

Memorandum



CITY OF DALLAS

DATE July 31, 2015

TO Members of the Budget, Finance & Audit Committee: Jennifer S. Gates (Chair), Philip T. Kingston (Vice Chair), Deputy Mayor Pro Tem Erik Wilson, Rickey D. Callahan, Scott Griggs, Lee Kleinman

SUBJECT Fiscal Year 2015-16 Proposed Fee Adjustments

On August 3, 2015 the Budget, Finance and Audit Committee will be briefed on Fiscal Year 2015-16 Proposed Fee Adjustments. The briefing will be presented by Jack Ireland, Director of the Office of Financial Services. The briefing is attached for your review.

Please let me know if you need additional information.


Jeanne Chipperfield
Chief Financial Officer

c: Honorable Mayor and Members of City Council
A.C. Gonzalez, City Manager
Warren M.S. Ernst, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager

Jill A. Jordan, P.E., Assistant City Manager
Joey Zapata, Assistant City Manager
Mark McDaniel, Assistant City Manager
Eric D. Campbell, Assistant City Manager
Sana Syed, Public Information Officer
Jack Ireland, Director, Office of Financial Services
Elsa Cantu, Assistant to the City Manager



Fiscal Year 2015-16 Proposed Fee Adjustments

BUDGET, FINANCE AND AUDIT COMMITTEE

AUGUST 3, 2015



Purpose

- ▶ Provide overview of fee study conducted during FY 2014-15 by MGT of America, Inc.
- ▶ Review proposed fee adjustments for FY 2015-16 as a result of the study

Background

- ▶ City's Financial Management Performance Criteria (FMPC) #15 requires:
 - An annual review of selected fees and charges to be conducted to determine the extent to which the full cost of associated services is being recovered
 - Fees and charges to be reviewed at least once every four years
- ▶ City has contracted with MGT of America, Inc. for fee/cost recovery study
 - FY 2014-15 is MGT's 3rd year as consultant

FY 2014-15 – Fee Study

- ▶ Fee study conducted during FY 2014-15 included following departments:
 - Code Compliance – 57 fees
 - Dallas Fire-Rescue – 90 fees
 - Park and Recreation – 5 fees
- ▶ Study is comprised of fully burdened hourly rates that incorporate all associated costs including staff salary, benefit, materials, tools, equipment, and supplies etc.
- ▶ Total cost is recognized as sum of direct cost and proportional share of allowable indirect costs
- ▶ MGT calculated cost of providing each service, both on per-unit and total annual basis

- ▶ Cost centers and programs included in fee study:
 - Animal Services
 - Boarding Homes
 - Demolition
 - Food Protection
 - Neighborhood Code
 - Nuisance Abatement



FY 2014-15 Fee Study – Code Compliance

- ▶ Current cost recovery level for studied Code Compliance services is 62%
- ▶ Recommended fee adjustments would reduce revenue by \$598,000, primarily due to reduction in multi-tenant registration fee
- ▶ Total revenue impact of proposed fee adjustment for FY 2015-16 is \$704,000 reduction
 - Proposed FY 2015-16 fee adjustments do not include consultant's recommended Garage Sales Permit fee increase (removed based on Council feedback)

FY 2014-15 Fee Study – Park & Recreation

- ▶ Cost centers and programs included in fee study:
 - Recreation Center After Hour Reservations
 - Field Rental
 - Picnic Pavilions/Outdoor Weddings
 - Winfrey Point/Big Thicket Rentals
 - Pool Admissions

- ▶ Current cost recovery level for above services is 27%

- ▶ No proposed fee adjustment for FY 2015-16

- ▶ Park & Recreation staff consulted with Park Board and is currently undertaking a benchmark study
 - Once completed, pricing adjustments will be considered

FY 2014-15 Fee Study – Dallas Fire-Rescue

- ▶ Cost centers and programs included in fee study:
 - Emergency Medical Services
 - Fire Inspection
- ▶ Cost recovery level for above services identified in study is 19%
- ▶ DFR reviewed consultant's recommendations and also benchmarked proposed rates against surrounding cities
- ▶ Proposed fee adjustments will increase revenue by \$5,329,000

