

CITY OF YUBA CITY
STAFF REPORT

Date: November 19, 2019
To: Honorable Mayor & Members of the City Council
From: Finance Department
Presentation By: Robin Bertagna C.P.A, Finance Director

Summary

Subject: Development Impact Fees – Annual Report

Recommendation: A. Accept the AB1600 Annual Report.
B. Adopt a Resolution finding that there is a reasonable relationship between current needs for the fees and the purposes for which they were originally collected.

Fiscal Impact: Council's adoption of the attached Resolution and acceptance of the AB1600 Annual Report allows the City to continue programming funds that have been held by the City for more than five (5) years.

Purpose:

To comply with reporting requirements and allow the City to continue programming development impact fees that have been held by the City for more than five (5) years.

Background:

In 1989, Section 66000 et seq. of the Government Code became effective. When passed in 1987, this section was known as AB1600. When the Legislature passed AB1600, it added a new chapter to the Government Code on fees for development projects. The chapter sets forth a number of requirements that local agencies must follow if they are to establish development fees to defray the cost of construction of public facilities related to development projects, including annual reporting requirements.

In October 2007, the City of Yuba City's AB1600 fee study was updated and Resolution 07-101 was adopted establishing new development impact fees. Through the General Plan and fee studies, the City of Yuba City has established the nexus between development, the capital improvements necessary to mitigate the effects of development, and approved fees to fund the mitigation measures.

The City of Yuba City development fees covered by AB1600, and documented in Exhibit B, include the following:

- Parks and Recreation impact fee
- Fire Protection impact fee
- Library Services impact fee

- Police Protection impact fee
- Road impact fee
- Animal Control impact fee
- Civic Center impact fee
- Corporation Yard impact fee
- Flood Protection fee
- Administration impact fee
- Buttes Vista impact fee

The nature of AB1600 funds is such that timing of receipt of revenues and construction of the related capital projects rarely coincide. Ideally, revenues will be collected over time and accumulated until a development related project is needed. In certain instances, the City has constructed priority projects in advance of collecting sufficient funds through borrowing from other City funds, or by issuing long term external debt. This practice has resulted in certain categories of the AB1600 funds to operate with a deficit balance.

With each development the City collects certain developer fees that are subject to the reporting requirement. The various fees are listed on the attached report (Exhibit B) along with detailed expenditure and revenue reports for each fee the City collected.

Analysis:

In order for the City to be in compliance with the reporting requirements listed on Exhibit A (specifically, requirement No. 5), the Council must make certain findings as outlined in this report. Although AB1600 requires fees collected from developers be expended within five years, the law, as noted previously, also allows exceptions. Exceptions are provided in recognition that some project costs can be of a magnitude that it takes more than five years to accrue adequate funds; or matching funds may not be available within the five-year period.

In using the expenditure and revenue reports to determine whether the fees have been spent within five years of collection, the total expenditures and transfers-out over the five-year period must be added together, and then that total must be subtracted from the earliest fund balance (July 1, 2014). In a number of instances, this calculation shows that not only have fees collected five years ago been spent, but depending on the category, fees collected in ensuing years have also been spent.

To comply with requirement No. 5 above, the City Council must make findings that there is a reasonable relationship between the current need for the fees and the purposes for which they were originally charged. It is important that the City Council make these findings to ensure continued funding of these important programs.

The City's Finance department compiles this report each year to provide an annual accounting of all activity within development impact fee accounts. Rather than just include one year of information, the department instead provides a five year accounting on an annual basis. This is not required each year but is completed in an effort to provide more information than what the law requires. The five year period is on a rolling basis so that with each new year, the oldest year drops off and the most recent year is added.

All developer fee categories with the exception of Parks and Recreation, Library Services, Roads, Civic Center, Corporation Yard, Flood Protection, and Buttes Vista impact fees comply with the provision of AB1600 that funds be expended within five years. However, through the Council's adoption of the annual Capital Improvement Program and subsequent resolutions, all fund equity balances have been programmed to fund projects.

Fiscal Impact:

Council's adoption of the Resolution and acceptance of the AB1600 Annual Report allows the City to continue programming funds that are more than five (5) years old.

Alternatives:

Do not adopt the Resolution and accept the attached AB1600 Annual Report and make any necessary refunds.

Recommendation:

- A. Accept the AB1600 Annual Report.
- B. Adopt a Resolution finding that there is a reasonable relationship between current needs for the fees and the purposes for which they were originally collected.

Attachments:

- A: Resolution Annual Report Activity
- B: AB1600 Annual Reporting Requirements
- C: Development Impact Fee Activity

Prepared By:

/s/ Lynn Haile

Lynn Haile
Accountant II

Submitted By:

/s/ Michael Rock

Michael Rock
City Manager

Reviewed By:

Department Head
City Attorney

RB

SLC by email

ATTACHMENT A

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
APPROVING THE FINDING THAT THERE REMAINS A REASONABLE RELATIONSHIP
BETWEEN CURRENT NEEDS FOR, PARKS AND RECREATION, LIBRARY SERVICES,
ROADS, CIVIC CENTER, CORPORATION YARD, FLOOD PROTECTION AND BUTTES
VISTA IMPACT FEES AND THE PURPOSE FOR WHICH THEY WERE ORIGINALLY
CHARGED
(GOVERNMENT CODE SECTION 66000 et. seq.)**

WHEREAS, the City Council of Yuba City has adopted Ordinance No.1100 creating and establishing authority for imposing and charging a Development Impact Fee within the City;

WHEREAS, the City Council of the City of Yuba City on February 4, 1997, adopted Resolution No. 97-011 establishing a Development Impact Fee within the City to finance those public facilities required by new development as identified in the Yuba City Urban Area General Plan ("Plan") and various studies and reports; and

WHEREAS, the City Council of the City of Yuba City on April 20, 1999, adopted Resolution No. 99-021 establishing Development Impact Fees for repayment of costs associated with the preparation of the Buttes Vista Neighborhood Plan and the acquisition and development of a neighborhood park in the project area; and

