

CITY OF COOS BAY CITY COUNCIL
Agenda Staff Report

MEETING DATE January 17, 2017	AGENDA ITEM NUMBER
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TO: Mayor Benetti and City Councilors

FROM: Susanne Baker, Finance Director

THROUGH: Rodger Craddock, City Manager

ISSUE: Annual System Development Charge Revenue and Expenditure Report

SUMMARY:

On a monthly basis, the Council receives the financial statements which provide an accounting for the system development charge revenues collected for each system and project related expenses. Additionally, this same information is included in the annual audit. Both of these meet the requirements of ORS 223 to provide this information on an annual basis. To provide greater transparency, the following report is being provided as an annual report to comply ORS 223.

Administration of system development charges (SDC) are regulated by ORS 223.297 through 223.327. The City of Coos Bay first implemented SDC's in 2006 (transportation, wastewater, and stormwater) and placed a moratorium on the collection of SDC revenues in 2008.

ORS 223.307 regulates the expenditure of SDC revenue into three categories (reimbursement, improvement, and compliance). Expenditure of SDC funds are allowed only for the projects listed specifically on the capital improvement plan developed for the SDC.

(1) Reimbursement fees may be spent only on capital improvements associated with the systems for which the fees are assessed including expenditures relating to repayment of indebtedness.

(2) Improvement fees may be spent only on capacity increasing capital improvements, including expenditures relating to repayment of debt for such improvements. An increase in system capacity may be established if a capital improvement increases the level of performance or service provided by existing facilities or provides new facilities. The portion of the improvements funded by improvement fees must be related to the need for increased capacity to provide service for future users.

(5) Notwithstanding subsections (1) and (2) of this section, system development charge revenues may be expended on the costs of complying with the provisions of ORS 223.297 to 223.314, including the costs of developing system development charge

methodologies and providing an annual accounting of system development charge expenditures.

The Council has expressed interest in removing the SDC moratorium and staff has been working with FCS Group, a firm specializing in public sector finance and financial services, to provide a qualitative assessment to re-implement the SDC's. Due to complexity of the analysis and prioritizing of other issues, this project was reprioritized.

The following details the revenue and expenditures in FYE 16 with the only revenue received being from the interest collected on SDC charges prior to the moratorium.

Balance Sheet Fund	Audited Beginning Fund Balance FYE 16	Earned	(Used)	Ending Fund Balance
Transportation SDC	\$ 14,653.59	\$ 95.21	\$ -	\$ 14,748.80
Wastewater SDC	\$ 247,257.69	\$ 1,606.23	\$ -	\$ 248,863.92
Stormwater SDC	\$ 19,041.55	\$ 123.71	\$ -	\$ 19,165.26

ACTION REQUESTED:

If it pleases the Council, accept the system development charges report.

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Stormwater SDC	\$ 19,041.55	\$ 123.71	\$ -	\$ 19,165.26

ACTION REQUESTED:

If it pleases the Council, accept the system development charges report.

Attachments:

Balance sheets, Revenue and Expenditures Comparison to Budget for FYE 16 (9 pages)

City of Coos Bay
Balance Sheet
June 30, 2016

Transportation SDC Fund

ASSETS

19-000-100-1001	Cash - Combined Fund	14,748.80	
	Total Assets		14,748.80

LIABILITIES AND EQUITY

FUND EQUITY

Unappropriated Fund Balance:			
19-000-200-2500	Fund Balance	14,653.59	
	Revenue over Expenditures - YTD	95.21	
	Balance - Current Date		14,748.80
	Total Fund Equity		14,748.80
	Total Liabilities and Equity		14,748.80

City of Coos Bay
 Revenues with Comparison to Budget
 For the 12 Months Ending June 30, 2016

Transportation SDC Fund

	Period Actual	YTD Actual	Budget	Unearned	Pcnt	
<u>Carryover</u>						
19-000-300-0100	Carryover - Improvement Fee	.00	.00	12,146.00	12,146.00	.0
19-000-300-0200	Carryover - Reimbursement Fee	.00	.00	1,756.00	1,756.00	.0
19-000-300-0300	Carryover - Compliance Fee	.00	.00	732.00	732.00	.0
	Total Carryover	.00	.00	14,634.00	14,634.00	.0
<u>Use Of Money & Property</u>						
19-000-350-0102	Interest - Improvement Fee	.00	79.03	48.00	(31.03)	164.7
19-000-350-0103	Interest - Reimbursement Fee	.00	11.43	7.00	(4.43)	163.3
19-000-350-0104	Interest - Compliance Fee	.00	4.75	3.00	(1.75)	158.3
	Total Use Of Money & Property	.00	95.21	58.00	(37.21)	164.2
	Total Fund Revenue	.00	95.21	14,692.00	14,596.79	.7

