90% recovery \$34,784
Dept'l overhead	\$9,477.12	\$47.39	70% recovery	80% recovery \$30,919
City-wide overhead	<u>\$4,491.76</u>	<u>\$22.46</u>	60% recovery	70% recovery \$27,054
Total cost	\$38,648.88	\$193.24	Recommended fee	60% recovery \$23,189
			% subsidy	Revenue at recommended fee \$38,649
				Estimated net increase/(decrease) \$38,649

Direct Labor Calculation

Personnel Involved	Hourly Rate	Hours Per unit	Cost Per Unit
Planning Technician	\$18.10	1.50	\$27.15
Total			<u>\$27.15</u>

Direct Services/Supplies

Consultant	Hourly Rate	Hours Per unit	Cost Per Unit
Total Direct Services	\$55.00	1.75	\$96.25
			<u>\$96.25</u>

III. USER FEES

Department: Community Development

Service: Planning—Engineer Estimate Review

Work Units: Per Review

Fee Payment Method: Cost Reimburse

Current Fee Per Unit: \$13.58

Volume: 35 Current revenue \$475

Cost of service:	Total	Per Unit	Per unit fees:	Potential total revenues:
Direct labor cost	\$475.13	\$13.58	100% recovery \$21.26	Current \$475
Direct svcs/supplies cost	<u>\$0.00</u>	<u>\$0.00</u>	90% recovery \$19.13	100% recovery \$744
Subtotal	\$475.13	\$13.58	80% recovery \$17.01	90% recovery \$670
Dept'l overhead 38.4%	\$182.45	\$5.21	70% recovery \$14.88	80% recovery \$595
City-wide overhead 18.2%	<u>\$86.47</u>	<u>\$2.47</u>	60% recovery \$12.76	70% recovery \$521
Total cost	\$744.05	\$21.26	Recommended fee \$21.26	60% recovery \$446
			% subsidy 36.12%	Revenue at recommended fee \$744
				Estimated net increase/(decrease) \$269

Direct Labor Calculation

Personnel Involved
Planning Technician
Total

Hourly Rate \$18.10
Hours Per unit 0.75

Cost Per Unit
\$13.58
\$13.58

Direct Services/Supplies

Hours Per unit 0.00
Hourly Rate \$0.00
Total Direct Services

Cost Per Unit
\$0.00
\$0.00

III. USER FEES

Department: Community Development

Service: Planning—Sign Permit Issuance

Work Units: Per Permit

Fee Payment Method: Cost Reimburse

Current Fee Per Unit: \$155.00

Volume: 4 Current revenue \$620

Cost of service:	Total	Per Unit	Per unit fees:	Potential total revenues:
Direct labor cost	\$72.40	\$18.10	100% recovery	Current
Direct svcs/supplies cost	<u>\$0.00</u>	<u>\$0.00</u>	90% recovery	100% recovery
Subtotal	\$72.40	\$18.10	80% recovery	90% recovery
Dept'l overhead	\$27.80	\$6.95	70% recovery	80% recovery
City-wide overhead	<u>\$13.18</u>	<u>\$3.29</u>	60% recovery	70% recovery
Total cost	\$113.38	\$28.34	Recommended fee	60% recovery
			% above cost	Revenue at recommended fee
				Estimated net increase/(decrease)
				\$113
				(\$507)