FY 2013-14 Fee Study – Used Car Lot Registration Fee

- ▶ Fee study on used car lot registration was conducted in FY 2013-14
- ▶ Cost recovery level identified in fee study was 60% for Used Car Lot Registration Fee
- ▶ Four year phased in fee adjustment to bring rates to full cost recovery level recommended in FY 2014-15 budget
- ▶ After further review of services, elimination of inspection and fee is recommended
- ▶ Public Works is scheduled to brief Quality of Life Committee on August 10th regarding possible elimination of this fee and services
 - Eliminating program will reduce revenue by \$54,000 and expenditures by \$58,000

FY 2015-16 Proposed Fee Adjustment Summary

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- ▶ Code Compliance – revenue decrease \$704,000
- ▶ Park & Recreation – No adjustments
- ▶ Dallas Fire-Rescue – revenue increase \$5,329,000
- ▶ Public Works
 - Revenue decrease \$54,000



Questions?

An aerial photograph of a city skyline, likely San Francisco, featuring a prominent construction site in the foreground with a tall crane and a building under construction. The skyline includes several skyscrapers, including the Transamerica Pyramid. The image is overlaid with a green horizontal bar at the top and a blue gradient background for the text.

Appendix: Fee Review

#	Fee Name	Current Fee per Unit	Full Cost per Unit	Proposed Fee per Unit	Revenue Impact
Code Compliance					
1	Commercial Vacant Bldg Registration	\$75	\$73	\$73	-\$36
2	Multi-Tenant Reinspection Fee (Admin Failure)	\$20	\$87	\$87	\$94,872
3	Multi-Tenant Reinspection Fee (Exterior)	\$50	\$20	\$20	-\$90,487
4	Multi-Tenant Registration Fee	\$10	\$6	\$6	-\$1,029,708
5	Scrap Tire License	\$315	\$75	\$75	-\$117,132
6	Scrap Tire Decal	\$30	\$75	\$75	\$10,594
7	Scrap Tire - Duplicate License Fee	\$10	\$32	\$32	\$267
8	Electronic Repair License	\$175	\$72	\$72	-\$3,822
9	Home Repair License	\$100	\$68	\$68	-\$59,832
10	Motor Vehicle Repair	\$200	\$75	\$75	-\$134,247
11	Wood Vendor	\$75	\$64	\$64	-\$54
12	Public Swimming Pool Permit Fee	\$175	\$47	\$47	-\$191,579
13	Swimming Pool Manager Certificate Fee	\$40	\$31	\$31	-\$5,151
14	Swimming Pool Manager Certificate Fee	\$60	\$31	\$31	-\$1,143
15	Commercial Swimming Pool Reinspect		\$43	\$43	\$6,521
16	Teach Pool Class		\$16	\$16	\$9,526
17	Pet Registration - Altered - Dog	\$7	\$7	\$7	\$4,283
18	Pet Registration - Altered - Cat	\$7	\$7	\$7	\$1,191
19	Pet Registration - Unaltered - Dog	\$30	\$7	\$30	\$0
20	Pet Registration - Unaltered - Cat	\$30	\$7	\$30	\$0
21	Intact Permit	\$70	\$13	\$100	\$25,470
22	Garage Sales Permit Fee	\$25	\$36	\$36	\$105,723
23	Non-Owner Occupied Registration Fee	\$25	\$17	\$17	-\$22,070
24	Non-Owner Occupied Re-Inspection Fee	\$50	\$19	\$19	\$0
25	Demolition Service Fee - Admin Fee		\$138	\$138	\$154,764
26	Credit Access Business Registration Fee	\$50	\$76	\$76	\$5,528
27	Weeds/Litter/Mowing (Nuisance Abatement)		\$122	\$122	\$0
28	Weeds/Litter/Mowing Administrative Fee (Rev & Coll)		\$19	\$19	\$144,358
29	Heavy Clean (Nuisance Abatement)		\$122	\$122	\$0
30	Heavy Clean (Rev & Coll)		\$19	\$19	\$41,240
31	Secure Closure - Liens (Nuisance Abatement)		\$122	\$122	\$0
32	Secure Closure - Liens (Rev & Coll)		\$19	\$19	\$20,620
33	Dangerous Dog License	\$50	\$15	\$50	\$0
34	Competition License	\$30	\$16	\$30	\$0
35	License Health Age	\$30	\$14	\$30	\$0

