City of Los Banos
At the Crossroads of California

DEVELOPMENT IMPACT FEE
ANNUAL REPORT

FISCAL YEARS 2021-2025

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City of
Los Banos
At the Crossroads of California

City Council and Elected Officials as of November 18, 2025

Mike Amabile	Mayor
Deborah Lewis	Mayor Pro-Tem
Evan Sanders	Council Member
Marcus Chavez	Council Member
Misty Perez	Council Member
Lucy Mallonee	City Clerk
Lucy Lawrence	City Treasurer

Executive Team

Soknirorn Than	City Manager
Minerva Moreno	Finance Director
Lucy Mallonee	Human Resources Director
William Via	Public Works Director
Joe Heim	Parks & Recreation Director
Stacy Souza Elms	Community Development Director
Paul Tualla	Fire Chief
Rey Reyna	Chief of Police
Mary Lerner	City Attorney

LETTER OF TRANSMITTAL

November 18, 2025

Dear Mayor and Members of the City Council:

California Government Code requires reporting of the usage of Development Impact Fees. Therefore, in accordance with the provisions of the State of California and Government Code Section 66000 et seq., I hereby submit the Annual AB 1600 Development Impact Fee Report for the City of Los Banos, CA for the fiscal years ended June 30, 2021 through June 30, 2025.

Development Impact Fees are a monetary exaction other than a tax or special assessment, which is charged by a local government agency to an applicant in connection with approval of a development project. The purpose of these fees is to defray all or a portion of the cost of public facilities related to the development project. The legal requirements for implementing a development impact fee program are set forth in Government Code Section 66000 et seq., the majority of which was adopted as Assembly Bill (AB) 1600 and is commonly referred to as AB 1600 requirements.

The Development Impact Fee program has been in effect in the City of Los Banos since 2000 set forth by Ordinance 954. A comprehensive impact fee nexus study was completed and prepared on June 28, 2006 by Goodwin Consulting Group and complies with California Government Code Section 66000 et seq. This study established the basis for the imposition of the fees on new development impact. The study did the following:

1. Identified the purpose of the fees.
2. Identified the use to which the fees will be put.
3. Showed a reasonable relationship between the use of the fees and the type of development project on which the fees are imposed.
4. Demonstrated a reasonable relationship between the need for the public facilities and the type of development projects on which the fees are imposed.
5. Demonstrated a reasonable relationship between the amount of the fees and the cost of the public facilities or portion of the public facilities attributable to the development on which the fees are imposed.

The development impact fees were updated in the Development Impact Fee Justification Study Dated December 31, 2019 completed by David Taussig & Associates, Inc. The updated impact fees became effective April 5, 2020.

The fees are collected at the time a building permit is issued unless a developer through a development agreement, is allowed to defer payment until a certificate of occupancy is granted. The purpose of the fees is to mitigate the impact caused by new development on public facilities. They are then used to finance the acquisition, construction, and improvement of public facilities needed as result of the impact of the new development. Separate funds have been created to account for the impact fees.

State law requires the City to prepare and make available to the public an annual report for each fund established to account for the Development Impact Fees. This report must include the beginning and ending balances as well as any changes. The report must also include the amount of fees collected, interest earned, and expenditures made during the fiscal year.

The City Council must review the annual AB1600 Report at a regularly scheduled public meeting. This report was filed with the City Clerk’s office and available for public review on December 17, 2025.

Respectfully Submitted,

Minerva Moreno
Finance Director

City of Los Banos
At the Crossroads of California

INTRODUCTION

LEGAL REQUIREMENTS FOR DEVELOPMENT IMPACT FEE REPORTING

A. California Government Code Section 66006 (b)

Government Code Section 66006 (b) defines the specific reporting requirements for local agencies that impose AB 1600 Developer Impact Fee (DIF) on new development. Annually, for each separate fund established for the collection and expenditure of DIFs, the local agency shall, within 180 days after the last day of each fiscal year, make available to the public the information shown below for the most recent fiscal year.

- A brief description of the fee.
- The amount of the fee.
- The beginning and ending balance of the account or fund.
- The amount of the fees collected, and the interest earned.
- An identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees.
- 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.
- 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, and, in the case of an inter-fund loan, the date on which the loan will be repaid, and the rate of interest that the account or fund will receive on the loan; and
- The amount of refunds made due to insufficient funds being collected to complete financing on incomplete public improvements, and the amount of reallocation of funds made due to administrative costs of refunding unexpended revenues exceeding the amount to be refunded.

B. California Government Code Section 66001 (d)

For all funds established for the collection and expenditure of DIFs, Government Code Section 66001 (d) has additional requirements. For the fifth fiscal year following the first deposit into the fund and every five years thereafter, the local agency shall make all of the following findings with respect to that portion of the 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 purpose for which it is charged.
- Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements.
- Designate the approximate dates on which the funding is expected to be deposited into the appropriate account or fund.

C. Additional Notes

The State of California Government Code Section 66002 states that local agencies that have developed a fee program may adopt a Capital Improvement Plan (CIP) indicating the approximate location, size and timing of projects, plus an estimate for the cost of all facilities or improvements to be financed by fees. A formal CIP is recommended, at a minimum, as a five-year plan. The City biennially produces a five-year CIP, which helps to maintain and support the City's General Plan. The CIP also includes a 5-year projection of development fee revenue and expenditures. Further, it identifies situations where infrastructure is needed to accommodate the planned development.

The City does not earmark development impact fees for any specific project as the fees are collected, but rather the fees are applied toward a series of capital improvement projects, such as a future police and fire facilities, sewer, water, and storm drain improvements, park and public facilities, community center construction and improvement, traffic related projects, and other capital facilities.

The City's current, adopted 2025-29 Capital Improvement Program can be found on the City's website.