Direct Labor Calculation

Personnel Involved
Technician
Total

Hourly Rate \$18.10
Hours Per unit 1.00

Cost Per Unit \$18.10
\$18.10

Direct Services/Supplies

Hourly Rate \$0.00

Hours Per unit 0.00

Cost Per Unit \$0.00
\$0.00

Total Direct Services

III. USER FEES

Department: Community Development

Service: Planning—Site Plan Review

Work Units: Per Review

Fee Payment Method: Cost Reimburse

Current Fee Per Unit: \$3,594.00

Volume: 26

Current revenue \$93,444

Cost of service:	Total	Per Unit	Per unit fees:		Potential total revenues:	
			100% recovery	90% recovery	Current	100% recovery
Direct labor cost	\$2,169.44	\$83.44	\$5,642.99	\$5,078.69	\$146,718	\$146,718
Direct svcs/supplies cost	<u>\$91,520.00</u>	<u>\$3,520.00</u>	\$4,514.39	\$3,950.09	\$132,046	\$117,374
Subtotal	\$93,689.44	\$3,603.44	\$3,385.79		\$102,702	\$88,031
Dept'l overhead	38.4%	\$1,383.72	Recommended fee	\$5,642.99	Revenue at recommended fee	\$146,718
City-wide overhead	18.2%	<u>\$17,051.48</u>	% subsidy	36.31%	Estimated net increase/(decrease)	\$53,274
Total cost	\$146,717.66	\$5,642.99				

Direct Labor Calculation

Personnel Involved
Community Development Director
Total

Hourly Rate \$41.72
Hours Per unit 2.00

Cost Per Unit \$83.44
\$83.44

Direct Services/Supplies

Consultant
Total Direct Services

Hourly Rate \$55.00
Hours Per unit 64.00

Cost Per Unit \$3,520.00
\$3,520.00

III. USER FEES

Department: Community Development

Service: Planning—Temporary Use Permit

Work Units: Per Permit

Fee Payment Method: Fee

Current Fee Per Unit: \$36.00 Volume: 3 Current revenue \$108

Cost of service:	Total	Per Unit	Per unit fees:	Potential total revenues:
Direct labor cost	\$81.45	\$27.15	100% recovery \$42.52	Current 100% recovery \$108
Direct svcs/supplies cost	\$0.00	\$0.00	90% recovery \$38.27	90% recovery \$128
Subtotal	\$81.45	\$27.15	80% recovery \$34.01	80% recovery \$115
Dept'l overhead 38.4%	\$31.28	\$10.43	70% recovery \$29.76	70% recovery \$102
City-wide overhead 18.2%	\$14.82	\$4.94	60% recovery \$25.51	60% recovery \$89
Total cost	\$127.55	\$42.52	Recommended fee \$42.52	Revenue at recommended fee \$128
			% subsidy 15.33%	Estimated net increase/(decrease) \$20

Direct Labor Calculation

Personnel Involved
Planning Technician
Total

Hourly Rate \$18.10 Hours Per unit 1.50

Cost Per Unit \$27.15

Direct Services/Supplies

Hourly Rate \$0.00 Hours Per unit 0.00

Cost Per Unit \$0.00

Total Direct Services

III. USER FEES

Department: Community Development

Service: Planning—Special Use Permit

Work Units: Per Permit

Fee Payment Method: Cost Reimburse

Current Fee Per Unit: \$1,543.25

Volume: 3 Current revenue \$4,630

Cost of service:	Per Unit		Per unit fees:		Potential total revenues:	
	Total	Per Unit	100% recovery	90% recovery	Current	100% recovery
Direct labor cost	\$859.56	\$286.52	\$2,235.89	\$2,012.30	\$4,630	\$6,708
Direct svcs/supplies cost	<u>\$3,423.75</u>	<u>\$1,141.25</u>	\$1,788.71	\$1,565.12	\$6,037	\$5,366
Subtotal	\$4,283.31	\$1,427.77	\$1,341.53		\$4,695	\$4,025
Dept'l overhead 38.4%	\$1,644.79	\$548.26				
City-wide overhead 18.2%	<u>\$779.56</u>	<u>\$259.85</u>				
Total cost	\$6,707.66	\$2,235.89				
			Recommended fee	\$2,235.89	Revenue at recommended fee	\$6,708
			% subsidy	30.98%	Estimated net increase/(decrease)	\$2,078

Direct Labor Calculation

Personnel Involved	Hourly Rate	Hours Per unit	Cost Per Unit
Community Development Director	\$41.72	6.00	\$250.32
Planning Technician	\$18.10	2.00	\$36.20
Total			<u>\$286.52</u>

Direct Services/Supplies

Consultant	Hourly Rate	Hours Per unit	Cost Per Unit
Total Direct Services	\$55.00	20.75	<u>\$1,141.25</u>
			<u>\$1,141.25</u>

