

Annual Report on Impact Fees

January 2006 – December 2006

Department of Impact Fees

Jefferson County Government

18 January 2007

Contents

Tables and Figures	2
Executive Summary	3
1.1. Trends in Fee Collection	3
1.2. Fees Collected	4
1.3. Financial Data	7
1.4. Fees Disbursed	10
1.4.1. Refunds	10
1.4.2. Requisitions	10
2. Annual Review	10
2.1. Recommended Changes to Ordinances or Procedures	10
2.1.1. Ordinance Changes During 2006	10
2.2. Proposed Changes to CIP	11
2.3. Identification of Fee-Fundable Capital Projects	11
2.3.1. Schools	11
2.3.2. Law Enforcement	12
2.3.3. Parks & Recreation	12
2.3.4. Fire & EMS	12
2.4. Proposed Fee Boundary Districts	13
2.5. Proposed fee schedule changes	13
2.6. Proposed Changes to Level of Service Standards	13
2.6.1. Overview	13
2.7. Proposed Changes to Fee Calculation Methodology	13
2.8. Proposed Changes to Base Data for Fee Calculation	14
2.9. Other Changes	14
2.9.1. Banking Proposal	14
Appendix 1. 2007 Inflation Adjustments	15
2.1. Source Data	15
2.2. Inflation Adjustment – Schools	15
2.3. Inflation Adjustment – Law Enforcement	16
2.4. Inflation Adjustment – Parks & Recreation	17
2.5. Inflation Adjustment – Fire & EMS	18
2.6. Residential Fee Totals – Inflation Adjusted	19
Appendix 2. FY 2007/2008 Cash Flow Analyses	20

Tables and Figures

Table 1. Total County Residential Building Permits (CY 2004-2006)	3
Table 2. Fees Collected – Calendar Year 2006.	5
Table 3. Fees Collected by County Tax District – Calendar Year 2006	6
Table 4. Fees Collected by Municipal Tax District – Calendar Year 2006.....	6
Table 5. Department of Impact Fees General Account (3111776).....	7
Table 6. Impact Fee Holding Accounts	8
Table 7. Impact Fee Holding Account Withdraws	9
Table 8. FY 2007 Approved Fee Fundable Projects.....	10
Table 9. BOE Fee Fundable Projects.....	11
Table 10. Law Enforcement Fee Fundable Projects.....	12
Table 11. Parks & Recreation Fee Fundable Projects	12
Table 12. Jefferson County Ambulance Authority Fee Fundable Projects	12
Table 13. Shepherdstown Fire Company Fee Fundable Projects	12
Table 14. Citizens Fire Company Fee Fundable Projects.....	12
Table 15. Friendship Fire Company Fee Fundable Projects.....	12
Table 16. Bakerton Fire Company Fee Fundable Projects	13
Table 17. Price Indices and Cost of Living Adjustment.....	15
Table 18. Inflation Adjustment - Schools	15
Table 19. Inflation Adjustment - Law Enforcement.....	16
Table 20. Inflation Adjustment - Parks & Recreation	17
Table 21. Inflation Adjustment - Fire & EMS.....	18
Table 22. Inflation Adjustment - Fire & EMS.....	19
Table 23. Example Cash Flow Analysis - Law Enforcement - CY 2005	20
Table 24. School Cash Flow Analysis	22
Table 25. Law Enforcement Cash Flow Analysis	23
Table 26. Parks & Recreation Cash Flow Analysis.....	23
Table 27. Fire & EMS Cash Flow Analysis	24

Executive Summary

1.1. Trends in Fee Collection

Permitting for Jefferson County in Calendar year 2006 was sharply off relative to CY 2005 or CY 2004. Total residential building permits for the previous three years is presented in Table 1. There were 42 permits for replacement of existing dwelling units, which do not represent new growth and were exempt from impact fees.

Table 1. Total County Residential Building Permits (CY 2004-2006)

Years		Single Family	Town Home	Grand Total
2004	Qtr1	16		16
	Qtr2	46		46
	Qtr3	122		122
	Qtr4	85	5	90
	Total	269	5	274
2005	Qtr1	65	6	71
	Qtr2	82	1	83
	Qtr3	89	12	101
	Qtr4	88	3	91
	Total	324	22	346
2006	Qtr1	129	15	144
	Qtr2	56	5	61
	Qtr3	37	27	64
	Qtr4	34	10	44
	Total	256	57	313
Grand Total		849	84	933

There are two anomalies to the data set in Table 1 which deserve mention. The number of building permit applications in first quarter of CY 2004 is abnormally low due to the extremely high number of permits applied for in fourth quarter CY 2003. These applications were an effort to avoid implementation of the school impact fee, which took effect in the first quarter of CY 2004.

