



Legislation Text

File #: 14-0567, **Version:** 1

Resolution to Approve Fiscal Year 2015 Fee Adjustments for the Community Services Area Attached for your consideration and approval is the resolution authorizing fee adjustments for FY 2015. Each year, in conjunction with the preparation of the budget, Service Units review fee revenues to determine if the costs of the services rendered are either covered by the fees or are appropriate in relation to comparative data.

When determining cost to serve, Service Units take into account increases in expenses such as labor, materials and supplies, equipment, and overhead costs. Some Service Unit costs to serve analysis resulted in an increase from the prior fiscal year and the recommended increase in fees reflects this.

Community Services is proposing fee increases in Parks and Recreation Services for stall fees at the Ann Arbor Public Market. Market fees were last increased in 2009 and have not kept pace with the overall increase of annual operating costs during this same time period. Additionally, in reviewing comparative data, the Ann Arbor Public Market is well below the average fees charged at comparable markets. Budgeted revenues for Parks and Recreation Services do not include revenues based upon proposed fee changes. The submitted budget uses funds designated on the General Fund balance sheet that the Market accrued while operating as an Enterprise fund as a revenue source in order to match budgeted revenues with budgeted expenditures. If the proposed fees are approved, then revenue for stall rentals would increase and use of these designated funds would decrease by the same amount.

Attached are the recommended fee change proposals, comparative fee data, and supporting resolution from the Public Market Advisory Commission for Parks and Recreation Services. Staff is recommending that Council approve these fee changes. The Public Market Advisory Commission unanimously recommended approval of the fee proposals at their March 20, 2014 meeting. A recommendation from the Park Advisory Commission on Parks and Recreation fees will be provided in a separate communication to Council.

Prepared by: Sumedh Bahl, Community Services Area Administrator

Reviewed by: Steven D. Powers, City Administrator

Whereas, All Service Units of the City review their fees each year as part of the budget process;

Whereas, Parks and Recreation Services have reviewed fees as part of the 2015 budget submittal; and

Whereas, Adjustment to selected fees is proposed based upon the cost of providing services or remaining competitive with the market;

RESOLVED, That fees for Parks and Recreation Services be adjusted according to the attached schedule;

RESOLVED, That the attached fee schedule become effective according to the dates in the attached schedule; and

RESOLVED, That City Council authorizes the City Administrator to take necessary administrative actions to implement this resolution.