



Agenda Report

Fullerton City Council

MEETING DATE: JUNE 17, 2025

TO: CITY COUNCIL / SUCCESSOR AGENCY

SUBMITTED BY: KINGSLEY OKEREKE, INTERIM DIRECTOR OF ADMINISTRATIVE SERVICES

PREPARED BY: STEVEN AVALOS, BUDGET AND PURCHASING MANAGER
NOAH HYUN, ADMINISTRATIVE ASSISTANT

SUBJECT: CITY OF FULLERTON MASTER SCHEDULE OF FEES AND CHARGES FOR FISCAL YEAR 2025-26 *(Continued from June 3, 2025 Annual Operating and Capital Budget Public Hearing)*

SUMMARY

City Council reviews City fees and charges with the annual budget process to streamline operations and generate additional revenue, align with market rates and/or improve cost recovery for performing such services. Staff requests City Council approve the proposed Fiscal Year (FY) 2025-26 fee changes, annual master Fees and charges schedule.

PROPOSED MOTION

Adopt Resolution No. 2025-XXX.

RESOLUTION NO. 2025-XXX – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FULLERTON, CALIFORNIA, ADOPTING THE CITY OF FULLERTON MASTER SCHEDULE OF FEES AND CHARGES FOR FISCAL YEAR 2025-26

ALTERNATIVE OPTIONS

- Approve the Proposed Motion
- Other options brought by the City Council.

STAFF RECOMMENDATION

Staff recommends the Proposed Motion.

CITY MANAGER REMARKS

City Manager recommends approval of the changes in fees.

PRIORITY POLICY STATEMENT

This item matches the following Priority Policy Statement:

- Fiscal and Organizational Stability.

FISCAL IMPACT

The proposed *Fire Department fee changes reflect the last year of approved user fee increases to 100% cost recovery*. Fire user fee revenues will increase an average of 13.3% and staff projects the increase to generate \$220,000 in additional cost recovery revenue. City Council previously approved Fire user fee increases which staff included in the FY 2025-26 Adopted Budget.

The proposed Library and Parks and Recreation fee schedule changes would align facility and sports field rental rates with market rates and better streamline the facility use structure. The Library fiscal impact is based on usage and would have nominal impact. The Parks and Recreation fee *changes are based on usage* and should generate an additional \$30,000 to \$40,000 in rental fee revenue for the Parks and Recreation Fund (Fund 15). Staff included these in the FY 2025-26 Adopted Budget.

The Community and Economic Development Department proposes increasing user fees by 3.4%, based on CPI increases and higher cost of doing business, to achieve full cost recovery. Staff anticipates this would generate an additional \$150,000 in cost recovery revenue for the General Fund (Fund 10). However, staff would monitor development performance through the first quarter of FY 2025-26 to determine the need for a revenue budget adjustment since this revenue depends on permit volume and development activity.

BACKGROUND AND DISCUSSION

The City of Fullerton adopts an updated Master Fee and Charges Schedule for city services in conjunction with the annual City budget adoption. City departments may evaluate and propose changes to the fee schedule as part of this process to align with best practices and current market rates, account for inflation and increased cost of doing business and support cost recovery efforts for user fees. Not all departments update fee schedules annually. In those cases the existing fee rates carry forward the next fiscal year.

Staff noticed consideration of the FY 2025-26 Master Fees and Charges Schedule for the June 3, 2025 City Council meeting and City Council continued consideration to the June 17, 2025 meeting at the request of staff. The Proposed Master Fees and Charges Schedule for FY 2025-26 (Attachment 2) includes the following proposed changes to departments fees:

Previously Approved by City Council

Fire Department Fee Schedule. City Council approved the Fire Department User Fee study and user fee increases over a three year period in May 2023. FY 2025-26 will be

the last year (Year 3) of the Fire Department user fee increases and bring all Fire user fees to 100% cost recovery.

Proposed Fees Changes for FY 2025-26

Library Fee Schedule. The Library fee schedule slightly raised room booking fees to better align pricing with other City facility options and make comparable to facilities in surrounding cities as well match prices for Conference Center and Osborne Auditorium improvements. Staff removed or consolidated costs listed at \$0 to clean up the Library fee schedule.

Parks and Recreation Fee Schedule. The Parks and Recreation Department updated their fee schedule to enhance pricing clarity and support continued facility improvements. Rental rates at Independence Park have adjusted in anticipation of the upcoming gymnasium reopening. The Tennis Center introduced a new tournament fee to accommodate events-related use. The Downtown Plaza features a streamlined hourly rate structure, categorized by user group. Additionally, sports field hourly rental rates have increased by \$1 across all user categories to support increased cost of services.

Community and Economic Development Fee Schedule. The Community and Economic Development (CED) Department updated their user fee schedule to reflect cost of doing business increases. CED completed a user fee study a few years ago and City Council approved increasing user fees to 100% cost recovery. Labor costs have increased by more than 8% since then as well as higher costs of services. Staff proposes increasing user fees by a CPI increase-based 3.4% (*year-over-year April 2025 increase*) to achieve recovery for increased costs.

Staff included the redlined Proposed Fee Changes for FY 2025-26 with this report as Attachment 3.

Staff requests City Council approve the resolution adopting the Master Schedule of Fees and Charges for FY 2025-26. Most City fees would become effective July 1, 2025 with the start of the new fiscal year. Other fees, such as development-related fees, become effective 60 days after adopting the fee resolution. Staff will post the final FY 2025-26 Master Fee Schedule to the City website upon adoption.

Attachments:

- Attachment 1 – PowerPoint Presentation
- Attachment 2 – Draft Resolution Adopting FY 2025-26 Schedule of Fees and Charges
- Attachment 3 – Redlined Proposed Fee Changes for FY 2025-26

cc: City Manager Eric J. Levitt