WHEREAS, in 2007 the Fee Study was updated and on October 16, 2007 the City Council adopted Resolution 07-101 which established new development impact fees through the preparation of an AB 1600 study. Said study, entitled "Yuba City Update of the AB 1600 Fee Justification Study: dated October 10, 2007 ("Study") is on file with the City Clerk of the City of Yuba City; and

WHEREAS, the City Council on April 4, 2000 adopted Resolution 00-0028 establishing development impact fees for repayment of costs associated with the perimeter conflict mitigation and arterial landscape medians in the Buttes Vista Neighborhood Plan; and

WHEREAS, in August, 2012, the City Council adopted a resolution authorizing an internal financing agreement and reimbursement agreement using the Library's share of impact fees to fund project 1147, Animal Control Facility; and

WHEREAS, the City annually adopts a comprehensive Capital Improvement Program to prioritize identified street and drainage improvements and allocates funds to construct the improvements as mitigation for continued development in the City; and

WHEREAS, these improvements are scheduled to be constructed over time as sufficient funds become available; and

WHEREAS, these identified improvements are of such size that sufficient funds have not been collected or obtained in order to construct these improvements by expending fees collected within the five-year expenditure period provided by Government Code Section 66001(d); and

WHEREAS, fees collected previously and in the future as Parks and Recreation fees are necessary to fund future parks in underserved areas; and

WHEREAS, fees collected previously and in the future as Library Service fees are necessary to fund capital costs, including financing costs, attributable to the impact of new development; and

WHEREAS, fees collected previously and in the future as Roads fees are necessary to fund identified street and drainage improvements; and

WHEREAS, fees collected previously for the Civic Center fees are necessary to fund improvement projects in the future when sufficient balances exist to fund the identified improvements; and

WHEREAS, fees collected previously for the Corporation Yard fees are necessary to fund Corporation Yard improvement projects in the future when sufficient balances exist to fund the identified improvements; and

WHEREAS, fees collected previously for the Flood Protection fees are necessary to fund floodplain management measures, regulatory compliance measures, and non-structural risk reduction measures in the future when sufficient balances exist to fund the identified improvements; and

WHEREAS, fees collected previously for the Buttes Vista fees are necessary to fund neighborhood development costs associated with the preparation of the Buttes Vista Neighborhood Plan, acquisition and development of a neighborhood park, perimeter conflicts and landscaped medians.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF YUBA CITY DOES RESOLVE AS FOLLOWS:

Section 1. Recitals Incorporated by Reference. Incorporating the above Recitals as fact, finds that there remains a reasonable relationship between the current need for the Parks & Recreation, Library Services, Roads Program, Civic Center, Corporation Yard, Flood Protection and Buttes Vista fees and the purposes for which they were originally collected.

Section 2. This resolution shall become effective immediately upon its passage and adoption.

The foregoing resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 19th day of November, 2019.

AYES:

NOES:

ABSENT:

Shon Harris, Mayor

ATTEST:

Patricia Buckland, City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

Shannon L. Chaffin, City Attorney
Aleshire & Wynder, LLP

ATTACHMENT B

**CITY OF YUBA CITY
AB1600 Annual Reporting Requirements**

Impact fee reporting requirements that the City must adhere to each fiscal year:

1. Create separate capital facilities funds or accounts for each improvement funded with impact fees (Government Code Section 66006(a)).
2. Remit all interest income earned by the fees to the same fund; interest income must be spent solely on the purpose for which the fee was originally collected (Section 66006(a)).
3. Within 180 days after the close of each fiscal year, prepare a public report concerning each impact fee fund. Such report must include the fund's beginning and ending balance for the fiscal year, amount of fees and interest deposited into the fund for the fiscal year, and a description of each expenditure from the fund for that year, including identification of the improvement being funded (Section 66006(b)).
4. Review the report at a public meeting.
5. If fees remain unexpended or uncommitted five years after being collected, the local agency is to make a finding that there remains a reasonable relationship between the current need for the fees and the purposes for which they were originally collected (Section 66001(d)).
6. Refund the current owner of lots, units or developed projects any fees, with accrued interest, for which continued need cannot be demonstrated (Section 66001(e)).
7. A local agency must not commingle fees with any other revenue, except for temporary investment purposes (Section 66006(a)).
8. A local agency may not spend impact fees for maintenance or operation of improvements funded with impact fees (Section 65913.8).

ATTACHMENT C

**AB1600 Annual Report
Development Impact Fees - City of Yuba City
Fiscal Year Ended June 30, 2019**

Government Code Section 66006 requires local agencies to submit an annual report detailing the status of development impact fees. The annual report must be made available to the public and presented to the City Council within 180 days of the close of a fiscal year.

This report summarizes the following information for each of the development fee programs:

1. Schedule of fees
2. Beginning and ending balances of the fee program
3. Revenue and expenditure information
4. Notes regarding loans or advances between the fee categories

SUMMARY - FY 14/15 THRU FY 18/19

<i>Category Fee Schedule - 06/30/19</i>	<i>Basis</i>	<i>Current Impact Fees</i>	<i>Infill Impact Fees</i>
<i>Single Family Residential</i>	<i>Unit</i>	<i>\$ 29,502.13</i>	<i>\$ 16,989.61</i>
<i>Duplex</i>	<i>Unit</i>	<i>\$ 28,435.80</i>	<i>\$ 16,186.82</i>
<i>Mobile Home</i>	<i>Unit</i>	<i>\$ 18,210.79</i>	<i>\$ 10,447.29</i>
<i>Commercial</i>	<i>Sq. Ft</i>	<i>\$ 11.09</i>	<i>\$ 5.97</i>
<i>Multiple-Family Residential</i>	<i>Unit</i>	<i>\$ 19,586.37</i>	<i>\$ 11,382.14</i>
<i>Office</i>	<i>Sq. Ft</i>	<i>\$ 4.92</i>	<i>\$ 4.61</i>
<i>Industrial</i>	<i>Sq. Ft</i>	<i>\$ 1.06</i>	<i>\$ 1.06</i>

