



CITY OF RAPID CITY

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MEMO

To: Mayor Sam Kooiker & Common Council
From: Pauline Sumption, Finance Officer
Date: March 8, 2013
RE: Interdepartmental Charges Report

I have attached Ordinance 5887 in which it requires the Finance Officer or the Mayor to report to the council, during the budget presentation, those amounts charged to the various departments for services provided by another department. I have also attached the detailed report of these charges from 2010 through 2013.

If you recall, the Mayor and I have been trying to work through the interdepartmental charges so that they are more in line with what should actually be charged. For FY2013, I recommended reducing all interdepartmental charges by 3% in addition to removing the General Fund to General Fund charges.

For FY2014, the other department directors and I will be closely analyzing the charges made by their departments to determine if 1) they still provide the same level of service and 2) if the charge is reasonable. While I am optimistic about this process, we will not be able to "fix" it all in one fiscal year, as it took many years to get to the place where we are today.

If you should have any questions, please feel free to contact me.