

*City of Lawrence
User Fee Policy*

User fees may be charged when the city finds it cost-effective and administratively feasible to do so. Prior to establishing user fees, the costs to establish and administer the fees will be considered in order to provide assurance that the city's collection mechanisms are being operated in an efficient manner.

User fees are appropriate when services are not "basic" or when specific beneficiaries and their relative level of benefit can be identified. "Basic services" are those which the City wishes to provide to all citizens. An individual may not forego these services because of the potential impact on public health, safety or welfare. User fees and charges may be used, as opposed to general taxes, when distinct beneficiary populations or interest groups can be identified.

To the extent possible and appropriate, the following will be reviewed in developing and implementing service charges and user fees:

Cost	How much does it cost the city to provide the service?
Service, purpose, users	What is the service? Why does the City provide the service? Who uses the service?
Cost recovery goal	How much of the cost of service is subsidized by general tax revenue? How much of the cost does the City intend to recover through fees and charges?
Level of use or demand	How many people or businesses use the service?
Comparisons	How do the City's fees compare with other cities or with private businesses?
Other fee reviews	When did the City set the current fee? When did the City last review the fee? When does the City plan to review the fee next?
Stakeholder input	How did the City seek input from stakeholders, such as users of the service? What input did stakeholders provide?
Authority	What part of the City Code or other legal authority guides the fee?

Fee collection method How will the city collect the fees?

Cost recovery goals should be based on the total cost of delivering the service, including direct costs, departmental administrative costs and organization-wide support costs (e.g. accounting, human resources, information services, legal services, fleet maintenance, insurance). Revenues generally should not exceed the reasonable cost of providing the service.

The City Commission may opt not to charge a fee if it would be in conflict with accomplishing public policy objectives.

If the cost of administering and collecting a fee is disproportionately high in relation to the cost of providing the service, the service may be partially funded from general revenues.

The City will make a reasonable attempt to provide public notification of fee considerations.

User fees will be reviewed at least once every five years to ensure that the fees capture revenue consistent with the user fee policies set out above.

No review by this policy will be required of state-set fees.