City of Coos Bay
Expenditures with Comparison to Budget
For the 12 Months Ending June 30, 2016

Transportation SDC Fund

		Period Actual	YTD Actual	Budget	Unexpended	Pcnt
<u>Transportation SDC Fund</u>						
Capital Outlay						
19-760-530-3102	Construction-Improvement Fee	.00	.00	12,194.00	12,194.00	.0
19-760-530-3103	Construction-Reimbursement Fee	.00	.00	1,763.00	1,763.00	.0
19-760-530-3104	Construction-Compliance Fee	.00	.00	735.00	735.00	.0
Total Capital Outlay		.00	.00	14,692.00	14,692.00	.0
Total Transportation SDC Fund		.00	.00	14,692.00	14,692.00	.0
Total Fund Expenditures		.00	.00	14,692.00	14,692.00	.0
Net Revenue Over Expenditures		.00	95.21	.00	(95.21)	.0

City of Coos Bay
 Balance Sheet
 June 30, 2016

Wastewater SDC Fund

ASSETS

20-000-100-1001	Cash - Combined Fund		248,863.92	
	Total Assets			<u>248,863.92</u>

LIABILITIES AND EQUITY

FUND EQUITY

Unappropriated Fund Balance:				
20-000-200-2500	Fund Balance		247,257.69	
	Revenue over Expenditures - YTD		<u>1,606.23</u>	
	Balance - Current Date		<u>248,863.92</u>	
	Total Fund Equity			<u>248,863.92</u>
	Total Liabilities and Equity			<u>248,863.92</u>

City of Coos Bay
 Revenues with Comparison to Budget
 For the 12 Months Ending June 30, 2016

Wastewater SDC Fund

	Period Actual	YTD Actual	Budget	Unearned	Pcnt	
<u>Carryover</u>						
20-000-300-0100	Carryover - Treatment Imp Fee	.00	.00	12,848.00	12,848.00	.0
20-000-300-0200	Carryover - Treatment Reim Fee	.00	.00	12,838.00	12,838.00	.0
20-000-300-0300	Carryover - Treatment Comp Fee	.00	.00	1,283.00	1,283.00	.0
20-000-300-0400	Carryover - Collection Imp Fee	.00	.00	149,708.00	149,708.00	.0
20-000-300-0500	Carryover -Collection Reim Fee	.00	.00	33,727.00	33,727.00	.0
20-000-300-0600	Carryover -Collection Comp Fee	.00	.00	33,726.00	33,726.00	.0
20-000-300-0700	Carryover -CSD Treat Imp Fee	.00	.00	2,005.00	2,005.00	.0
20-000-300-0800	Carryover -CSD Treat Reimb Fee	.00	.00	503.00	503.00	.0
20-000-300-0900	Carryover -CSD Treat Comp Fee	.00	.00	299.00	299.00	.0
	Total Carryover	.00	.00	246,937.00	246,937.00	.0
<u>Use Of Money & Property</u>						
20-000-350-0101	Interest - Treatment Improv.	.00	83.57	51.00 (	32.57)	163.9
20-000-350-0102	Interest - Treatment Reimb.	.00	83.51	51.00 (	32.51)	163.8
20-000-350-0103	Interest - Treatment Compl.	.00	8.33	5.00 (	3.33)	166.6
20-000-350-0201	Interest - Collections Improv	.00	973.79	596.00 (	377.79)	163.4
20-000-350-0202	Interest - Collections Reimb.	.00	219.38	134.00 (	85.38)	163.7
20-000-350-0203	Interest - Collections Compl.	.00	219.38	134.00 (	85.38)	163.7
20-000-350-0301	Interest - CSD Treatment Imprv	.00	13.05	8.00 (	5.05)	163.1
20-000-350-0302	Interest - CSD Treatment Reimb	.00	3.28	2.00 (	1.28)	164.0
20-000-350-0303	Interest - CSD Treatment Compl	.00	1.94	1.00 (	.94)	194.0
	Total Use Of Money & Property	.00	1,606.23	982.00 (	624.23)	163.6
	Total Fund Revenue	.00	1,606.23	247,919.00	246,312.77	.7

