



Folsom City Council Staff Report

MEETING DATE:	4/22/2025
AGENDA SECTION:	Public Hearing
SUBJECT:	Resolutions Enacting the Annual Inflationary Adjustment for City User Fees i. Resolution No. 11364 – A Resolution Replacing Resolution No. 11219 and Resolution No. 11235 and Enacting the Annual Inflationary Adjustment for City User Fees for Selected City Services ii. Resolution No. 11365- A Resolution Replacing Resolution No. 11186 and Enacting the Annual Inflationary Adjustment for Selected Community Development User Fees
FROM:	Finance Department

RECOMMENDATION / CITY COUNCIL ACTION

Staff recommends the City Council conduct the public hearing and approve the below resolutions enacting the annual inflationary adjustment for city user fees:

- i. Resolution No. 11364– A Resolution Replacing Resolution No. 11219 and Resolution No. 11235 and Enacting the Annual Inflationary Adjustment for City User Fees for Selected City Services
- ii. Resolution No. 11365- A Resolution Replacing Resolution No. 11186 and Enacting the Annual Inflationary Adjustment for Selected Community Development User Fees

BACKGROUND / ISSUE

In May 2006, the Folsom City Council adopted Resolution No. 7815 which established a new user fee schedule for selected city services and also adopted an annual inflationary adjustment. City User Fees for Selected City Services had the inflationary adjustment last applied on July

1, 2024, adopted with Resolution No. 11219. Planning User Fees had the inflationary adjustment last applied on September 21, 2024, adopted with Resolution No. 11235.

In May 2024, the Folsom City Council adopted Resolution No. 11186 which established an amended user fee schedule for Community Development Engineering and Building Services User Fees. This fee schedule became effective August 1, 2024.

POLICY / RULE

City of Folsom Municipal Code Section 3.50.020 states, “The city manager is hereby directed to recommend to the council the adjustment of fees and charges to recover the percentage of costs reasonably borne in providing the regulation, products or services enumerated in this chapter and on the schedule of rate review as hereinafter established in this chapter. Costs reasonably borne shall be as are defined in Section 3.50.030.”

City Council Resolution No. 7815 adopted on May 23, 2006, approved an annual inflationary adjustment to be applied each fiscal year for selected city user fees along with fee increases based on a fee study.

City Council Resolution No. 11186 adopted on May 28, 2024, adopted an amended user fee schedule for Community Development Engineering and Building Services based on a fee study. This study included a fee schedule with identified fees assessing and annual CPI increase.

ANALYSIS

The annual inflationary adjustment to be applied is 2.38%. This is based on the *US Bureau of Labor Statistics & CA Department of Finance CPI-West Urban Consumers, all items, San Francisco CMSA, Annual amount as of December of the previous calendar year* as set forth in Resolution No. 7815. The proposed fee schedules were derived by applying the annual inflationary adjustment to the current fees if allowed.

The proposed April 22, 2025, City user fee schedule for selected City Services is included as part of Resolution No. 11364 and will be effective July 1, 2025.

The proposed April 22, 2025, fee schedule for selected Community Development User Fees is included as part of Resolution No. 11365 and will be effective July 1, 2025.

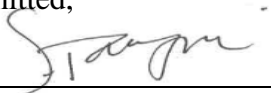
FINANCIAL IMPACT

This inflationary adjustment will enable the City to improve cost recovery and reduce the financial burden on the General Fund as long as User Fee activity continues.

ATTACHMENTS

1. Resolution No. 11364– A Resolution Replacing Resolution No. 11219 and Resolution No. 11235 and Enacting the Annual Inflationary Adjustment for City User Fees for Selected City Services
2. Resolution No. 11365- A Resolution Replacing Resolution No. 11186 and Enacting the Annual Inflationary Adjustment for Selected Community Development User Fees
3. United States Consumer Price Index – All Urban Consumers as published by the United States Bureau of Labor Statistics CPI-West Urban consumers, all items, San Francisco CMSA as of December 2024

Submitted,



Stacey Tamagni, Finance Director