

RESOLUTION NO. 2019-03

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CORDELIA FIRE PROTECTION DISTRICT**

**A RESOLUTION APPROVING THE CORDELIA FIRE PROTECTION
DISTRICT FIRE IMPACT FEE PROGRAM ANNUAL REPORT AND
FIVE-YEAR FINDING REPORT FOR FISCAL YEAR 2018-19**

WHEREAS, the County of Solano, on the behalf of the Cordelia Fire Protection District ("District"), have previously adopted and imposed development impact fees on residential and nonresidential ("fire impact fees") to mitigate the impact of new development on the District's fire system; and

WHEREAS, the District has reviewed the information provided in the District's Fire Impact Fee Program Annual Report and Five-Year Finding Report For Fiscal Year 2018-19 and has determined the information contained therein to be true and correct; and

WHEREAS, the Annual Report and the Five-Year Findings Report was prepared in accordance with Government Code Sections 66006(b)(1) and 66001(d).

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Board hereby receives and approves the District's Annual Report and the Five-Year Findings Report for FY 2018-19.

PASSED and ADOPTED by the Board of Directors of the Cordelia Fire Protection District at a regular meeting thereof held on November 12, 2019.

AYES: Dittmer, Frische, Hakenen

NOES: None

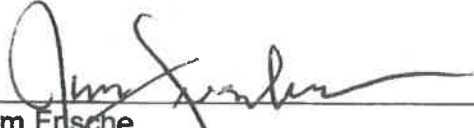
ABSTAIN: None

ABSENT: McAlister, Kerlin



Jeff Dittmer
President, Board of Directors
Cordelia Fire Protection District

ATTEST:



Jim Frische
Acting Secretary, Board of Directors,
Cordelia Fire Protection District

Cordelia Fire Protection District

FY 2018-19 Developer Fee Report v2

In accordance with Government Code Section 66006(b)(1) and (2), the Cordelia Fire Protection District (the "District") provides the following information for fiscal year 2017-2018 for the District's fire impact development fee ("Reportable Fee"). Information for this report was provided by the District and the County of Solano.

A. A BRIEF DESCRIPTION OF THE TYPE OF FEE

The impact fees will help maintain adequate levels of service for fire protection in the District. New development in the District will increase the demand for fire protection services. The impact fees will fund fire facilities and equipment necessary to accommodate residential and nonresidential development in the District.

B. THE AMOUNT OF THE FEE

The Reportable Fee in effect at the end of fiscal year 2018-19 was is shown below. The Reportable Program was established by the County Board of Supervisors on April 26, 2005 by County Ordinance No. 1659 on behalf of the District. The current Reportable Fee was approved by the District Board of Directors on September 9, 2014, by Resolution No. 2014-05 and later adopted by the Solano County Board of Supervisors on December 9, 2010, by Resolution No. 2014-225.

<u>Land Use</u>	<u>Proposed Fire Impact Fees</u>
Residential Development	Per Living Area Sq. Ft.
Single Family Housing	\$1.70
Multi-Family Housing	\$3.01
Mobile Home	\$2.43
Nonresidential Development	Per Building Sq. Ft.
Retail / Commercial	\$1.86
Office	\$2.54
Industrial	\$1.96
Agriculture	\$0.96
Warehouse / Distribution	\$1.18

C. THE BEGINNING AND ENDING BALANCE OF THE ACCOUNT OR FUND

The District does not maintain a separate account or internal fund for the Reportable Fee. Therefore, beginning and ending balances have been estimated using the District's financial statements and a detailed list of capital expenditures. The beginning balance at the beginning of fiscal year 2018-19 was a negative \$64,632.21. At the end of fiscal year 2018-19, the balance fund was a negative \$49,318.25.

D. THE AMOUNT OF THE FEES COLLECTED AND THE INTEREST EARNED

The net amount of Reportable Fees collected during fiscal year 2018-19 was \$23,109.17. The County of Solano retains an administrative fee in the amount of 2% of total Reportable Fees collected.

E. IDENTIFICATION OF EACH PUBLIC IMPROVEMENT ON WHICH FEES WERE EXPENDED; THE AMOUNT OF THE EXPENDITURES FOR EACH IMPROVEMENT AND THE TOTAL PERCENTAGE OF THE COST OF THE PUBLIC IMPROVEMENT THAT WAS FUNDED WITH THE REPORTABLE FEE

Reportable Fee proceeds were expended in fiscal year 2018-19 on the following projects:

- Qualified Fire Equipment Expenditures \$37,120.07 21% (\$7,795.21)

F. IDENTIFICATION OF INCOMPLETE IMPROVEMENTS

The District's incomplete improvements as of June 30, 2019 are shown below.