#	Fee Name	Current Fee per Unit	Full Cost per Unit	Proposed Fee per Unit	Revenue Impact
Code Compliance					
36	License Puppy/Kitten	\$30	\$14	\$30	\$0
37	Group Housing Permit	\$500	\$1,900	\$500	\$0
38	Group Housing Reinspection Fee	\$50	\$743	\$50	\$0
39	Multi-Tenant Re-Inspection Fee (Unit)	\$30	\$46	\$46	\$173,099
40	Multi-Tenant Reinspection Fee (Pool)		\$22	\$22	\$3,075
41	Adoption (Dog)	\$85	\$229	\$85	\$0
42	Adoption (Cat)	\$55	\$208	\$55	\$0
43	Animal Control Administrative Fee (Boarding)	\$10	\$67	\$15	\$25,290
44	Animal Control Fee (Impounded by City)	\$27	\$128	\$50	\$34,500
45	Animal Control Fee (other than city employee)	\$7	\$68	\$50	\$72,154
46	Microchip	\$15	\$21	\$15	\$0
47	Annual Permit(regulated animal)	\$500	\$284	\$500	\$0
48	Temp Permit	\$100	\$284	\$250	\$750
49	Rabies Vaccination	\$10	\$19	\$19	\$14,654
50	Surgery (Dog)	\$60	\$139	\$139	\$83,001
51	Surgery (Cat)	\$40	\$139	\$139	\$6,164
52	Treatment (Vacc & Antibiotics)	\$55	\$5	\$55	\$0
53	Fecal Exam	\$25	\$19	\$19	-\$202
54	Flea Treatments	\$25	\$4	\$15	-\$360
55	Euthanasia and Lab Supplies \$2/per animal	\$20	\$21	\$25	\$180
56	Pictures of animals submitted to court	\$20	\$5	\$20	\$0
57	Medical Exams w/cruelty	\$50	\$251	\$250	\$20,000
Total Code Compliance					-\$597,999

#	Fee Name	Current Fee per Unit	Full Cost per Unit	Proposed Fee per Unit	Revenue Impact
Dallas Fire Rescue					
58	Emergency Medical Services (EMS) Transport - Resident (charge)	\$800	\$1,578	\$1,485	\$2,052,827
59	Emergency Medical Services (EMS) Transport - Non-Resident (charge)	\$900	\$1,578	\$1,578	\$972,851
60	Amusement Building (permit)	\$135	\$528	\$150	\$75
61	Asphalt (tar) kettles (permit)	\$95	\$199	\$199	\$520
62	Candle and Open Flames (permit)	\$95	\$258	\$125	\$4,500
63	Carnivals and Fairs, per day (permit)	\$160	\$428	\$200	\$80
64	Combustible Storage - misc. (permit)	\$150	\$348	\$250	\$7,500
65	Commercial Cooking Fire-Extinguisher System (permit)	\$200	\$267	\$267	\$13,802
66	Dry cleaning plant (permit)	\$140	\$324	\$300	\$320
67	Explosive/Blasting, per day (permit)	\$260	\$569	\$450	\$380
68	Fireworks/Explosive Storage, per day (permit)	\$160	\$421	\$300	\$840
69	Fireworks/Explosive Transportation, per day (permit)	\$190	\$715	\$300	\$1,100
70	Fireworks Display - initial (permit)	\$405	\$1,006	\$500	\$3,610
71	Fireworks Display - subsequent (permit)	\$215	\$816	\$300	\$2,128
72	Flammable/Combustible Liquids (permit)	\$125	\$386	\$250	\$87,500
73	Floor/wall Finishing (permit)	\$135	\$698	\$150	\$0
74	Fruit and Crop Ripening (permit)	\$175	\$279	\$279	\$104
	Liquid or gas-fueled vehicles or equipment in assembly buildings, per event:				
75	1 - 10 vehicles or equipment (permit)	\$63	\$403	\$200	\$11,445
76	11 - 30 vehicles or equipment (permit)	\$127	\$496	\$300	\$1,038
77	31 to 200 vehicles or equipment (permit)	\$191	\$807	\$400	\$5,934
78	201 to 400 vehicles or equipment (permit)	\$400	\$807	\$400	\$0
79	Over 400 vehicles or equipment (permit)	\$500	\$807	\$500	\$0
80	Lumber Yards and Woodworking Plants (permit)	\$160	\$269	\$269	\$545
81	Private Fire Hydrant and Water Supplies (permit)	\$105	\$447	\$350	\$5,390
82	Pyro Special Effects Material - initial (permit)	\$185	\$1,047	\$300	\$2,300
83	Pyro Special Effects Material - subsequent (permit)	\$92	\$976	\$300	\$10,400
84	Refrigeration Equipment (permit)	\$160	\$205	\$205	\$900
85	Scrap Tire Storage (permit)	\$160	\$200	\$200	\$0
86	State Licensed Facilities: Child care - 35 children or less (permit)	\$150	\$296	\$150	\$0
87	State Licensed Facilities: Child care - over 35 children (permit)	\$200	\$296	\$200	\$0
88	State Licensed Facilities: Residential care (permit)	\$150	\$295	\$200	\$10,500
89	State Licensed Facilities: Small assisted living (permit)	\$150	\$281	\$200	\$4,600
90	State Licensed Facilities: Adult day care (permit)	\$150	\$369	\$200	\$800



