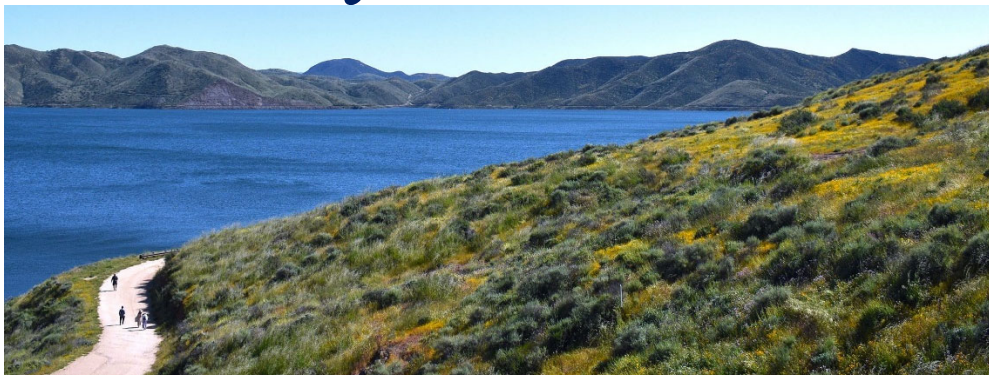




# Development Impact Fee Annual Report City of Hemet



*For the Fiscal Year Ending June 30, 2018*

Prepared by:



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22 Executive Park | Irvine, CA | 92614



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## Executive Summary

Development Impact Fees are fees imposed by local governments on new development projects to finance the acquisition, construction, and improvement of public facilities and infrastructure needed to serve those projects. California state law requires local agencies to prepare a report on the status of their Development Impact Fee (DIF) Program on an annual basis and make additional findings every fifth year. This report meets the legal requirements for Fiscal Year (FY) 17-18 (July 1, 2017 through June 30, 2018).



*Figure 1 – City of Hemet Welcome Sign*

The City of Hemet (City) first established its DIF Program on January 23, 2001 with the adoption of Ordinance No. 1639 which revised and renumbered the City Municipal Code. The fees were established by Ordinance No. 1354 as a part of this revision. The dollar amounts of the fees were originally adopted on January 23, 2001 with Ordinance No. 1639. The fee amounts were last updated by Resolution No. 3837 on July 26, 2004 for non-residential property and Resolution No. 3981 on January 23, 2006 for residential property.

The most recent Nexus Study was prepared by TischlerBise, dated January 3, 2006. City Council adopted Resolution No. 3981, on January 23, 2006, which approved the Nexus Study methodology and amended Resolution No. 3837 as it related to DIFs for residential development projects. Per Resolution 3981, the rates for non-residential projects were not updated as it stated that the City Council shall, by separate and subsequent noticed action, consider adjustments to DIFs for commercial and/or industrial projects. The Valley Wide Facilities Fee Fund was authorized on August 22, 2006, and allocated 16.3% of all new park impact fees. The Public Meeting Facilities Fee is no longer collected.

The City of Hemet currently collects the development impact fees listed in the table below. The table also provides the fund that the fee is deposited into.

| Fee                                               | Fund Number |
|---------------------------------------------------|-------------|
| Public Meetings Facilities Fee                    | 315         |
| General Facilities Fee                            | 316         |
| Flood Control Fee (Storm Drainage Facilities Fee) | 326         |
| Bridges, Streets, & Traffic Fee                   | 329         |
| Law Enforcement Facilities Fee                    | 331         |
| Fire Facilities Fee                               | 332         |
| Park Development Fee                              | 361         |
| Valley-Wide Park Development Fee                  | 362         |
| Library Facilities Fee                            | 363         |



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## Section 1 - Requirements of the Mitigation Fee Act (AB1600)

Assembly Bill (AB) 1600, commonly known as the Mitigation Fee Act, was enacted by the state of California in 1987 and created Section 66000 et. seq. of the Government Code and was amended by Assembly Bill 518 and Senate Bill (SB) 1693. AB1600 requires the city to report fee information annually and every fifth year. Within 180 days after the last day of each fiscal year, the City must make available the following information from the prior fiscal year:

1. Brief description of the type of fee in the account or fund.
2. Amount of the fee.
3. Beginning and ending balance in the account or fund.
4. Amount of fees collected and the interest earned during the previous year.
5. Identification of each public improvement for which fees were expended and the amount of expenditures, including the total percentage of the cost of the public improvement that was funded with fees.
6. An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement and the public improvement remains incomplete.
7. Description of each interfund transfer or loan made from the account, including the public improvement on which the transferred or loaned fees will be expended, and when each loan will be repaid and the rate of interest the account will receive on the loan.
8. Identification of any refunds made once determined that sufficient monies have been collected to fund fee-related projects.

For the fifth fiscal year following the first deposit into the account or fund, and every five years thereafter, the City must make the following findings with respect to any remaining funds in the fee account, regardless of whether those funds are committed or uncommitted:

1. Identification of the purpose to which the fees are to be put.
2. Demonstrate a reasonable relationship between the fee and the purpose for which it is charged.
3. Identification of all sources and amounts of funding anticipated to complete financing in incomplete improvements identified as part of the City's annual report.
4. Identification of the approximate dates on which the funding referred to in Requirement 3 is expected to be deposited into the appropriate account or fund.

The City must make this information available for public review and must present it at the next regularly scheduled public meeting no less than 15 days after this information is made available to the public. This report is intended to satisfy the annual reporting requirements for FY 17-18.

This report does not include the five-year reporting requirements. The City completed a five-year report in FY 15-16.



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## Section 2 – Annual Report

The following section provides information necessary to meet the legal requirements for each impact fee fund. This includes a brief description of the fee, the amount of the fee, the beginning and ending balances, fee revenues collected, interest earned, and the expenditures on each project including the percentage that was funded with fees. It also includes a table summary of whether sufficient funds have been identified to complete future projects and the approximate date by which the construction of the public improvement will commence if sufficient funds have been identified. Any loans are also identified as well as any refunds from the account.

### Fund 315 - Public Meetings Facilities Fee

**Requirement 1.** Brief description of the type of fee in the account or fund.

The Public Meetings Facilities Fee finances community centers and public buildings available for community use. This category of buildings differs from general facilities, which are facilities used by the City staff to undertake their municipal service duties. The Public Meetings Facilities Fee was originally established by Ordinance No. 1639, adopted January 23, 2001. The City stopped collecting this fee as of August 2007.

**Requirement 2.** Amount of the fee.

The Public Meetings Facilities Fee has not been collected since August 2007. Previously collected funds continue to gain interest and the City will use the remaining funds toward future projects identified in Table 1.

**Requirement 3.** Beginning and ending balance in the account or fund.

Table 1 summarizes the beginning and ending fund balances for the Public Meetings Facilities Fee for FY 17-18.

**Requirement 4.** Amount of fees collected and the interest earned during the previous year.

Table 1 summarizes the fees collected and the interest earned for the Public Meetings Facilities Fee during FY 17-18.



**Table 1: Public Meetings Facilities Fee Fund Summary**

**Fund 315**

**Public Meetings Facilities**

|                                                  |           |                   |
|--------------------------------------------------|-----------|-------------------|
| <b>Beginning Fund Balance as of July 1, 2017</b> | <b>\$</b> | <b>557,644.00</b> |
| <b>Revenues</b>                                  |           |                   |
| Fees Collected                                   | \$        | -                 |
| Interest Earned                                  | \$        | 6,202.00          |
| Fair Market Value Adjustment <sup>1</sup>        | \$        | -                 |
| Other Revenues                                   | \$        | -                 |
| <b>Total Revenues</b>                            | <b>\$</b> | <b>6,202.00</b>   |
| <b>Expenses</b>                                  |           |                   |
| Project Expenses                                 | \$        | -                 |
| Other Expenses                                   | \$        | -                 |
| <b>Total Expenses</b>                            | <b>\$</b> | <b>-</b>          |
| <b>Transfers In</b>                              | <b>\$</b> | <b>-</b>          |
| <b>Transfers Out</b>                             | <b>\$</b> | <b>-</b>          |
| <b>Ending Balance as of June 30, 2018</b>        | <b>\$</b> | <b>563,846.00</b> |

*1) Fair Market Value Adjustment accounts for changes in value of City investments over time.*

**Requirement 5.** Identification of each public improvement for which fees were expended and the amount of expenditures, including the total percentage of the cost of the public improvement that was funded with fees.