D. Establishing a Reasonable Relationship Between the Fee and the Purpose for Which It Is Charged

The reasonable relationship between the development impact fee (DIF) and the purpose for which it is charged for the years preceding April 5, 2020 is demonstrated in the Development Cost and Fee Study done by Goodwin Consulting dated June 28, 2006. The City enacted an additional fee schedule in order to complete improvements for Water, Wastewater, Public Facilities, and Traffic by approving ordinance No.954 dated February 2, 2000.

On January 15, 2020, the City Council adopted an updated DIF, after consideration of the requisite AB 1600 nexus study dated December 31, 2019. The updated DIFs became effective on April 5, 2020, and are applied to new or expanded commercial development, new residential development, and upon uses which intensify the use of existing commercial or residential structures. A new General Government Facilities fee was established in the justification study which incorporated the City Hall, Corporation Yard, Community Center and Public Facilities Impact fees and was established in Ordinance 1178.

The DIF's nexus study sets forth the relationship between contemplated future development, facilities needed to serve future development and the estimated costs for those improvements based on the current General Plan. Comprehensive updates to the fees are completed on an as-needed basis to ensure the amount continues to reflect the appropriate fee in relation to updated costs.

E. Funding of Infrastructure

In the FY 2025 adopted budget, 5-year Capital Budget section identifies all funding sources and amounts for individual projects through FY 2029. The CIP is updated biennially to reflect the current infrastructure needs of the city. As a CIP project is identified, the project is evaluated to determine the portion of the project that will service existing residents and businesses versus new development.

Once the determination of use is made, the percentage of use attributable to new development is then funded by the appropriate development fee based on the type of project. The percentage of use associated with existing residents or businesses is funded from other appropriate sources as outlined in the CIP. Estimated construction start dates for projects are adjusted, as needed, to reflect the needs of the community.

DESCRIPTION AND PURPOSE OF DEVELOPMENT IMPACT FEES (DIF)

The City collects DIFs to offset and address the impacts of new development on facilities and infrastructure. Currently, there are nine (9) DIF categories: Fire Facilities, Police Facilities, Park Facilities, Water Facilities, Sewer Facilities, Storm Drainage Facilities, Traffic Facilities, General Government Facilities and 3% Administration Fee. While each fee category has its own methodology for determining fees, two main principles apply throughout. The City aims to maintain the existing level of service as the City continues to grow and new development should pay its fair share of the City's infrastructure needs.

DESCRIPTION AND PURPOSE OF DEVELOPMENT IMPACT FEES (DIF) Continued

Fire Facilities DIF – To provide for the expansion, design and construction of Fire facilities as set forth in the nexus study. The purpose of the fire facilities impact fee is to fund the fire facilities needed to serve new development based on planned facilities referenced in the 2019 development impact fee update and nexus study. This fee will provide funding for the construction and improvement of the fire protection facilities within the City, including any required acquisition of land to serve the needs of new development. Fee study shows equipment as well as facilities.

Police Facilities DIF – To provide for the expansion, design and construction of Police facilities as set forth in the nexus study. The purpose of the police facilities impact fee is to fund the police facilities needed to serve new development. based on planned facilities referenced in the 2019 development impact fee update and nexus study. This fee will provide funding for construction and improvement of the City's law enforcement facilities, including a new police sub-station, a new comprehensive radio system, and acquisition of additional new police vehicles and equipment in order to meet the needs of new development.

Park and Recreation Facilities DIF – To provide for the development of parks to add to the system of park and recreation facilities as specified in the nexus study. The purpose of the Parks and Recreation impact fee is to generate revenue to fund the park and special use facilities necessary to mitigate the impacts of new residential developments on the residents and businesses in the City of Los Banos. Residents of Los Banos use park and special use facilities. The fees advance a legitimate City interest by enabling the City to provide park and recreation facilities to new development based on planned facilities referenced in the 2019 development impact fee update and nexus study. This fee will provide funding for construction and improvement of parks and recreational facilities within the City, including any required acquisition of land to meet the demands generated by the new development.

Water Facilities DIF – To provide design and construction of key elements of the Citywide Water System including but not limited to the expansion of production, storage, transmission, treatment and distribution facilities. The purpose of the fees is to ensure that new development funds its fair share of these costs on future water supplied Citywide, based on planned facilities referenced in the 2019 development impact fee update and nexus study. This fee will provide funding for the construction and implementation of improvements to key elements of the citywide water system sufficient to accommodate future water supply (plus a reserve for storage facilities or additional wells) demand generated by new development.

Sewer Facilities DIF – To provide design and construction of key elements of the Citywide Wastewater System including but not limited to the expansion of collection and treatment capacities and the expansion of non-potable water facilities. The purpose of the fees is to ensure that new development funds its fair share of these costs on future wastewater treatment Citywide, based on planned facilities referenced in the 2019 development impact fee update and nexus study.

Storm Water Drainage Facilities DIF – To provide design and construction of key elements of the Citywide Storm Water System including but not limited to the expansion of production, storage, transmission, treatment and distribution facilities. The purpose of the fees is to ensure that new development funds its fair share of these costs on future water supplied Citywide, based on planned facilities referenced in the 2019 development impact fee update and nexus study. This fee will provide funding for the construction and implementation of improvements to key elements of the citywide stormwater system sufficient to accommodate future sewer demand generated by new development.

Traffic Facilities DIF – To provide for transportation facilities to accommodate the increase in traffic generated by new development as specified in the nexus study. The purpose of this fee is to ensure that new development funds its fair share of transportation facilities, including roadway segments and intersection improvements. The need for street improvements is based on the trip demand placed on the system by new development, based on planned facilities referenced in the 2019 development impact fee update and nexus study. This fee will provide funding for the construction, management, and implementation of improvements to key elements of the citywide transportation system sufficient to accommodate future traffic demands generated by new development.