	<u>FY 14/15</u>	<u>FY 15/16</u>	<u>FY 16/17</u>	<u>FY 17/18</u>	<u>FY 18/19</u>
BEGINNING FUND BALANCE, JULY 1	\$ 11,689,519	\$ 12,799,647	\$ 13,372,512	\$ 12,691,117	\$ 11,877,825
REVENUE					
Development Fees	1,635,791	1,090,959	1,429,766	1,194,221	836,093
Development Fees (Collected by Sutter County)					684,321
Interest Earnings	104,299	127,199	161,665	178,150	300,629
Total Revenues	<u>1,740,090</u>	<u>1,218,158</u>	<u>1,591,431</u>	<u>1,372,370</u>	<u>1,821,042</u>
EXPENDITURES					
Total Expenditures	<u>349,407</u>	<u>329,316</u>	<u>2,476,861</u>	<u>2,222,839</u>	<u>761,445</u>
Revenue over or (under) Expenditure	1,390,683	888,842	(885,430)	(850,468)	1,059,598
OTHER FINANCING SOURCES (USES)					
Transfers In/Out	(280,553)	(315,977)	204,035	37,176	138,361
Total Other	<u>(280,553)</u>	<u>(315,977)</u>	<u>204,035</u>	<u>37,176</u>	<u>138,361</u>
Net revenue over/(under) expenditures	1,110,130	572,865	(681,395)	(813,293)	1,197,959
ENDING FUND BALANCE, JUNE 30	<u>\$ 12,799,649</u>	<u>\$ 13,372,512</u>	<u>\$ 12,691,117</u>	<u>\$ 11,877,825</u>	<u>\$ 13,075,784</u>

**Parks and Recreation
Revenues & Expenditures
FY 14/15 thru FY 18/19**

Category Fee Schedule - 06/30/19	Basis	Current	
		Impact Fees	Infill Impact Fees
Single Family Residential	Unit	\$ 7,650.03	\$ 3,825.01
Duplex	Unit	\$ 7,004.77	\$ 3,502.38
Mobile Home	Unit	\$ 4,816.39	\$ 2,408.20
Commercial	Sq. Ft	\$ -	\$ -
Multiple-Family Residential	Unit	\$ 5,496.59	\$ 2,748.30
Office	Sq. Ft	\$ -	\$ -
Industrial	Sq. Ft	\$ -	\$ -

	<u>FY 14/15</u>	<u>FY 15/16</u>	<u>FY 16/17</u>	<u>FY 17/18</u>	<u>FY 18/19</u>
BEGINNING FUND BALANCE, JULY 1	\$ 2,450,271	\$ 2,739,507	\$ 2,567,081	\$ 2,557,170	\$ 2,511,636
REVENUE					
Development Fees	227,337	141,710	276,622	247,131	193,596
Development Fees (Collected by Sutter County)					419,522
Interest Earnings	18,004	20,222	26,351	33,312	54,524
Total Revenues	<u>245,340</u>	<u>161,931</u>	<u>302,973</u>	<u>280,443</u>	<u>667,642</u>
EXPENDITURES					
Feather River Parkway Project	931087				
Feather River Parkway Project - Phase II	931166	64,673	23,283	4,903	40,015
Expansion of Park Amenities	931172				17,162
Future Park Development	931207		1,510		8,157
Civic Center Field Improvements	931262				203,665
Total Expenditures	<u>64,673</u>	<u>24,793</u>	<u>4,903</u>	<u>25,527</u>	<u>268,999</u>
Revenue over or (under) Expenditure	180,667	137,138	298,071	254,916	398,643
OTHER FINANCING SOURCES (USES)					
Sale of Property	247,932				
Transfer In - Grant Revenue	228,588	23,283	4,868	24,739	39,860
Transfer Out - Debt Service	(367,951)	(332,847)	(312,850)	(325,189)	(324,835)
Total Other	<u>108,569</u>	<u>(309,565)</u>	<u>(307,981)</u>	<u>(300,450)</u>	<u>(284,975)</u>
Net revenue over/(under) expenditures	289,236	(172,426)	(9,911)	(45,534)	113,668
ENDING FUND BALANCE, JUNE 30	<u>\$ 2,739,507</u>	<u>\$ 2,567,081</u>	<u>\$ 2,557,170</u>	<u>\$ 2,511,636</u>	<u>\$ 2,625,304</u> ^{1/2}

In August 2006, COP's were issued to provide funding for the Gauche Aquatics Park. The Parks and Recreation impact fees are responsible for 50% of the debt service payments (approx. \$385,000/yr.). In June 2008, the City Council authorized a fund balance set aside reserve of \$1,600,000 to ensure that sufficient impact fees are available to make future debt service payments in consideration of the significant decline in developer impact fee revenues received in recent years.

Note 1: The set aside amount is included in the balance shown.

In December 2008, the City Council authorized a loan to the Police Department's share of impact fees from the Community Center's share of impact fees for the purchase of Land. In January 2019, a lot line adjustment was made for 1.1231 acres to be used for the PD Parking Lot Expansion project. The remaining value of 2.0169 acres were returned to the Community Center balance. Semi-Annual repayments of Principal and Interest will come from the Police Departments share of impact fees as they are collected.

Note 2: The Balance is net of the loan in the amount of \$613,510.24

Conclusion: No fees have been held uncommitted for more than five years; no refunds required. Accumulated funds are being held for construction of future parks in underserved areas. Any public improvement on which the fees were expended was entirely funded by the fees. There is no incomplete public improvement pending at this time for this fee category, and any future improvements are anticipated consistent with the City's adopted capital improvement plan.