No project expenditures were recorded for Fund 315 in FY 17-18.

**Requirement 6.** An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement and the public improvement remains incomplete.

Table 2 summarizes the planned future expenditures for Fund 315 and the anticipated construction start date. As additional funds become available, the City's Capital Improvement Budget team will work on identifying and budgeting for eligible projects and will include the projects in future Capital Improvement Program (CIP) budgets.



**Table 2: Public Meetings Facilities Fee Project Expenditures**

| Project No. | Project Name                                                                                                    | Project Budget <sup>1</sup> | Fund 315 Expense to Date | Fund 315 Expense FY 17-18 | Fund 315 Future Expenditures | % Funded by Fee | Approx. Construction Start Date <sup>1</sup> |
|-------------|-----------------------------------------------------------------------------------------------------------------|-----------------------------|--------------------------|---------------------------|------------------------------|-----------------|----------------------------------------------|
| 5667        | Police Facility Security Renovation                                                                             | \$ 345,010                  | -                        | -                         | \$ 345,010                   | 100%            | TBD                                          |
| 5631        | Library Second Floor Energy Enhancement Construction/Expansion/Reconfigure Lighting, Audio/Visual, HVAC ducting | \$ 206,000                  | -                        | -                         | \$ 206,000                   | 100%            | TBD                                          |
| GRAND TOTAL |                                                                                                                 | \$ 551,010                  | \$ -                     | \$ -                      | \$ 551,010                   |                 |                                              |

1) City of Hemet Trial Balance Expenditure Detail FY 17-18.

**Requirement 7.** Description of each interfund transfer or loan made from the account, including the public improvement on which the transferred or loaned fees will be expended, and when each will be repaid and the rate of interest the account will receive on the loan.

There were no transfers or loans from this fund in FY 17-18.

**Requirement 8.** Identification of any refunds made once determined that sufficient monies have been collected to fund fee-related projects.

There were no refunds made from this fund in FY 17-18.



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## Fund 316 - General Facilities Fee

**Requirement 1.** Brief description of the type of fee in the account or fund.

The General Facilities Fee finances general office or work facilities and equipment used by City staff to undertake their daily duties. The City first established its DIF Program and the General Facilities Fee on January 23, 2001 with the adoption of Ordinance No. 1639, which revised and renumbered the City Municipal Code. Resolution No. 3837, adopted July 26, 2004, established current fee amounts for non-residential property. The City Council adopted Resolution No. 3981 on January 23, 2006, which established current fee amounts for residential property as recommended by the Nexus Study dated January 3, 2006, prepared by TischlerBise. Per Resolution 3981, the rates for non-residential projects were not updated as it stated that the City Council shall, by separate and subsequent noticed action, consider adjustments to DIFs for commercial and/or industrial projects.

**Requirement 2.** Amount of the fee.

The General Facilities Fees for FY 17-18 are summarized in Table 3.

**Table 3: General Facilities Fee**

| Land Use                    | Fee Amount |
|-----------------------------|------------|
| Mobile Home/Senior (per DU) | \$493      |
| Multi-Family (per DU)       | \$669      |
| Single Family (per DU)      | \$780      |
| Townhome/Duplex (per DU)    | \$591      |
| Commercial/Office (per SF)  | \$0.116    |
| Industrial (per SF)         | \$0.116    |

**Requirement 3.** Beginning and ending balance in the account or fund.

Table 4 summarizes the beginning and ending fund balances for the General Facilities Fee for FY 17-18.

**Requirement 4.** Amount of fees collected and the interest earned during the previous year.

Table 4 summarizes the fees collected and the interest earned for the General Facilities Fee during FY 17-18.



**Table 4: General Facilities Fee Fund Summary**

| <b>Fund 316</b>                                  |                        |
|--------------------------------------------------|------------------------|
| <b>General Facilities</b>                        |                        |
| <b>Beginning Fund Balance as of July 1, 2017</b> | <b>\$ 1,780,676.31</b> |
| <b>Revenues</b>                                  |                        |
| Fees Collected                                   | \$ 49,435.96           |
| Interest Earned                                  | \$ 19,847.00           |
| Fair Market Value Adjustment <sup>1</sup>        | \$ (17,806.31)         |
| Other Revenues                                   | \$ -                   |
| <b>Total Revenues</b>                            | <b>\$ 51,476.65</b>    |
| <b>Expenses</b>                                  |                        |
| Project Expenses                                 | \$ (24,312.00)         |
| Other Expenses                                   | \$ -                   |
| <b>Total Expenses</b>                            | <b>\$ (24,312.00)</b>  |
| <b>Transfers In</b>                              | <b>\$ -</b>            |
| <b>Transfers Out</b>                             | <b>\$ -</b>            |
| <b>Ending Balance as of June 30, 2018</b>        | <b>\$ 1,807,840.96</b> |

*1) Fair Market Value Adjustment accounts for changes in value of City investments over time.*

**Requirement 5.** Identification of each public improvement for which fees were expended and the amount of expenditures, including the total percentage of the cost of the public improvement that was funded with fees.

Table 5 summarizes the expenditures on General Facilities Fee projects for FY 17-18.

**Requirement 6.** An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement and the public improvement remains incomplete.

Table 5 summarizes the planned future expenditures for Fund 316 and the anticipated construction start date. As additional funds become available, the City's Capital Improvement Budget team will work on identifying and budgeting for eligible projects and will include the projects in future CIP budgets.



**Table 5: General Facilities Fee Project Expenditures**

| Project No. | Project Name                                       | Project Budget <sup>1</sup> | Fund 316 Expense to Date <sup>2</sup> | Fund 316 Expense FY 17-18 <sup>2</sup> | Fund 316 Future Expenditures | % Funded by Fee | Approx. Construction Start Date <sup>1</sup> |
|-------------|----------------------------------------------------|-----------------------------|---------------------------------------|----------------------------------------|------------------------------|-----------------|----------------------------------------------|
| 5667        | Police Facility Security Renovation                | \$ 153,655                  | -                                     | \$ 24,312                              | \$ 110,252                   | 88%             | In Progress                                  |
| TBD         | Street lights replacement                          | \$ 150,000                  | -                                     | -                                      | \$ 150,000                   | 100%            | 2019                                         |
| TBD         | ADA Compliance Improvements                        | \$ 500,000                  | -                                     | -                                      | \$ 500,000                   | 100%            | 2018                                         |
| TBD         | ERP Upgrades                                       | \$ 1,000,000                | -                                     | -                                      | \$ 1,000,000                 | 100%            | 2020                                         |
| TBD         | Municipal Building Updates and Expansion           | \$ 500,000                  | -                                     | -                                      | \$ 500,000                   | 100%            | TBD                                          |
| TBD         | Municipal Building Energy Management System Update | \$ 450,000                  | -                                     | -                                      | \$ 450,000                   | 100%            | 2019                                         |
| GRAND TOTAL |                                                    | \$ 2,753,655                | \$ -                                  | \$ 24,312                              | \$ 2,710,252                 |                 |                                              |

1) City of Hemet FY 17-18 Annual Operating Budget & FY 14-15 AB1600 Annual and Five-Year Report.