III. USER FEES

Department: Community Development

Service: Planning—Variance

Work units: Variance Issued Fee Payment Method: Cost Reimburse

Current Fee Per Unit: \$1,302.50 Volume: 10 Current revenue \$13,025

Cost of service:	Per unit fees:		Potential total revenues:	
	Total	Per Unit	Current	100% recovery
Direct labor cost	\$2,135.10	\$213.51	\$1,906.23	\$19,062
Direct svcs/supplies cost	<u>\$10,037.50</u>	<u>\$1,003.75</u>	\$1,715.61	\$17,156
Subtotal	\$12,172.60	\$1,217.26	\$1,524.98	\$15,250
Dept'l overhead	\$4,674.28	\$467.43	\$1,334.36	\$13,344
City-wide overhead	<u>\$2,215.41</u>	<u>\$221.54</u>	\$1,143.74	\$11,437
Total cost	\$19,062.29	\$1,906.23	Revenue at recommended fee	\$19,062
			% subsidy	Estimated net increase/(decrease)
				\$6,037

Direct Labor Calculation

Personnel Involved	Hourly Rate	Hours Per unit	Cost Per Unit
Comm. Development Director	\$41.72	4.25	\$177.31
Planning Technician	\$18.10	2.00	\$36.20
Total			<u>\$213.51</u>

Direct Services/Supplies

Consultant	Hourly Rate	Hours Per unit	Cost Per Unit
Total Direct Services	\$55.00	18.25	\$1,003.75
			<u>\$1,003.75</u>

III. USER FEES

Department: Community Development

Service: Planning—Parcel Map

Work Units: Maps

Fee Payment Method: Cost Reimburse

Current Fee Per Unit: \$400.00 Volume: 12 Current revenue \$4,800

Cost of service:	Per Unit fees:		Potential total revenues:	
	Total	Per Unit	Current	100% recovery
Direct labor cost	\$217.20	\$18.10	\$449.60	\$5,395
Direct svcs/supplies cost	<u>\$3,228.00</u>	<u>\$269.00</u>	\$404.64	\$4,856
Subtotal	\$3,445.20	\$287.10	\$359.68	\$4,316
Dept'l overhead 38.4%	\$1,322.96	\$110.25	\$314.72	\$3,777
City-wide overhead 18.2%	<u>\$627.03</u>	<u>\$52.25</u>	\$269.76	\$3,237
Total cost	\$5,395.18	\$449.60	Revenue at recommended fee	\$5,395
			% subsidy	Estimated net increase/(decrease)
			11.03%	\$595

Direct Labor Calculation

Personnel Involved
Planning Technician
Total

Hourly Rate \$18.10
Hours Per unit 1.00

Cost Per Unit \$18.10
\$18.10

Direct Services/Supplies

Consultant
Engineering Consultant
Total Direct Services

Hourly Rate \$55.00
Hours Per unit 1.00

Cost Per Unit \$55.00
\$214.00
\$269.00

III. USER FEES

Department: Community Development

Service: Planning—Final Map

Work Units: Maps

Fee Payment Method: Cost Reimburse

Current Fee Per Unit: \$600.00 Volume: 1 Current revenue \$600

Cost of service:	Per Unit fees:		Potential total revenues:	
	Total	Per Unit	Current	100% recovery
Direct labor cost	\$13.58	\$13.58	\$442.51	\$443
Direct svcs/supplies cost	<u>\$269.00</u>	<u>\$269.00</u>	\$398.26	\$398
Subtotal	\$282.58	\$282.58	\$354.01	\$354
Dept'l overhead	38.4%	\$108.51	\$309.76	\$310
City-wide overhead	18.2%	<u>\$51.43</u>	\$265.51	\$266
Total cost	\$442.51	\$442.51	Revenue at recommended fee	\$443
			% above cost (26.25%)	Estimated net increase/(decrease)
				(\$157)