**Fire Protection
Revenues & Expenditures
FY 14/15 thru FY 18/19**

<i>Category Fee Schedule - 06/30/19</i>	<i>Basis</i>	<i>Current</i>		<i>Infill</i>
		<i>Impact Fees</i>	<i>Impact Fees</i>	<i>Impact Fees</i>
<i>Single Family Residential</i>	<i>Unit</i>	<i>\$ 1,690.21</i>	<i>\$</i>	<i>845.10</i>
<i>Duplex</i>	<i>Unit</i>	<i>\$ 1,546.85</i>	<i>\$</i>	<i>773.42</i>
<i>Mobile Home</i>	<i>Unit</i>	<i>\$ 1,063.90</i>	<i>\$</i>	<i>531.95</i>
<i>Commercial</i>	<i>Sq. Ft</i>	<i>\$ 0.26</i>	<i>\$</i>	<i>0.13</i>
<i>Multiple-Family Residential</i>	<i>Unit</i>	<i>\$ 1,213.86</i>	<i>\$</i>	<i>606.93</i>
<i>Office</i>	<i>Sq. Ft</i>	<i>\$ 0.33</i>	<i>\$</i>	<i>0.16</i>
<i>Industrial</i>	<i>Sq. Ft</i>	<i>\$ 0.09</i>	<i>\$</i>	<i>0.09</i>

	<u>FY 14/15</u>	<u>FY 15/16</u>	<u>FY 16/17</u>	<u>FY 17/18</u>	<u>FY 18/19</u>
BEGINNING FUND BALANCE, JULY 1	\$ (1,283,223)	\$ (1,510,118)	\$ (1,526,961)	\$ (1,513,285)	\$ (1,510,632)
REVENUE					
Development Fees	75,913	46,277	76,795	65,773	46,897
Interest Earnings					
Total Revenues	<u>75,913</u>	<u>46,277</u>	<u>76,795</u>	<u>65,773</u>	<u>46,897</u>
EXPENDITURES					
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenue over or (under) Expenditure	75,913	46,277	76,795	65,773	46,897
OTHER FINANCING SOURCES (USES)					
Transfer In - Advance DIF from General Fund		239,688	239,688	239,688	239,688 ¹
Transfer Out - Debt Service	(302,808)	(302,808)	(302,808)	(302,808)	
Total Other	<u>(302,808)</u>	<u>(63,120)</u>	<u>(63,120)</u>	<u>(63,120)</u>	<u>239,688</u>
Net revenue over/(under) expenditures	(226,895)	(16,843)	13,676	2,653	286,585
ENDING FUND BALANCE, JUNE 30	<u>\$ (1,510,118)</u>	<u>\$ (1,526,961)</u>	<u>\$ (1,513,285)</u>	<u>\$ (1,510,632)</u>	<u>\$ (1,224,047)</u>

Note: In April 2008, the City Council authorized a Lease Financing agreement for the construction of Fire Station #4. The Fire Departments portion of impact fees is responsible for 41.9% of the debt service payments (approx. \$303,000/yr.). The final payment on this debt was made on April 12, 2018.

Note 1: Per Resolutions, Council authorized the Finance Director to advance general fund balance reserves in excess of 15% at a rate of 10% per year of the negative balance in Fire & Police DIF fees as shown below:

Advance DIF - Fire Pooled Loan - \$239,688
Advance DIF - Police Pooled Loan - \$158,398

Conclusion: No fees have been held uncommitted for more than five years; no refunds required. Any public improvement on which the fees were expended was entirely funded by the fees. There is no incomplete public improvement pending at this time for this fee category, and any future improvements are anticipated consistent with the City's adopted capital improvement plan.

**Library Services
Revenues & Expenditures
FY 14/15 thru FY 18/19**

<i>Category Fee Schedule - 06/30/19</i>	<i>Basis</i>	<i>Current Impact Fees</i>	<i>Infill Impact Fees</i>
<i>Single Family Residential</i>	<i>Unit</i>	<i>\$ 1,132.60</i>	<i>\$ 566.30</i>
<i>Duplex</i>	<i>Unit</i>	<i>\$ 1,036.48</i>	<i>\$ 518.24</i>
<i>Mobile Home</i>	<i>Unit</i>	<i>\$ 712.76</i>	<i>\$ 356.38</i>
<i>Commercial</i>	<i>Sq. Ft</i>	<i>\$ -</i>	<i>\$ -</i>
<i>Multiple-Family Residential</i>	<i>Unit</i>	<i>\$ 814.22</i>	<i>\$ 407.11</i>
<i>Office</i>	<i>Sq. Ft</i>	<i>\$ -</i>	<i>\$ -</i>
<i>Industrial</i>	<i>Sq. Ft</i>	<i>\$ -</i>	<i>\$ -</i>

	<u>FY 14/15</u>	<u>FY 15/16</u>	<u>FY 16/17</u>	<u>FY 17/18</u>	<u>FY 18/19</u>
BEGINNING FUND BALANCE, JULY 1	\$ 782,630	\$ 861,688	\$ 930,545	\$ 1,026,136	\$ 1,120,066
REVENUE					
Development Fees	33,655	20,981	40,954	36,588	28,662
Interest Earnings	5,946	7,365	10,581	13,938	24,332
Total Revenues	39,602	28,346	51,535	50,526	52,994
EXPENDITURES					
Sutter County Library Expansion Project					7,320
Total Expenditures	-	-	-	-	7,320
Revenue over or (under) Expenditure	39,602	28,346	51,535	50,526	45,674
OTHER FINANCING SOURCES (USES)					
Transfer In - Live Oak Loan P&I	53,518	53,518	57,117	56,499	58,475
Transfer In - Loan to Animal Control					11,189
Transfer Out - Animal Control Facility Design Costs	(14,061)	(13,007)	(13,062)	(13,095)	(11,864)
Total Other	39,457	40,511	44,055	43,404	57,800
Net revenue over/(under) expenditures	79,058	68,857	95,590	93,930	103,474
ENDING FUND BALANCE, JUNE 30	\$ 861,688	\$ 930,545	\$ 1,026,136	\$ 1,120,066	\$ 1,223,539 ¹

The fund equity balance was used for an internal loan on the construction of the new Animal Control facility.