2) City of Hemet Trial Balance Expenditure Detail FY 17-18.

**Requirement 7.** Description of each interfund transfer or loan made from the account, including the public improvement on which the transferred or loaned fees will be expended, and when each will be repaid and the rate of interest the account will receive on the loan.

There were no transfers or loans from this fund in FY 17-18.

**Requirement 8.** Identification of any refunds made once determined that sufficient monies have been collected to fund fee-related projects.

There were no refunds made from this fund in FY 17-18.



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## Fund 326 - Flood Control (Storm Drainage Facilities) Fee

**Requirement 1.** Brief description of the type of fee in the account or fund.

The Flood Control (Storm Drainage Facilities) Fee finances street gutter facilities, inlets, and a pipeline network of storm drain lines which convey runoff to various smaller lines, creeks, aqueducts, and channels throughout the City. The City first established its DIF Program and the Flood Control Fee on January 23, 2001 with the adoption of Ordinance No. 1639, which revised and renumbered the City Municipal Code. Resolution No. 3837, adopted July 26, 2004, established current fee amounts for non-residential property. The City Council adopted Resolution No. 3981 on January 23, 2006, which established current fee amounts for residential property as recommended by the Nexus Study dated January 3, 2006, prepared by TischlerBise. Per Resolution 3981, the rates for non-residential projects were not updated as it stated that the City Council shall, by separate and subsequent noticed action, consider adjustments to DIFs for commercial and/or industrial projects.

**Requirement 2.** Amount of the fee.

The Flood Control (Storm Drainage Facilities) Fees for FY 17-18 are summarized in Table 6.

**Table 6: Flood Control (Storm Drainage Facilities) Fee**

| Land Use                    | Fee Amount |
|-----------------------------|------------|
| Mobile Home/Senior (per DU) | \$1,147    |
| Multi-Family (per DU)       | \$474      |
| Single Family (per DU)      | \$1,405    |
| Townhome/Duplex (per DU)    | \$1,013    |
| Commercial/Office (per SF)  | \$0.402    |
| Industrial (per SF)         | \$0.344    |

**Requirement 3.** Beginning and ending balance in the account or fund.

Table 7 summarizes the beginning and ending fund balances for the Flood Control (Storm Drainage Facilities) Fee for FY 17-18.

**Requirement 4.** Amount of fees collected and the interest earned during the previous year.

Table 7 summarizes the fees collected and the interest earned for the Flood Control Fee during FY 17-18.



**Table 7: Flood Control Fee Fund Summary**

|                                                  |                        |
|--------------------------------------------------|------------------------|
| <b>Fund 326</b>                                  |                        |
| <b>Flood Control</b>                             |                        |
| <b>Beginning Fund Balance as of July 1, 2017</b> | <b>\$ 3,370,880.35</b> |
| <b>Revenues</b>                                  |                        |
| Fees Collected                                   | \$ 112,445.42          |
| Interest Earned                                  | \$ 33,798.00           |
| Fair Market Value Adjustment <sup>1</sup>        | \$ (30,322.49)         |
| Other Revenues                                   | \$ -                   |
| <b>Total Revenues</b>                            | <b>\$ 115,920.93</b>   |
| <b>Expenses</b>                                  |                        |
| Project Expenses                                 | \$ (14,127.00)         |
| Other Expenses                                   | \$ -                   |
| <b>Total Expenses</b>                            | <b>\$ (14,127.00)</b>  |
| <b>Transfers In</b>                              | <b>\$ -</b>            |
| <b>Transfers Out</b>                             | <b>\$ -</b>            |
| <b>Ending Balance as of June 30, 2018</b>        | <b>\$ 3,472,674.28</b> |

*1) Fair Market Value Adjustment accounts for changes in value of City investments over time.*

**Requirement 5.** Identification of each public improvement for which fees were expended and the amount of expenditures, including the total percentage of the cost of the public improvement that was funded with fees.

Table 8 summarizes the expenditures this past year on Flood Control Fee projects.

**Requirement 6.** An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement and the public improvement remains incomplete.

Table 8 summarizes the planned future expenditures for Flood Control Fee and the anticipated construction start date. As additional funds become available, the City's Capital Improvement Budget team will work on identifying and budgeting for eligible projects and will include the projects in future CIP budgets.



**Table 8: Flood Control Fee Project Expenditures**

| Project No.        | Project Name                        | Project Budget <sup>1</sup> | Fund 326 Expense to Date <sup>2</sup> | Fund 326 Expense FY 17-18 <sup>2</sup> | Fund 326 Future Expenditures | % Funded by Fee | Approx. Construction Start Date <sup>1</sup> |
|--------------------|-------------------------------------|-----------------------------|---------------------------------------|----------------------------------------|------------------------------|-----------------|----------------------------------------------|
| 5590               | State St Storm Drain Replacement    | \$ 692,205                  | \$ 25,865                             | \$ 270                                 | \$ 666,070                   | 100%            | In Progress                                  |
| 5592               | Westside Storm Drainage Master Plan | \$ 308,054                  | \$ 16,566                             | \$ 405                                 | \$ 291,083                   | 100%            | In Progress                                  |
| 5638               | Drainage Master Plan                | \$ 1,500,000                | \$ 72,521                             | -                                      | \$ 1,427,479                 | 100%            | In Progress                                  |
| TBD                | Storm Drain Maintenance             | \$ 70,000                   | -                                     | \$ 13,452                              | \$ 56,548                    | 100%            | In Progress                                  |
| TBD                | Cactus Valley Channel               | \$ 1,161,081                | -                                     | -                                      | \$ 1,161,081                 | 100%            | 2020                                         |
| TBD                | Avery Canyon                        | \$ 2,050,776                | -                                     | -                                      | \$ 2,050,776                 | 100%            | 2020                                         |
| TBD                | Pepper Creek                        | \$ 4,985,758                | -                                     | -                                      | \$ 4,985,758                 | 100%            | 2020                                         |
| TBD                | Menlo Avenue                        | \$ 1,459,886                | -                                     | -                                      | \$ 1,459,886                 | 100%            | 2019                                         |
| TBD                | Menlo/Cawston                       | \$ 365,605                  | -                                     | -                                      | \$ 365,605                   | 100%            | 2019                                         |
| <b>GRAND TOTAL</b> |                                     | <b>\$ 12,593,365</b>        | <b>\$ 114,951</b>                     | <b>\$ 14,127</b>                       | <b>\$ 12,464,287</b>         |                 |                                              |

1) City of Hemet FY 17-18 Annual Operating Budget & FY 14-15 AB1600 Annual and Five-Year Report.

2) City of Hemet Trial Balance Expenditure Detail FY 17-18.

**Requirement 7.** Description of each interfund transfer or loan made from the account, including the public improvement on which the transferred or loaned fees will be expended, and when each will be repaid and the rate of interest the account will receive on the loan.

There were no transfers or loans from this fund in FY 17-18.

**Requirement 8.** Identification of any refunds made once determined that sufficient monies have been collected to fund fee-related projects.

There were no refunds made from this fund in FY 17-18.



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## Fund 329 – Bridges, Streets, & Traffic Fee

**Requirement 1.** Brief description of the type of fee in the account or fund.

The Bridges, Streets, & Traffic Fee (previously the Road Facilities Fee) finances highways, roads, bridges, and traffic signals. The City first established its DIF Program and the Bridges, Streets, & Traffic Fee on January 23, 2001 with the adoption of Ordinance No. 1639, which revised and renumbered the City Municipal Code. Resolution No. 3837, adopted July 26, 2004, established current fee amounts for non-residential property. The City Council adopted Resolution No. 3981 on January 23, 2006, which established current fee amounts for residential property as recommended by the Nexus Study dated January 3, 2006, prepared by TischlerBise. Per Resolution 3981, the rates for non-residential projects were not updated as it stated that the City Council shall, by separate and subsequent noticed action, consider adjustments to DIFs for commercial and/or industrial projects.