Direct Labor Calculation

Personnel Involved	Hourly Rate	Hours Per unit	Cost Per Unit
Planning Technician	\$18.10	0.75	\$13.58
Total			<u>\$13.58</u>

Direct Services/Supplies

Consultant	Hourly Rate	Hours Per unit	Cost Per Unit
Engineering Consultant	\$55.00	1.00	\$55.00
Total Direct Services			<u>\$214.00</u>
			<u>\$269.00</u>

III. USER FEES

Department: Community Development

Service: Planning—Alley Improvement Map

Work units: Maps

Fee payment method: Cost Reimburse

Current Fee Per Unit: \$300

Volume: 8 Current revenue \$2,400

Cost of service:	Total	Per Unit	Per unit fees:	Potential total revenues:
Direct labor cost	\$108.60	\$13.58	100% recovery	Current
Direct svcs/supplies cost	<u>\$1,712.00</u>	<u>\$214.00</u>	90% recovery	100% recovery
Subtotal	\$1,820.60	\$227.58	80% recovery	90% recovery
Dept'l overhead	\$699.11	\$87.39	70% recovery	80% recovery
City-wide overhead	<u>\$331.35</u>	<u>\$41.42</u>	60% recovery	70% recovery
Total cost	\$2,851.06	\$356.38	Recommended fee	60% recovery
			% subsidy	Revenue at recommended fee
				Estimated net increase/(decrease)

Direct Labor Calculation

Personnel Involved
Planning Technician
Total

Hourly Rate \$18.10
Hours Per unit 0.75

Cost Per Unit \$13.58
\$13.58

Direct Services/Supplies

Engineering Consultant
Total Direct Services

Hourly Rate \$0.00
Hours Per unit 0.00

Cost Per Unit \$214.00
\$214.00

III. USER FEES

Department: Community Development

Service: Planning—Grading Plan

Work Units: Plan

Fee Payment Method: Cost Reimburse

Current Fee Per Unit: \$200.00 Volume: 12 Current revenue \$2,400

Cost of service:	Total	Per Unit	Per unit fees:		Potential total revenues:	
			100% recovery	90% recovery	Current	100% recovery
Direct labor cost	\$162.90	\$13.58	\$251.46	\$226.31	\$2,400	\$3,018
Direct svcs/supplies cost	<u>\$1,764.00</u>	<u>\$147.00</u>	\$201.17	\$176.02	\$2,716	\$2,414
Subtotal	\$1,926.90	\$160.58	\$150.88		\$2,112	\$1,811
Dept'l overhead	\$739.93	\$61.66	Recommended fee	\$251.46	Revenue at	\$3,018
City-wide overhead	<u>\$350.70</u>	<u>\$29.22</u>	% subsidy	20.46%	recommended fee	
Total cost	\$3,017.53	\$251.46			Estimated net	\$618
					increase/(decrease)	

Direct Labor Calculation

Personnel Involved
 Planning Technician
 Total

Hourly Rate	\$18.10	Hours Per unit	0.75	Cost Per Unit	\$13.58
					<u>\$13.58</u>

Direct Services/Supplies

Engineering Consultant
 Total Direct Services

Hourly Rate	\$0.00	Hours Per unit	0.00	Cost Per Unit	\$0.00
					<u>\$147.00</u>
					<u>\$147.00</u>

III. USER FEES

Department: Community Development

Service: Planning—Tentative Parcel Map

Work units: Maps

Fee Payment Method: Cost Reimburse

Current Fee Per Unit: \$550.00 Volume: 12 Current revenue \$6,600

Cost of service:	Total	Per Unit	Per unit fees:	Potential total revenues:
Direct labor cost	\$162.90	\$13.58	100% recovery	Current
Direct svcs/supplies cost	\$2,259.00	\$188.25	90% recovery	100% recovery
Subtotal	\$2,421.90	\$201.83	80% recovery	90% recovery
Dept'l overhead	\$930.01	\$77.50	70% recovery	80% recovery
City-wide overhead	\$440.73	\$36.73	60% recovery	70% recovery
Total cost	\$3,792.70	\$316.06	Recommended fee	60% recovery
			% above cost	Revenue at recommended fee
				Estimated net increase/(decrease)