Effective 8/19/14, Council authorized the new Animal Shelter fee to be included as part of the Community Facilities component of the DIF program in order to reimburse the Library allocation for the City's costs of the new building.

Note 1: The Fund Balance is net of the current principal loan balance due in the amount of \$2,037,806.

Conclusion: No fees have been held uncommitted for more than five years; no refunds required.

Any public improvement on which the fees were expended was entirely funded by the fees.

There is no incomplete public improvement pending at this time for this fee category, and any future improvements are anticipated consistent with the City's adopted capital improvement plan.

**Animal Control Facility
Revenues & Expenditures
FY 14/15 thru FY 18/19**

<i>Category Fee Schedule - 06/30/19</i>	<i>Basis</i>	<i>Current Impact Fees</i>	<i>Infill Impact Fees</i>
<i>Single Family Residential</i>	<i>Unit</i>	<i>\$ 121.47</i>	<i>\$ 60.73</i>
<i>Duplex</i>	<i>Unit</i>	<i>\$ 105.27</i>	<i>\$ 52.64</i>
<i>Mobile Home</i>	<i>Unit</i>	<i>\$ 72.88</i>	<i>\$ 36.44</i>
<i>Commercial</i>	<i>Sq. Ft</i>	<i>\$ -</i>	<i>\$ -</i>
<i>Multiple-Family Residential</i>	<i>Unit</i>	<i>\$ 86.76</i>	<i>\$ 43.38</i>
<i>Office</i>	<i>Sq. Ft</i>	<i>\$ -</i>	<i>\$ -</i>
<i>Industrial</i>	<i>Sq. Ft</i>	<i>\$ -</i>	<i>\$ -</i>

	<u>FY 14/15</u>	<u>FY 15/16</u>	<u>FY 16/17</u>	<u>FY 17/18</u>	<u>FY 18/19</u>
BEGINNING FUND BALANCE, JULY 1	\$ -	\$ 545	\$ 2,678	\$ 7,135	\$ 11,189
REVENUE					
Development Fees	543	2,118	4,392	3,924	3,074
Interest Earnings	2	15	66	130	279
Total Revenues	545	2,132	4,458	4,053	3,353
EXPENDITURES					
Total Expenditures	-	-	-	-	-
Revenue over or (under) Expenditure	545	2,132	4,458	4,053	3,353
OTHER FINANCING SOURCES (USES)					
Transfer Out - Loan from Library Services					(11,189)
Total Other	-	-	-	-	(11,189)
Net revenue over/(under) expenditures	545	2,132	4,458	4,053	(7,836)
ENDING FUND BALANCE, JUNE 30	\$ 545	\$ 2,678	\$ 7,135	\$ 11,189	\$ 3,353

Effective 8/19/14, Council authorized the new Animal Shelter fee to be included as part of the Community Facilities component of the DIF program in order to reimburse the Library allocation for the City's costs of the new building.

Conclusion: No fees have been held uncommitted for more than five years; no refunds required. Any public improvement on which the fees were expended was entirely funded by the fees. There is no incomplete public improvement pending at this time for this fee category, and any future improvements are anticipated consistent with the City's adopted capital improvement plan.

**Police Protection
Revenues & Expenditures
FY 14/15 thru FY 18/19**

<i>Category Fee Schedule - 06/30/19</i>	<i>Basis</i>	<i>Current Impact Fees</i>	<i>Infill Impact Fees</i>
Single Family Residential	Unit	\$ 1,485.30	\$ 742.65
Duplex	Unit	\$ 1,360.54	\$ 680.27
Mobile Home	Unit	\$ 935.50	\$ 467.75
Commercial	Sq. Ft	\$ 0.23	\$ 0.12
Multiple-Family Residential	Unit	\$ 1,068.19	\$ 534.10
Office	Sq. Ft	\$ 0.29	\$ 0.15
Industrial	Sq. Ft	\$ 0.08	\$ 0.08

	<u>FY 14/15</u>	<u>FY 15/16</u>	<u>FY 16/17</u>	<u>FY 17/18</u>	<u>FY 18/19</u>
BEGINNING FUND BALANCE, JULY 1	\$ (1,113,858)	\$ (1,164,140)	\$ (1,082,121)	\$ (973,353)	\$ (874,243)
REVENUE					
Development Fees	66,794	40,697	67,445	57,789	41,219
Interest Earnings					
Total Revenues	<u>66,794</u>	<u>40,697</u>	<u>67,445</u>	<u>57,789</u>	<u>41,219</u>
EXPENDITURES					
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenue over or (under) Expenditure	66,794	40,697	67,445	57,789	41,219
OTHER FINANCING SOURCES (USES)					
Transfer In - Advance DIF from General Fund		158,398	158,398	158,398	158,398 ¹
Transfer Out - Debt Service	(117,076)	(117,076)	(117,076)	(117,076)	
Total Other	<u>(117,076)</u>	<u>41,322</u>	<u>41,322</u>	<u>41,322</u>	<u>158,398</u>
Net revenue over/(under) expenditures	(50,282)	82,019	108,767	99,111	199,617
ENDING FUND BALANCE, JUNE 30	<u>\$ (1,164,140)</u>	<u>\$ (1,082,121)</u>	<u>\$ (973,353)</u>	<u>\$ (874,243)</u>	<u>\$ (674,626)</u>

Note: In April 2008, the City Council authorized a Lease Financing agreement for the construction of Fire Station #4. A portion of those funds were allocated to the Police Department Expansion project. The Police Departments portion of impact fees is responsible for 16.2% of the debt service payments (approx. \$117,000/yr.). The final payment on this debt was made on April 12, 2018. In addition, a Due To/Due From has been recorded for reimbursement to the City's General Fund for expenditures spent on the Police Expansion Project in the amount of \$87,690.

