

CITY OF LINCOLN

Annual & Five-Year Development Impact Fee Report

Fiscal Year Ended June 30, 2022

December 21, 2022

Prepared by:
NBS
for the
CITY OF LINCOLN



City of Lincoln



City Officials

Holly Andreatta, Mayor

Paul Joiner – Mayor Pro Tem

Dan Karleskint, Councilmember

William “Bill” Lauritsen, Councilmember

Benjamin Brown - Councilmember

Officers

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Attachment – Current Impact Fee Schedule

Disclaimer: In preparing this report and any analysis and findings included herein, NBS has relied on several principal assumptions and considerations with regard to financial matters, conditions and events that occurred or may occur in the future. This information and assumptions, including the City's budgets, financial reports, capital project data, and other information were provided by sources we believe to be reliable; however, NBS has not independently verified such information and assumptions. While we believe NBS' use of such information and assumptions is reasonable for the purpose of this report, some assumptions will invariably not materialize as stated herein and may vary due to unanticipated events and circumstances.

1. DEVELOPMENT IMPACT FEE ANNUAL REPORT

The California Mitigation Fee Act (Government Code Sections 66000 et seq.) mandates procedures for administration of impact fee programs, including collection and accounting, reporting, and refunds. Regarding reporting requirements, the Mitigation Fee Act requires annual reporting for each impact fee fund, and a separate five-year reporting process. This Section meets the requirements for the Annual Report. Section 2 meets the requirements for the Five-Year Report.

1.1 Annual Report Requirements

Section 66006 (b) (1) requires that once each year, within 180 days of the close of the fiscal year, the local agency must make available to the public the following information for each separate account established to receive impact fee revenues:

1. A brief description of the type of fee in the account or fund; *(see report section 1.3)*
2. The amount of the fee; *(see report section 1.2 and attachment)*
3. The beginning and ending balance of the account or fund; *(see report section 1.4)*
4. The amount of the fees collected, and interest earned; *(see report section 1.4)*
5. Identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the percentage of the cost of the public improvement that was funded with fees; *(see report section 1.5)*
6. Identification of the approximate date by which the construction of a public improvement will commence, if the City determines sufficient funds have been collected to complete financing of an incomplete public improvement; *(see report section 1.5)*
7. A description of each inter-fund transfer or loan made from the account or fund, including interest rates, repayment dates, and a description of the improvement on which the transfer or loan will be expended; *(see report section 1.6)*
8. The amount of any refunds or allocations made pursuant to Section 66001, paragraphs (e) and (f). *(see report section 1.7)*

The annual report must be reviewed by the City Council at its next regularly scheduled public meeting, but not less than 15 days after the statements are made public, per Section 66006 (b) (2).

Section 66013(d) has similar requirements for capacity charges in that, within 180 days after the close of each fiscal year, the local agency must make available to the public the following information:

1. A description of the charges deposited in the fund; *(see report section 1.3)*
2. The beginning and ending balance of the fund and the interest earned from investment of moneys in the fund; *(see report section 1.4)*
3. The amount of charges collected in that fiscal year; *(see report section 1.4)*
4. An identification of:
 - a. Each public improvement on which charges were expended and the amount of expenditure for each improvement, including the percentage of the total cost of the public improvement that was funded with those charges if more than one source of funding was used; *(see report section 1.5)*
 - b. Each public improvement on which charges were expended that was completed during that fiscal year; *(see report section 1.5)*
 - c. Each public improvement that is anticipated to be undertaken in the following fiscal year; *(see report section 1.5)*
5. A description of each interfund transfer or loan made from the capital facilities fund, including the public improvement on which the transferred or loaned charges are or will be expended and, in the case of an interfund loan, the date on which the loan will be repaid and the rate of interest that the fund will receive on the loan. *(see report section 1.6)*

1.2 Current Impact Fees

Development impact fees in the City of Lincoln are called Public Facilities Element Fees (“PFE Fees”). These fees are one-time charges levied on new development in Lincoln to fund various infrastructure, facilities, vehicles, and equipment, as presented in the Lincoln Public Facilities Element Fee Program Nexus Study Update, dated March 13, 2012 (the “2012 Nexus Study”). In June 2022, the City finalized an updated development impact fee study and received approval of the methodology for updating fees from City Council. Because updated fees will not be active until sometime during Fiscal Year 2022/23, this report references the impact fee schedule that was active during Fiscal Year 2021/22, which was based on the 2012 Nexus Study and subsequent City Council action to adopt fees. The Attachment to this Report provides a copy of Lincoln’s current PFE Fee Schedule, for fees charged in Fiscal Year 2021/22.

1.3 Types of Impact Fees and Impact Fee Funds

The fees documented in the body of this Annual Development Impact Fee Report (Report) include the following fees listed below. The revenue and expenditures for each fee type is tracked by the City in a separate fund.

Fund No.	Fee Name	Purpose and Use of the Fee
240	Transportation	The purpose of the transportation fee is to fund transportation facilities costs attributable to the impact from new development. The transportation fee will be used to fund the construction of transportation-related facilities identified by the City as necessary to serve new development.
241	Police	The purpose of the police fee is to fund the fair share portion of police facilities, vehicles, and equipment costs attributable to the impact from new development. The police fee will be used to fund the purchase or construction of police station facilities, vehicles, and equipment identified by the City to serve new development.
243	Administration	The purpose of the administration facilities fee is to fund City administration facilities costs attributable to the impact from new development. The administration facilities fee will be used to fund the construction of administration building space that has been identified by the City to serve new development.
244	Library	The purpose of the library fee is to fund library facilities costs attributable to the impact from new development. The library fee will be used to fund the construction of library facilities that have been identified by the City to serve new development. The City has an existing 40,000 square foot library that serves PFE Area No. 1 and as a result, the City no longer charges a library fee on development in Area No. 1.
246	Park and Recreation	The purpose of the parks and recreation fee is to fund park and recreation facilities attributable to the impact from new development. The parks and recreation fee will be used to fund the construction of park and recreation facilities that have been identified by the City to serve new development.
247	Drainage	The purpose of the drainage fee is to fund drainage facilities that are attributable to the impact from new development. The drainage fee will be used to fund the construction of drainage facilities identified by the City as necessary to serve new development.
262	Fire	The purpose of the fire fee is to fund fire facilities costs attributable to the impact from new development. The fire fee will be used to fund the fair share portion of fire stations, fire vehicles and equipment.
715	Water	The purpose of the water fee is to fund water facilities that are attributable to the impact from new development. The water fee will be used to fund construction of water facilities that have been identified by the City as necessary to serve new development.
725	Wastewater	The purpose of the wastewater fee is to fund wastewater connection and reclaimed water facilities that are attributable to the impact from new development. The wastewater connection and reclaimed water fee will be used to fund the fair share portion of the cost of constructing of wastewater connection and reclaimed water facilities that have been identified by the City as necessary to serve new development.

Fund No.	Fee Name	Purpose and Use of the Fee
735	Solid Waste	The purpose of the solid waste fee is to fund solid waste vehicles and equipment costs attributable to the impact from new development. The solid waste fee will be used to fund the purchase of solid waste vehicles as identified by the City to serve new development.

1.4 Financial Summary Report

The following financial summary report provides an annual statement of revenue, expenditures, and changes in fund balance for each impact fee fund, for the Fiscal Year End June 30, 2022.

Fund No.	240	241	242	243	244	246
Description	Transportation	Police	Fire	Administration	Library	Parks
REVENUES						
Fees	3,335,002	1,205,235	597,503	1,063,866	-	3,376,931
Interest	81,885	18,845	11,693	22,175	11,284	92,594
Loan Repayments	178,179	-	-	-	-	-
Other Revenue	10,892	(82,677)	(54,753)	(103,401)	(48,160)	(424,005)
Transfers In	-	-	-	-	-	-
Total Revenues	3,605,959	1,141,403	554,443	982,640	(36,876)	3,045,520
Expenditures	-	-	-	-	-	-
Expenditures	6,250,259	889,811	3,139	784	78,229	69,544
Transfers/Loan Payments	1,374,024	-	25,840	-	-	-
Total Expenditures	7,624,283	889,811	28,979	784	78,229	69,544
REVENUES OVER (UNDER) EXPENDITURES	(4,018,324)	251,592	525,464	981,856	(115,105)	2,975,976
Fund Balance, Beginning of the Year¹	9,326,740	1,789,632	754,957	1,463,324	1,078,326	6,731,882
Fund Balance, End of the Year¹	6,708,893	1,944,151	1,306,076	2,444,843	967,084	9,663,056

¹ Beginning & Ending Fund Balance is reported on a cash basis per financial reports provided by the City's Finance Department

Fund No.	247	715	725	735
Description	Drainage	Water	Wastewater	Solid Waste
REVENUES				
Fees	1,212,657	5,058,395	4,473,409	971,904
Interest	19,112	84,200	86,018	35,587
Loan Repayments	-	-	-	176,415
Other Revenue	420,036	(402,201)	(1,504,647)	(160,431)
Transfers In	-	-	-	-
Total Revenues	1,651,806	4,740,393	3,054,781	1,023,474
Expenditures	-	-	-	-
Expenditures	260,913	688,774	5,325,898	219,255
Transfers/Loan Payments	12,264	13,404	(576,986)	170,313
Total Expenditures	273,177	702,178	4,748,913	389,568
REVENUES OVER (UNDER) EXPENDITURES	1,378,629	4,038,215	(1,694,132)	633,907
Fund Balance, Beginning of the Year¹	1,239,451	4,975,199	6,321,907	2,838,956
Fund Balance, End of the Year¹	2,326,801	9,960,950	7,756,043	3,712,452

¹ Beginning & Ending Fund Balance is reported on a cash basis per financial reports provided by the City's Finance Department

1.5 Public Improvements

This section of the Annual Report identifies each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the percentage of the cost of the public improvement that was funded with fees.