**Requirement 2.** Amount of the fee.

The Bridges, Streets, & Traffic Fees for FY 17-18 are summarized in Table 9.

**Table 9: Bridges, Streets, & Traffic Fee**

| Land Use                    | Fee Amount – TUMF Exempt | Fee Amount – TUMF Projects |
|-----------------------------|--------------------------|----------------------------|
| Mobile Home/Senior (per DU) | \$1,537                  | \$1,537                    |
| Multi-Family (per DU)       | \$2,030                  | \$2,030                    |
| Single Family (per DU)      | \$2,948                  | \$2,948                    |
| Townhome/Duplex (per DU)    | \$1,805                  | \$1,805                    |
| Commercial/Office (per SF)  | \$2.46                   | \$2.01                     |
| Industrial (per SF)         | \$0.414                  | \$0.325                    |

**Requirement 3.** Beginning and ending balance in the account or fund.

Table 10 summarizes the beginning and ending fund balances for the Bridges, Streets, & Traffic Fee for FY 17-18.

**Requirement 4.** Amount of fees collected and the interest earned during the previous year.

Table 10 summarizes the fees collected and the interest earned for the Bridges, Streets, & Traffic Fee during FY 17-18.



**Table 10: Bridges, Streets, & Traffic Fee Fund Summary**  
**Fund 329**

**Bridges, Streets, & Traffic**

**Beginning Fund Balance as of July 1, 2017**      \$    **4,246,810.72**

**Revenues**

|                                           |    |             |
|-------------------------------------------|----|-------------|
| Fees Collected                            | \$ | 233,027.60  |
| Interest Earned                           | \$ | 44,614.00   |
| Fair Market Value Adjustment <sup>1</sup> | \$ | (40,026.31) |
| Other Revenues <sup>2</sup>               | \$ | 20,475.15   |
| Intergovernmental Revenue                 | \$ | 174,460.80  |

**Total Revenues**      \$    **432,551.24**

**Expenses**

|                  |    |              |
|------------------|----|--------------|
| Project Expenses | \$ | (701,138.58) |
| Other Expenses   | \$ | -            |

**Total Expenses**      \$    **(701,138.58)**

**Transfers In**      \$    -

**Transfers Out**      \$    -

**Ending Balance as of June 30, 2018**      \$    **3,978,223.38**

*1) Fair Market Value Adjustment accounts for changes in value of City investments over time.*

*2) Other Revenues consist of miscellaneous accounts receivable paid during this Fiscal Year.*

**Requirement 5.** Identification of each public improvement for which fees were expended and the amount of expenditures, including the total percentage of the cost of the public improvement that was funded with fees.

Table 11 summarizes the expenditures this past year on Bridges, Streets, & Traffic Fee projects.

**Requirement 6.** An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement and the public improvement remains incomplete.

Table 11 summarizes the planned future expenditures for Bridges, Streets, & Traffic Fee and the anticipated construction start date. As additional funds become available, the City's Capital Improvement Budget team will work on identifying and budgeting for eligible projects and will include the projects in future CIP budgets.



**Table 11: Bridges, Streets, & Traffic Fee Project Expenditures**

| Project No.        | Project Name                                    | Project Budget <sup>1</sup> | Fund 329 Expense to Date <sup>2</sup> | Fund 329 Expense FY 17-18 <sup>2</sup> | Fund 329 Future Expenditures | % Funded by Fee | Approx. Construction Start Date <sup>1</sup> |
|--------------------|-------------------------------------------------|-----------------------------|---------------------------------------|----------------------------------------|------------------------------|-----------------|----------------------------------------------|
| 5421               | Traffic Signal @ Warren/Esplanade               | \$ 988,500                  | \$ 264                                | -                                      | \$ 413,236                   | 42%             | In Progress                                  |
| 5537               | Stetson Ave Bridge Replacement                  | \$ 1,005,000                | \$ 102,509                            | \$ 162,104                             | \$ (214,613)                 | 5%              | In Progress                                  |
| 5588               | Gilbert St Rehabilitation                       | \$ 703,289                  | \$ 39,960                             | \$ 464,248                             | \$ 199,081                   | 100%            | In Progress                                  |
| 5608               | Traffic Signal Emitters Retrofit                | \$ 221,600                  | \$ 166,954                            | -                                      | \$ 54,646                    | 100%            | In Progress                                  |
| 5609               | Fire Department Traffic Signal Emitters         | \$ 88,000                   | \$ 2,068                              | -                                      | \$ 12,432                    | 16%             | In Progress                                  |
| 5613               | Traffic Signal @ Warren & Auto                  | \$ 300,000                  | \$ 27,014                             | \$ 220                                 | \$ 272,766                   | 100%            | In Progress                                  |
| 5636               | 2016/17 Sidewalk & ADA Ramps                    | \$ 252,558                  | \$ 10,263                             | \$ 1,008                               | \$ 129,337                   | 56%             | In Progress                                  |
| 5669               | 2017/18 Sidewalk & ADA Ramps                    | \$ 150,000                  | -                                     | \$ 6,209                               | \$ 68,791                    | 50%             | In Progress                                  |
| 5639               | Update DIF Analysis                             | \$ 300,000                  | -                                     | -                                      | \$ 300,000                   | 100%            | TBD                                          |
| 5640               | System Safety Analysis Improvements             | \$ 105,000                  | -                                     | \$ 62,403                              | \$ 42,597                    | 100%            | In Progress                                  |
| 5651               | Highway Safety Improvement Program              | \$ 972,967                  | -                                     | \$ 135                                 | \$ 4,865                     | 1%              | In Progress                                  |
| 5668               | Interim Seattle Basin Improvements              | \$ 194,603                  | -                                     | \$ 4,812                               | \$ 189,791                   | 100%            | In Progress                                  |
| 5611               | 15/16 Pedestrian Pathway Connectivity           | \$ 225,000                  | \$ 20,567                             | -                                      | \$ 51,933                    | 32%             | In Progress                                  |
| TBD                | State Street Multi Use Path                     | \$ 774,000                  | -                                     | -                                      | \$ 774,000                   | 100%            | 2020                                         |
| TBD                | State Street Improvements - Florida to Johnston | \$ 1,240,000                | -                                     | -                                      | \$ 1,240,000                 | 100%            | TBD                                          |
| TBD                | Menlo Widening Project                          | \$ 1,000,000                | -                                     | -                                      | \$ 1,000,000                 | 100%            | TBD                                          |
| TBD                | Carmalita Parking Improvement 2                 | \$ 80,000                   | -                                     | -                                      | \$ 80,000                    | 100%            | TBD                                          |
| TBD                | Citywide Pavement Rehabilitation                | \$ 1,750,000                | -                                     | -                                      | \$ 1,750,000                 | 100%            | TBD                                          |
| TBD                | Juanita St Improvements                         | \$ 450,000                  | -                                     | -                                      | \$ 450,000                   | 100%            | TBD                                          |
| TBD                | SCE-LED Streetlight Transition                  | \$ 500,000                  | -                                     | -                                      | \$ 500,000                   | 100%            | TBD                                          |
| <b>GRAND TOTAL</b> |                                                 | <b>\$11,300,517</b>         | <b>\$ 369,600</b>                     | <b>\$ 701,139</b>                      | <b>\$ 7,318,862</b>          |                 |                                              |

1) City of Hemet FY 17-18 Annual Operating Budget & FY 14-15 AB1600 Annual and Five-Year Report.

2) City of Hemet Trial Balance Expenditure Detail FY 17-18.

**Requirement 7.** Description of each interfund transfer or loan made from the account, including the public improvement on which the transferred or loaned fees will be expended, and when each will be repaid and the rate of interest the account will receive on the loan.