In December 2008, the City Council authorized a loan to the Police Department's share of impact fees from the Community Center's share of impact fees for the purchase of Land. In January 2019, a lot line adjustment was made for 1.1231 acres to be used for the PD Parking Lot Expansion project. The remaining value of 2.0169 acres were returned to the Community Center balance. Semi-Annual repayments of Principal and Interest will come from the Police Departments share of impact fees as they are collected. The balance due as of 06/30/19 is \$613,510.24

Note 1: Per Resolutions, Council authorized the Finance Director to advance general fund balance reserves in excess of 15% at a rate of 10% per year of the negative balance in Fire & Police DIF fees as shown below:

Advance DIF - Fire Pooled Loan - \$239,688
Advance DIF - Police Pooled Loan - \$158,398

Conclusion: No fees have been held uncommitted for more than five years; no refunds required. Any public improvement on which the fees were expended was entirely funded by the fees. There is no incomplete public improvement pending at this time for this fee category, and any future improvements are anticipated consistent with the City's adopted capital improvement plan.

Roads
Revenues & Expenditures
FY 14/15 thru FY 18/19

<i>Category Fee Schedule - 06/30/19</i>	<i>Basis</i>	<i>Current</i>	<i>Infill</i>
		<i>Impact Fees</i>	<i>Impact Fees</i>
Single Family Residential	Unit	\$ 11,293.73	\$ 5,646.86
Duplex	Unit	\$ 11,931.33	\$ 5,965.66
Mobile Home	Unit	\$ 6,885.24	\$ 3,442.62
Commercial	Sq. Ft	\$ 9.49	\$ 4.75
Multiple-Family Residential	Unit	\$ 6,542.37	\$ 3,271.19
Office	Sq. Ft	\$ 3.42	\$ 3.42
Industrial	Sq. Ft	\$ 0.58	\$ 0.58

	<u>FY 14/15</u>	<u>FY 15/16</u>	<u>FY 16/17</u>	<u>FY 17/18</u>	<u>FY 18/19</u>
BEGINNING FUND BALANCE, JULY 1	\$9,895,356	\$10,644,846	\$11,056,381	\$9,903,263	\$8,705,526
REVENUE					
Development Fees	840,400	516,645	642,933	530,334	350,612
Development Fees (Collected by Sutter County)					105,355
Interest Earnings	72,152	88,502	107,225	107,404	177,769
Total Revenues	<u>912,552</u>	<u>605,147</u>	<u>750,158</u>	<u>637,738</u>	<u>633,737</u>
EXPENDITURES					
Traffic Signals	931027		9,000	375	
Western Parkway/SR20 Intersection	931041	8,838			
Tuly Rd. Extension	931069	3,676	1,979	481	3,297
Fifth Street Bridge Replacement	931084	5		951	
Garden Hwy Improvements	931153	78,287	18,731	444,496	856,314
Garden Hwy Rehabilitation	931154	(23,019)			
Bridge Street Widening	931187	28,617	153,064	1,290,964	646,033
Oji Way Extension Right of Way	931193	19,394	904		
El Margarita Master Plan Area	931194	47,265			
Bridge Street Reconstruction	931206		9,934	378,961	
City-Wide Traffic Model Update	931214				48,099
SR99/SR20 Intersection	931223			292,000	
Total Expenditures	<u>163,062</u>	<u>193,612</u>	<u>2,407,277</u>	<u>2,179,076</u>	<u>485,126</u>
Net revenue over/(under) expenditures	749,490	411,535	(1,657,119)	(1,541,338)	148,611
OTHER FINANCING SOURCES (USES)					
Transfer In - Grant Revenue			328,201	351,799	
Transfer In - Developer Deposit			175,800		
Transfer Out - Schedule A Agreement				(8,198)	
Total Other	<u>-</u>	<u>-</u>	<u>504,001</u>	<u>343,601</u>	<u>-</u>
Net revenue over/(under) expenditures	749,490	411,535	(1,153,118)	(1,197,737)	148,611
ENDING FUND BALANCE, JUNE 30	<u>\$10,644,846</u>	<u>\$11,056,381</u>	<u>\$9,903,263</u>	<u>\$8,705,526</u>	<u>\$8,854,136</u>

Note 1: The City will advance the funds required for the traffic study from unallocated Roads impact fees but will be reimbursed as project applications are processed within the El Margarita Master Plan Area.

Conclusion: No fees have been held uncommitted for more than five years; no refunds required. The fund equity balance represents collected fees earmarked for ongoing roads projects. Any public improvement on which the fees were expended was entirely funded by the fees. There is no incomplete public improvement pending at this time for this fee category, and any future improvements are anticipated consistent with the City's adopted capital improvement plan.

**Civic Center
Revenues & Expenditures
FY 14/15 thru FY 18/19**

<i>Category Fee Schedule - 06/30/19</i>	<i>Basis</i>	<i>Current Impact Fees</i>	<i>Infill Impact Fees</i>
<i>Single Family Residential</i>	<i>Unit</i>	<i>\$ 640.81</i>	<i>\$ 320.41</i>
<i>Duplex</i>	<i>Unit</i>	<i>\$ 587.78</i>	<i>\$ 293.89</i>
<i>Mobile Home</i>	<i>Unit</i>	<i>\$ 403.55</i>	<i>\$ 201.77</i>
<i>Commercial</i>	<i>Sq. Ft</i>	<i>\$ 0.10</i>	<i>\$ 0.05</i>
<i>Multiple-Family Residential</i>	<i>Unit</i>	<i>\$ 460.64</i>	<i>\$ 230.32</i>
<i>Office</i>	<i>Sq. Ft</i>	<i>\$ -</i>	<i>\$ -</i>
<i>Industrial</i>	<i>Sq. Ft</i>	<i>\$ -</i>	<i>\$ -</i>