FISCAL YEAR 2021/22 PUBLIC IMPROVEMENT EXPENDITURES

Fund	Fund Name	Project Name	Project Start	Project Finish	Project Phase	Total Project Funding	PFE Fees				
							Total Impact Fee Funded Amount	% Impact Fee Funded	Total Prior Year Impact Fee Expenditures	FY 2022 Impact Fee Expenditures	Impact Fee Funding Remaining
240	Transportation	East Joiner Pkwy Widening	2018/19	on-going	Active	\$ 10,910,000	\$ 10,250,000	94%	\$ 3,320,737	\$ 6,131,170	\$ 798,093
241	Police	Police Dept Warehouse expansion	2020/21	2021/22	Completed	\$ 867,896	\$ 867,896	100%	\$ 257,220	\$ 854,076	\$ (243,400)
241	Police	Police Dept ADA Parking Lot	2021/22	2021/22	Completed	\$ 145,000	\$ 145,000	100%	\$ -	\$ 35,051	\$ 109,949
244	Library	Library Collections	2007/08	on-going	Active	\$ 1,313,863	\$ 1,313,863	100%	\$ 1,252,340	\$ 61,523	\$ -
246	Parks	Joiner Park Parking Lot	2018/19	2021/22	Completed	\$ 534,500	\$ 247,250	46%	\$ 1,064	\$ 52,732	\$ 193,454
246	Parks	Bella Breeze Master Plan	2021/22	2022/23	Active	\$ 425,000	\$ 425,000	100%	\$ -	\$ 1,500	\$ 423,500
715	Water	Meters and MXUs for new construction	on-going	on-going	Active	\$ 772,996	\$ 772,996	100%	\$ 337,919	\$ 424,782	\$ 10,295
715	Water	10 MG storage tank at City pond site - 377	2015/16	2021/22	Completed	\$ 12,559,961	\$ 5,939,454	47%	\$ 5,522,414	\$ 13,040	\$ 404,000
715	Water	Water Mains at Verdera North - 394	2016/17	2017/18	Completed	\$ 4,095,525	\$ 4,095,525	100%	\$ 4,086,592	\$ 8,933	\$ -
725	Wastewater	WWTRF Oxidation Ditch Aerator Conv & Pond Liner	2020/21	on-going	Active	\$ 5,594,958	\$ 5,014,404	90%	\$ -	\$ 3,656,138	\$ 1,358,266
725	Wastewater	Joiner Park Reclaimed Water	2021/22	on-going	Active	\$ 720,932	\$ 712,700	99%	\$ -	\$ 323,437	\$ 389,263
725	Wastewater	WWTRF Expansion Phase 1	2017/18	2021/22	Active	\$ 30,744,050	\$ 1,940,000	6%	\$ 1,867,205	\$ 57,002	\$ 15,794
TOTAL						\$ 68,684,681	\$ 31,724,088		\$ 16,645,490	\$ 11,619,384	\$ 3,459,214

The Mitigation Fee Act also requires annual identification of the approximate date by which the construction of a public improvement will commence, if the City determines sufficient funds have been collected to complete financing of an incomplete public improvement.

The projects listed above represent recently completed and/or active (in-progress) uses of impact fee funds in Fiscal Year 2021/22 to complete current capital improvement projects. The City has also identified public improvement projects that have sufficient impact fee funds available to complete, including approximate dates (fiscal year) of construction in the City's 2022/23 Capital Improvement Plan as adopted by City Council. Outside of these two sources of information, the City has not determined that sufficient funds have been collected to complete financing of any other incomplete public improvements.

1.6 Interfund Loans

The Mitigation Fee Act requires a description of each inter-fund transfer or loan made from the account or fund, including interest rates, repayment dates, and a description of the improvement on which the transfer or loan will be expended. There were no newly established inter-fund transfers or

loans made between impact fee funds in Fiscal Year 2021-22. The following table summarizes the status of all active interfund loans to and/or from the City's impact fee funds.

Date of Loan	Maturity Date	Purpose of Loan	Original Advance	Lender	Borrower	Fiscal Year 2022 Payment/ Transfer	Balance 06/30/2022	Interest Rate ¹
06/30/18	06/30/28	Completion of Regional Retention Facility CIP 181	\$ 1,856,200	735 Solid Waste Non-Ops	247 PFE Drainage	\$ 170,313	\$ 854,504	0.62%
07/01/16	06/30/26	Refi. Original loan, add additional funds required to construct Fire# 33 and #34	\$ 5,300,000	225 PCWA WCC	242 Fire PFE	\$ -	\$ 5,408,120	0.34%
07/01/16	06/30/26	Refi. Original loan, funds required to construct Fire# 33 and 336 and result in positive cash balance	\$ 2,300,000	290 Oak Tree Mitigation	242 Fire PFE	\$ -	\$ 2,346,920	0.34%
06/30/18	06/30/28	Regional Retention Facility	\$ 1,010,000	240 Transportation	247 Drainage	\$ 172,016	\$ 863,049	0.62%

1.7 Refunds

The refunding requirements for the Mitigation Fee Act are summarized as follows:

If the City determines that sufficient funds have been collected to complete financing on incomplete improvements for which impact fee revenue is to be used, it must, within 180 days of that determination, identify an approximate date by which construction of the public improvement will be commenced (Government Code Section 66001 (e)). If the agency fails to comply with that requirement, it must refund impact fee revenue in the account according to procedures specified in Section 66001 (d).

As discussed in this Section 1.5 of this report, determinations regarding sufficient funds collected to complete incomplete improvements are provided by the City's annual Capital Improvement Plan. The City has not made a determination that sufficient funds have been collected to complete financing of any other incomplete public improvements. No refunds of impact fee monies were made or required.

2. DEVELOPMENT IMPACT FIVE-YEAR REPORT

This Section meets the requirements for the Five-Year Report.

2.1 Five-Year Report Requirements

Prior to 1996, The Mitigation Fee Act required that a local agency collecting impact fees was required to expend or commit impact fee revenue within five years or make findings to justify a continued need for the money. Otherwise, those funds had to be refunded. SB 1693, adopted in 1996 as an amendment to the Mitigation Fee Act, changed that requirement in material ways.

Now, Section 66001 (d) requires that, for the fifth fiscal year following the first deposit of any impact fee revenue into an account or fund as required by Section 66006 (b), and every five years thereafter, the local agency shall make all the following findings for any fee revenue that remains unexpended, whether committed or uncommitted:

1. Identify the purpose to which the fee will be put;
2. Demonstrate the reasonable relationship between the fee and the purpose for which it is charged;
3. Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements for which impact fees are to be used;
4. Designate the approximate dates on which the funding necessary to complete financing of those improvements will be deposited into the appropriate account or fund.

Those findings are to be made in conjunction with the annual reports discussed above. If such findings are not made as required by Section 66001, the local agency could be required to refund the moneys in the account or fund, per Section 66001 (d).

Once the agency determines that sufficient funds have been collected to complete financing on incomplete improvements for which impact fee revenue is to be used, it must, within 180 days of that determination, identify an approximate date by which construction of the public improvement will be commenced (Section 66001 (e)). If the agency fails to comply with that requirement, it must refund impact fee revenue in the account according to procedures specified in Section 66001 (d).

The following provides Five-Year Report financial analysis and findings for each of the City's PFE Funds.

2.2 Fund 240 Transportation Facilities

The following table provides a five-year financial summary for the Transportation Fund. As shown, there are no fee revenues within the fund balance that have not been spent within five years from the year of collection.

