



City Council Report

Date: March 22, 2018
To: Audit, Finance & Enterprise Committee
Through: Natalie Lewis, Deputy City Manager
From: Cindy Ornstein, Arts & Culture Department Director
Subject: Proposed Changes to Arts & Culture Department Fees and Charges
Citywide

Purpose and Recommendation

The purpose of this report is to provide recommended changes to the FY 2018-19 Fees & Charges Schedule of the Arts & Culture Department.

Background

Every year the Arts and Culture department reviews its Fees & Charges Schedule and determines if updates, additions, or deletions are needed for the following fiscal year. This determination is based upon a variety of factors, including increased costs that have created the need for additional revenue, length of time since the last fee increase and competition in the marketplace.

Discussion

Arts and Culture, in consultation with the Office of Management & Budget, and the City Attorney's Office, has identified three changes to the current Fees & Charges Schedule: increasing the range of Mesa Arts Center Art Studio Classes Facility Restoration Fee and creating new Facility Restoration Fees for both i.d.e.a. Museum and Arizona Museum of Natural History.

Mesa Arts Center Art Studio Classes

Arts and Culture has identified the need for capital and facility improvements to arts studios and classrooms that have been in continuous use for over 13 years. Arts and Culture is recommending changing the Facility Restoration Fee range charged to each registered student from the current \$0-\$5, to \$0-\$8. The fee range expansion would increase annual revenue collected for this purpose by an estimated \$15,000, allowing an expanded ability to address equipment and capital needs in the 14 visual and performing arts classrooms.

i.d.e.a. Museum, and Arizona Museum of Natural History

Arts & Culture is recommending the establishment of a new Facility Restoration Fee range for each Museum, at \$0-\$5 per admission ticket. The collection of fees is planned to begin in FY 2019-20. Establishing this fee will allow the Museums to create a new source of funding for needed ongoing equipment, capital and facility improvements that will supplement the existing improvements achieved periodically through the City’s Capital Improvement Program.

The following is a summary of proposed changes:

Facility Restoration Fee	Current Range	Proposed Range	Annual Fiscal Impact	Comments
Art Studios Classes, per student registration	\$0.00-\$5.00	\$0.00-\$8.00	\$15,000	
i.d.e.a. Museum, per admission ticket	(none)	\$0.00-\$5.00	\$5,000	Begins FY 19-20
Arizona Museum of Natural History, per admission ticket	(none)	\$0.00-\$5.00	\$5,000	Begins FY 19-20

Alternatives

City Council could choose not to recommend proposed changes to the Fees & Charges schedule. This would have the effect of leaving the current language in place.

City Council could choose not to recommend proposed changes to the Fees & Charges schedule. Depending upon Council recommendations, current language would be altered or deleted.

Fiscal Impact

The FY 18-19 fiscal impact for MAC Art Studio Classes will be an estimated \$15,000 in increased earned revenue.

Coordinated With

The Arts & Culture Department worked with staff from the Office of Management and Budget, and consulted with the City Attorney’s Office in developing this Committee Report.

Fee Recommendation Schedule

Exhibit A

Department: Arts & Culture

Description of Services:	FY17/18 Current Fee	FY 18/19 Proposed Fee	Unit:	Total FY 18/19 Fiscal Impact	Notes:
<u>FACILITY USE – MISCELLANEOUS</u>					
<i>Facility Restoration Fee, Per Student Restoration</i>	\$0.00-\$5.00	\$0.00 - \$8.00	Per Student registration	\$15,000	Range increased by \$3.00
<u>ARIZONA MUSEUM FOR YOUTH i.d.e.a. MUSEUM</u>					
<i>FACILITY RESTORATION FEE, PER STUDENT RESTORATION</i>		\$0.00 - \$5.00	PER TICKET	\$0.00	New fee applied to i.d.e.a. Museum Admissions
<u>ARIZONA MUSEUM OF NATURAL HISTORY</u>					
<i>FACILITY RESTORATION FEE</i>		\$0.00 - \$5.00	PER TICKET	\$0.00	New fee applied to Natural History Museum Admissions
Total FY 18/19 Fiscal Impact				\$15,000	