There were no transfers or loans from this fund in FY 17-18.

**Requirement 8.** Identification of any refunds made once determined that sufficient monies have been collected to fund fee-related projects.

There were no refunds made from this fund in FY 17-18.



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## Fund 331 – Law Enforcement Facilities Fee

### **Requirement 1.** Brief description of the type of fee in the account or fund.

The Law Enforcement Facilities Fee finances law enforcement facilities, including law enforcement stations, vehicles and vehicle equipment, officer apparel and equipment, and communications and electronic equipment. The City first established its DIF Program and the Law Enforcement Facilities Fee on January 23, 2001 with the adoption of Ordinance No. 1639, which revised and renumbered the City Municipal Code. Resolution No. 3837, adopted July 26, 2004, established current fee amounts for non-residential property. The City Council adopted Resolution No. 3981 on January 23, 2006, which established current fee amounts for residential property as recommended by the Nexus Study dated January 3, 2006, prepared by TischlerBise. Per Resolution 3981, the rates for non-residential projects were not updated as it stated that the City Council shall, by separate and subsequent noticed action, consider adjustments to DIFs for commercial and/or industrial projects.

### **Requirement 2.** Amount of the fee.

The Law Enforcement Facilities Fees for FY 17-18 are summarized in Table 12.

**Table 12: Law Enforcement Facilities Fee**

| <b>Land Use</b>             | <b>Fee Amount</b> |
|-----------------------------|-------------------|
| Mobile Home/Senior (per DU) | \$298             |
| Multi-Family (per DU)       | \$404             |
| Single Family (per DU)      | \$471             |
| Townhome/Duplex (per DU)    | \$357             |
| Commercial/Office (per SF)  | \$0.223           |
| Industrial (per SF)         | \$0.013           |

### **Requirement 3.** Beginning and ending balance in the account or fund.

Table 13 summarizes the beginning and ending fund balances for the Law Enforcement Facilities Fee for FY 17-18.

### **Requirement 4.** Amount of fees collected and the interest earned during the previous year.

Table 13 summarizes the fees collected and the interest earned for the Law Enforcement Facilities Fee during FY 17-18.



**Table 13: Law Enforcement Facilities Fee Fund Summary  
Fund 331**

**Law Enforcement Facilities**

|                                                  |           |                  |
|--------------------------------------------------|-----------|------------------|
| <b>Beginning Fund Balance as of July 1, 2017</b> | <b>\$</b> | <b>49,196.02</b> |
| <b>Revenues</b>                                  |           |                  |
| Fees Collected                                   | \$        | 34,641.13        |
| Interest Earned                                  | \$        | 677.00           |
| Fair Market Value Adjustment <sup>1</sup>        | \$        | -                |
| Other Revenues                                   | \$        | -                |
| <b>Total Revenues</b>                            | <b>\$</b> | <b>35,318.13</b> |
| <b>Expenses</b>                                  |           |                  |
| Project Expenses                                 | \$        | -                |
| Other Expenses                                   | \$        | -                |
| <b>Total Expenses</b>                            | <b>\$</b> | <b>-</b>         |
| <b>Transfers In</b>                              | <b>\$</b> | <b>-</b>         |
| <b>Transfers Out</b>                             | <b>\$</b> | <b>-</b>         |
| <b>Ending Balance as of June 30, 2018</b>        | <b>\$</b> | <b>84,514.15</b> |

*1) Fair Market Value Adjustment accounts for changes in value of City investments over time.*

**Requirement 5.** Identification of each public improvement for which fees were expended and the amount of expenditures, including the total percentage of the cost of the public improvement that was funded with fees.

No project expenditures were recorded for Fund 331 in FY 17-18.

**Requirement 6.** An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement and the public improvement remains incomplete.

Table 14 summarizes the planned future expenditures for Fund 331 and the anticipated construction start date. As additional funds become available, the City's Capital Improvement Budget team will work on identifying and budgeting for eligible projects and will include the projects in future CIP budgets.



**Table 14: Law Enforcement Facilities Fee Project Expenditures**

| Project No. | Project Name                         | Project Budget <sup>1</sup> | Fund 331 Expense to Date | Fund 331 Expense FY 17-18 | Fund 331 Future Expenditures | % Funded by Fee | Approx. Construction Start Date <sup>1</sup> |
|-------------|--------------------------------------|-----------------------------|--------------------------|---------------------------|------------------------------|-----------------|----------------------------------------------|
| TBD         | Server Migration/Upgrades - Comtroni | \$ 82,825                   | -                        | -                         | \$ 82,825                    | 100%            | TBD                                          |
| TBD         | Evidence Building - Design Phase     | \$ 29,137                   | -                        | -                         | \$ 29,137                    | 100%            | TBD                                          |
| GRAND TOTAL |                                      | \$ 111,962                  | \$ -                     | \$ -                      | \$ 111,962                   |                 |                                              |

*1) City of Hemet FY 14-15 AB1600 Annual and Five-Year Report.*

**Requirement 7.** Description of each interfund transfer or loan made from the account, including the public improvement on which the transferred or loaned fees will be expended, and when each will be repaid and the rate of interest the account will receive on the loan.

There were no transfers or loans from this fund in FY 17-18.

**Requirement 8.** Identification of any refunds made once determined that sufficient monies have been collected to fund fee-related projects.

There were no refunds made from this fund in FY 17-18.



## Fund 332 – Fire Facilities Fee

**Requirement 1.** Brief description of the type of fee in the account or fund.

The Fire Facilities Fee finances fire suppression facilities, including fire stations, response and prevention vehicles and equipment, and firefighter apparel and equipment. The City first established its DIF Program and the Fire Facilities Fee on January 23, 2001 with the adoption of Ordinance No. 1639, which revised and renumbered the City Municipal Code. Resolution No. 3837, adopted July 26, 2004, established current fee amounts for non-residential property. The City Council adopted Resolution No. 3981 on January 23, 2006, which established current fee amounts for residential property as recommended by the Nexus Study dated January 3, 2006, prepared by TischlerBise. Per Resolution 3981, the rates for non-residential projects were not updated as it stated that the City Council shall, by separate and subsequent noticed action, consider adjustments to DIFs for commercial and/or industrial projects.



Figure 2: Hemet Fire Department Engine

**Requirement 2.** Amount of the fee.

The Fire Facilities Fees for FY 17-18 are summarized in Table 15.

**Table 15: Fire Facilities Fee**

| Land Use                    | Fee Amount |
|-----------------------------|------------|
| Mobile Home/Senior (per DU) | \$354      |
| Multi-Family (per DU)       | \$480      |
| Single Family (per DU)      | \$560      |
| Townhome/Duplex (per DU)    | \$424      |
| Commercial/Office (per SF)  | \$0.24     |
| Industrial (per SF)         | \$0.056    |

**Requirement 3.** Beginning and ending balance in the account or fund.

Table 16 summarizes the beginning and ending fund balances for the Fire Facilities Fee for FY 17-18.



**Requirement 4.** Amount of fees collected and the interest earned during the previous year.

Table 16 summarizes the fees collected and the interest earned for the Fire Facilities Fee during FY 17-18.