Description	1 FY 2017-18	2 FY 2018-19	3 FY 2019-20	4 FY 2020-21	5 FY 2021-22
REVENUES					
Fees	284,729	545,190	651,876	2,014,659	3,335,002
Interest ¹	133,321	109,411	123,868	102,633	81,885
Loan Repayments ²		6,262	26,858	136,588	178,179
Other Revenue ^{3,4}	(133,001)	101,886	142,028	(84,194)	10,892
Transfers In	-	-	-	-	-
Total Revenues	285,050	762,749	944,630	2,169,687	3,605,959
Expenditures					
Expenditures	-	329,972	327,474	16,891	6,250,259
Transfers/Loan Payments	-	-	20,557	(1,270,786)	1,374,024
Total Expenditures	-	329,972	348,031	(1,253,895)	7,624,283
REVENUES OVER (UNDER) EXPENDITURES	285,050	432,777	596,599	3,423,582	(4,018,324)
Fund Balance, Beginning of the Year⁵	6,451,405	5,188,549	5,762,177	6,260,239	9,326,740
Fund Balance, End of the Year⁵	5,188,549	5,762,177	6,260,239	9,326,740	6,708,893

Five Year Fee Revenue Test

Available Fee Revenues Current Year		3,605,959
Available Fee Revenue Prior FY (2-yr Old Funds)		2,169,687
Available Fee Revenue Prior FY (3-yr Old Funds)		944,630
Available Fee Revenue Prior FY (4-yr Old Funds)		762,749
Available Fee Revenue Prior FY (5-yr Old Funds)		285,050
Available Fee Revenue Greater than Five Prior Fiscal Years ⁶		-
Total Revenue Available		\$ 7,768,074

¹ Interest category includes all types of Investment Revenue

² Repayment of Loan from Fund 725

³ Annual developer oversizing fee credit applied to interfund receivable

⁴ Unrealized Gain/Loss on Investment

⁵ Cash balance as reported per Trial Balance provided by City Finance Department

⁶ Five-Year Fee Revenue Test compares year end fund balance to total of most recent five years of revenue received. A value of "-" indicates 5-Year Revenue Test is compliant

Findings for Fund 240 Transportation Facilities:

1. Identify the purpose to which the fee will be put;

The purpose to which the Transportation fees apply is as stated in Section 1.3 of this report as well as the most recent impact fee/nexus study completed by the City. See the Lincoln Public Facilities Element Fee Program Nexus Study Update, dated March 13, 2012, and in June, 2022, the City finalized an updated development impact fee study and received approval of the methodology for updating fees from City Council. The prior and updated nexus studies demonstrate a continuous need for transportation facility improvements needed to serve new development.

2. Demonstrate the reasonable relationship between the fee and the purpose for which it is charged;

The reasonable relationship between the fee and the purpose for which it is charged is also substantiated by the most recent and applicable impact fee/nexus study completed by the City.

3. Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements for which impact fees are to be used;

The City's impact fee and nexus study reports identify a list of improvements for which transportation impact fees are to be used, as well as the portion of improvements to be funded by impact fee revenues. Specific other sources and amounts of funding anticipated to be used to complete improvements are determined on a project-by-project basis and documented in the City's annual Capital Improvement Plan adopted by City Council. Typical sources of funding for transportation improvements other than impact fees include Gas Tax, Transportation Development Act (TDA), Federal Grants, and the General Fund.

4. Designate the approximate dates on which the funding necessary to complete financing of those improvements will be deposited into the appropriate account or fund.

The exact date of impact fee collection and deposit of funding is impossible to predict, as impact fee revenue is dependent on economic cycles associated with development activity. The City annually identifies public improvement projects that have sufficient impact fee funds available to complete, including approximate dates (fiscal year) of construction in the Capital Improvement Plan as adopted by City Council.

2.3 Fund 241 Police Facilities

The following table provides a five-year financial summary for the Police Fund. As shown, there are no fee revenues within the fund balance that have not been spent within five years from the year of collection.

Description	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
REVENUES					
Fees	153,076	150,419	567,291	849,005	1,205,235
Interest ¹	10,934	13,602	23,217	23,159	18,845
Loan Repayments					
Other Revenue ²	(10,740)	16,956	29,022	(19,328) ¹	(82,677)
Transfers In	-	-	-	-	-
Total Revenues	153,270	180,978	619,529	852,836	1,141,403
Expenditures					
Expenditures	-	-	702	668,843	889,811
Transfers/Loan Payments	-	-	-	-	-
Total Expenditures	-	-	702	668,843	889,811
REVENUES OVER (UNDER) EXPENDITURES	153,270	180,978	618,827	183,993	251,592
Fund Balance, Beginning of the Year³	466,946	623,111	803,608	1,422,757	1,789,632
Fund Balance, End of the Year³	623,111	803,608	1,422,757	1,789,632	1,944,151

Five Year Fee Revenue Test

Available Fee Revenues Current Year		1,141,403
Available Fee Revenue Prior FY (2-yr Old Funds)		852,836
Available Fee Revenue Prior FY (3-yr Old Funds)		619,529
Available Fee Revenue Prior FY (4-yr Old Funds)		180,978
Available Fee Revenue Prior FY (5-yr Old Funds)		153,270
Available Fee Revenue Greater than Five Prior Fiscal Years ⁴		-
Total Revenue Available		\$ 2,948,016

¹ Interest category includes all types of Investment Revenue

² Unrealized Gain/Loss on Investments

³ Cash balance as reported per Trial Balance provided by City Finance Department

⁴ Five-Year Fee Revenue Test compares year end fund balance to total of most recent five years of revenue received. A value of "-" indicates 5-Year Revenue Test is compliant

Findings for Fund 241 Police Facilities:

1. Identify the purpose to which the fee will be put;

The purpose to which the Police fees apply is as stated in Section 1.3 of this report as well as the most recent impact fee/nexus study completed by the City. See the Lincoln Public Facilities Element Fee Program Nexus Study Update, dated March 13, 2012. In June 2022, the City finalized an updated development impact fee study and received approval of the methodology for updating fees from City Council. The prior and updated nexus studies demonstrate a continuous need for police facility improvements needed to serve new development.

2. Demonstrate the reasonable relationship between the fee and the purpose for which it is charged;

The reasonable relationship between the fee and the purpose for which it is charged is also substantiated by the most recent and applicable impact fee/nexus study completed by the City.

3. Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements for which impact fees are to be used;

The City's impact fee and nexus study reports identify a list of improvements for which police impact fees are to be used, as well as the portion of improvements to be funded by impact fee revenues. Specific other sources and amounts of funding anticipated to be used to complete improvements are determined on a project-by-project basis and documented in the City's annual Capital Improvement Plan adopted by City Council. Typical sources of funding for police facilities improvements other than impact fees include the General Fund.

4. Designate the approximate dates on which the funding necessary to complete financing of those improvements will be deposited into the appropriate account or fund.

The exact date of impact fee collection and deposit of funding is impossible to predict, as impact fee revenue is dependent on economic cycles associated with development activity. The City annually identifies public improvement projects that have sufficient impact fee funds available to complete, including approximate dates (fiscal year) of construction in the Capital Improvement Plan as adopted by City Council.

2.4 Fund 242 Fire Facilities

The following table provides a five-year financial summary for the Fire Facilities Fund. The analysis shows that there are fee revenues within the fund that have not been spent within five years from the year of collection; however, there are two outstanding inter-fund loans totaling \$7.7 million to which fee revenues are committed.

Description	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
REVENUES					
Fees	60,797	62,259	153,348	286,960	597,503
Interest ¹	3,425	4,625	8,043	8,240	11,693
Loan Repayments				-	-
Other Revenue ²	(3,512)	4,657	27,066	(7,011) ¹	(54,753)
Transfers In	-	-	-	-	-
Total Revenues	60,710	71,542	188,457	288,189	554,443
Expenditures					
Expenditures	29,842		241	543	3,139
Transfers/Loan Payments	-	25,840	25,840	25,840 ²	25,840
Total Expenditures	29,842	25,840	26,081	26,383	28,979
REVENUES OVER (UNDER) EXPENDITURES	30,867	45,702	162,376	261,806	525,464
Fund Balance, Beginning of the Year³	145,309	207,524	282,511	467,228	754,957
Fund Balance, End of the Year³	207,524	282,511	467,228	754,957	1,306,076

Five Year Fee Revenue Test

Available Revenue Current Year		554,443
Available Revenue Prior FY (2-yr Old Funds)		288,189
Available Revenue Prior FY (3-yr Old Funds)		188,457
Available Revenue Prior FY (4-yr Old Funds)		71,542
Available Revenue Prior FY (5-yr Old Funds)		60,710
Available Fee Revenue Greater than Five Prior Fiscal Years ⁴		142,735
Total Revenue Available		\$ 1,306,076

¹ Interest category includes all types of Investment Revenue

² Unrealized Gain/Loss on Investments

³ Cash balance as reported per Trial Balance provided by City Finance Department

⁴ Five-Year Fee Revenue Test compares year end fund balance to total of most recent five years of revenue received. A value of "-" indicates 5-Year Revenue Test is compliant

Findings for Fund 242 Fire Facilities:

1. Identify the purpose to which the fee will be put;

The purpose to which the Fire fees apply is as stated in Section 1.3 of this report as well as the most recent impact fee/nexus study completed by the City. See the Lincoln Public Facilities Element Fee Program Nexus Study Update, dated March 13, 2012. In June 2022, the City finalized an updated development impact fee study and received approval of the methodology for updating fees from City Council. The prior and updated nexus studies demonstrate a continuous need for fire facility improvements needed to serve new development.