#	Fee Name	Current Fee per Unit	Full Cost per Unit	Proposed Fee per Unit	Revenue Impact
Dallas Fire Rescue					
91	Temporary Membrane Structures & Tents (permit)	\$125	\$623	\$300	\$50,400
92	Tire-rebuilding Plant (permit)	\$160	\$280	\$200	\$0
93	Torch and Open Flames (permit)	\$120	\$708	\$200	\$480
94	Trench Burning - per day (permit)	\$350	\$404	\$404	\$3,240
95	Waste Handling (permit)	\$160	\$259	\$250	\$540
96	Welding/Cutting/Hot works (permit)	\$125	\$194	\$194	\$69,000
97	Acetylene Generator (permit)	\$175	\$476	\$300	\$250
98	Aerosol Products (permit)	\$175	\$280	\$250	\$450
99	Aviation Facilities (permit)	\$150	\$522	\$300	\$600
100	Calcium Carbide Storage (permit)	\$175	\$324	\$300	\$125
101	Compressed gas filling/storage/use (permit)	\$95	\$301	\$250	\$11,160
102	Cryogenic fluids (permit)	\$150	\$296	\$250	\$4,800
103	Hazardous Materials (permit)	\$175	\$615	\$550	\$42,750
104	Hazardous Production Material (HPM) (permit)	\$175	\$654	\$550	\$8,250
105	High Piled Storage (permit)	\$160	\$242	\$200	\$3,600
106	Industrial Oven (permit)	\$175	\$280	\$250	\$1,200
107	Limited Access Gates: 1 - 3 gates (permit)	\$150	\$350	\$250	\$17,500
108	Limited Access Gates: 4 - 7 gates (permit)	\$205	\$346	\$300	\$4,750
109	Limited Access Gates: 8 or more gates (permit)	\$260	\$440	\$400	\$1,400
110	Liquid Petroleum - Gas Storage/Use (permit)	\$122	\$254	\$254	\$17,424
111	Liquid Petroleum Gas Demonstration/Portable Cooking (vehicle) (permit)	\$125	\$606	\$300	\$37,375
112	Liquid Petroleum Gas Demonstration/Portable Cooking (cart) (permit)	\$150	\$606	\$150	\$0
113	Magnesium - permit	\$175	\$270	\$250	\$0
114	Mobile Fueling: Site survey (permit)	\$245	\$404	\$400	\$620
115	Mobile Fueling: Vehicle inspection (permit)	\$100	\$395	\$300	\$3,200
116	Open Burning/Recreational Fires (permit)	\$230	\$314	\$250	\$80
117	Spray Painting/Dipping (permit)	\$135	\$339	\$200	\$2,600
118	Plan Reviews - Access Gates (permit)	\$75	\$382	\$200	\$750
119	Plan Reviews - Fire Lane / Hydrant (permit)	\$75	\$310	\$200	\$1,725
120	New Constr Regular Hours, per hour (fee)	\$60	\$290	\$200	\$68,880
121	New Constr OT Reimbursement, per hour (fee)	\$70	\$382	\$200	\$703,850
122	New Constr Re-tests Fees (fee)	\$500	\$622	\$622	\$15,752
123	Special Event/Trade Show Reimbursement Fees Daytime per hr (fee)	\$60	\$222	\$150	\$494,040
124	Special Event/Trade Show Reimbursement Fees OT per hour (fee)	\$70	\$290	\$200	\$16,250