None.

G. REFUNDS

There were no Reportable Fee refunds for fiscal year 2018-19. No other refunds are required under applicable law.

H. INTERFUND TRANSFERS

There were no interfund loans, transfers, refunds or reallocation of funds in lieu of refunds in fiscal Year 2018-19.

Cordelia Fire Protection District

Reportable Fees

FY 2018-19

Fund Balance Beginning, July 1, 2018	-\$64,632.21
Reportable Fees Collected	\$23,109.17
Surplus / Deficit	-\$41,523.04
Total Qualified Expenditures	-\$7,795.21
Ending Balance, June 30, 2019	-\$49,318.25



CORDELIA FIRE PROTECTION DISTRICT

FIRE IMPACT FEE PROGRAM FIVE-YEAR FINDINGS REPORT

**FISCAL YEAR ENDING
JUNE 30, 2019**

PREPARED FOR:

**BOARD OF SUPERVISORS
COUNTY OF SOLANO**

PREPARED BY:


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EXECUTIVE SUMMARY

INTRODUCTION

The Mitigation Fee Act (Government Code Section 66000 et. seq., hereafter the "Act") requires local agencies to report, every year and every fifth year, certain financial information regarding their development impact fee programs. These reporting requirements are applicable to the fire impact fee ("Reportable Fee") program of the Cordelia Fire Protection District ("District") that became effective on February 9, 2015, upon adoption by the County of Solano ("County") on behalf of the District.

This *Five-Year Findings Report* provides the findings required by Section 66001(d)(1) of the Act for the District's fire impact fee fund for fiscal year ending June 30, 2019.

BACKGROUND

Section 66006(b) the Act requires that the following information, entitled "*Annual Report*," be made available to the public within 180 days after the last day of each fiscal year:

- a brief description of the type of fee in the account;
- the amount of the fee;
- the beginning and ending balance of the account;
- the fees collected that year and the interest earned;
- an identification of each public improvement for which the fees were expended and the amount of the expenditures for each improvement;
- an identification of an approximate date by which development of the improvement will commence if the local agency determines that sufficient funds have been collected to complete financing of an incomplete public improvement;
- a description of each inter-fund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, the date on which any loan will be repaid, and the rate of interest to be returned to the account; and
- the amount of money refunded under section Govt. Code § 66001.

The District has prepared a timely Annual Report every fiscal year since fiscal year 2015-16 and the adoption of the new fire impact fee program.

In addition to the Annual Report, local agencies are required, for the fifth fiscal year following the first receipt of any development impact fee proceeds, and every five years thereafter, to comply with Section 66001(d)(1) of the Act by affirmatively demonstrating that the local agency still needs unexpended development impact fee revenue to achieve the purpose for which it was originally imposed and that the local agency has a plan on how to use the unexpended balance to achieve that purpose.

Specifically, local agencies must make the following findings, entitled "*Five-Year Findings Report*," with respect to that portion of the account or fund remaining unexpended, whether committed or uncommitted:

- Identify the purpose to which the fee is to be put;
- Demonstrate a reasonable relationship between the fee and the purpose for which it is charged;
- Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements; and
- Designate the approximate dates on which the funding is expected to be deposited into the appropriate account or fund.

In addition to the requirements set forth above, Section 66001(e) of the Act states that when sufficient funds have been collected to complete financing on incomplete public improvements, and the public improvements remain incomplete, the local agency shall identify, within 180 days of the determination that sufficient funds have been collected, an approximate date by which the construction of the public improvement will be commenced, or shall refund to the then-current record owner or owners of the lots or units, as identified on the last equalized assessment roll, of the development project or projects on a prorated basis, the unexpended portion of the fee, and any interest accrued thereon.

However, 66001(f) of the Act states that if the administrative costs of refunding unexpended revenues exceed the amount to be refunded, the local agency, after a public hearing, notice of which has been published and posted in three prominent places within the area of the development project, may determine that the revenues shall be allocated for some other purpose for which fees are collected and which serves the project on which the fee was originally imposed.

FIVE-YEAR FINDINGS REPORT (FISCAL YEAR ENDING JUNE 30, 2019)

In accordance with Government Code Section 66001(d)(1), the District affirmatively demonstrates that the District still needs the unexpended fire impact fee revenue to achieve the purpose for which it was originally imposed and that the District has a plan on how to use the unexpended balance to achieve that purpose.

UNEXPENDED REPORTABLE FEE FUND BALANCE

The District's fire impact fee ("Reportable Fee") fund balance, as of June 30, 2019, was a negative \$49,318.25. Therefore, there were no unexpended Reportable Fees as of June 30, 2019. The negative Reportable Fee Fund Balance represents the amount that needs to be repaid to the District's General Fund for qualifying expenditures since FY 2015-16.