DESCRIPTION AND PURPOSE OF DEVELOPMENT IMPACT FEES (DIF) Continued

General Governmental Facilities DIF – The purpose of this fee is to ensure new development as reference in the nexus study will provide funding for capital costs relating to facilities used by the City to provide general governmental services, based on planned facilities referenced in the 2019 development impact fee update and nexus study. This fee will provide funding for capital costs relating to facilities used by the City to provide general governmental services. ***The Community Center Impact Fee was eliminated and the activity was transferred to the General Government Impact Fund. Prior Years Fund Balance will provide funding for construction, improvement and maintenance of a community center within the City, including any required acquisition of land to meet the demands generated by the new development. The Corporate Yard Impact Fee fee was eliminated and the activity was transferred to the General Government Impact Fund. Prior years Fund Balance will provide funding for corporate yard facilities within the City in order to meet the demands generated by new development. The City Hall Impact Fee was eliminated and the activity was transferred to the General Government Impact Fund. Prior years Fund Balance will provide funding for capital costs relating to municipal services performed in the existing City Hall in order to meet the demands generated by the new development. The Public Facilities Impact Fee was eliminated and the activity was transferred to the General Government Impact Fund. Prior years Fund Balance will provide funding for the expansion of public facilities that house City staff generated by new development.***

3% Administration – This fee will provide funding for municipal services relating to the administration of the impact fee programs and the administrative demands generated by new development, based on planned facilities referenced in the 2019 development impact fee update and nexus study.

FINANCIAL SUMMARY REPORT

Development Impact Fees
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2025

Description	Fire Facilities	Police Facilities	Park & Rec Facilities	Water Facilities	Sewer Facilities	Storm Drainage Facilities	Traffic Facilities	General Gov't Facilities	Administration
REVENUES									
Fees	$ 207,887	$ 430,097	$ 1,365,957	$ 1,071,449	$ 911,953	$ 371,457	$ 414,454	$ 167,505	$ 119,172
Interest	89,294	30,172	594,729	364,040	317,459	34,076	497,367	110,415	31,876
Total Revenues	297,181	460,269	1,960,685	1,435,488	1,229,413	405,533	911,822	277,920	151,047
EXPENDITURES									
Expenditures	-	525,507	2,767,267	227,283	429,630	-	292,111	567,453	40,573
Total Expenditures	-	525,507	2,767,267	227,283	429,630	-	292,111	567,453	40,573
REVENUES OVER (UNDER) EXPENDITURES	297,181	(65,238)	(806,582)	1,208,205	799,783	405,533	619,711	(289,533)	110,474
Other Revenue (Not Part of AB1600)	-	10,296	437,205	-	-	-	25,381	-	-
Fund Balance, Beginning of Year	1,920,588	684,727	14,000,687	14,038,644	12,957,351	619,877	11,071,635	2,714,456	686,208
Fund Balance, End of Year	$ 2,217,769	$ 629,785	$ 13,631,310	$ 15,246,849	$ 13,757,134	$ 1,025,410	$ 11,716,727	$ 2,424,923	$ 796,682

Note: The Other Revenue reflect non-impact fee activity, including grants and other non-fee revenues. These amounts are excluded from AB 1600 revenue totals and are included only to reconcile the fund balance to the City's accounting system.

FINANCIAL SUMMARY REPORT, Continued

Fire Facilities Impact Fee Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Last Five Fiscal Years

Description	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
REVENUES					
Fees	$ 454,623	$ 351,896	$ 107,463	$ 205,863	$ 207,887
Interest	1,443	(6,233)	46,578	111,313	89,294
Total Revenues	456,066	345,663	154,041	317,176	297,181
EXPENDITURES					
Expenditures	649,439	-	-	593,447	-
Total Expenditures	649,439	-	-	593,447	-
REVENUES OVER (UNDER) EXPENDITURES	(193,373)	345,663	154,041	(276,271)	297,181
Other Revenue (Not Part of AB1600)	-	-	-	212,253	
Fund Balance, Beginning of Year	1,678,274	1,484,901	1,830,564	1,984,605	1,920,587
Fund Balance, End of Year	$ 1,484,901	$ 1,830,564	$ 1,984,605	$ 1,920,587	$ 2,217,768

Five Year Revenue Test Using First In First Out Method

Revenue Available:					
Current Fiscal Year			38,510	317,176	297,181
Current Fiscal Year (old fees)	456,066	345,663	115,530	-	-
Prior Fiscal Year (2-yr old funds)(old fees)	-	456,066	345,663	154,041	317,176
Prior Fiscal Year (3-yr old funds)(old fees)	-	-	456,066	345,663	154,041
Prior Fiscal Year (4-yr old funds)(old fees)	-	-	-	456,066	345,663
Prior Fiscal Year (5-yr old funds)(old fees)	-	-	-	-	456,066
In Excess of 5 Prior Fiscal Years(old fees)	1,028,835	1,028,835	1,028,835	647,641	647,641
Total Revenues Available	$ 1,484,901	$ 1,830,564	$ 1,984,605	$ 1,920,587	$ 2,217,768

Project Expenditures FY 2024-25

Description	Expense	% of Fee Funded
None		

Note: The Other Revenue reflect non-impact fee activity, including grants and other non-fee revenues. These amounts are excluded from AB 1600 revenue totals and are included only to reconcile the fund balance to the City's accounting system.

The five-year findings test met as required by Gov Code 66001(d)

Notes:

In using the revenue and expenditures reports to report fees that have been held past the fifth year of the first deposit, the total expenditures and transfers out over the five-year period must add together. The computed total must be subtracted from the earliest fund balance plus any transfers in for that year. The Fire Facilities Impact Fee Fund reports money being held past the fifth year of first deposit.