Direct Labor Calculation

Personnel Involved
 Planning Technician
 Total

Hourly Rate	\$18.10	Hours Per unit	0.75	Cost Per Unit	\$13.58
					\$13.58

Direct Services/Supplies

Engineering Firm
 Consultant
 Total Direct Services

Hourly Rate	\$55.00	Hours Per unit	0.75	Cost Per Unit	\$147.00
					\$41.25
					\$188.25

III. USER FEES

Department: Community Development

Service: Planning—Tentative Map

Work units: Maps

Fee Payment Method: Cost Reimburse

Current Fee Per Unit: \$800.00 Volume: 1 Current revenue \$800

Cost of service:	Per Unit fees:		Potential total revenues:	
	Total	Per Unit	Current	100% recovery
Direct labor cost	\$13.58	\$13.58	\$316.06	\$316
Direct svcs/supplies cost	<u>\$188.25</u>	<u>\$188.25</u>	\$284.45	\$284
Subtotal	\$201.83	\$201.83	\$252.85	\$253
Dept'l overhead 38.4%	\$77.50	\$77.50	\$221.24	\$221
City-wide overhead 18.2%	<u>\$36.73</u>	<u>\$36.73</u>	\$189.63	\$190
Total cost	\$316.06	\$316.06	Revenue at recommended fee	\$316
			% above cost (60.49%)	Estimated net increase/(decrease) (\$484)

Direct Labor Calculation

Personnel Involved	Hourly Rate	Hours Per unit	Cost Per Unit
Planning Technician	\$18.10	0.75	\$13.58
Total			<u>\$13.58</u>

Direct Services/Supplies

Consultant Engineering Firm	Hourly Rate	Hours Per unit	Cost Per Unit
Total Direct Services	\$55.00	0.75	\$41.25
			<u>\$147.00</u>
			<u>\$188.25</u>

III. USER FEES

Department: Community Development

Service: Planning—Pre-application Conference

Work Units: Per Hour

Fee Payment Method: Cost Reimburse

Current Fee Per Unit: \$20.00 Volume: 0 Current revenue: \$0

Cost of service:	Per Unit fees:		Potential total revenues:	
	Total	Per Unit	Current	100% recovery
Direct labor cost	\$0.00	\$41.72	\$151.46	\$136.32
Direct svcs/supplies cost	\$0.00	\$55.00	\$121.17	\$106.02
Subtotal	\$0.00	\$96.72	\$90.88	\$70.00
Dept'l overhead 38.4%	\$0.00	\$37.14	\$151.46	\$116.88
City-wide overhead 18.2%	\$0.00	\$17.60	86.80%	Estimated net increase/(decrease)
Total cost	\$0.00	\$151.46		

Direct Labor Calculation

<u>Personnel Involved</u>	Hourly Rate	Hours Per unit	Cost Per Unit
Community Development Director	\$41.72	1.00	\$41.72
Total			<u>\$41.72</u>

Direct Services/Supplies

<u>Consultant</u>	Hourly Rate	Hours Per unit	Cost Per Unit
Total Direct Services	\$55.00	1.00	\$55.00
			<u>\$55.00</u>

III. USER FEES

Department: Community Development

Service: Planning—Rezoning

Work units: Per Review

Fee Payment Method: Cost Reimburse

Current Fee Per Unit: \$2,867.50 Volume: 0 Current revenue: \$0

Cost of service:	Total	Per Unit	Per unit fees:		Potential total revenues:	
			100% recovery	90% recovery	Current	100% recovery
Direct labor cost	\$0.00	\$938.70	\$3,881.64	\$3,493.48	\$0	\$0
Direct svcs/supplies cost	\$0.00	\$1,540.00	\$3,105.32	\$2,717.15	\$0	\$0
Subtotal	\$0.00	\$2,478.70	\$2,328.99		\$0	\$0
Dept'l overhead	\$0.00	\$951.82	Recommended fee	\$3,881.64	Revenue at	\$0
City-wide overhead	\$0.00	\$451.12	% subsidy	26.13%	recommended fee	
Total cost	\$0.00	\$3,881.64			Estimated net	\$0
					increase/(decrease)	\$0