PURPOSE OF THE REPORTABLE FEE FUND BALANCE

The purpose of the Reportable Fee imposed and collected on new development within the District is to fund the cost of new or expanded fire protection and emergency response facilities, apparatus, vehicles attributable to new development in order to maintain the District's existing level of service. Specifically, the District has used Reportable Fees collected since FY 15-16 to partially fund the replacement of District apparatus, vehicles, and equipment. These payments were initially funded by the District General Fund. Reportable Fees since FY 15-16 have been used to repay the General Fund for the 21% qualifying portion of the projects.

RELATIONSHIP BETWEEN UNEXPENDED REPORTABLE FEE BALANCE AND THE PURPOSE OF THE FEE

The District has no unexpended Reportable fees as of June 30, 2019. However, there is reasonable relationship between the Reportable Fees collected since FY 2015-16 and the purpose of the Reportable Fee, by reason of the fact that the additional persons and structural area created by the development projects that paid the Reportable Fee created the need for new or expanded facilities, apparatus, vehicles, and equipment in order for the District to maintain their level of service. Additionally, since the District will need to replace apparatus, vehicles, and equipment more quickly due to the increased service calls from the growth in the persons and structure area created by new development, the District has used fee proceeds to fund 21% of the replacement cost of existing apparatus, vehicle, and equipment (qualifying expenditures). The District has used Reportable Fees since FY 15-16 to repay the District's General Fund for funding the qualifying portion of the replacement costs in order to serve the District's growing persons (residents and employees) and structural area (living area or nonresidential building area) in which they live or work.

SOURCES OF FUNDING FOR INCOMPLETE IMPROVEMENTS FUNDED BY UNEXPENDED REPORTABLE FEE

The estimated cost of the District's incomplete improvements funded by the unexpended Reportable Fee and the sources and amounts of funding anticipated to complete the financing of the incomplete improvements are shown in Figure 1 on Page 5.

APPROXIMATE DATES OF DEPOSIT OF ANTICIPATED FUNDING

The approximate dates on which the funding anticipated to complete the financing of the District's incomplete improvements is expected to be deposited into the Reportable Fee fund is shown in Figure 2 on page 6.

FIGURE 1 - ANTICIPATED FUNDING TO COMPLETE FINANCING OF INCOMPLETE IMPROVEMENTS

Incomplete Improvement	Anticipated Funding Amount						Estimated Cost
	Unexpended Reportable Fees ¹	Prior Reportable Fees ²	Future Reportable Fees ²	General Fund Contribution ³	Donations ⁴	Grants ⁵	
Apparatus, Vehicle and Equipment Replacement	\$0	\$7,795	\$0	\$12,445	\$0	\$16,880	\$37,120
Apparatus, Vehicle and Equipment Replacement	\$0	\$26,455	\$0	\$99,522	\$0	\$0	\$125,977
Apparatus, Vehicle and Equipment Replacement	\$0	\$10,261	\$0	\$38,385	\$0	\$0	\$48,646
Apparatus, Vehicle and Equipment Replacement	\$0	\$17,620	\$0	\$66,283	\$0	\$0	\$83,903
TOTAL	\$0	\$62,131	\$0	\$216,635	\$0	\$16,880	\$295,646

Source: Cordelia Fire Protection District

Notes:

¹ Reportable fees collected and unexpended as of June 30, 2019.

² According to the District, Reportable fees collected after June 30, 2019 have been used to fund 21% of replacement costs.

³ The District's General Fund has contributed 79% of the replacement costs since FY 15-16.

⁴ Anticipated donations dedicated to the projects indicated.

⁵ Anticipated grant proceeds dedicated to the projects indicated.

FIGURE 2 - APPROXIMATE DATES OF DEPOSIT OF ANTICIPATED FUNDING

Incomplete Improvement	Anticipated Deposit Date of Funding						Construction / Purchase Completion Date
	Unexpended Reportable Fees	Prior Reportable Fees	Future Reportable Fees	General Fund Contribution	Donations	Grants	
Fire Equipment Replacement	NA	Collected in FY18-19	NA	Contribution in FY18-19	NA	NA	FY 2018-19
Fire Equipment Replacement	NA	Collected in FY17-18	NA	Contribution in FY17-18	NA	NA	FY 2017-18
Fire Equipment Replacement	NA	Collected in FY16-17	NA	Contribution in FY16-17	NA	NA	FY 2016-17
Fire Equipment Replacement	NA	Collected in FY15-16	NA	Contribution in FY15-16	NA	NA	FY 2015-16

Source: Cordelia Fire Protection District

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