#	Fee Name	Current Fee per Unit	Full Cost per Unit	Proposed Fee per Unit	Revenue Impact
Dallas Fire Rescue					
125	Fire Watch Fees (OT hours) - fee for services rendered (fee)	\$70	\$342	\$120	\$27,350
126	Initial Re-inspection (fee)	\$100	\$0	\$125	\$5,000
127	2nd + Re-inspection (fee)	\$105	\$205	\$205	\$105,140
128	\$25 High Risk Registration (fee)	\$25	\$217	\$150	\$246,875
129	High Risk Building -Public Assembly- less than 5,000 sq ft (fee)	\$40	\$232	\$150	\$82,500
130	High Risk Building -Public Assembly-5K to less than 10K (fee)	\$80	\$251	\$200	\$21,000
131	High Risk Building -Public Assembly- 10K to less than 60K (fee)	\$120	\$283	\$250	\$9,750
132	High Risk Building -Public Assembly- 60K to less than 100K (fee)	\$160	\$296	\$250	\$450
133	High Risk Building -Public Assembly- over 100K sq ft (fee)	\$200	\$326	\$300	\$500
134	High Risk Building- HazMat - less than 5,000 sq ft (fee)	\$125	\$292	\$250	\$43,750
135	High Risk Building- HazMat- 5K to less than 10K (fee)	\$175	\$278	\$250	\$3,750
136	High Risk Building- HazMat- 10K to less than 60K (fee)	\$225	\$369	\$300	\$1,875
137	High Risk Building- HazMat- 60K to less than 100K (fee)	\$300	\$313	\$313	\$130
138	High Risk Building- HazMat- over 100K sq ft (fee)	\$350	\$448	\$400	\$750
139	High Risk Building- High Rise Business- less than 200K sq ft (fee)	\$200	\$276	\$250	\$8,500
140	High Risk Building- High Rise Business-200K to 600K sq ft (fee)	\$400	\$260	\$260	-\$22,400
141	High Risk Building- High Rise Business- over 600K sq ft (fee)	\$500	\$291	\$291	-\$4,180
142	High Risk Building- High Rise Residential- less than 250 units (fee)	\$200	\$383	\$300	\$4,000
143	High Risk Building- High Rise Residential- 250 to 600 units (fee)	\$400	\$439	\$439	\$975
144	High Risk Building- High Rise Residential- over 600 units (fee)	\$500	\$550	\$550	\$0
145	High Risk Building - Health Care- less than 100 beds (fee)	\$200	\$325	\$300	\$3,500
146	High Risk Building - Health Care- 100 to 500 beds (fee)	\$400	\$556	\$550	\$4,500
147	High Risk Building - Health Care- over 500 beds (fee)	\$500	\$661	\$650	\$750
Total Fire Rescue					\$5,329,495



#	Fee Name	Current Fee per Unit	Full Cost per Unit	Proposed Fee per Unit	Revenue Impact
Park and Recreation					
148	Recreation Center - After Hours Reservations	various	various	No Change	
149	Field Rentals	various	various	No Change	
150	Picnic Pavilions/Outdoor Weddings	various	various	No Change	
151	Winfrey Point/Big Thicket Rentals	various	various	No Change	
152	Pool Admissions	various	various	No Change	
Total Park and Recreation					\$0