

STAFF REPORT

To: Mayor and City Council Date: March 25, 2014
Via: Gary Jackson, City Manager
From: Barbara Whitehorn, Finance and Management Services Director
Prepared by: Tony McDowell, Budget Manager
Subject: Proposed FY 2014-15 Fees

Summary Statement: The consideration of proposed fee adjustments for the Fiscal Year 2014-2015.

Review: The major types of revenue available to North Carolina counties and municipalities are local taxes (including property taxes); local fees, charges and assessments; and intergovernmental and miscellaneous revenue. Local governments have increasingly looked for appropriate opportunities to implement local fees and charges because they have the advantage of aligning service provision directly with payment; therefore, the person or entity receiving the benefit of a service pays for the service. In Asheville, these fees make up about 10% of the City's General Fund revenue and 36% of city-wide revenue. These fees generally fall into three major categories: general user fees and charges; regulatory fees, and; public enterprise fees and charges.

Proposed FY 2014-15 Fee Changes:

1. *Minor Changes in Most Funds.* Staff is recommending minor changes to fees in several funds, including the General Fund. The total additional revenue generated from the changes in each fund is summarized below.

Fund	Additional Revenue
General Fund	\$73,000
Transit Services Fund	\$50,000
US Cellular Center Fund	\$38,500
Parking Services Fund	\$8,600

2. *Continue Planned Annual Water Adjustments.* Based on the financial analysis completed last fiscal year, staff is proposing the following rate adjustments in the Water Resources Fund.

- Single Family, Multi-Family, Small Commercial/Manufacturer: 1.6% increase
- Large Commercial/Manufacturer (>1,000 CCF/month): 3.4% increase
- Wholesale & Irrigation: 4% increase

These changes will produce approximately \$458,000 in additional revenue in the Water Resources Fund.

3. *Stormwater Rate Adjustments.* TBD

A full summary and analysis of the proposed fees and charges is attached.

Attachment: Fees & Charges Packet