



# FIRE PLAN CHECK FEE STUDY

CITY OF STOCKTON FIRE DEPARTMENT  
APRIL 28, 2026  
AGNEDA ITEM #15.1

**MATRIX**  
CONSULTING GROUP

# Why Conduct a User Fee Study?

A user fee study **documents** fee-related services and service-level assumptions and identifies the **full cost** (direct and indirect) associated with each permit, unit, or service.

- Ensures compliance with State laws (Props 218 and 26)
- Aligns with financial best practices



# Scope of Services

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- Building Plan Review
- Land Use / Entitlement Review
- Sprinkler, Alarm, and Other Extinguishing Systems
- Underground Fire Services
- Miscellaneous Services



# How the Full Cost Was Calculated

## Time Estimate (by Position)

- Average hours required per service type
- Developed with Fire Prevention staff
- Reviewed for reasonableness

## Fully Burdened Hourly Rates

Salaries, Benefits, Productive hours adjustment, and Departmental and Citywide overhead.

## Full Cost of Service

- **The total cost of providing one unit of service.**
- **The legal ceiling for any user fee.**



# Cost Recovery Snapshot

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**\$841K**

**Annual Revenue**

What the city currently collects

**\$1.31M**

**Annual Cost**

Total cost to deliver the service

**\$472K**

**Annual Deficit**

Subsidized by other revenue sources

The City is currently recovering approximately **65%** of its costs.

**Typical Cost Recovery:** 80% - 100%



# Fee Proposal of 100% Cost Recovery

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## Increase

- **31 fees** will increase
- Minimum increase is \$12
- Average increase is \$355
- Largest increase is \$1,262



## Decrease

- **10 fees** will decrease
- Largest decrease is \$413
- Average decrease is \$173
- Smallest decrease is \$36



# Recommendations

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- 01 Adopt Fees at 100% Cost Recovery**  
Document any circumstances under which fees may be set below 100% cost recovery.  
GFOA best practice
- 02 Adopt an Annual Fee-Increase Mechanism**  
Implement an adjustment factor to raise fees annually and prevent erosion of cost recovery over time.  
CPI, COLA, or another regional factor
- 03 Schedule a Comprehensive Update Every 5 – 7 Years**  
Revisit time estimates, cost components, and organizational structures to ensure alignment.  
GFOA best Practice