**Table 16: Fire Facilities Fee Fund Summary**

| <b>Fund 332</b>                                  |                        |
|--------------------------------------------------|------------------------|
| <b>Fire Facilities</b>                           |                        |
| <b>Beginning Fund Balance as of July 1, 2017</b> | <b>\$ 3,181,180.09</b> |
| <b>Revenues</b>                                  |                        |
| Fees Collected                                   | \$ 40,394.40           |
| Interest Earned                                  | \$ 39,554.00           |
| Fair Market Value Adjustment <sup>1</sup>        | \$ -                   |
| Other Revenues                                   | \$ -                   |
| <b>Total Revenues</b>                            | <b>\$ 79,948.40</b>    |
| <b>Expenses</b>                                  |                        |
| Project Expenses                                 | \$ (3,345.16)          |
| Other Expenses <sup>2</sup>                      | \$ (35,885.21)         |
| <b>Total Expenses</b>                            | <b>\$ (39,230.37)</b>  |
| <b>Transfers In</b>                              | <b>\$ -</b>            |
| <b>Transfers Out</b>                             | <b>\$ -</b>            |
| <b>Ending Balance as of June 30, 2018</b>        | <b>\$ 3,221,898.12</b> |

*1) Fair Market Value Adjustment accounts for changes in value of City investments over time.*

*2) Other Expenses include costs for purchase of equipment and supplies outside of CIP projects.*

**Requirement 5.** Identification of each public improvement for which fees were expended and the amount of expenditures, including the total percentage of the cost of the public improvement that was funded with fees.

Table 17 summarizes the expenditures this past year on Fire Facilities Fee projects.

**Requirement 6.** An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement and the public improvement remains incomplete.



Table 17 summarizes the planned future expenditures for Fire Facilities Fee and the anticipated construction start date. As additional funds become available, the City's Capital Improvement Budget team will work on identifying and budgeting for eligible projects and will include the projects in future CIP budgets.

**Table 17: Fire Facilities Fee Project Expenditures**

| Project No.        | Project Name                                     | Project Budget <sup>1</sup> | Fund 332 Expense to Date <sup>2</sup> | Fund 332 Expense FY 17-18 <sup>2</sup> | Fund 332 Future Expenditures | % Funded by Fee | Approx. Construction Start Date <sup>1</sup> |
|--------------------|--------------------------------------------------|-----------------------------|---------------------------------------|----------------------------------------|------------------------------|-----------------|----------------------------------------------|
| 5610               | Fire Station #5 Improvements                     | \$ 175,000                  | \$ 25,458                             | -                                      | \$ 149,542                   | 100%            | In Progress                                  |
| 5643               | Fire Station #1 Batt Chief Area Remodel          | \$ 95,000                   | \$ 48,543                             | \$ 3,345                               | \$ 40,796                    | 98%             | In Progress                                  |
| TBD                | Fire Station #6 Construction                     | \$ 1,932,847                | -                                     | -                                      | \$ 1,932,847                 | 100%            | TBD                                          |
| TBD                | Misc tools, fire fighting equipment              | \$ 27,373                   | -                                     | -                                      | \$ 27,373                    | 100%            | TBD                                          |
| TBD                | Electronic Patient Care Reporting Tablets (EPCR) | \$ 40,000                   | -                                     | -                                      | \$ 40,000                    | 100%            | TBD                                          |
| <b>GRAND TOTAL</b> |                                                  | <b>\$ 2,270,220</b>         | <b>\$ 74,002</b>                      | <b>\$ 3,345</b>                        | <b>\$ 2,190,557</b>          |                 |                                              |

1) City of Hemet FY 17-18 Annual Operating Budget, FY 14-15 AB1600 Annual and Five-Year Report & 2002 DIF Nexus Study.

2) City of Hemet Trial Balance Expenditure Detail FY 17-18.

**Requirement 7.** Description of each interfund transfer or loan made from the account, including the public improvement on which the transferred or loaned fees will be expended, and when each will be repaid and the rate of interest the account will receive on the loan.

There were no transfers or loans from this fund in FY 17-18.

**Requirement 8.** Identification of any refunds made once determined that sufficient monies have been collected to fund fee-related projects.

There were no refunds made from this fund in FY 17-18.



## Fund 361 – Park Development Fee

**Requirement 1.** Brief description of the type of fee in the account or fund.

The Park Development Fee (formerly the Parks and Recreation Facilities Fee) finances parks and recreational facilities. The City first established its DIF Program and the Park Development Fee on January 23, 2001 with the adoption of Ordinance No. 1639, which revised and renumbered the City Municipal Code. The City Council adopted Resolution No. 3981 on January 23, 2006, which established current fee amounts for residential property as recommended by the Nexus Study dated January 3, 2006, prepared by TischlerBise.



Figure 3: Weston Park

**Requirement 2.** Amount of the fee.

The Park Development Fees for FY 17-18 are summarized in Table 18.

**Table 18: Park Development Fee**

| Land Use                    | Fee Amount |
|-----------------------------|------------|
| Mobile Home/Senior (per DU) | \$920      |
| Multi-Family (per DU)       | \$1,247    |
| Single Family (per DU)      | \$1,453    |
| Townhome/Duplex (per DU)    | \$1,101    |

**Requirement 3.** Beginning and ending balance in the account or fund.

Table 19 summarizes the beginning and ending fund balances for the Park Development Fee for FY 17-18.

**Requirement 4.** Amount of fees collected and the interest earned during the previous year.

Table 19 summarizes the fees collected and the interest earned for the Park Development Fee during FY 17-18.



**Table 19: Park Development Fee Fund Summary**

|                                                  |                        |
|--------------------------------------------------|------------------------|
| <b>Fund 361</b>                                  |                        |
| <b>Park Development</b>                          |                        |
| <b>Beginning Fund Balance as of July 1, 2017</b> | <b>\$ 1,504,577.65</b> |
| <b>Revenues</b>                                  |                        |
| Fees Collected                                   | \$ 85,337.00           |
| Interest Earned                                  | \$ 17,009.00           |
| Fair Market Value Adjustment <sup>1</sup>        | \$ (15,260.24)         |
| Other Revenues                                   | \$ -                   |
| <b>Total Revenues</b>                            | <b>\$ 87,085.76</b>    |
| <b>Expenses</b>                                  |                        |
| Project Expenses                                 | \$ -                   |
| Other Expenses                                   | \$ -                   |
| <b>Total Expenses</b>                            | <b>\$ -</b>            |
| <b>Transfers In</b>                              | <b>\$ -</b>            |
| <b>Transfers Out</b>                             | <b>\$ -</b>            |
| <b>Ending Balance as of June 30, 2018</b>        | <b>\$ 1,591,663.41</b> |

*1) Fair Market Value Adjustment accounts for changes in value of City investments over time.*

**Requirement 5.** Identification of each public improvement for which fees were expended and the amount of expenditures, including the total percentage of the cost of the public improvement that was funded with fees.

No project expenditures were recorded for Fund 361 in FY 17-18.

**Requirement 6.** An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement and the public improvement remains incomplete.

Table 20 summarizes the planned future expenditures for Park Development Fee and the anticipated construction start date. As additional funds become available, the City's Capital Improvement Budget team will work on identifying and budgeting for eligible projects and will include the projects in future CIP budgets.



**Table 20: Park Development Fee Project Expenditures**

| Project No.        | Project Name                 | Project Budget <sup>1</sup> | Fund 361 Expense to Date | Fund 361 Expense FY 17-18 | Fund 361 Future Expenditures | % Funded by Fee | Approx. Construction Start Date <sup>1</sup> |
|--------------------|------------------------------|-----------------------------|--------------------------|---------------------------|------------------------------|-----------------|----------------------------------------------|
| TBD                | Skate Park                   | \$ 400,000                  | -                        | -                         | \$ 400,000                   | 100%            | 2019                                         |
| TBD                | City-wide Park Master Plan   | \$ 300,000                  | -                        | -                         | \$ 300,000                   | 100%            | TBD                                          |
| TBD                | Salt Creek Trail Project     | \$ 500,000                  | -                        | -                         | \$ 500,000                   | 100%            | 2019                                         |
| TBD                | Splash Park                  | \$ 200,000                  | -                        | -                         | \$ 200,000                   | 100%            | 2019                                         |
| TBD                | Handi-capable Park Play Area | \$ 175,000                  | -                        | -                         | \$ 175,000                   | 100%            | 2019                                         |
| <b>GRAND TOTAL</b> |                              | <b>\$ 1,575,000</b>         | <b>\$ -</b>              | <b>\$ -</b>               | <b>\$ 1,575,000</b>          |                 |                                              |

*1) City of Hemet FY 14-15 AB1600 Annual and Five-Year Report.*

**Requirement 7.** Description of each interfund transfer or loan made from the account, including the public improvement on which the transferred or loaned fees will be expended, and when each will be repaid and the rate of interest the account will receive on the loan.