The second anomaly resides in first quarter of CY 2006. The abnormally high number of building permit applications was due to a long awaited expansion of the Charles Town treatment plant. In the first quarter the public service district finally began accepting tap connection applications and several major developments quickly submitted applications. The subdivisions Beallair (alone accounting for 43 applications), Demory Farm, Maddex Farm, Deerfield Village and Sheridan Estates accounted for 79 applications. Normalizing the data for these permits brings the first quarter total applications to 50 which is more in line with other first quarter data. When normalized in this manner, the total residential

building permit applications for CY 2006 falls to 234 a value 32% off from the previous calendar year.

If this downward trend in residential permit applications continues, there will come a point when the County should consider the rational for continuing to collect impact fees. Although this situation is not close upon us, substantially lower permit activity will result in fee collection which is so low that it may hinder the county's ability to adequately fund capital expansion projects.

1.2. Fees Collected

Jefferson County uses a fiscal year which starts in July and runs through June of the next year. The accounting of fees collected to date is based on a calendar year since this report is due to the Commission in January of each year. Thus, these values reported below span Fiscal Years 2006 and 2007 and run from 1 January 2006 through 31 December 2006. Table 2 presents the total fee collection data, while Tables 3 and 4 break the financial data down into county and municipal tax districts.

The financial transaction information for the Department of Impact Fees general account (which serves as the initial account of fee deposit) is presented in Table 5. Table 6 presents the financial data for each of the 4 long term impact fee holding accounts (Schools, Law Enforcement, Parks & Recreation and Fire & EMS).

Table 2. Fees Collected – Calendar Year 2006.

Land Use	Type	Fee Category				Grand Total
		Schools	Law	Parks & Rec	Fire & EMS	
Commercial Total						\$0.00
Residential	Single Family	\$2,358,877	\$31,355	\$173,790	\$141,026	\$2,705,048
	Town Home	\$412,938	\$5,790	\$29,934	\$24,279	\$472,941
Residential Total		\$2,771,815	\$37,145	\$203,724	\$165,305	\$3,177,989
Grand Total		\$2,771,815	\$37,145	\$203,724	\$165,305	\$3,177,989

Table 3. Fees Collected by County Tax District – Calendar Year 2006

Land Use	Type	County	Fee Category				Grand Total
			Fire & EMS	Law	Parks & Rec	Schools	
Commercial Total						\$0.00	
Residential	Single Family	02 Charles Town	\$36,070	\$8,087	\$44,424	\$610,445	\$699,026
		04 Harpers Ferry	\$30,256	\$6,776	\$37,344	\$489,992	\$564,368
		06 Kabletown	\$20,016	\$4,488	\$24,648	\$339,792	\$388,944
		07 Middleway	\$23,232	\$5,208	\$28,620	\$391,164	\$448,224
		09 Shepherdstown	\$30,320	\$6,796	\$37,362	\$507,730	\$582,208
	Town Home	02 Charles Town	\$9,821	\$2,350	\$12,106	\$167,422	\$191,699
		04 Harpers Ferry	\$4,090	\$920	\$5,060	\$66,860	\$76,930
		09 Shepherdstown	\$10,368	\$2,520	\$12,768	\$178,656	\$204,312
	Residential Total			\$164,173	\$37,145	\$202,332	\$2,752,061
Grand Total			\$164,173	\$37,145	\$202,332	\$2,752,061	\$3,155,711

Table 4. Fees Collected by Municipal Tax District – Calendar Year 2006

Land Use	Type	Municipal District	Fire & EMS	Law	Parks & Rec	Schools	Grand Total
Residential	Single Family	01 Bolivar Corp					
Residential Total			\$1,132	N/A	\$1,392	\$19,754	\$22,278
Grand Total			\$1,132	N/A	\$1,392	\$19,754	\$22,278

1.3. Financial Data

Table 5. Department of Impact Fees General Account (3111776)

Month	Opening Balance	Deposits	Withdraws	Interest	Ending Balance
Jan	\$104,580.51	\$503,880.00	\$108,580.51	\$479.31	\$500,359.31
Feb	\$500,359.31	\$461,195.00	\$510,239.31	\$668.10	\$451,983.10
Mar	\$451,983.10	\$365,560.00	\$461,863.10	\$623.59	\$356,303.59
Apr	\$356,303.59	\$205,738.00	\$415,583.59	\$694.46	\$147,152.46
May	\$147,152.46	\$222,821.00	\$180,950.66	\$334.05	\$189,356.85
Jun	\$189,356.85	\$304,182.00	\$256,952.85	\$421.04	\$237,007.04
Jul	\$237,007.04	\$225,828.00	\$237,007.04	\$690.54	\$226,518.54
Aug	\$226,518.54	\$308,205.00	\$226,518.54	\$729.48	\$308,934.48
Sep	\$308,934.48	\$101,394.00	\$320,200.48	\$358.45	\$90,486.45
Oct	\$90,486.45	\$259,506.00	\$112,891.45	\$541.33	\$237,642.33
Nov	\$237,642.33	\$152,091.00	\$248,908.33	\$588.40	\$141,413.40
Dec	\$141,413.40	\$78,862.00	\$141,413.40	\$359.54	\$79,221.54
Totals /1		\$3,189,262.00	\$3,221,109.26	\$6,488.29	

