

# FY 2024/25 Fees and Charges Update

#### **Finance Department**

City Council April 22, 2025

RiversideCA.gov

Backgrou	nd	
<ul> <li>2015: Last citywide fees and charges study</li> </ul>	Effective Date	Rate Increase
• 2021: Fees and charges study initiated	7/1/2016 7/1/2017	0% 0%
<ul> <li>2022: Study placed on hold pending new City Manager</li> </ul>	7/1/2018 7/1/2019	0%
2023: 7.5% CPI increase adopted	7/1/2020	0%
pending completion of the study	7/1/2021 7/1/2022	0% 0%
<ul> <li>2023-2024: Fee study refreshed with updated data. Excluding most</li> </ul>	7/1/2023	7.5%
developer fees, the City Council adopted recommended fee increases.	No Fee In from FY 20	
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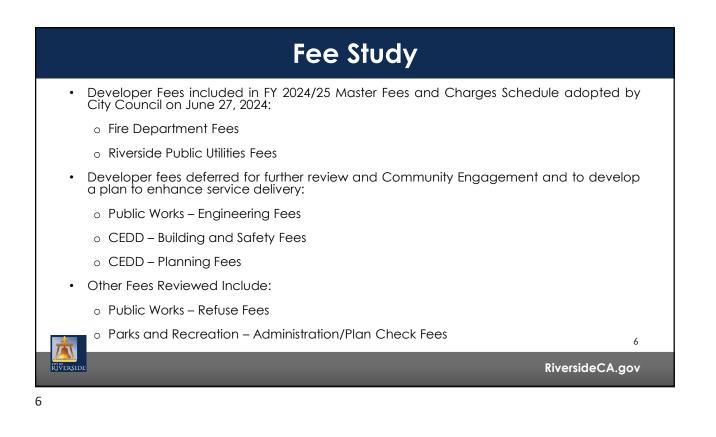
## What are User Fees?

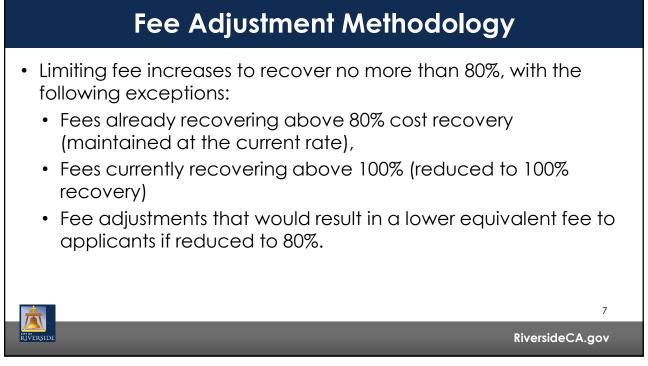
- Recover costs of programs that provide direct benefit to an individual or business requesting a specific service.
- **Reduce subsidies** from general purpose revenues, primarily taxpayer dollars
- May not exceed the estimated "reasonable" cost of providing service activity



Purpose & MethodologyTypical Fee Composition• Performed every 3 - 5 yearsDirect Costs• Determine the "reasonable" full cost of providing services- Direct Labor• Up to 100% of the full cost may be recovered- Material Costs• Comparison Studies- Operational Costs	What is a Fee Study?
- Human Resources	Direct Costs"reasonable" full cost"reasonable" full cost- 3rd Party Costsrvices- Material Coststhe full cost may beDepartmentOverheadudiesgagementmed decision makingCity's goals andCity's goals and- Human Resources

Ke	y Factors Behind Fee Adjustments Identified in the Study
• (	Cost Increases
	<ul> <li>Rising operating and personnel costs since the 2015 fee study, driven by inflation.</li> </ul>
	<ul> <li>Including direct costs for materials and equipment previously excluded.</li> </ul>
۰F	ee Recovery Policy
	<ul> <li>Shift toward higher cost recovery to reduce reliance on general revenue subsidies.</li> </ul>
• \$	taffing Changes
	<ul> <li>Adjustments in staffing levels, time estimates, or positions required to deliver services.</li> </ul>
• \$	ervice Delivery Changes
	<ul> <li>Streamlined methods reducing staff time for some services, resulting in lower fees.</li> </ul>

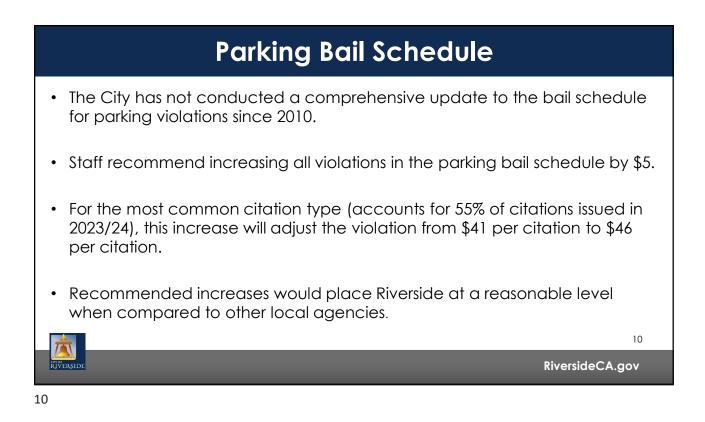




#### Study Finding by Department/Division/Fund

				Curre	ent				Recor	nmeno	ded	
User Fee Department	(	A) Full Cost User Fee Services	(B)	Current Rev	enue	(	C) Current Sub	sidy	(D) Cost Recov Policy	ery		) Increased Revenue
Community Development												
Building and Safety	\$	4,659,728	\$	3,713,600	80%	\$	946,128	20%	\$ 4,192,290	90%	\$	478,690
Planning	\$	1,929,291	\$	1,202,682	62%	\$	726,609	38%	\$ 1,492,953	77%	\$	290,271
Public Works												
Engineering and Maintenance	\$	4,479,117	\$	2,860,909	64%	\$	1,618,208	36%	\$ 3,701,894	83%	\$	840,985
Parks, Recreation, & Comm Svcs												
Plan Check Fees	\$	31,298	\$	-	0%		31,298	100%	\$ 25,038	80%	\$	25,038
Totals:	\$	11,099,434	\$	7,777,191	70%	\$	3,322,243	30%	\$ 9,412,175	85%	\$	1,634,984
				7,777,191			3,322,243					1,634,984
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User Fee Department		No. of Fees Increased	No. of Fees Decreased	No. of Fees with No Change	No. of Fees Added	No. of Fees Removed
Community Development						
Building and Safety		79	6	29	53	2
Planning		54	5	11	6	7
Public Works						
Engineering and Maintenance		217	5	39	20	1
Refuse		0	0	0	31	0
Parks, Recreation, & Comm Svc	s					
Plan Check		0	0	0	13	0
т	otals:	350	16	79	123	10







## RECOMMENDATIONS

That the City Council:

- 1. Conduct a public hearing on the City of Riverside's Proposed Fiscal Year 2024/25 Master Fees and Charges Schedule; and
- 2. Introduce and subsequently adopt an ordinance amending the Riverside Municipal Code (RMC) Chapter 3.30 Section 3.30.030 Schedule of Regulation, Products and Services, subsection IV Community and Economic Development, to delete one category titled Day Care Permit Review, and subsection XIV Utilities and Enterprises Refuse to add two additional categories titled Supplemental Residential Waste Services and Supplemental Commercial Waste Services, and add subsection XX Administration and Community Development Support Parks and Recreation, to add three categories titled Planning Case Review, Public Works Permit Plan Check and Inspection, and Building Permit Plan Check and Inspection.