2. Demonstrate the reasonable relationship between the fee and the purpose for which it is charged;

The reasonable relationship between the fee and the purpose for which it is charged is also substantiated by the most recent and applicable impact fee/nexus study completed by the City.

3. Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements for which impact fees are to be used;

The City's impact fee and nexus study reports identify a list of improvements for which fire impact fees are to be used, as well as the portion of improvements to be funded by impact fee revenues. Specific other sources and amounts of funding anticipated to be used to complete improvements are determined on a project-by-project basis and documented in the City's annual Capital Improvement Plan adopted by City Council. Typical sources of funding for fire facilities improvements other than impact fees include the General Fund as well as State and/or Federal grants.

4. Designate the approximate dates on which the funding necessary to complete financing of those improvements will be deposited into the appropriate account or fund.

The exact date of impact fee collection and deposit of funding is impossible to predict, as impact fee revenue is dependent on economic cycles associated with development activity. The City annually identifies public improvement projects that have sufficient impact fee funds available to complete, including approximate dates (fiscal year) of construction in the Capital Improvement Plan as adopted by City Council. For the Fire Facilities fund, there are two outstanding inter-fund loans totaling \$7.7 million to which fee revenues are committed.

2.5 Fund 243 Administrative Facilities

The following table provides a five-year financial summary for the Administrative Facilities Fund. As shown, there are no fee revenues within the fund balance that have not been spent within five years from the year of collection.

Description	1 FY 2017-18	2 FY 2018-19	3 FY 2019-20	4 FY 2020-21	5 FY 2021-22
REVENUES					
Fees	137,395	123,095	425,983	734,495	1,063,866
Interest ¹	1,942	4,068	10,191	15,459	22,175
Loan Repayments	-	-	-	-	-
Other Revenue ²	(1,140)	4,144	13,246	(13,385)	(103,401)
Transfers In	-	-	-	-	-
Total Revenues	138,197	131,307	449,420	736,569	982,640
Expenditures					
Expenditures	774	-	317	593	784
Transfers/Loan Payments	-	-	-	-	-
Total Expenditures	774	-	317	593	784
REVENUES OVER (UNDER) EXPENDITURES	137,423	131,307	449,103	735,976	981,856
Fund Balance, Beginning of the Year³	5,970	147,069	278,155	727,267	1,463,324
Fund Balance, End of the Year³	147,069	278,155	727,267	1,463,324	2,444,843

Five Year Fee Revenue Test

Available Revenue Current Year		1,063,866
Available Revenue Prior FY (2-yr Old Funds)		734,495
Available Revenue Prior FY (3-yr Old Funds)		425,983
Available Revenue Prior FY (4-yr Old Funds)		123,095
Available Revenue Prior FY (5-yr Old Funds)		137,395
Available Fee Revenue Greater than Five Prior Fiscal Years ⁴		-
Total Revenue Available		\$ 2,484,834

¹ Interest category includes all types of Investment Revenue

² Unrealized Gain/Loss on Investments

³ Cash balance as reported per Trial Balance provided by City Finance Department

⁴ Five-Year Fee Revenue Test compares year end fund balance to total of most recent five years of revenue received. A value of "-" indicates 5-Year Revenue Test is compliant

Findings for Fund 243 Administrative Facilities:

1. Identify the purpose to which the fee will be put;

The purpose to which the administrative facilities fees apply is as stated in Section 1.3 of this report as well as the most recent impact fee/nexus study completed by the City. See the Lincoln Public Facilities Element Fee Program Nexus Study Update, dated March 13, 2012. In June 2022, the City finalized an updated development impact fee study and received approval of the methodology for updating fees from City Council. The prior and updated nexus studies demonstrate a continuous need for administrative facility improvements needed to serve new development.

2. Demonstrate the reasonable relationship between the fee and the purpose for which it is charged;

The reasonable relationship between the fee and the purpose for which it is charged is also substantiated by the most recent and applicable impact fee/nexus study completed by the City.

3. Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements for which impact fees are to be used;

The City's impact fee and nexus study reports identify a list of improvements for which administrative impact fees are to be used, as well as the portion of improvements to be funded by impact fee revenues. Specific other sources and amounts of funding anticipated to be used to complete improvements are determined on a project-by-project basis and documented in the City's annual Capital Improvement Plan adopted by City Council. Typical sources of funding for administrative facilities improvements other than impact fees include the General Fund.

4. Designate the approximate dates on which the funding necessary to complete financing of those improvements will be deposited into the appropriate account or fund.

The exact date of impact fee collection and deposit of funding is impossible to predict, as impact fee revenue is dependent on economic cycles associated with development activity. The City annually identifies public improvement projects that have sufficient impact fee funds available to complete, including approximate dates (fiscal year) of construction in the Capital Improvement Plan as adopted by City Council.

2.6 Fund 244 Library Facilities

The following table provides a five-year financial summary for the Library Facilities Fund. As shown, there are fee revenues within the fund balance that have not been spent within five years from the year of collection.

Description	1 FY 2017-18	2 FY 2018-19	3 FY 2019-20	4 FY 2020-21	5 FY 2021-22
REVENUES					
Fees	-	-	-	-	-
Interest ¹	36,274	31,418	28,391	16,549	11,284
Loan Repayments	1,955				
Other Revenue ²	(35,925)	30,513	30,624	(13,353)	(48,160)
Transfers In	-	-	-	-	-
Total Revenues	<u>2,304</u>	<u>61,931</u>	<u>59,016</u>	<u>3,195</u>	<u>(36,876)</u>
Expenditures					
Expenditures	152,554	194,508	194,321	86,032	78,229
Transfers/Loan Payments	2,309,775	-	-	-	-
Total Expenditures	<u>2,462,329</u>	<u>194,508</u>	<u>194,321</u>	<u>86,032</u>	<u>78,229</u>
REVENUES OVER (UNDER) EXPENDITURES	(2,460,025)	(132,577)	(135,306)	(82,837)	(115,105)
Fund Balance, Beginning of the Year³	-	1,726,324	1,575,988	1,275,348	1,078,326
Fund Balance, End of the Year³	<u>1,726,324</u>	<u>1,575,988</u>	<u>1,275,348</u>	<u>1,078,326</u>	<u>967,084</u>

Five Year Fee Revenue Test

Available Revenue Current Year		(36,876)
Available Revenue Prior FY (2-yr Old Funds)		3,195
Available Revenue Prior FY (3-yr Old Funds)		59,016
Available Revenue Prior FY (4-yr Old Funds)		61,931
Available Revenue Prior FY (5-yr Old Funds)		2,304
Available Fee Revenue Greater than Five Prior Fiscal Years ⁴		877,514
Total Revenue Available		<u>\$ 967,084</u>

¹ Interest category includes all types of Investment Revenue

² Unrealized Gain/Loss on Investments

³ Cash balance as reported per Trial Balance provided by City Finance Department

⁴ Five-Year Fee Revenue Test compares year end fund balance to total of most recent five years of revenue received. A value of "-" indicates 5-Year Revenue Test is compliant

Findings for Fund 244 Library Facilities:

1. Identify the purpose to which the fee will be put;

The purpose to which the library facilities fees apply is as stated in Section 1.3 of this report as well as the most recent impact fee/nexus study completed by the City. See the Lincoln Public Facilities Element Fee Program Nexus Study Update, dated March 13, 2012. In June 2022, the City finalized an updated development impact fee study and received approval of the methodology for updating fees from City Council. The prior and updated nexus studies demonstrate a continuous need for library facility improvements needed to serve new development.

2. Demonstrate the reasonable relationship between the fee and the purpose for which it is charged;

The reasonable relationship between the fee and the purpose for which it is charged is also substantiated by the most recent and applicable impact fee/nexus study completed by the City.

3. Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements for which impact fees are to be used;

The City's impact fee and nexus study reports identify a list of improvements for which library impact fees are to be used, as well as the portion of improvements to be funded by impact fee revenues. Specific other sources and amounts of funding anticipated to be used to complete improvements are determined on a project-by-project basis and documented in the City's annual Capital Improvement Plan adopted by City Council. Typical sources of funding for library facility improvements other than impact fees include supplemental fees.

4. Designate the approximate dates on which the funding necessary to complete financing of those improvements will be deposited into the appropriate account or fund.

The exact date of impact fee collection and deposit of funding is impossible to predict, as impact fee revenue is dependent on economic cycles associated with development activity. The City annually identifies public improvement projects that have sufficient impact fee funds available to complete, including approximate dates (fiscal year) of construction in the Capital Improvement Plan as adopted by City Council.

2.7 Fund 246 Parks Facilities

The following table provides a five-year financial summary for the Parks Facilities Fund. As shown, there are no fee revenues within the fund balance that have not been spent within five years from the year of collection.

Description	1	2	3	4	5
	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
REVENUES					
Fees	470,069	571,210	2,147,616	3,045,946	3,376,931
Interest ¹	6,396	16,993	51,746	75,082	92,594
Loan Repayments	-	-	-	-	-
Other Revenue ²	(7,163)	369,735	67,145	(64,513)	(424,005)
Transfers In					
Total Revenues	469,302	957,937	2,266,508	3,056,515	3,045,520
Expenditures					
Expenditures	796	-	1,601	4,728	69,544
Transfers/Loan Payments	-	-	-	-	-
Total Expenditures	796	-	1,601	4,728	69,544
REVENUES OVER (UNDER) EXPENDITURES	468,506	957,937	2,264,907	3,051,787	2,975,976
Fund Balance, Beginning of the Year³	-	455,994	1,379,121	3,613,035	6,731,882
Fund Balance, End of the Year³	455,994	1,379,121	3,613,035	6,731,882	9,663,056

Five Year Fee Revenue Test

Available Revenue Current Year		3,045,520
Available Revenue Prior FY (2-yr Old Funds)		3,056,515
Available Revenue Prior FY (3-yr Old Funds)		2,266,508
Available Revenue Prior FY (4-yr Old Funds)		957,937
Available Revenue Prior FY (5-yr Old Funds)		469,302
Available Fee Revenue Greater than Five Prior Fiscal Years ⁴		-
Total Revenue Available		\$ 9,795,782

¹ Interest category includes all types of Investment Revenue

² Unrealized Gain/Loss on Investments

³ Cash balance as reported per Trial Balance provided by City Finance Department

⁴ Five-Year Fee Revenue Test compares year end fund balance to total of most recent five years of revenue received. A value of "-" indicates 5-Year Revenue Test is compliant

Findings for Fund 246 Parks Facilities:

1. Identify the purpose to which the fee will be put;

The purpose to which the parks facilities fees apply is as stated in Section 1.3 of this report as well as the most recent impact fee/nexus study completed by the City. See the Lincoln Public Facilities Element Fee Program Nexus Study Update, dated March 13, 2012. In June 2022, the City finalized an updated development impact fee study and received approval of the methodology for updating fees from City Council. The prior and updated nexus studies demonstrate a continuous need for parks facility improvements needed to serve new development.

2. Demonstrate the reasonable relationship between the fee and the purpose for which it is charged;

The reasonable relationship between the fee and the purpose for which it is charged is also substantiated by the most recent and applicable impact fee/nexus study completed by the City.

3. Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements for which impact fees are to be used;

The City's impact fee and nexus study reports identify a list of improvements for which parks impact fees are to be used, as well as the portion of improvements to be funded by impact fee revenues. Specific other sources and amounts of funding anticipated to be used to complete improvements are determined on a project-by-project basis and documented in the City's annual Capital Improvement Plan adopted by City Council. Typical sources of funding for parks facility improvements other than impact fees include grants and the General Fund.

4. Designate the approximate dates on which the funding necessary to complete financing of those improvements will be deposited into the appropriate account or fund.

The exact date of impact fee collection and deposit of funding is impossible to predict, as impact fee revenue is dependent on economic cycles associated with development activity. The City annually identifies public improvement projects that have sufficient impact fee funds available to complete, including approximate dates (fiscal year) of construction in the Capital Improvement Plan as adopted by City Council.

2.8 Fund 247 Drainage Facilities

The following table provides a five-year financial summary for the Drainage Facilities Fund. As shown, there are no fee revenues within the fund balance that have not been spent within five years from the year of collection.

Description	1 FY 2017-18	2 FY 2018-19	3 FY 2019-20	4 FY 2020-21	5 FY 2021-22
REVENUES					
Fees	120,866	129,252	380,451	603,747	1,212,657
Interest ¹	146	1,149	6,952	11,885	19,112
Loan Repayments	-	-	-	-	-
Other Revenue ²	124	1,575	9,292	14,207	420,036
Transfers In	-	-	-	-	-
Total Revenues	<u>121,136</u>	<u>131,975</u>	<u>396,694</u>	<u>629,840</u>	<u>1,651,806</u>
Expenditures					
Expenditures	1,013,465	14,634	15,070	456	260,913
Transfers/Loan Payments	-	-	-	12,617	12,264
Total Expenditures	<u>1,013,465</u>	<u>14,634</u>	<u>15,070</u>	<u>13,073</u>	<u>273,177</u>
REVENUES OVER (UNDER) EXPENDITURES	(892,329)	117,341	381,625	616,767	1,378,629
Fund Balance, Beginning of the Year³	-	(2,867)	128,588	498,674	1,239,451
Fund Balance, End of the Year³	<u>(2,867)</u>	<u>128,588</u>	<u>498,674</u>	<u>1,239,451</u>	<u>2,326,801</u>

Five Year Fee Revenue Test

Available Revenue Current Year		1,651,806
Available Revenue Prior FY (2-yr Old Funds)		629,840
Available Revenue Prior FY (3-yr Old Funds)		396,694
Available Revenue Prior FY (4-yr Old Funds)		131,975
Available Revenue Prior FY (5-yr Old Funds)		121,136
Available Fee Revenue Greater than Five Prior Fiscal Years ⁴		-
Total Revenue Available		<u>\$ 2,931,451</u>

¹ Interest category includes all types of Investment Revenue

² Unrealized Gain/Loss on Investments. FY 22 includes a one-time reimbursement

³ Cash balance as reported per Trial Balance provided by City Finance Department

⁴ Five-Year Fee Revenue Test compares year end fund balance to total of most recent five years of revenue received. A value of "-" indicates 5-Year Revenue Test is compliant

Findings for Fund 247 Drainage Facilities:

1. Identify the purpose to which the fee will be put;

The purpose to which the drainage facilities fees apply is as stated in Section 1.3 of this report as well as the most recent impact fee/nexus study completed by the City. See the Lincoln Public Facilities Element Fee Program Nexus Study Update, dated March 13, 2012. In June 2022, the City finalized an updated development impact fee study and received approval of the methodology for updating fees from City Council. The prior and updated nexus studies demonstrate a continuous need for drainage facility improvements needed to serve new development.

2. Demonstrate the reasonable relationship between the fee and the purpose for which it is charged;

The reasonable relationship between the fee and the purpose for which it is charged is also substantiated by the most recent and applicable impact fee/nexus study completed by the City.

3. Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements for which impact fees are to be used;

The City's impact fee and nexus study reports identify a list of improvements for which drainage impact fees are to be used, as well as the portion of improvements to be funded by impact fee revenues. Specific other sources and amounts of funding anticipated to be used to complete improvements are determined on a project-by-project basis and documented in the City's annual Capital Improvement Plan adopted by City Council.

4. Designate the approximate dates on which the funding necessary to complete financing of those improvements will be deposited into the appropriate account or fund.

The exact date of impact fee collection and deposit of funding is impossible to predict, as impact fee revenue is dependent on economic cycles associated with development activity. The City annually identifies public improvement projects that have sufficient impact fee funds available to complete, including approximate dates (fiscal year) of construction in the Capital Improvement Plan as adopted by City Council. This fund also has an outstanding loan and the cash collected will be allocated toward paying off that loan.

2.9 Fund 715 Water Facilities

The following table provides a five-year financial summary for the Water Facilities Fund. As shown, there are no fee revenues within the fund balance that have not been spent within five years from the year of collection.