Direct Labor Calculation

<u>Personnel Involved</u>	Hourly Rate	Hours Per unit	Cost Per Unit
Community Development Director	\$41.72	22.50	\$938.70
Total			<u>\$938.70</u>

Direct Services/Supplies

<u>Consultant</u>	Hourly Rate	Hours Per unit	Cost Per Unit
Total Direct Services	\$55.00	28.00	\$1,540.00
			<u>\$1,540.00</u>

III. USER FEES

Department: Public Safety

Service: DUI Response

Work Units: Per Hour

Fee Payment Method: Fee

Current Fee Per Unit: \$0.00 Volume: 23 Current revenue \$0

Cost of service:	Total	Per Unit	Per unit fees:	Potential total revenues:	\$0
Direct labor cost	\$3,492.55	\$151.85	100% recovery	\$223.07	100% recovery
Direct svcs/supplies cost	<u>\$0.00</u>	<u>\$0.00</u>	90% recovery	\$200.76	90% recovery
Subtotal	\$3,492.55	\$151.85	80% recovery	\$178.45	80% recovery
			70% recovery	\$156.15	70% recovery
			60% recovery	\$133.84	60% recovery
Dept'l overhead	\$1,002.36	\$43.58	Recommended fee	\$223.07	Revenue at recommended fee
City-wide overhead	<u>\$635.64</u>	<u>\$27.64</u>	% subsidy	100.00%	Estimated net increase/(decrease)
Total cost	\$5,130.56	\$223.07			\$5,131

Direct Labor Calculation

<u>Personnel Involved</u>	<u>Hourly Rate</u>	<u>Hours Per unit</u>	<u>Cost Per Unit</u>
Public Services Director	\$51.61	1.00	\$51.61
Fire Captain	\$37.74	1.00	\$37.74
Fire Engineer	\$33.37	1.00	\$33.37
Fire Fighter	\$29.13	1.00	\$29.13
Total			<u><u>\$151.85</u></u>

Direct Services/Supplies

<u>Hourly Rate</u>	<u>Hours Per unit</u>	<u>Cost Per Unit</u>
\$0.00	0.00	\$0.00
		<u><u>\$0.00</u></u>

Total Direct Services

III. USER FEES

Department: Public Safety

Service: False Alarm Response (Fire)

Work Units: Per Hour

Fee Payment Method: None

Current Fee Per Unit: \$0.00 Volume: 70 Current revenue: \$0

Cost of service:	<u>Total</u>	<u>Per Unit</u>	Per unit fees:	Potential total revenues:	\$0
Direct labor cost	\$10,629.50	\$151.85	100% recovery	100% recovery	\$15,615
Direct svcs/supplies cost	<u>\$0.00</u>	<u>\$0.00</u>	90% recovery	90% recovery	\$14,053
Subtotal	\$10,629.50	\$151.85	80% recovery	80% recovery	\$12,492
Dept'l overhead	\$3,050.67	\$43.58	70% recovery	70% recovery	\$10,930
City-wide overhead	<u>\$1,934.57</u>	<u>\$27.64</u>	60% recovery	60% recovery	\$9,369
Total cost	\$15,614.74	\$223.07	Recommended fee	Revenue at recommended fee	\$15,615
			% subsidy	Estimated net increase/(decrease)	\$15,615

Direct Labor Calculation

<u>Personnel Involved</u>	<u>Hourly Rate</u>	<u>Hours Per unit</u>	<u>Cost Per Unit</u>
Public Services Director	\$51.61	1.00	\$51.61
Fire Captain	\$37.74	1.00	\$37.74
Fire Engineer	\$33.37	1.00	\$33.37
Fire Fighter	\$29.13	1.00	\$29.13
Total			<u>\$151.85</u>

Direct Services/Supplies

<u>Hourly Rate</u>	<u>Hours Per unit</u>	<u>Cost Per Unit</u>
\$0.00	0.00	\$0.00
		<u>\$0.00</u>