	<u>FY 14/15</u>	<u>FY 15/16</u>	<u>FY 16/17</u>	<u>FY 17/18</u>	<u>FY 18/19</u>
BEGINNING FUND BALANCE, JULY 1	\$ 19,048	\$ 41,793	\$ 54,956	\$ 80,208	\$ 102,981
REVENUE					
Development Fees	22,479	12,757	24,458	21,548	16,290
Interest Earnings	266	406	793	1,225	2,381
Total Revenues	<u>22,745</u>	<u>13,163</u>	<u>25,252</u>	<u>22,773</u>	<u>18,671</u>
EXPENDITURES					
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenue over or (under) Expenditure	22,745	13,163	25,252	22,773	18,671
OTHER FINANCING SOURCES (USES)					
Transfer In					
Transfer Out					
Total Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net revenue over/(under) expenditures	22,745	13,163	25,252	22,773	18,671
ENDING FUND BALANCE, JUNE 30	<u>\$ 41,793</u>	<u>\$ 54,956</u>	<u>\$ 80,208</u>	<u>\$ 102,981</u>	<u>\$ 121,652</u>

Conclusion: No fees have been held uncommitted for more than five years; no refunds required.
The fund equity balance represents collected fees earmarked for future civic center projects.
Any public improvement on which the fees were expended was entirely funded by the fees.
There is no incomplete public improvement pending at this time for this fee category, and any future improvements are anticipated consistent with the City's adopted capital improvement plan.

**Corporation Yard
Revenues & Expenditures
FY 14/15 thru FY 18/19**

<i>Category Fee Schedule - 06/30/19</i>	<i>Basis</i>	<i>Current Impact Fees</i>	<i>Infill Impact Fees</i>
<i>Single Family Residential</i>	<i>Unit</i>	<i>\$ 1,010.90</i>	<i>\$ 505.45</i>
<i>Duplex</i>	<i>Unit</i>	<i>\$ 924.96</i>	<i>\$ 462.48</i>
<i>Mobile Home</i>	<i>Unit</i>	<i>\$ 636.77</i>	<i>\$ 318.39</i>
<i>Commercial</i>	<i>Sq. Ft</i>	<i>\$ 0.16</i>	<i>\$ 0.08</i>
<i>Multiple-Family Residential</i>	<i>Unit</i>	<i>\$ 725.82</i>	<i>\$ 362.91</i>
<i>Office</i>	<i>Sq. Ft</i>	<i>\$ -</i>	<i>\$ -</i>
<i>Industrial</i>	<i>Sq. Ft</i>	<i>\$ -</i>	<i>\$ -</i>

	<u>FY 14/15</u>	<u>FY 15/16</u>	<u>FY 16/17</u>	<u>FY 17/18</u>	<u>FY 18/19</u>
BEGINNING FUND BALANCE, JULY 1	\$ 30,988	\$ 66,869	\$ 87,640	\$ 127,486	\$ 163,424
REVENUE					
Development Fees	35,455	20,124	38,585	33,993	25,698
Interest Earnings	426	647	1,261	1,945	3,777
Total Revenues	<u>35,881</u>	<u>20,771</u>	<u>39,846</u>	<u>35,938</u>	<u>29,474</u>
EXPENDITURES					
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenue over or (under) Expenditure	35,881	20,771	39,846	35,938	29,474
OTHER FINANCING SOURCES (USES)					
Transfer In					
Transfer Out					
Total Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net revenue over/(under) expenditures	35,881	20,771	39,846	35,938	29,474
ENDING FUND BALANCE, JUNE 30	<u>\$ 66,869</u>	<u>\$ 87,640</u>	<u>\$ 127,486</u>	<u>\$ 163,424</u>	<u>\$ 192,898</u>

Conclusion: No fees have been held uncommitted for more than five years; no refunds required. The fund equity balance represents collected fees earmarked for future corporation yard projects. Any public improvement on which the fees were expended was entirely funded by the fees. There is no incomplete public improvement pending at this time for this fee category, and any future improvements are anticipated consistent with the City's adopted capital improvement plan.

**Administration
Revenues & Expenditures
FY 14/15 thru FY 18/19**

<i>Category Fee Schedule - 06/30/19</i>	<i>Basis</i>	<i>Current</i>		<i>Infill</i>	
		<i>Impact Fees</i>		<i>Impact Fees</i>	
<i>Single Family Residential</i>	<i>Unit</i>	\$	590.04	\$	590.04
<i>Duplex</i>	<i>Unit</i>	\$	568.72	\$	568.72
<i>Mobile Home</i>	<i>Unit</i>	\$	364.22	\$	364.22
<i>Commercial</i>	<i>Sq. Ft</i>	\$	0.22	\$	0.22
<i>Multiple-Family Residential</i>	<i>Unit</i>	\$	391.73	\$	391.73
<i>Office</i>	<i>Sq. Ft</i>	\$	-	\$	-
<i>Industrial</i>	<i>Sq. Ft</i>	\$	-	\$	-

	<u>FY 14/15</u>	<u>FY 15/16</u>	<u>FY 16/17</u>	<u>FY 17/18</u>	<u>FY 18/19</u>
BEGINNING FUND BALANCE, JULY 1	\$ 8,695	\$ 25,126	\$ 14,242	\$ 27,582	\$ 21,361
REVENUE					
Development Fees	27,377	14,063	27,263	20,978	15,048
Interest Earnings	181	179	319	383	454
Total Revenues	<u>27,558</u>	<u>14,242</u>	<u>27,582</u>	<u>21,361</u>	<u>15,502</u>
EXPENDITURES					
Professional Services	2,432				
Total Expenditures	<u>2,432</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenue over or (under) Expenditure	25,126	14,242	27,582	21,361	15,502
OTHER FINANCING SOURCES (USES)					
Transfer In					
Transfer Out	(8,695)	(25,126)	(14,242)	(27,582)	(21,361)
Total Other	<u>(8,695)</u>	<u>(25,126)</u>	<u>(14,242)</u>	<u>(27,582)</u>	<u>(21,361)</u>
Net revenue over/(under) expenditures	16,431	(10,884)	13,340	(6,221)	(5,859)
ENDING FUND BALANCE, JUNE 30	<u>\$ 25,126</u>	<u>\$ 14,242</u>	<u>\$ 27,582</u>	<u>\$ 21,361</u>	<u>\$ 15,502</u>

Note: A two percent (2.0%) fee was included in the Fee Justification Study to pay for the ongoing administration of the program.