There were no transfers or loans from this fund in FY 17-18.

**Requirement 8.** Identification of any refunds made once determined that sufficient monies have been collected to fund fee-related projects.

There were no refunds made from this fund in FY 17-18.



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## Fund 362 – Valley-Wide Park Development Fee

**Requirement 1.** Brief description of the type of fee in the account or fund.

The Valley-Wide Park Development Fee finances improvements at Diamond Valley Lake Community Park, which is owned and operated by Valley Wide Recreation and Park District. The City first established its DIF Program on January 23, 2001 with the adoption of Ordinance No. 1639, which revised and renumbered the City Municipal Code. The Valley Wide Facilities Fee Fund was authorized on August 22, 2006 and was allocated 16.3% of all new Park Development impact fees.

**Requirement 2.** Amount of the fee.

The Valley-Wide Park Development Fees for FY 17-18 are summarized in Table 21.

**Table 21: Valley-Wide Park Development Fee**

| Land Use                    | Fee Amount |
|-----------------------------|------------|
| Mobile Home/Senior (per DU) | \$179      |
| Multi-Family (per DU)       | \$243      |
| Single Family (per DU)      | \$283      |
| Townhome/Duplex (per DU)    | \$214      |

**Requirement 3.** Beginning and ending balance in the account or fund.

Table 22 summarizes the beginning and ending fund balances for the Valley-Wide Park Development Fee for FY 17-18.

**Requirement 4.** Amount of fees collected and the interest earned during the previous year.

Table 22 summarizes the fees collected and the interest earned for the Valley-Wide Park Development Fee during FY 17-18.



**Table 22: Valley-Wide Park Development Fee Fund Summary**

|                                                  |           |                   |
|--------------------------------------------------|-----------|-------------------|
| <b>Fund 362</b>                                  |           |                   |
| <b>Valley-Wide Park Development</b>              |           |                   |
| <b>Beginning Fund Balance as of July 1, 2017</b> | <b>\$</b> | <b>130,243.87</b> |
| <b>Revenues</b>                                  |           |                   |
| Fees Collected                                   | \$        | 16,623.00         |
| Interest Earned                                  | \$        | 1,502.00          |
| Fair Market Value Adjustment <sup>1</sup>        | \$        | -                 |
| Other Revenues                                   | \$        | -                 |
| <b>Total Revenues</b>                            | <b>\$</b> | <b>18,125.00</b>  |
| <b>Expenses</b>                                  |           |                   |
| Project Expenses                                 | \$        | -                 |
| Other Expenses                                   | \$        | -                 |
| <b>Total Expenses</b>                            | <b>\$</b> | <b>-</b>          |
| <b>Transfers In</b>                              | <b>\$</b> | <b>-</b>          |
| <b>Transfers Out</b>                             | <b>\$</b> | <b>-</b>          |
| <b>Ending Balance as of June 30, 2018</b>        | <b>\$</b> | <b>148,368.87</b> |

*1) Fair Market Value Adjustment accounts for changes in value of City investments over time.*

**Requirement 5.** Identification of each public improvement for which fees were expended and the amount of expenditures, including the total percentage of the cost of the public improvement that was funded with fees.

No project expenditures were recorded for Fund 362 in FY 17-18.

**Requirement 6.** An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement and the public improvement remains incomplete.

Table 23 summarizes the planned future expenditures for Valley-Wide Park Development Fee and the anticipated construction start date. As additional funds become available, the City's Capital Improvement Budget team will work on identifying and budgeting for eligible projects and will include the projects in future CIP budgets.



**Table 23: Valley-Wide Park Development Fee Project Expenditures**

| Project No. | Project Name                                                                                                                               | Project Budget <sup>1</sup> | Fund 362 Expense to Date | Fund 362 Expense FY 17-18 | Fund 362 Future Expenditures | % Funded by Fee | Approx. Construction Start Date <sup>1</sup> |
|-------------|--------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|--------------------------|---------------------------|------------------------------|-----------------|----------------------------------------------|
| TBD         | Park expansion in coordination with Valley Wide Recreation & Parks - proposed Park Master Plan land purchase and facilities - City Portion | \$ 150,000                  | -                        | -                         | \$ 150,000                   | 100%            | 2020                                         |
| GRAND TOTAL |                                                                                                                                            | \$ 150,000                  | \$ -                     | \$ -                      | \$ 150,000                   |                 |                                              |

*1) City of Hemet FY 14-15 AB1600 Annual and Five-Year Report.*

**Requirement 7.** Description of each interfund transfer or loan made from the account, including the public improvement on which the transferred or loaned fees will be expended, and when each will be repaid and the rate of interest the account will receive on the loan.

There were no transfers or loans from this fund in FY 17-18.

**Requirement 8.** Identification of any refunds made once determined that sufficient monies have been collected to fund fee-related projects.

There were no refunds made from this fund in FY 17-18.



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## Fund 363 – Library Facilities Fee

**Requirement 1.** Brief description of the type of fee in the account or fund.

The Library Facilities Fee finances library facilities. The City first established its DIF Program and the Fire Facilities Fee on January 23, 2001 with the adoption of Ordinance No. 1639, which revised and renumbered the City Municipal Code. The City Council adopted Resolution No. 3981 on January 23, 2006, which established current fee amounts for the Library Facilities Fee for residential property as recommended by the Nexus Study dated January 3, 2006, prepared by TischlerBise.

**Requirement 2.** Amount of the fee.

The Library Facilities Fees for FY 17-18 are summarized in Table 24.

**Table 24: Library Facilities Fee**

| Land Use                    | Fee Amount |
|-----------------------------|------------|
| Mobile Home/Senior (per DU) | \$465      |
| Multi-Family (per DU)       | \$631      |
| Single Family (per DU)      | \$735      |
| Townhome/Duplex (per DU)    | \$557      |

**Requirement 3.** Beginning and ending balance in the account or fund.

Table 25 summarizes the beginning and ending fund balances for the Library Facilities Fee for FY 17-18.

**Requirement 4.** Amount of fees collected and the interest earned during the previous year.

Table 25 summarizes the fees collected and the interest earned for the Library Facilities Fee during FY 17-18.



**Table 25: Library Facilities Fee Fund Summary**

**Fund 363**

**Library Facilities**

**Beginning Fund Balance as of July 1, 2017**      \$      **818,087.69**

**Revenues**

|                                           |    |           |
|-------------------------------------------|----|-----------|
| Fees Collected                            | \$ | 43,171.00 |
| Interest Earned                           | \$ | 8,395.00  |
| Fair Market Value Adjustment <sup>1</sup> | \$ | -         |
| Other Revenues                            | \$ | -         |

**Total Revenues**      \$      **51,566.00**

**Expenses**

|                             |    |              |
|-----------------------------|----|--------------|
| Project Expenses            | \$ | -            |
| Other Expenses <sup>2</sup> | \$ | (139,272.13) |

**Total Expenses**      \$      **(139,272.13)**

**Transfers In**      \$      -

**Transfers Out**      \$      -

**Ending Balance as of June 30, 2018**      \$      **730,381.56**

*1) Fair Market Value Adjustment accounts for changes in value of City investments over time.*

*2) Other Expenses include costs for purchase of equipment and supplies outside of CIP projects.*

**Requirement 5.** Identification of each public improvement for which fees were expended and the amount of expenditures, including the total percentage of the cost of the public improvement that was funded with fees.