The City intends to use these funds to assist in the construction of Fire House # 4 including a regional training facility and EOC as identified in the 2019 Nexus report. The City has secured $5M in direct financing from the State of California and is in the process of securing additional financing from the State in order to construct the $12.5 M facility. The City has been dedicated land where the project will be built. The project is in the design/build stages of development and the funds are not expected to be deposited into this fund until the remaining $7.5 M is secured from additional financing.

FINANCIAL SUMMARY REPORT, Continued

Police Facilities Impact Fee Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Last Five Fiscal Years

Description	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
REVENUES					
Fees	$ 1,224,396	$ 908,939	$ 261,570	$ 530,888	$ 430,097
Interest	2,783	(1,251)	26,603	39,380	30,172
Total Revenues	1,227,178	907,688	288,173	570,268	460,269
EXPENDITURES					
Expenditures	772,998	3,002,124	-	1,108,803	525,507
Total Expenditures	772,998	3,002,124	-	1,108,803	525,507
REVENUES OVER (UNDER) EXPENDITURES	454,181	(2,094,436)	288,173	(538,535)	(65,238)
Other Revenue (Not Part of AB1600)	2,574	4,727	-	3,119	10,296
Fund Balance, Beginning of Year	2,564,924	3,021,679	931,970	1,220,143	684,727
Fund Balance, End of Year	$ 3,021,679	$ 931,970	$ 1,220,143	$ 684,727	$ 629,785

Five Year Revenue Test Using First In First Out Method

Revenue Available:	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
Current Fiscal Year	-	-	72,043	570,268	629,785
Current Fiscal Year (old fees)	1,227,178	907,688	216,130	-	-
Prior Fiscal Year (2-yr old funds)(old fees)	-	24,282	907,688	114,459	-
Prior Fiscal Year (3-yr old funds)(old fees)	-	-	24,282	-	-
Prior Fiscal Year (4-yr old funds)(old fees)	-	-	-	-	-
Prior Fiscal Year (5-yr old funds)(old fees)	-	-	-	-	-
In Excess of 5 Prior Fiscal Years(old fees)	1,794,500	-	-	-	-
Total Revenues Available	$ 3,021,679	$ 931,970	$ 1,220,143	$ 684,727	$ 629,785

Project Expenditures FY 2024-25

Description	Expense	% of Fee Funded
Animal Shelter	$ 206,895	11.68%
Gun Range	$ 87,535	59.48%
Vehicles	$ 231,077	59.48%
	$ 525,507	

Note: The Other Revenue reflect non-impact fee activity, including grants and other non-fee revenues. These amounts are excluded from AB 1600 revenue totals and are included only to reconcile the fund balance to the City's accounting system.

The five-year findings test met as required by Gov Code 66001(d)

Notes:

In using the revenue and expenditures reports to report fees that have been held past the fifth year of the first deposit, the total expenditures and transfers out over the five-year period must add together. The computed total must be subtracted from the earliest fund balance plus any transfers in for that year. The Police Facilities Impact Fee Fund does not report money being held past the fifth year of first deposit.

FINANCIAL SUMMARY REPORT, Continued

Parks & Recreation Facilities Impact Fee Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Last Five Fiscal Years

Description	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
REVENUES					
Fees	$ 3,544,799	$ 1,462,675	$ 2,444,131	$ 1,545,937	$ 1,365,957
Interest	8,280	(41,128)	298,838	639,977	594,729
Total Revenues	3,553,079	1,421,547	2,742,969	2,185,914	1,960,685
EXPENDITURES					
Expenditures	416,958	77,716	2,347,309	750,610	2,767,267
Total Expenditures	416,958	77,716	2,347,309	750,610	2,767,267
REVENUES OVER (UNDER) EXPENDITURES	3,136,120	1,343,830	395,660	1,435,304	(806,582)
Other Revenue (Not Part of AB1600)				147,807	437,205
Fund Balance, Beginning of Year	7,541,965	10,678,085	12,021,916	12,417,575	14,000,687 *
Fund Balance, End of Year	$ 10,678,085	$ 12,021,916	$ 12,417,575	$ 14,000,687	$ 13,631,310

* *Fund Balance was restated to included other existing Park Funds*

Five Year Revenue Test Using First In First Out Method					
Revenue Available:					
Current Fiscal Year			685,742	2,185,914	1,960,685
Current Fiscal Year (old fees)	3,553,079	1,421,547	2,057,227	-	-
Prior Fiscal Year (2-yr old funds)(old fees)	-	3,553,079	1,421,547	2,742,969	2,185,914
Prior Fiscal Year (3-yr old funds)(old fees)	-	-	3,553,079	1,421,547	2,742,969
Prior Fiscal Year (4-yr old funds)(old fees)	-	-	-	3,553,079	1,421,547
Prior Fiscal Year (5-yr old funds)(old fees)	-	-	-	-	3,553,079
In Excess of 5 Prior Fiscal Years(old fees)	7,125,006	7,047,290	4,699,981	4,097,178	1,767,116
Total Revenues Available	$ 10,678,085	$ 12,021,916	$ 12,417,575	$ 14,000,687	$ 13,631,310

Project Expenditures FY 2024-25

Description	Expense	% of Fee Funded
Sunrise Park	$ 1,282,659	100%
Shaunessy Park	$ 493,986	100%
Cresthills Parking	$ 446,294	100%
Pacheco Park	$ 112,357	100%
Park Shade Structures	$ 431,970	100%
	$ 2,767,267	

Note: The Other Revenue reflect non-impact fee activity, including grants and other non-fee revenues. These amounts are excluded from AB 1600 revenue totals and are included only to reconcile the fund balance to the City's accounting system.