Any public improvement on which the fees were expended was entirely funded by the fees.

There is no incomplete public improvement pending at this time for this fee category, and any future improvements are anticipated consistent with the City's adopted capital improvement plan.

**Flood Protection Fee
Revenues & Expenditures
FY 14/15 thru FY 18/19**

<i>Category Fee Schedule - 06/30/19</i>	<i>Basis</i>	<i>Current Impact Fees</i>	<i>Infill Impact Fees</i>
<i>Single Family Residential</i>	<i>Unit</i>	<i>\$ 3,887.05</i>	<i>\$ 3,887.05</i>
<i>Duplex</i>	<i>Unit</i>	<i>\$ 3,369.12</i>	<i>\$ 3,369.12</i>
<i>Mobile Home</i>	<i>Unit</i>	<i>\$ 2,319.57</i>	<i>\$ 2,319.57</i>
<i>Commercial</i>	<i>Sq. Ft</i>	<i>\$ 0.62</i>	<i>\$ 0.62</i>
<i>Multiple-Family Residential</i>	<i>Unit</i>	<i>\$ 2,786.18</i>	<i>\$ 2,786.18</i>
<i>Office</i>	<i>Sq. Ft</i>	<i>\$ 0.89</i>	<i>\$ 0.89</i>
<i>Industrial</i>	<i>Sq. Ft</i>	<i>\$ 0.31</i>	<i>\$ 0.31</i>

	<u>FY 14/15</u>	<u>FY 15/16</u>	<u>FY 16/17</u>	<u>FY 17/18</u>	<u>FY 18/19</u>
BEGINNING FUND BALANCE, JULY 1	\$ 755,012	\$ 911,316	\$ 1,056,744	\$ 1,209,329	\$ 1,367,391
REVENUE					
Development Fees	269,438	248,107	204,669	159,676	114,996
Development Fees (Collected by Sutter County)					159,443
Interest Earnings	6,106	8,231	12,598	16,622	31,750
Total Revenues	<u>275,544</u>	<u>256,338</u>	<u>217,267</u>	<u>176,298</u>	<u>306,189</u>
EXPENDITURES					
Floodplain map review	460				
Urban Level of Flood Protection	931024	118,780	110,911	64,682	18,236
Total Expenditures	<u>119,240</u>	<u>110,911</u>	<u>64,682</u>	<u>18,236</u>	<u>-</u>
Revenue over or (under) Expenditure	156,304	145,427	152,585	158,062	306,189
OTHER FINANCING SOURCES (USES)					
Transfer In					
Transfer Out					
Total Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net revenue over/(under) expenditures	156,304	145,427	152,585	158,062	306,189
ENDING FUND BALANCE, JUNE 30	<u>\$ 911,316</u>	<u>\$ 1,056,744</u>	<u>\$ 1,209,329</u>	<u>\$ 1,367,391</u>	<u>\$ 1,673,580</u>

Conclusion: No fees have been held uncommitted for more than five years; no refunds required. The fund equity balance represents collected fees earmarked for future levee improvement projects including but not limited to compliance with Senate Bill 5(SB5). This fee funds floodplain management measures, regulatory compliance measures, and non-structural risk reduction measures that are beyond the scope of SBFCA's Assessment District. Any public improvement on which the fees were expended was entirely funded by the fees. There is no incomplete public improvement pending at this time for this fee category, and any future improvements are anticipated consistent with the City's adopted capital improvement plan.

**Buttes Vista
Revenues & Expenditures
FY 14/15 thru FY 18/19**

<i>Category Fee Schedule - 06/30/19</i>	<i>Basis</i>	<i>Current Impact Fees</i>
Single Family Residential	Unit	\$ 1,832.04
Duplex/4-Plex	Unit	\$ 1,701.19
Multiple-Family Residential	Unit	\$ 1,406.71

	<u>FY 14/15</u>	<u>FY 15/16</u>	<u>FY 16/17</u>	<u>FY 17/18</u>	<u>FY 18/19</u>
BEGINNING FUND BALANCE, JULY 1	\$ 144,600	\$ 182,214	\$ 211,327	\$ 239,447	\$ 259,127
REVENUE					
Development Fees	36,398	27,481	25,649	16,488	
Interest Earnings	1,216	1,632	2,472	3,191	5,364
Total Revenues	<u>37,614</u>	<u>29,113</u>	<u>28,120</u>	<u>19,680</u>	<u>5,364</u>
EXPENDITURES					
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenue over or (under) Expenditure	37,614	29,113	28,120	19,680	5,364
OTHER FINANCING SOURCES (USES)					
Transfer In					
Transfer Out					
Total Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net revenue over/(under) expenditures	37,614	29,113	28,120	19,680	5,364
ENDING FUND BALANCE, JUNE 30	<u>\$ 182,214</u>	<u>\$ 211,327</u>	<u>\$ 239,447</u>	<u>\$ 259,127</u>	<u>\$ 264,491</u>

Note: On April 20, 1999, the City Council adopted Resolution 99-021 establishing Development Impact Fees for repayment of costs associated with the preparation of the Buttes Vista Neighborhood Plan and the acquisition and development of a neighborhood park in the project area. On April 4, 2000, the City Council adopted Resolution 00-28 establishing additional Development Impact Fees for repayment of costs associated with the perimeter conflict mitigation and arterial landscape medians in the Buttes Vista Neighborhood Plan.

Status of improvements:

- Undergrounding 12 kv electric line - partially completed
- Additional right-of-way along Pease Road - completed
- Additional right-of-way for a sound wall along Onstott Frontage Rd - not complete
- Arterial landscaped medians on Pease Road and Stabler Lane - partially completed

Conclusion: No fees have been held uncommitted for more than five years; no refunds required. The fund equity balance represents collected fees earmarked for future Buttes Vista Neighborhood improvements. Any public improvement on which the fees were expended was entirely funded by the fees. There is no incomplete public improvement pending at this time for this fee category, and any future improvements are anticipated consistent with the City's adopted capital improvement plan.