No project expenditures were recorded for Fund 363 in FY 17-18.

**Requirement 6.** An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement and the public improvement remains incomplete.

Table 26 summarizes the planned future expenditures for Library Facilities Fee and the anticipated construction start date. As additional funds become available, the City's Capital Improvement Budget team will work on identifying and budgeting for eligible projects and will include the projects in future CIP budgets.



**Table 26: Library Facilities Fee Project Expenditures**

| Project No.        | Project Name                                                               | Project Budget <sup>1</sup> | Fund 363 Expense to Date | Fund 363 Expense FY 17-18 | Fund 363 Future Expenditures | % Funded by Fee | Approx. Construction Start Date <sup>1</sup> |
|--------------------|----------------------------------------------------------------------------|-----------------------------|--------------------------|---------------------------|------------------------------|-----------------|----------------------------------------------|
| TBD                | Capital outlay for books, audio visual materials, databases for patron use | \$ 350,000                  | -                        | -                         | \$ 350,000                   | 100%            | TBD                                          |
| TBD                | Solar parking covers                                                       | \$ 400,000                  | -                        | -                         | \$ 400,000                   | 100%            | TBD                                          |
| TBD                | Energy upgrades: Chilllers, Energy Management System                       | \$ 650,000                  | -                        | -                         | \$ 650,000                   | 100%            | 2018                                         |
| TBD                | Generator                                                                  | \$ 200,000                  | -                        | -                         | \$ 200,000                   | 100%            | 2020                                         |
| TBD                | Exterior book vending device                                               | \$ 200,000                  | -                        | -                         | \$ 200,000                   | 100%            | TBD                                          |
| TBD                | Early Learning Center                                                      | \$ 50,000                   | -                        | -                         | \$ 50,000                    | 100%            | TBD                                          |
| <b>GRAND TOTAL</b> |                                                                            | <b>\$ 1,850,000</b>         | <b>\$ -</b>              | <b>\$ -</b>               | <b>\$ 1,850,000</b>          |                 |                                              |

1) City of Hemet FY 17-18 Annual Operating Budget & FY 14-15 AB1600 Annual and Five-Year Report.

**Requirement 7.** Description of each interfund transfer or loan made from the account, including the public improvement on which the transferred or loaned fees will be expended, and when each will be repaid and the rate of interest the account will receive on the loan.

There were no transfers or loans from this fund in FY 17-18.

**Requirement 8.** Identification of any refunds made once determined that sufficient monies have been collected to fund fee-related projects.

There were no refunds made from this fund in FY 17-18.



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## Section 3 - Fund Summary

Table 27 provides an accounting of each impact fee fund and a total impact fee account balance. The table summarizes the starting fund balance, the amount of fees collected, the interest earned, the total expenditures, and the fiscal year ending fund balance.



**Table 27: Development Impact Fee Fund Summary**

| Description                     | Public Meetings<br>Facilities | General<br>Facilities | Flood Control      | Bridges &<br>Streets | Law Enforcement<br>Facilities | Fire Facilities    | Park<br>Development | Valley-Wide Park<br>Development | Library Facilities  |
|---------------------------------|-------------------------------|-----------------------|--------------------|----------------------|-------------------------------|--------------------|---------------------|---------------------------------|---------------------|
| Fund No.                        | 315                           | 316                   | 326                | 329                  | 331                           | 332                | 361                 | 362                             | 363                 |
| <b>Starting Balance</b>         |                               |                       |                    |                      |                               |                    |                     |                                 |                     |
| As of July 1, 2017              | \$ 557,644                    | \$ 1,780,676          | \$ 3,370,880       | \$ 4,246,811         | \$ 49,196                     | \$ 3,181,180.09    | \$ 1,504,578        | \$ 130,244                      | \$ 818,088          |
| <b>REVENUES</b>                 |                               |                       |                    |                      |                               |                    |                     |                                 |                     |
| Fees Collected                  | \$ -                          | \$ 49,436             | \$ 112,445         | \$ 233,028           | \$ 34,641                     | \$ 40,394.40       | \$ 85,337           | \$ 16,623                       | \$ 43,171           |
| Interest Eamed                  | \$ 6,202                      | \$ 19,847             | \$ 33,798          | \$ 44,614            | \$ 677                        | \$ 39,554          | \$ 17,009           | \$ 1,502                        | \$ 8,395            |
| Fair Market Value Adjustment    | \$ -                          | \$ (17,806)           | \$ (30,322)        | \$ (40,026)          | \$ -                          | \$ -               | \$ (15,260)         | \$ -                            | \$ -                |
| Misc Revenue                    | \$ -                          | \$ -                  | \$ -               | \$ 20,475            | \$ -                          | \$ -               | \$ -                | \$ -                            | \$ -                |
| Intergovernmental Revenue       | \$ -                          | \$ -                  | \$ -               | \$ 174,461           | \$ -                          | \$ -               | \$ -                | \$ -                            | \$ -                |
| <b>Total Revenues</b>           | <b>\$ 6,202</b>               | <b>\$ 51,477</b>      | <b>\$ 115,921</b>  | <b>\$ 432,551</b>    | <b>\$ 35,318</b>              | <b>\$ 79,948</b>   | <b>\$ 87,086</b>    | <b>\$ 18,125</b>                | <b>\$ 51,566</b>    |
| <b>EXPENDITURES</b>             |                               |                       |                    |                      |                               |                    |                     |                                 |                     |
| Project Expenditures            | \$ -                          | \$ (24,312)           | \$ (14,127)        | \$ (701,139)         | \$ -                          | \$ (3,345)         | \$ -                | \$ -                            | \$ -                |
| Other Expenditures <sup>1</sup> | \$ -                          | \$ -                  | \$ -               | \$ -                 | \$ -                          | \$ (35,885)        | \$ -                | \$ -                            | \$ (139,272)        |
| <b>Total Expenditures</b>       | <b>\$ -</b>                   | <b>\$ (24,312)</b>    | <b>\$ (14,127)</b> | <b>\$ (701,139)</b>  | <b>\$ -</b>                   | <b>\$ (39,230)</b> | <b>\$ -</b>         | <b>\$ -</b>                     | <b>\$ (139,272)</b> |
| <b>Transfers in</b>             | <b>\$ -</b>                   | <b>\$ -</b>           | <b>\$ -</b>        | <b>\$ -</b>          | <b>\$ -</b>                   | <b>\$ -</b>        | <b>\$ -</b>         | <b>\$ -</b>                     | <b>\$ -</b>         |
| <b>Transfers Out</b>            | <b>\$ -</b>                   | <b>\$ -</b>           | <b>\$ -</b>        | <b>\$ -</b>          | <b>\$ -</b>                   | <b>\$ -</b>        | <b>\$ -</b>         | <b>\$ -</b>                     | <b>\$ -</b>         |
| <b>Net Transfers</b>            | <b>\$ -</b>                   | <b>\$ -</b>           | <b>\$ -</b>        | <b>\$ -</b>          | <b>\$ -</b>                   | <b>\$ -</b>        | <b>\$ -</b>         | <b>\$ -</b>                     | <b>\$ -</b>         |
| <b>Ending Balance</b>           |                               |                       |                    |                      |                               |                    |                     |                                 |                     |
| As of June 30, 2018             | \$ 563,846                    | \$ 1,807,841          | \$ 3,472,674       | \$ 3,978,223         | \$ 84,514                     | \$ 3,221,898       | \$ 1,591,663        | \$ 148,369                      | \$ 730,382          |

1) Other Expenditures include expenses for printing, professional services, equipment purchases, library services, etc.

Note: Small variances may appear due to rounding.