



CITYWIDE USER FEES AND CHARGES STUDY

Finance Department

Budget Engagement Commission
November 18, 2021

RiversideCA.gov

1

Background

- Primary goal of fee study: Realignment of cost of service with the individual receiving the benefit of the service.
- Governing Legislation
 - California Constitution
 - Riverside Municipal Code
- Frequency: 3-5 years
- Current study began in March 2021
 - Last study completed in 2016



2

RiversideCA.gov

2

Why are Fees Charged and How is the Fee Amount Set?

- When the cost and benefit of a service can be identified to a specific user.
- Ideally, a fee is set to 100% cost recovery
 - General revenues subsidize the cost when cost recovery is less than 100%
- Some fees may be set below 100% cost recovery to ensure accessibility to all or promote certain strategic priorities.
- Other fees may be set to 100% cost recovery because the primary benefit is to the individual seeking the service.



3

RiversideCA.gov

3

What Does a Fee Study Entail?

- Identify and document the cost of providing a service.
- Conduct a comparative survey with similar agencies.
- Recommend new fees and adjustments to existing fees, considering equity, City strategic priorities, and the appropriateness of a subsidy.
- Comprehensive community engagement.



4

RiversideCA.gov

4

Status of Fee Study

- Cost of service identified for existing fees and new proposed fees.
- Staff's preliminary recommendations for revised fee levels documented (to be updated following community engagement).
- Comparative study is underway
- Staff is developing a comprehensive community engagement strategy.



5

RiversideCA.gov

5

Next Steps

- Community Engagement, incorporation of feedback into recommendations
- Boards/Committees, incorporation of feedback into recommendations
- City Council
 - Proposed fees in May 2022
 - Fee adoption in June 2022
- Mid-year budget adjustments, if applicable



6

RiversideCA.gov

6

STRATEGIC PLAN ALIGNMENT

Envision Riverside 2025 Strategic Plan Priorities



#5 High Performing Government

Cross-Cutting Threads



Community
Trust



Fiscal
Responsibility



Sustainability &
Resiliency



Equity



Innovation



7

RiversideCA.gov

7

Recommendation

That the Budget Engagement Commission receive and provide feedback on a comprehensive user fees and charges study.



8

RiversideCA.gov

8