The five-year findings test met as required by Gov Code 66001(d)

Notes:
In using the revenue and expenditures reports to report fees that have been held past the fifth year of the first deposit, the total expenditures and transfers out over the five-year period must add together. The computed total must be subtracted from the earliest fund

balance plus any transfers in for that year. The Parks & Recreation Facilities Impact Fee Fund is planning on upgrading Colorado Park in fiscal year 2027. The City anticipates using all funds in excess of five-years for this project. The project also includes $1M from the State and additional funding from various grants.

Water Facilities Impact Fee Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Last Five Fiscal Years

Description	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
REVENUES					
Fees	$ 1,729,108	$ 1,336,854	$ 451,560	$ 787,934	$ 1,071,449
Interest	43,506	14,651	197,749	349,721	364,040
Other	-	-	-	-	-
Total Revenues	1,772,614	1,351,505	649,309	1,137,655	1,435,488
EXPENDITURES					
Expenditures	-	-	-	410,098	227,283
Total Expenditures	-	-	-	410,098	227,283
REVENUES OVER (UNDER) EXPENDITURES	1,772,614	1,351,505	649,309	727,556	1,208,205
Fund Balance, Beginning of Year	9,537,659	11,310,273	12,661,779	13,311,088	14,038,644
Fund Balance, End of Year	$ 11,310,273	$ 12,661,779	$ 13,311,088	$ 14,038,644	$ 15,246,849

Five Year Revenue Test Using First In First Out Method

Revenue Available:					
Current Fiscal Year			162,327	1,137,655	1,435,488
Current Fiscal Year (old fees)	1,772,614	1,351,505	486,982	-	-
Prior Fiscal Year (2-yr old funds)(old fees)	-	1,772,614	1,351,505	649,309	1,137,655
Prior Fiscal Year (3-yr old funds)(old fees)	-	-	1,772,614	1,351,505	649,309
Prior Fiscal Year (4-yr old funds)(old fees)	-	-	-	1,772,614	1,351,505
Prior Fiscal Year (5-yr old funds)(old fees)	-	-	-	-	1,772,614
In Excess of 5 Prior Fiscal Years(old fees)	9,537,659	9,537,659	9,537,659	9,127,561	8,900,277
Total Revenues Available	$ 11,310,273	$ 12,661,779	$ 13,311,088	$ 14,038,644	$ 15,246,849

Project Expenditures FY 2024-25

Description	Expense	% of Fee Funded

The five-year findings test met as required by Gov Code 66001(d)

Notes:
In using the revenue and expenditures reports to report fees that have been held past the fifth year of the first deposit, the total expenditures and transfers out over the five-year period must add together. The computed total must be subtracted from the earliest fund balance plus any transfers in for that year. The Water Facilities Impact Fee Fund reports money being held past the fifth year of first deposit. The City intends to address capacity and treatment as identified in the 2019 Nexus Report. Some examples of these projects are as follows:

- Well 16 – new groundwater well and Storage tank – $4.4M - Design TBD, construction TBD. (These dates changed due to test well results)

FINANCIAL SUMMARY REPORT, Continued

- Chromium 6 – well head treatment – reduction coagulation treatment – pilot study 2024-25, design criteria TBD, construction (TBD pending funding and state regulation) $40M - $90M.

The City intends to utilize all the Impact Fees for this purpose and is in the process of reviewing user rates and exploring debt financing in order to fund the $315M of potential costs associated with future capacity and treatment. The City is working with the State of California and the State Water Resource Control Board to identify the timing of the funding. Once funding is secured the money will be deposited in the Water Enterprise Fund. (This fund accounts for the Impact Fee as restricted cash).

Sewer Facilities Impact Fee Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Last Five Fiscal Years

Description	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
REVENUES					
Fees	$ 2,659,219	$ 1,827,245	$ 565,730	$ 1,114,017	$ 911,953
Interest	32,577	12,590	184,994	305,438	317,459
Other	-	-	-	-	-
Total Revenues	2,691,796	1,839,835	750,724	1,419,455	1,229,413
EXPENDITURES					
Expenditures	-	17,636	1,031,713	52,423	429,630
Total Expenditures	-	17,636	1,031,713	52,423	429,630
REVENUES OVER (UNDER) EXPENDITURES	2,691,796	1,822,199	(280,990)	1,367,032	799,783
Fund Balance, Beginning of Year	7,357,314	10,049,110	11,871,309	11,590,319	12,957,351
Fund Balance, End of Year	$ 10,049,110	$ 11,871,309	$ 11,590,319	$ 12,957,351	$ 13,757,134

Five Year Revenue Test Using First In First Out Method

Revenue Available:					
Current Fiscal Year			187,681	1,419,455	1,229,413
Current Fiscal Year (old fees)	2,691,796	1,839,835	563,043	-	-
Prior Fiscal Year (2-yr old funds)(old fees)	-	2,691,796	1,839,835	750,724	1,419,455
Prior Fiscal Year (3-yr old funds)(old fees)	-	-	2,691,796	1,839,835	750,724
Prior Fiscal Year (4-yr old funds)(old fees)	-	-	-	2,691,796	1,839,835
Prior Fiscal Year (5-yr old funds)(old fees)	-	-	-	-	2,691,796
In Excess of 5 Prior Fiscal Years(old fees)	7,357,314	7,339,678	6,307,965	6,255,541	5,825,912
Total Revenues Available	$ 10,049,110	$ 11,871,309	$ 11,590,319	$ 12,957,351	$ 13,757,134

Project Expenditures FY 2024-25

Description	Expense	% of Fee Funded

The five-year findings test met as required by Gov Code 66001(d)

Notes:

In using the revenue and expenditures reports to report fees that have been held past the fifth year of the first deposit, the total expenditures and transfers out over the five-year period must add together. The computed total must be subtracted from the earliest fund balance plus any transfers in for that year. The Sewer Facilities Impact Fee Fund reports money being held past the fifth year of first deposit. The City intends to address capacity and treatment as identified in the 2019 Nexus Report. Some examples of these projects are as follows:

- Wastewater Treatment plant rehabilitation (pipe casing and replacement) - $4M – design TBD (Based on Master Plan criteria, construction 2025-2026.
- Sewer lift station backup generator replacement (Tier 4 per new air board regulation) - $600K, design 2024, construction 2025-2026.