City of Coos Bay
Expenditures with Comparison to Budget
For the 12 Months Ending June 30, 2016

Wastewater SDC Fund

		Period Actual	YTD Actual	Budget	Unexpended	Pcnt
<u>Wastewater SDC Fund</u>						
Capital Outlay						
20-770-530-3102	Construction-Treatment Improv	.00	.00	12,899.00	12,899.00	.0
20-770-530-3103	Construction-Treatment Reimb	.00	.00	12,889.00	12,889.00	.0
20-770-530-3104	Construction-Treatment Compl	.00	.00	1,288.00	1,288.00	.0
20-770-530-3105	Construction-Collection Improv	.00	.00	150,304.00	150,304.00	.0
20-770-530-3106	Construction-Collections Reimb	.00	.00	33,861.00	33,861.00	.0
20-770-530-3107	Construction-Collections Compl	.00	.00	33,860.00	33,860.00	.0
20-770-530-3108	Construction-CSD Treat Improv	.00	.00	2,013.00	2,013.00	.0
20-770-530-3109	Construction-CSD Treat Reimb	.00	.00	505.00	505.00	.0
20-770-530-3110	Construction-CSD Treat Compl	.00	.00	300.00	300.00	.0
Total Capital Outlay		.00	.00	247,919.00	247,919.00	.0
Total Wastewater SDC Fund		.00	.00	247,919.00	247,919.00	.0
Total Fund Expenditures		.00	.00	247,919.00	247,919.00	.0
Net Revenue Over Expenditures		.00	1,606.23	.00	(1,606.23)	.0

City of Coos Bay
 Balance Sheet
 June 30, 2016

Stormwater SDC Fund

ASSETS

21-000-100-1001	Cash - Combined Fund		19,165.26	
	Total Assets			<u>19,165.26</u>

LIABILITIES AND EQUITY

FUND EQUITY

Unappropriated Fund Balance:				
21-000-200-2500	Fund Balance		19,041.55	
	Revenue over Expenditures - YTD		<u>123.71</u>	
	Balance - Current Date		<u>19,165.26</u>	
	Total Fund Equity			<u>19,165.26</u>
	Total Liabilities and Equity			<u>19,165.26</u>

City of Coos Bay
 Revenues with Comparison to Budget
 For the 12 Months Ending June 30, 2016

Stormwater SDC Fund

	Period Actual	YTD Actual	Budget	Unearned	Pcnt	
<u>Carryover</u>						
21-000-300-0100	Carryover - Improvement Fee	.00	.00	15,448.00	15,448.00	.0
21-000-300-0200	Carryover - Compliance Fee	.00	.00	3,569.00	3,569.00	.0
	Total Carryover	.00	.00	19,017.00	19,017.00	.0
<u>Use Of Money & Property</u>						
21-000-350-0102	Interest-Improvement Fee	.00	100.49	62.00 (	38.49)	162.1
21-000-350-0104	Interest - Compliance Fee	.00	23.22	14.00 (	9.22)	165.9
	Total Use Of Money & Property	.00	123.71	76.00 (	47.71)	162.8
	Total Fund Revenue	.00	123.71	19,093.00	18,969.29	.7

City of Coos Bay
Expenditures with Comparison to Budget
For the 12 Months Ending June 30, 2016

Stormwater SDC Fund

		Period Actual	YTD Actual	Budget	Unexpended	Pcnt
<u>Stormwater SDC Fund</u>						
Capital Outlay						
21-780-530-3102	Construction-Stormwater Improv	.00	.00	15,510.00	15,510.00	.0
21-780-530-3104	Construction -Stormwater Compl	.00	.00	3,583.00	3,583.00	.0
Total Capital Outlay		.00	.00	19,093.00	19,093.00	.0
Total Stormwater SDC Fund		.00	.00	19,093.00	19,093.00	.0
Total Fund Expenditures		.00	.00	19,093.00	19,093.00	.0
Net Revenue Over Expenditures		.00	123.71	.00	(123.71)	.0