Description	1	2	3	4	5
	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
REVENUES					
Fees	491,966	769,799	1,067,522	2,840,251	5,058,395
Interest ¹	133,890	121,035	134,799	56,914	84,200
Loan Repayments	-	-	-	-	-
Other Revenue ²	(130,971)	120,607	154,753	(46,561)	(402,201)
Transfers In	-	-	-	-	-
Total Revenues	494,884	1,011,440	1,357,074	2,850,604	4,740,393
Expenditures					
Expenditures	2,172,813	272,043	3,909,272	1,958,424	688,774
Transfers/Loan Payments	-	861	-	-	13,404
Total Expenditures	2,172,813	272,904	3,909,272	1,958,424	702,178
REVENUES OVER (UNDER) EXPENDITURES	(1,677,929)	738,536	(2,552,198)	892,180	4,038,215
Fund Balance, Beginning of the Year³	7,394,704	5,902,644	6,709,634	4,233,824	4,975,199
Fund Balance, End of the Year³	5,902,644	6,709,634	4,233,824	4,975,199	9,960,950

Five Year Fee Revenue Test

Available Revenue Current Year		4,740,393
Available Revenue Prior FY (2-yr Old Funds)		2,850,604
Available Revenue Prior FY (3-yr Old Funds)		1,357,074
Available Revenue Prior FY (4-yr Old Funds)		1,011,440
Available Revenue Prior FY (5-yr Old Funds)		494,884
Available Fee Revenue Greater than Five Prior Fiscal Years ⁴		-
Total Revenue Available		\$ 10,454,397

¹ Interest category includes all types of Investment Revenue

² Unrealized Gain/Loss on Investments. FY 22 includes a one-time reimbursement

³ Cash balance as reported per Trial Balance provided by City Finance Department

⁴ Five-Year Fee Revenue Test compares year end fund balance to total of most recent five years of revenue received. A value of "-" indicates 5-Year Revenue Test is compliant

Findings for Fund 715 Water Facilities:

1. Identify the purpose to which the fee will be put;

The purpose to which the water facilities fees apply is as stated in Section 1.3 of this report as well as the most recent impact fee/nexus study completed by the City. See the Lincoln Public Facilities Element Fee Program Nexus Study Update, dated March 13, 2012. In June 2022, the City finalized an updated development impact fee study and received approval of the methodology for updating fees from City Council. The prior and updated nexus studies demonstrate a continuous need for water system improvements needed to serve new development.

2. Demonstrate the reasonable relationship between the fee and the purpose for which it is charged;

The reasonable relationship between the fee and the purpose for which it is charged is also substantiated by the most recent and applicable impact fee/nexus study completed by the City.

3. Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements for which impact fees are to be used;

The City's impact fee and nexus study reports identify a list of improvements for which water facilities fees are to be used, as well as the portion of improvements to be funded by impact fee revenues. Specific other sources and amounts of funding anticipated to be used to complete improvements are determined on a project-by-project basis and documented in the City's annual Capital Improvement Plan adopted by City Council.

4. Designate the approximate dates on which the funding necessary to complete financing of those improvements will be deposited into the appropriate account or fund.

The exact date of impact fee collection and deposit of funding is impossible to predict, as impact fee revenue is dependent on economic cycles associated with development activity. The City annually identifies public improvement projects that have sufficient impact fee funds available to complete, including approximate dates (fiscal year) of construction in the Capital Improvement Plan as adopted by City Council.

2.10 Fund 725 Wastewater Facilities

The following table provides a five-year financial summary for the Wastewater Facilities Fund. As shown, there are no fee revenues within the fund balance that have not been spent within five years from the year of collection.

Description	1 FY 2017-18	2 FY 2018-19	3 FY 2019-20	4 FY 2020-21	5 FY 2021-22
REVENUES					
Fees	498,314	611,666	409,666	1,727,479	4,473,409
Interest ¹	72,502	84,177	96,526	77,460	86,018
Loan Repayments	-	-	-	-	-
Other Revenue ²	(58,935)	86,075	110,941	1,041,257	(1,504,647)
Transfers In	-	-	-	-	-
Total Revenues	511,880	781,918	617,133	2,846,196	3,054,781
Expenditures					
Expenditures	1,533,869	720,973	399,760	30,162	5,325,898
Transfers/Loan Payments	(1,291,872)	(453,195)	(120,724)	-	(576,986)
Total Expenditures	241,997	267,778	279,037	30,162	4,748,913
REVENUES OVER (UNDER) EXPENDITURES	269,883	514,140	338,097	2,816,034	(1,694,132)
Fund Balance, Beginning of the Year³	7,394,704	4,201,238	4,682,689	4,806,422	6,321,907
Fund Balance, End of the Year³	5,902,644	4,682,689	4,806,422	6,321,907	7,756,043

Five Year Fee Revenue Test

Available Revenue Current Year		3,054,781
Available Revenue Prior FY (2-yr Old Funds)		2,846,196
Available Revenue Prior FY (3-yr Old Funds)		617,133
Available Revenue Prior FY (4-yr Old Funds)		781,918
Available Revenue Prior FY (5-yr Old Funds)		511,880
Available Fee Revenue Greater than Five Prior Fiscal Years ⁴		-
Total Revenue Available		\$ 7,811,909

¹ Interest category includes all types of Investment Revenue

² Unrealized Gain/Loss on Investments; project reimbursements, zone of benefit fees

³ Cash balance as reported per Trial Balance provided by City Finance Department

⁴ Five-Year Fee Revenue Test compares year end fund balance to total of most recent five years of revenue received. A value of "-" indicates 5-Year Revenue Test is compliant

Findings for Fund 725 Wastewater Facilities:

5. Identify the purpose to which the fee will be put;

The purpose to which the wastewater facilities fees apply is as stated in Section 1.3 of this report as well as the most recent impact fee/nexus study completed by the City. See the Lincoln Public Facilities Element Fee Program Nexus Study Update, dated March 13, 2012. In June 2022, the City finalized an updated development impact fee study and received approval of the methodology for updating fees from City Council. The prior and updated nexus studies demonstrate a continuous need for wastewater system improvements needed to serve new development.

6. Demonstrate the reasonable relationship between the fee and the purpose for which it is charged;

The reasonable relationship between the fee and the purpose for which it is charged is also substantiated by the most recent and applicable impact fee/nexus study completed by the City.

7. Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements for which impact fees are to be used;

The City's impact fee and nexus study reports identify a list of improvements for which water facilities fees are to be used, as well as the portion of improvements to be funded by impact fee revenues. Specific other sources and amounts of funding anticipated to be used to complete improvements are determined on a project-by-project basis and documented in the City's annual Capital Improvement Plan adopted by City Council.

8. Designate the approximate dates on which the funding necessary to complete financing of those improvements will be deposited into the appropriate account or fund.

The exact date of impact fee collection and deposit of funding is impossible to predict, as impact fee revenue is dependent on economic cycles associated with development activity. The City annually identifies public improvement projects that have sufficient impact fee funds available to complete, including approximate dates (fiscal year) of construction in the Capital Improvement Plan as adopted by City Council.

2.11 Fund 735 Solid Waste Facilities

The following table provides a five-year financial summary for the Solid Waste Facilities Fund.

Description	1 FY 2017-18	2 FY 2018-19	3 FY 2019-20	4 FY 2020-21	5 FY 2021-22
REVENUES					
Fees	125,653	108,103	363,582	666,795	971,904
Interest ¹	34,187	40,268	48,824	36,367	35,587
Loan Repayments ²	1,017,083	-	-	6,277	176,415
Other Revenue ³	(28,111)	33,413	15,847	(30,323)	(160,431)
Transfers In	-	-	-	-	-
Total Revenues	1,148,812	181,784	428,253	679,116	1,023,474
Expenditures					
Expenditures	254,914	239,763	188,327	65,243	219,255
Transfers/Loan Payments	1,000,000	(16,559)	-	-	170,313
Total Expenditures	1,254,914	223,204	188,327	65,243	389,568
REVENUES OVER (UNDER) EXPENDITURES	(106,102)	(41,420)	239,926	613,873	633,907
Fund Balance, Beginning of the Year⁴	1,763,134	1,762,782	1,872,455	2,296,559	2,838,956
Fund Balance, End of the Year⁴	1,762,782	1,872,455	2,296,559	2,838,956	3,712,452

Five Year Fee Revenue Test

Available Revenue Current Year		1,023,474
Available Revenue Prior FY (2-yr Old Funds)		679,116
Available Revenue Prior FY (3-yr Old Funds)		428,253
Available Revenue Prior FY (4-yr Old Funds)		181,784
Available Revenue Prior FY (5-yr Old Funds)		1,148,812
Available Fee Revenue Greater than Five Prior Fiscal Years ⁵		251,012
Total Revenue Available		\$ 3,712,452

¹ Interest category includes all types of Investment Revenue

² Repayment of Loan from Fund 725

³ Unrealized Gain/Loss on Investment

⁴ Cash balance as reported per Trial Balance provided by City Finance Department

⁵ Five-Year Fee Revenue Test compares year end fund balance to total of most recent five years of revenue received. A value of "-" indicates 5-Year Revenue Test is compliant

Findings for Fund 735 Solid Waste Facilities:

1. Identify the purpose to which the fee will be put;

The purpose to which the solid waste facilities fees apply is as stated in Section 1.3 of this report as well as the most recent impact fee/nexus study completed by the City. See the Lincoln Public Facilities Element Fee Program Nexus Study Update, dated March 13, 2012. In June 2022, the City finalized an updated development impact fee study and received approval of the methodology for updating fees from City Council. The prior and updated nexus studies demonstrate a continuous need for solid waste facility improvements needed to serve new development.