December 2006 Outstanding credits	\$0.00
Jan 2007 transfers	(\$79,221.54)
01 – 08 January 2007 Deposits	\$33,798
08 Jan 07 Balance	\$33,798

/1 The deposits for CY 2006 exceed the total fees collected in Table 1 by \$11,273.00. This amount is due to a returned check (\$11,266.00 PN 0600316 and an incorrect credit by the Bank of Charles Town of \$7.00)

Table 6. Impact Fee Holding Accounts

Category	Schools	Law	Parks	Fire
Account Number	3107582	3120120	3122808	3122816
Balance on 01 Jan 2006	\$5,338,312.05	\$32,821.41	\$100,510.84	\$83,186.26
Total Deposits	\$2,798,984.85	\$37,283.09	\$206,247.93	\$167,320.39
<i>Of which</i>				
<i>Transferred fees</i>	\$2,793,106.00	\$37,216.00	\$205,822.00	\$166,985.00
<i>Transferred interest</i>	\$5,878.85	\$67.09	\$425.93	\$335.39
Withdraws /1	(\$1,414,054.21)	(\$23,811.72)	(\$29,324.00)	(\$1,072.00)
Interest Accrued - CY 2006	\$247,349.39	\$1,411.08	\$7,423.94	\$6,344.22
Balance on 31 Dec 2006	\$6,970,592.08	\$47,703.86	\$284,858.71	\$255,778.87
January Transfers	\$69,455.39	\$892.59	\$4,893.57	\$3,979.99
<i>Of which</i>				
<i>Transferred Fees</i>	\$69,139.00	\$889.00	\$4,872.00	\$3,962.00
<i>Transferred interest</i>	\$316.39	\$3.59	\$21.57	\$17.99
Final Balance 08 Jan 2006	\$7,040,047.47	\$48,596.45	\$289,752.28	\$259,758.86

/1 See Table 6 for details.

Table 7. Impact Fee Holding Account Withdraws

Account	Transaction Date	Statement Date	Debit	Note
Schools				
3107582	02-May-06	30-Jun-06	\$7,279.00	REFUND Makki PN 0500338
	22-Aug-06	31-Aug-06	\$7,279.00	REFUND Schill PN 0500161
	23-Aug-06	31-Aug-06	\$8,562.00	REFUND Corum PN 0600164
	13-Dec-06	31-Dec-06	\$1,390,934.21	Withdraw via Requisition 06R0004
Total			\$1,414,054.21	
Law				
3120120	02-May-06	30-Jun-06	\$120.00	REFUND Makki PN 0500338
	06-Jul-06	31-Jul-06	\$20,756.00	Withdraw via Requisition 06R0001
	22-Aug-06	31-Aug-06	\$120.00	REFUND Schill PN 0500161
	23-Aug-06	31-Aug-06	\$120.00	REFUND Corum PN 0600154
	05-Oct-06	31-Oct-06	\$2,695.72	Withdraw via Requisition 06R0003
Total			\$23,811.72	
Parks				
3122808	02-May-06	30-Jun-06	\$662.00	REFUND Makki PN 0500338
	23-Aug-06	31-Aug-06	\$662.00	REFUND Corum PN 0600154
	30-Aug-06	30-Sep-06	\$28,000.00	Withdraw via Requisition 06R0002
Total			\$29,324.00	
Fire				
3122816	02-May-06	30-Jun-06	\$536.00	REFUND Makki PN 0500338
	23-Aug-06	31-Aug-06	\$536.00	REFUND Corum PN 0600154
Total			\$1,072.00	

1.4. Fees Disbursed

Fees were disbursed from the long term accounts for two reasons: refund and requisition. The transactional details for all fee disbursements are presented in Table 7.

1.4.1. Refunds

Refunds were issued for two reasons: PN 0500161 and 0500338 were abandonment of building while PN 0600154 was a fee paid while an exemptible dwelling unit was in place. The latter case was processed with the assistance of the Office of the Prosecuting Attorney. The refund amounts are listed in Table 7.

1.4.2. Requisitions

The first impact fee payments for projects listed on the FY 2007 Capital Improvement and approved by the County Commission on 25 March 2006 are also listed in Table 6.

The fee fundable projects approved along with the approved funding amounts are listed in Table 8, below.