Total Direct Services

III. USER FEES

Department: Public Safety

Service: Public Safety—Bicycle Licensing

Work units: Per License

Fee payment method: Fee

Current Fee Per Unit: \$1 Volume: 200 Current revenue \$200

Cost of service:	Total	Per Unit	Per unit fees:	Potential total revenues:
Direct labor cost	\$616.80	\$3.08	100% recovery	Current
Direct svcs/supplies cost	<u>\$0.00</u>	<u>\$0.00</u>	90% recovery	100% recovery
Subtotal	\$616.80	\$3.08	80% recovery	90% recovery
Dept'l overhead	\$177.02	\$0.89	70% recovery	80% recovery
City-wide overhead	<u>\$112.26</u>	<u>\$0.56</u>	60% recovery	70% recovery
Total cost	\$906.08	\$4.53	Recommended fee	60% recovery
			% subsidy	Revenue at recommended fee
				Estimated net increase/(decrease)

Direct Labor Calculation

Personnel Involved
Clerk
Total

Hourly Rate	\$15.42	Hours Per unit	0.20	Cost Per Unit	\$3.08
					<u>\$3.08</u>

Direct Services/Supplies

Hourly Rate \$0.00
Total Direct Services

Hours Per unit	0.00	Cost Per Unit	\$0.00
			<u>\$0.00</u>

III. USER FEES

Department: Public Safety

Business License Review (Fire Only)

Work units: Per Applicant Fee payment method: License

Current Fee Per Unit: \$0 Volume: 0 Current revenue \$0

Cost of service:	Total	Per Unit	Per unit fees:	Potential total revenues:
Direct labor cost	\$0.00	\$4.63	100% recovery	Current \$0
Direct svcs/supplies cost	<u>\$0.00</u>	<u>\$0.00</u>	90% recovery	100% recovery \$0
Subtotal	\$0.00	\$4.63	80% recovery	90% recovery \$0
Dept'l overhead	\$0.00	\$1.33	70% recovery	80% recovery \$0
City-wide overhead	<u>\$0.00</u>	<u>\$0.84</u>	60% recovery	70% recovery \$0
Total cost	\$0.00	\$6.80	Recommended fee	60% recovery \$0
			% subsidy	Revenue at recommended fee \$0
				Estimated net increase/(decrease) \$0

Direct Labor Calculation

<u>Personnel Involved</u>	Hourly Rate	Hours Per unit	Cost Per Unit
Clerk	\$15.42	0.30	\$4.63
Total			<u>\$4.63</u>

Direct Services/Supplies

Hourly Rate	Hours Per unit	Cost Per Unit
\$0.00	0.00	\$0.00
		<u>\$0.00</u>

Total Direct Services

III. USER FEES

Department: Public Safety

Public Safety—Underground Tank Planning & Inspection

Work units: Per Inspection

Fee Payment Method: Fee

Current Fee Per Unit: \$28.00 Volume: 0 Current revenue: \$0

Cost of service:	Total	Per Unit	Per unit fees:	Potential total revenues:
Direct labor cost	\$0.00	\$100.24	100% recovery	Current
Direct svcs/supplies cost	\$0.00	\$0.00	90% recovery	100% recovery
Subtotal	\$0.00	\$100.24	80% recovery	90% recovery
Dept'l overhead	\$0.00	\$28.77	70% recovery	80% recovery
City-wide overhead	\$0.00	\$18.24	60% recovery	70% recovery
Total cost	\$0.00	\$147.25	Recommended fee	60% recovery
			% subsidy	Revenue at recommended fee
				Estimated net increase/(decrease)

Direct Labor Calculation

Personnel Involved	Hourly Rate	Hours Per unit	Cost Per Unit
Fire Captain	\$37.74	1.00	\$37.74
Fire Engineer	\$33.37	1.00	\$33.37
Fire Fighter	\$29.13	1.00	\$29.13
Total			<u>\$100.24</u>