2. Demonstrate the reasonable relationship between the fee and the purpose for which it is charged;

The reasonable relationship between the fee and the purpose for which it is charged is also substantiated by the most recent and applicable impact fee/nexus study completed by the City.

3. Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements for which impact fees are to be used;

The City's impact fee and nexus study reports identify a list of improvements for which solid waste facilities fees are to be used, as well as the portion of improvements to be funded by impact fee revenues. Specific other sources and amounts of funding anticipated to be used to complete improvements are determined on a project-by-project basis and documented in the City's annual Capital Improvement Plan adopted by City Council.

4. Designate the approximate dates on which the funding necessary to complete financing of those improvements will be deposited into the appropriate account or fund.

The exact date of impact fee collection and deposit of funding is impossible to predict, as impact fee revenue is dependent on economic cycles associated with development activity. The City annually identifies public improvement projects that have sufficient impact fee funds available to complete, including approximate dates (fiscal year) of construction in the Capital Improvement Plan as adopted by City Council.

ATTACHMENT

Current Impact Fee Schedule

CITY OF LINCOLN
RESIDENTIAL BUILDING PERMIT FEES
As of January 1, 2022

1.	Valuation:	See following page -- How to Figure Your Valuation
2.	Building Permit Fee:	Please call the Community Development Dept @ (916) 434-2470 for information or refer to the Comm Dev Value, Plan Check & Permit Fee Table on the City's website: www.lincolnca.gov
3.	Plan Check Fee:	75% of Building Permit Fee/ 25% of Standard Plan Check Fee
4.	Permit Issuance Fee:	\$68.00
5.	Technology Fee:	(Percent of permit fee) 4%
6.	General Plan Maintenance Fee:	(Per \$1,000) \$0.79

7.	Electrical:	Base Permit Fee X .12
8.	Plumbing:	
9.	Mechanical:	

10.	Energy Plan Check & Inspection Fee:	5% of building permit fee
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11.	Seismic Fee:	Valuation of building X \$.00013
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12.	*Sewer Connection Fees:	\$ 6,443.77 per EDU
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13.	Green Building Fee	\$1 per every \$25,000 of valuation
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14.	Incremental Fee	Valuation of building X \$.0002 (minimum \$4/maximum \$500)
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12.	*City Water Connection Fees¹:	<u>Meter Size</u>	<u>City Charge</u>
		1 EDU	\$6,608.77 per EDU

13.	*Capacity & Transmission Water Charge:	<i>City collects a source water connection charge based on table below:</i>
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	Total Lot Size (square feet)	Total Peak Day (gal)	PCWA WCC Regulated Meter	PCWA WCC Unregulated Meter
	Less than 2,901	214	\$2,737.06	\$3,434.70
	2,901 to 4,400	442	\$5,653.18	\$7,094.10
	4,400 to 5,500	576	\$7,367.04	\$9,244.80
	5,501 to 7,000	679	\$8,684.41	\$10,897.95
	7,001 to 10,000	862	\$11,024.98	\$13,835.10
	10,001 to 17,000	1201	\$15,360.79	\$19,276.05
	17,001 to 35,000	2407	\$30,785.53	\$38,632.35
	Greater than 35,000	5155	\$65,932.45	\$82,737.75

14.	Water Meter:	\$523.96 for 1" meter
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15.	Park Tax:	Single Family:	\$ 261.00	Triplex:	\$ 609.00
		Duplex:	\$ 449.50	Fourplex:	\$ 812.00
		Apartments:	\$ 130.50 X number of dwellings		
16.	*Park In-Lieu:	\$ 192.00 per EDU (minimum fee)			
17.	*Community Services	\$ 7,607.72 per EDU			
18.	*Traffic Mitigation:	\$ 3,635.77 per EDU			
19.	*Drainage Impact Fee:	North of Auburn Ravine:	\$1,795.30 per EDU		
		South of Auburn Ravine:	\$1,059.96 per EDU		
20.	Building Occupancy:	\$ 122 per unit or building			
21.	Automated Refuse Container:	\$ 85.00 for one 90-gallon container			

¹ The parcels in Verdera Villages 13-17, and 19 are in the land use zoned Very Low Density (VLD) based on their size and anticipated demand. An Equivalent Dwelling Unit (EDU) is a factor that quantifies different land use types in terms of their equivalence to a single Low Density (LD) family unit. A single family unit is assigned an EDU factor of 1.0 and the EDU factor for each of the other land use categories are based on the anticipated demand expected relative to the demand for a single family unit. The VLD parcels in the City are subject to the following EDU factors:

Sewer Connection Fees	1.27 EDU's
City Water Connection Fees	2.37 EDU's
Drainage Impact Fees	1.30 EDU's
CAT Fees	2.37 EDU's

The Verdera parcels are part of the City's water system and water customers of the City. Due to the elevation of the Verdera parcels and the point of water delivery to the City from PCWA, the Verdera parcels benefit from services provided by the PCWA water system. Based upon these services, the Verdera parcels are required to pay the full PCWA Water Connection Charge.

22.	Cemetery Fee:	\$ 206.19 per EDU or \$135.57 age-restricted Senior EDU
23.	Placer County Capital Facilities Impact Fee:	\$ 2,418.14 per EDU = New SFD \$ 1,762.29 per EDU = New MFD \$ 1,589.87 age-restricted
24.	Supplemental Fee:	\$ 350.00 per EDU (If Applicable)
25.	Regional Traffic Fee:	\$1,658.00 per EDU
26.	Tier 2 SPRTA Fee (if applicable):	\$7,485.00 per EDU

*Developer credit may be applicable. Credit may be received against these fees in those instances where an existing dwelling has been demolished, subject to the provisions of Administrative Policy #1.

**Based on actual time spent.

- a. THE WESTERN PLACER UNIFIED SCHOOL DISTRICT MUST COLLECT THE SCHOOL IMPACT FEE PRIOR TO THE CITY ISSUING A BUILDING PERMIT. CALL THEIR OFFICE AT (916) 645-5100 FOR THE CURRENT FEE SCHEDULE.
- b. Additional fees such as grading, encroachment, oak tree mitigation may be applicable.
- c. All fees are based on the City of Lincoln Master Fee Schedule and are subject to change. Please check with the Building Department at 916-434-2470 for additional fee information.

NON-RESIDENTIAL PUBLIC FACILITIES ELEMENT FEE CALCULATIONS

The following provides information on the calculation of Public Facilities Element (PFE) fees applicable to Commercial and Industrial construction within the City of Lincoln. In most instances projects will fall within the following methods of calculation. However it should be noted that each project can be unique and there may be occasions when a particular project due to special characteristics of its activity may require an alternate method to determine fees. The information that follows will make note of when an alternate method of fee calculation may need to be applied. Please note that this information is provided to allow interested parties the ability to estimate the development fees that will be paid on a particular project. While every care is taken allow parties the ability to determine accurate fee estimates, actual fees are determined at the time construction plans are submitted to the City for approval. Due to the specific information presented in construction plans the actual calculations of the fees due may vary from an estimate.

ESTIMATING PFE FEES

Sewer

Business & Professional, Commercial and Industrial sewer connection fees are calculated on the basis of building square footage. The following is the current fee rates for each non-residential land use type:

Bus. & Prof: \$3,450.89 per 1,000 square ft.
Commercial: \$3,450.89 per 1,000 square ft.
Industrial: \$4,141.07 per 1,000 square ft.

Example: Building size: 5,000 sq.ft. Type: Office

5,000 sq. ft. divided by 1,000 = 5 5 x \$3,450.89 = \$17,254 sewer fee

Special note: Users that discharge waste that is of a non-residential type, i.e. a high quantity of wastewater or wastewater with high strength will have their fees calculated based upon meter size and studies indicating B.O.D. loading, suspended solids flow quantity or other appropriate standards determined by the City. Examples of such non-residential users include hospitals, mortuaries, laundromats, convalescent facilities, and car wash-automatic. If you believe your user may fall into the non-residential category please contact the City Engineer at 916-434-2470.