The City intends to utilize all the Impact Fees for this purpose and is in the process of reviewing user rates and exploring debt financing in order to fund the $75M of potential costs associated with future capacity, treatment, and wastewater flow. Once funding is secured the money will be deposited in the Wastewater Enterprise Fund. (This fund accounts for the Impact Fee as restricted cash).

Stormwater Facilities Impact Fee Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Last Five Fiscal Years

Description	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
REVENUES					
Fees	$ 104,776	$ 201,086	$ 97,959	$ 121,048	$ 371,457
Interest	(74)	(1,286)	10,871	25,928	34,076
Total Revenues	104,701	199,799	108,830	146,975	405,533
EXPENDITURES					
Expenditures	-	-	-	-	-
Total Expenditures	-	-	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	104,701	199,799	108,830	146,975	405,533
Other Revenue (Not Part of AB1600)	-	-	-	-	-
Fund Balance, Beginning of Year	59,571	164,272	364,071	472,901	619,877
Fund Balance, End of Year	$ 164,272	$ 364,071	$ 472,901	$ 619,877	$ 1,025,410

Five Year Revenue Test Using First In First Out Method

Revenue Available:					
Current Fiscal Year			27,208	146,975	405,533
Current Fiscal Year (old fees)	104,701	199,799	81,623	-	-
Prior Fiscal Year (2-yr old funds)(old fees)	-	104,701	199,799	108,830	146,975
Prior Fiscal Year (3-yr old funds)(old fees)	-	-	104,701	199,799	108,830
Prior Fiscal Year (4-yr old funds)(old fees)	-	-	-	104,701	199,799
Prior Fiscal Year (5-yr old funds)(old fees)	-	-	-	-	104,701
In Excess of 5 Prior Fiscal Years(old fees)	59,571	59,571	59,571	59,571	59,571
Total Revenues Available	$ 164,272	$ 364,071	$ 472,901	$ 619,877	$ 1,025,410

Project Expenditures FY 2024-25

Description	Expense	% of Fee Funded
None		

FINANCIAL SUMMARY REPORT, Continued

The five-year findings test met as required by Gov Code 66001(d)

Notes:
In using the revenue and expenditures reports to report fees that have been held past the fifth year of the first deposit, the total expenditures and transfers out over the five-year period must add together. The computed total must be subtracted from the earliest fund balance plus any transfers in for that year. The Stormwater Facilities Impact Fee Fund reports money being held past the fifth year of first deposit. The City intends to address capacity, treatment and stormwater flow as identified in the 2019 Nexus Report.

- Central City Detention Basin – $2.4M – design TBD, land acquisition TBD, construction TBD (Funds will be combined with wastewater once the project has started. This project is impacted by the State GSP program and these funds will primarily be used in the design and planning portion of this Basin.

Traffic Facilities Impact Fee Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Last Five Fiscal Years

Description	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
REVENUES					
Fees	$ 1,577,169	$ 1,245,281	$ 306,892	$ 660,824	$ 414,454
Interest	5,710	(33,219)	243,881	505,411	497,367
Total Revenues	1,582,880	1,212,063	550,772	1,166,236	911,822
EXPENDITURES					
Expenditures	195,420	47,643	266,914	895,409	292,111
Total Expenditures	195,420	47,643	266,914	895,409	292,111
REVENUES OVER (UNDER) EXPENDITURES	1,387,460	1,164,420	283,858	270,827	619,711
Other Revenue (Not Part of AB1600)	169,210	40,206	90,743	587,577	25,381
Fund Balance, Beginning of Year	7,077,335	8,634,004	9,838,630	10,213,231	11,071,635
Fund Balance, End of Year	$ 8,634,004	$ 9,838,630	$ 10,213,231	$ 11,071,635	$ 11,716,727

Five Year Revenue Test Using First In First Out Method

Revenue Available:					
Current Fiscal Year			437,947	1,166,236	911,822
Current Fiscal Year (old fees)	1,582,880	1,212,063	413,079	-	-
Prior Fiscal Year (2-yr old funds)(old fees)	-	1,582,880	1,212,063	851,026	1,166,236
Prior Fiscal Year (3-yr old funds)(old fees)	-	-	1,582,880	1,212,063	851,026
Prior Fiscal Year (4-yr old funds)(old fees)	-	-	-	1,582,880	1,212,063
Prior Fiscal Year (5-yr old funds)(old fees)	-	-	-	-	1,582,880
In Excess of 5 Prior Fiscal Years(old fees)	7,051,124	7,043,687	6,567,262	6,259,431	5,992,702
Total Revenues Available	$ 8,634,004	$ 9,838,630	$ 10,213,231	$ 11,071,635	$ 11,716,727

Project Expenditures FY 2024-25

Description	Expense	% of Fee Funded
SR-152 Signal Sync	$ 220,732	29.84%
Traffic Master Plan	$ 71,379	29.84%
	$ 292,111	

FINANCIAL SUMMARY REPORT, Continued

The five-year findings test met as required by Gov Code 66001(d)

Notes:
In using the revenue and expenditures reports to report fees that have been held past the fifth year of the first deposit, the total expenditures and transfers out over the five-year period must add together. The computed total must be subtracted from the earliest fund balance plus any transfers in for that year. The Traffic Facilities Impact Fee Fund reports money being held past the fifth year of first deposit. The City intends to perform the following improvements based on an updated Traffic Impact Plan:

- Hwy 165 and De Anza - $800K – design 2025, construction 2025-2026,
- Hwy 165 and Vineyard Drive Improvements – $2.8M – Design 2025-26
- Pioneer Road project – $40-60M – Environmental present to 2025, design 2024-2027, construction 2025-2029

These funds along with Impact Fees will be transferred to an appropriate Capital Projects Fund as required by the individual project.