Direct Services/Supplies

Hourly Rate	Hours Per unit	Cost Per Unit
\$0.00	0.00	\$0.00
		<u>\$0.00</u>

Total Direct Services

III. USER FEES

Department: Public Works

Service: Public Works—Repair in Public ROW Inspection

Work Units: Per Inspection Fee Payment Method: None

Current Fee Per Unit:	\$0.00	Volume:	156	Current revenue	\$0
Cost of service:	Total	Per Unit	Potential total revenues:		
Direct labor cost	\$3,981.12	\$25.52	100% recovery	Current	\$0
Direct svcs/supplies cost	\$0.00	\$0.00	90% recovery	100% recovery	\$6,091
Subtotal	\$3,981.12	\$25.52	80% recovery	90% recovery	\$5,482
Dept'l overhead	\$1,385.43	\$8.88	70% recovery	80% recovery	\$4,873
City-wide overhead	\$724.56	\$4.64	60% recovery	70% recovery	\$4,264
Total cost	\$6,091.11	\$39.05	Recommended fee	60% recovery	\$3,655
			100.00%	Revenue at recommended fee	\$6,091
			% subsidy	Estimated net increase/(decrease)	\$6,091

Direct Labor Calculation

<u>Personnel Involved</u>	Hourly Rate	Hours Per unit	Cost Per Unit
Street Supervisor	\$25.52	1.00	\$25.52
Total			<u>\$25.52</u>

Direct Services/Supplies

Hourly Rate	Hours Per unit	Cost Per Unit
\$0.00	0.00	\$0.00
		<u>\$0.00</u>

Total Direct Services

III. USER FEES

Department: City Clerk

Service: Agenda/Staff Report Subscription

Work units: Per Subscription Fee payment method: Fee

Current Fee Per Unit: \$56 Volume: 7 Current revenue \$392

Cost of service:	Total	Per Unit	Per unit fees:	Potential total revenues:
Direct labor cost	\$512.90	\$73.27	100% recovery	Current
Direct svcs/supplies cost	\$210.00	\$30.00	90% recovery	100% recovery
Subtotal	\$722.90	\$103.27	80% recovery	90% recovery
Dept'l overhead	\$0.00	\$0.00	70% recovery	80% recovery
City-wide overhead	\$131.57	\$18.80	60% recovery	70% recovery
Total cost	\$854.47	\$122.07	Recommended fee	60% recovery
			% subsidy	Revenue at recommended fee
				Estimated net increase/(decrease)

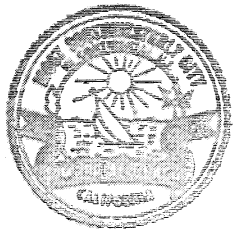
Direct Labor Calculation

<u>Personnel Involved</u>	Hourly Rate	Hours Per unit	Cost Per Unit
City Clerk	\$30.53	2.40	\$73.27
Total			<u>\$73.27</u>

Direct Services/Supplies

Postage	Rate	Number Per Year	Average Pages	Cost Per Unit
Reproduction	\$0.65	24		\$15.60
Total Direct Services	\$0.04	24	15	\$14.40
				<u>\$30.00</u>

Appendix C
City of Imperial Beach Response
to User Fee Study



City of Imperial Beach, California

OFFICE OF THE CITY MANAGER

Ronald C. Jack

December 12, 1990

Kurt R. Sjoberg, Acting Auditor General
Office of the Auditor General
660 "J" Street, Suite 300
Sacramento, California 95814

Dear Mr. Sjoberg:

The City has reviewed the "City of Imperial Beach User Fee Study," prepared under contract by Ernst and Young. The City staff worked very closely with Ernst and Young and agrees with the report. Thus no additional comments have been made.

Thank you for the opportunity to review this report.

Sincerely,

Ronald C. Jack
City Manager

RCJ:lb

cc: Members of the Legislature
Office of the Governor
Office of the Lieutenant Governor
State Controller
Legislative Analyst
Assembly Office of Research
Senate Office of Research
Assembly Majority/Minority Consultants
Senate Majority/Minority Consultants
Capitol Press Corps