Water

There are two types of water connection fees that may apply to Business & Professional, Commercial and Industrial users; domestic and irrigation. City water connection fees for domestic use are calculated on the basis of building square footage. Irrigation systems will be based upon water meter size. There are two types of water fees that apply to both domestic use and irrigation. There is the City Water Connection fee which funds capital improvements to the City's water storage system, distribution system and municipal well system. The second fee is the Water Connection Charge (WCC) that is used to purchase treated water capacity from the Placer County Water Agency (PCWA) and funds capital improvements to the PCWA system. The following is the current fee rates for each non-residential land use type:

City Water Connection Fee

Bus. & Prof: \$2,327.91 per 1,000 square ft.
Commercial: \$2,327.91 per 1,000 square ft.
Industrial: \$2,793.27 per 1,000 square ft.

Water Connection Charge (PCWA)

Meter Size:

¾"	= 1.5 EDU♦	\$ 22,980
1"	= 2.5 EDU	\$ 38,300
1 ½"	= 5.0 EDU	\$ 76,600
2"	= 8.0 EDU	\$122,560

♦EDU: Equivalent dwelling unit which represent 1150 gpd of capacity.

Example: Commercial building size 5,000 square feet require a ¾" meter for domestic use and separate ¾" meter for irrigation:

Domestic use:

5,000 sq. ft. divided by 1,000 sq. ft. = 5
5 x \$2,327.91 = \$11,640 City connection fee
One ¾" meter domestic use = \$22,980 Capacity & Transmission Fee
Domestic Water Fee: \$34,620

Irrigation use:

One ¾" meter irrigation use = 1.5 edu♦ x \$5,838.69 = \$8,758 City connection fee.
One ¾" meter irrigation use = \$22,980 Capacity & Transmission Fee
Irrigation Water Fee: \$31,738

Total Water Fee: \$66,358

♦EDU: because there is not a square footage to base the calculation a conversion to edu's is required; in order to calculate the fee the rate for a low density residential unit which is equivalent to one edu is used or \$5,558/edu.

Special Note: high water user projects such as manufacturing uses that require high quantities of water, facilities with large water features or other special uses may require additional calculations. If you believe your user may fall into the non-residential category please contact the City Engineer at 916-434-2470.

Transportation

The City’s Transportation fees shall be calculated in accordance with Municipal Code Section 18.91.080 – Traffic Impact Mitigation Fee Calculation which states, “The traffic impact mitigation fee for non-residential land uses shall be determined by applying the City’s Transportation Public Facility Fee per EDU to the most recent tables adopted by the South Placer Regional Transportation Authority (SPARTA) for the City of Lincoln, using the unit of measure and the DUE per Unit for the applicable category as determined by the City.”

The City’s current transportation fee per EDU = \$3,635.77

Example: 5,000 sq. ft. Furniture Store, SPARTA ITE Code # 890 (See attached SPARTA fee schedule)

5,000 divided by 1,000 = 5
5 x 0. 0.256 = 1.28 edu’s
1.28 x \$3,635.77 = \$4,654 (City transportation fee)

Drainage

The City’s Drainage fee is based upon a split between those areas north of Auburn Ravine and those areas south of Auburn Ravine. The fee for non-residential projects, commercial, business and professional and industrial is calculated on a basis of per 1,000 square feet of building area. The fees per 1,000 sq. ft of building area on listed below:

	North of Auburn Ravine	South of Auburn Ravine
Commercial:	\$ 879.26	\$518.95
Bus. & Prof.	\$ 879.26	\$518.95
Industrial:	\$1,054.70	\$622.95

Example: 8,000 sq. ft. retail store located north of Auburn Ravine

8,000 divided by 1,000 = 8
\$879.26 x 8 = \$7,034.08 (Drainage fee)

Placer County Capital Facilities Impact Fee

This fee addresses the impacts of growth upon the facilities needs of Placer County and is collected on new development within the City of Lincoln and forwarded to Placer County.

Office	\$ 0.51 per square foot
Retail	\$ 0.32 per square foot
Industrial	\$ 0.26 per square foot
Warehouse	\$ 0.07 per square foot

Community Services Fee

The City's Community Services fee is comprised of five components which include Police, Fire, City Administration, Parks & Recreation and Solid Waste. For non-residential development the fee for each of the five components is based upon a per 1,000 square feet of building area. The fees for each of the five components, is listed below per 1,000 square feet of building:

	Police	Fire	Parks/Rec	Administration	Solid Waste
Commercial:	\$731.15	\$370.82	\$ 994.82	\$231.11	\$54.63
Bus. & Prof:	\$731.15	\$370.82	\$ 994.82	\$231.11	\$54.63
Industrial:	\$731.15	\$370.82	\$1,521.13	\$352.96	\$65.13

Example: 10,000 square foot manufacturing building.

10,000 divided by 1,000 = 10

10 x \$731.15 (Police) = \$7,312

10 x \$370.82 (Fire) = \$3,708

10 x \$1,521.13 (Parks/Rec) = \$15,211

10 x \$352.96 (Administration) = \$3,530

10 x \$65.13 (Solid Waste) = \$651

Total Community Services Fee = \$2,382.53

Community Services fee: \$30,412

South Placer Regional Transportation and Air Quality Mitigation Fee (SPRTA)

The SPRTA fee is assessed on new development for its impact on specified regional transportation facilities. The City of Lincoln collects this fee on behalf of SPRTA and is forwarded to that agency. Please refer to Appendix 3 to find the fee applicable to your project.

South Placer Regional Transportation and Air Quality Mitigation Tier II Fee (Tier II)

The SPRTA fee is assessed on certain new development within the City of Lincoln for its impact on specified regional transportation facilities. The City of Lincoln collects this fee on behalf of SPRTA and is forwarded to that agency. Please refer to Appendix 4 to find the fee applicable to your project.

ALL INFORMATION IN THIS BROCHURE IS SUBJECT TO CHANGE, PLEASE CONTACT DEVELOPMENT SERVICES FOR ANY QUESTIONS AT (916) 434-2470.



WATER CONNECTION & METER COSTS
(As of February 8, 2019)

SINGLE-FAMILY RESIDENTIAL

Water Meter Size	Water Units	City Water Fee	Lot Size (Sq. Ft.)	Source Water Fee (PCWA)	Meter Cost	Total Cost (METER + CITY + PCWA)
1"	1 edu's	\$5,838.69	</= 2,900.99	\$3,408.04	\$523.96	\$9,706.90
1"	1 edu's	\$5,838.69	2,901 to 4,400.99	\$6,134.48	\$523.96	\$12,497.13
1"	1 edu's	\$5,838.69	4,401 to 5,500.99	\$7,497.69	\$523.96	\$13,860.34
1"	1 edu's	\$5,838.69	5,501 to 7,000.99	\$9,542.52	\$523.96	\$15,905.17
1"	1 edu's	\$5,838.69	7,001 to 10,000.99	\$11,587.35	\$523.96	\$17,950.00
1"	1 edu's	\$5,838.69	10,001 to 17,000.99	\$16,358.61	\$523.96	\$22,721.26
1"	1 edu's	\$5,838.69	17,001 to 35,000.99	\$23,515.50	\$523.96	\$29,878.15
1"	1 edu's	\$5,838.69	>35,001	\$39,192.50	\$523.96	\$45,555.15
1" VLD (12 Bridges)	2.37edu's	\$13,837.70	N/A in Twelve Bridges	\$45,833.43	\$523.96	\$60,195.09

COMMERCIAL (Or Based on Peak Demand)

Water Meter Size	Water Units	City Water Fee	Source Water Fee (PCWA)	Meter Cost	Total Cost (METER + CITY + PCWA)
1"	2.5 edu's	\$14,596.73	\$39,192.50	\$523.96	\$54,313.19
1 1/2"	5 edu's	\$29,193.45	\$78,385.00	\$1,543.75	\$109,122.20
2"	8 edu's	\$46,709.52	\$125,416.00	\$1,739.58	\$173,865.10
3"	16 edu's	\$93,419.04	\$250,832.00	\$2,131.25	\$346,382.29
4"	25 edu's	\$145,967.25	\$391,925.00	\$3,500.00	\$541,392.25
6"	40 edu's	\$233,547.60	\$627,080.00	\$5,847.92	\$866,475.52

IRRIGATION (Or Based on Peak Demand)

Water Meter Size	Water Units	City Water Fee	Source Water Fee (PCWA)	Meter Cost	Total Cost (METER + CITY + PCWA)
1 ½"	5 edu's	\$29,193.45	\$78,385.00	\$1,194.79	\$108,773.24
2"	8 edu's	\$46,709.52	\$125,416.00	\$1,365.63	\$173,491.15
3"	16 edu's	\$93,419.04	\$250,832.00	\$1,634.38	\$345,882.42
4"	25 edu's	\$145,967.25	\$391,925.00	\$2,923.96	\$540,816.21
6"	40 edu's	\$233,547.60	\$627,080.00	\$5,045.83	\$865,673.43