General Government Facilities Impact Fee Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Last Five Fiscal Years

Description	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
REVENUES					
Fees	$ 808,295	$ 538,163	$ 146,860	$ 321,745	$ 167,505
Interest	2,225	(12,195)	77,781	140,531	110,415
Total Revenues	810,520	525,968	224,641	462,276	277,920
EXPENDITURES					
Expenditures	136,613	194,021	769,018	803,829	567,453
Total Expenditures	136,613	194,021	769,018	803,829	567,453
REVENUES OVER (UNDER) EXPENDITURES	673,907	331,948	(544,377)	(341,553)	(289,533)
Fund Balance, Beginning of Year	2,594,532	3,268,439	3,600,387	3,056,009	2,714,456
Fund Balance, End of Year	$ 3,268,439	$ 3,600,387	$ 3,056,009	$ 2,714,456	$ 2,424,923

Five Year Revenue Test Using First In First Out Method

Revenue Available:					
Current Fiscal Year			56,160	462,276	277,920
Current Fiscal Year (old fees)	673,907	525,968	168,481	-	-
Prior Fiscal Year (2-yr old funds)(old fees)	-	673,907	525,968	224,641	462,276
Prior Fiscal Year (3-yr old funds)(old fees)	-	-	673,907	525,968	224,641
Prior Fiscal Year (4-yr old funds)(old fees)	-	-	-	673,907	525,968
Prior Fiscal Year (5-yr old funds)(old fees)	-	-	-	-	485,481
In Excess of 5 Prior Fiscal Years(old fees)	2,594,532	2,400,511	1,631,493	827,664	448,637
Total Revenues Available	$ 3,268,439	$ 3,600,387	$ 3,056,009	$ 2,714,456	$ 2,424,923

Project Expenditures FY 2024-25

Description	Expense	% of Fee Funded
City Hall Renovations	$ 385,327	53.27%
Community Center Fence	$ 161,126	53.27%
Corporate Yard Parking Lot	$ 21,000	29.69%
	$ 567,453	

FINANCIAL SUMMARY REPORT, Continued

The five-year findings test met as required by Gov Code 66001(d)

Notes:
In using the revenue and expenditures reports to report fees that have been held past the fifth year of the first deposit, the total expenditures and transfers out over the five-year period must add together. The computed total must be subtracted from the earliest fund balance plus any transfers in for that year. The General Governmental Facilities Impact Fee Fund reports money being held past the fifth year of first deposit.

The City is intending on spending the remaining amount on upgrades to the City Hall as well as renovating the Annex. The project is currently in the design phase and the amount of the project is expected to be $7.5M. The General Fund will supply the additional capital to complete the project.

3% Administration Impact Fee Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Last Five Fiscal Years

Description	FY 2020/21	FY 2021/22	2022/23	2023/24	2024/25
REVENUES					
Fees	$ 186,539	$ 160,458	$ 53,831	$ 93,473	$ 119,172
Interest	319	(2,283)	15,941	31,837	31,876
Total Revenues	186,858	158,175	69,772	125,310	151,047
EXPENDITURES					
Expenditures	-	121,087	93,589	101,048	40,573
Total Expenditures	-	121,087	93,589	101,048	40,573
REVENUES OVER (UNDER) EXPENDITURES	186,858	37,088	(23,817)	24,262	110,474
Fund Balance, Beginning of Year	461,818	648,676	685,764	661,947	686,208
Fund Balance, End of Year	$ 648,676	$ 685,764	$ 661,947	$ 686,208	$ 796,683

Five Year Revenue Test Using First In First Out Method

Revenue Available:					
Current Fiscal Year			17,443	125,310	151,047
Current Fiscal Year (old fees)	186,858	158,175	52,329	-	-
Prior Fiscal Year (2-yr old funds)(old fees)	-	186,858	158,175	69,772	125,310
Prior Fiscal Year (3-yr old funds)(old fees)	-	-	186,858	158,175	69,772
Prior Fiscal Year (4-yr old funds)(old fees)	-	-	-	186,858	158,175
Prior Fiscal Year (5-yr old funds)(old fees)	-	-	-	-	186,858
In Excess of 5 Prior Fiscal Years(old fees)	461,818	340,731	247,142	146,094	105,521
Total Revenues Available	$ 648,676	$ 685,764	$ 661,947	$ 686,208	$ 796,683

Project Expenditures FY 2024-25

Description	Expense	% of Fee Funded
ERP Software	$ 40,573	100%

FINANCIAL SUMMARY REPORT, Continued

The five-year findings test met as required by Gov Code 66001(d)

Notes:
In using the revenue and expenditures reports to report fees that have been held past the fifth year of the first deposit, the total expenditures and transfers out over the five-year period must add together. The computed total must be subtracted from the earliest fund balance plus any transfers in for that year. The 3% Administration Facilities Impact Fee Fund Balance will fund the upgrade to Tyler Technologies (Financial Software). The anticipated cost is approximately $500,000 and the project commenced in fiscal year 2023 and will continue till implementation is completed.

SCHEDULE OF DEVELOPMENT IMPACT FEES

Fees Based on updated Development Impact Fee nexus study dated December 31, 2019. The updated original schedule became effective on April 5, 2020. The Fee was adjusted in 2024 based on Construction Cost Index through Council Action on April 17,2024 and became effective on July 1, 2024.

DEVELOPMENT FEE PROGRAM
SCHEDULE OF FEES
GENERAL PLAN BUILD OUT

Development Impact Fees per Unit (Residential)/1,000 Square Feet (Non-Residential)							
	Residential			Non-Residential			
Fee Category	Single Family	Multi-Family	Age Restricted	Retail	Office	Institutional	Industrial
Fire	$ 1,521	$ 1,216	$ 823	$ 867	$ 650	$ 325	$ 216
Police	$ 2,845	$ 2,276	$ 1,540	$ 1,621	$ 1,216	$ 608	$ 405
Parks & Rec	$ 8,494	$ 6,795	$ 4,598	$ -	$ -	$ -	$ -
Water	$ 7,635	$ 6,109	$ 4,133	$ 4,350	$ 3,263	$ 1,632	$ 1,088
Sewer	$ 5,858	$ 4,687	$ 3,172	$ 3,338	$ 2,503	$ 1,252	$ 834
Storm Drain	$ 3,575	$ 2,861	$ 1,935	$ 2,038	$ 1,528	$ 764	$ 509
Traffic	$ 1,576	$ 1,091	$ 851	$ 7,850	$ 1,572	$ 1,902	$ 1,335
General Gov't	$ 849	$ 679	$ 459	$ -	$ -	$ -	$ -
3% Admin	$ 971	$ 771	$ 525	$ 602	$ 322	$ 195	$ 132
Total Fees	**$ 33,324**	**$ 26,485**	**$ 18,036**	**$ 20,666**	**$ 11,054**	**$ 6,678**	**$ 4,519**

PRIOR DEVELOPMENT IMPACT FEE SCHEDULE (OLD FEES)

The following Impact Fees Schedule was approved by Council in order to complete improvements for Police, Fire, Community Center, City Hall, Corporation Yard, and Administration. These fees were set forth in the Development Cost and Fee Study done by Goodwin Consulting dated June 28, 2006.

PRIOR DEVELOPMENT IMPACT FEE SCHEDULE (OLD FEES), Continued

Table 2 – Prior Impact Fees from Previous Nexus Study

DEVELOPMENT FEE PROGRAM SCHEDULE OF FEES NEXUS STUDY 2006						
Development Impact Fees per Unit (Residential)/Per Square Feet (Non-Residential)						
	Residential			Non-Residential		
Fee Category	Very-Low Density	Medium Density	High Density	Commercial	Office	Industrial
Police	$ 2,559	$ 2,105	$ 1,515	$ 0.38	$ 0.57	$ 0.27
Fire	$ 912	$ 730	$ 438	$ 0.36	$ 0.36	$ 0.36
Park Improvement	$ 6,934	$ 5,702	$ 4,106	$ -	$ -	$ -
Community Center	$ 399	$ 328	$ 236	$ 0.07	$ 0.08	$ 0.05
City Hall	$ 986	$ 811	$ 584	$ 0.15	$ 0.22	$ 0.10
Corporation Yard	$ 346	$ 285	$ 205	$ 0.06	$ 0.09	$ 0.05
3% Administration	$ 364	$ 299	$ 213	$ 0.03	$ 0.04	$ 0.02
Total Fees	**$ 12,500**	**$ 10,260**	**$ 7,297**	**$ 1.05**	**$ 1.36**	**$ 0.85**

The following Impact Fees Schedules were enacted in order to complete improvements for Water, Wastewater, Public Facilities, and Traffic. These fees were set forth in the by ordinance No.954 dated February 2, 2010.

Table 3 – Prior Enterprise Impact Fees per Ordinance

DEVELOPMENT FEE PROGRAM SCHEDULE OF FEES ORDINANCE 954/FEBRUARY 2010									
				Traffic					
Fee Category	Water Impact Fee	Waste Water Impact fee	Public Facilities	Fee Category	Building Size	Unit	EDU/Unit	Impact Fee/Square Feet	Impact Fee
Connection Size									
3/4" - 1"	$ 3,127			Single Family	1,800	Dwelling	1.00	$ 1.88	$ 3,380.85
1 1/2"	$ 9,225			Fast Food	3,500	1,000	5.05	$ 17.07	$ 59,747.59
2"	$ 19,857			Super Market	50,000	1,000	1.85	$ 6.25	$ 312,683.10
3"	$ 58,540			Office Building	60,000	1,000	1.78	$ 6.02	$ 361,021.56
4"	$ 126,086			Light Industrial	100,000	1,000	0.91	$ 3.08	$ 307,612.53
Single Family		$ 5,419	$ 22.49	Heavy Industrial	200,000	1,000	0.18	$ 0.61	$ 121,692.40
Multi-Family			$ 22.49						
Commercial			$ 22.49						
Industrial			$ 22.49						
Total Fees	**$ 216,835**	**$ 5,419**	**$ 45**					**$ 34.91**	**$1,166,138.03**

NOTES TO THE DEVELOPMENT IMPACT FEE REPORT

The Notes address two items required by California Government Code Section 66006 (b).

NOTES TO THE DEVELOPMENT IMPACT FEE REPORT (Continued)

Note 1 – Refund of Developer Fee. At this time, all fees being collected pursuant to the Developer Fee program have been earmarked for current or future capital projects necessary to maintain the current levels of services within existing service areas to serve new development.

DEVELOPMENT IMPACT FEE PROJECTS IDENTIFICATION

The Development Impact Fees and Development Agreement Fee projects identification table illustrates the following reporting requirements defined by California Government Code Section 66006 (b):

- An identification of each public improvement on which fees were expended and the amount of expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees. ***These were identified when applicable in the Note Section of each 5-year Financial Summary Report***

- 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. ***These were identified when applicable in the Note Section of each 5-year Financial Summary Report.***