Table 8. FY 2007 Approved Fee Fundable Projects

Category	Project (CIP line item)	Approved Impact Fee Funding
Schools	Southern County High School (1)	\$3,500,000
Law Enforcement	Police Cruiser (2) [1 of 6 requested]	\$32,936
Parks & Recreation	Exercise Equipment (4)	\$28,000
Parks & Recreation	Department Vehicle (2)	\$0.00
Fire & EMS	<i>No funding approved</i>	

2. Annual Review

2.1. Recommended Changes to Ordinances or Procedures

There are no recommended changes to procedures. The Impact Fee Coordinator recommends amending the procedures ordinance (2003-1) for two purposes: (1) to create an extreme hardship exemption, and (2) to increase the standard exemption look back period from 1 to 3 years. The report detailing the rationale for these proposed changes was delivered to the County Commission on 12 December 2006. A public hearing has been scheduled by the County Commission for the purposes of soliciting public input on these recommendations. The hearing is scheduled for Thursday, 1 February 2007 at 1:30 PM.

2.1.1. Ordinance Changes During 2006

The School Impact Fee Ordinance was modified by an act of the County Commission on 16 March 2006. The purpose of this modification was to incorporate new findings of fact

and the updated fee schedule associated with the January 2006 recalculation of the school impact fee. No other fee or procedures ordinances were modified during the calendar year.

2.2. Proposed Changes to CIP

In 2006 the Impact Fee Coordinator created an on-line processing system to manage CIP submissions. Presently, the system is available to any computer connected to the Commission’s network and which resides inside the firewall. This means that Commission staff and the Sheriff’s department are the two entities with potential access. Full implementation would mean making the system available outside the firewall. This is a minor software change to the County’s proxy server and firewall. Such a change would mean that persons granted access rights would be able to review, update, process and submit the CIP forms from any Internet connected computer. Prior to implementation, the Impact Fee Coordinator recommends that a security audit of the current system and proposed implementation scheme be initiated. Such an audit is probably within the technical expertise of the current information systems support vendor for the County Commission.

2.3. Identification of Fee-Fundable Capital Projects

The following projects appear on the FY 2008 Jefferson County Capital Improvement Plan and are listed because they have been identified by the Impact Fee Coordinator as being eligible for funding by impact fees, either in whole or in part. Projects so identified represent expansion of the current level of service. Exclusion of other projects, listed in the FY 2008 CIP but not included here, only indicates that they are not eligible for funding by impact fees and should not be taken as an indication of their overall merit.

Funding potential is listed as *Full* if the project fully represents expansion of a particular capital category. *Partial* funding potential indicates that the project, in addition to a component of expansion, also includes replacement, upgrades, or other aspects not fundable by impact fees.

2.3.1. Schools

Table 9. BOE Fee Fundable Projects

Line	Pri	Project	Current Request	Funding Potential	Category
1	N/A	New South County High School	\$3,500,000	Partial	Facilities
		TOTAL	\$3,500,000		

2.3.2. Law Enforcement

Table 10. Law Enforcement Fee Fundable Projects

Line	Pri	Project	Current Request	Funding Potential	Category
1	1	Purchase of Police Cruisers (24 units)	\$140,000	Partial	Vehicles
2	1	Weapons training-qualification range	\$10,000	Partial	Facilities
4	2	New Building - Sheriff's Office	\$11,000,000	Partial	Facilities
TOTAL			\$11,150,000		

2.3.3. Parks & Recreation

Table 11. Parks & Recreation Fee Fundable Projects

Line	Pri	Project	Current Request	Funding Potential	Category
2	2	Children's Play Equipment	\$60,000	Full	Improvements
TOTAL			\$60,000		

2.3.4. Fire & EMS

Table 12. Jefferson County Ambulance Authority Fee Fundable Projects

Line	Pri	Project	Current Request	Funding Potential	Category
1	1	Operations Center	\$900,000	Partial	Stations/Land
TOTALS			\$900,000		

Table 13. Shepherdstown Fire Company Fee Fundable Projects

Line	Pri	Project	Current Request	Funding Potential	Category
2	1	Purchase of new ambulance	\$8,000	Full	Apparatus
TOTALS			\$8,000		

Table 14. Citizens Fire Company Fee Fundable Projects

Line	Pri	Project	Current Request	Funding Potential	Category
2	2	Ladder truck	\$100,000	Full	Apparatus
6	3	Purchase of land	\$130,000	Full	Stations/Land
TOTALS			\$230,000		

Table 15. Friendship Fire Company Fee Fundable Projects

Line	Pri	Project	Current Request	Funding Potential	Category
2	1	Extrication Equipment	\$60,000	Full	Apparatus
TOTALS			\$60,000		

Table 16. Bakerton Fire Company Fee Fundable Projects

Line	Pri	Project	Current Request	Funding Potential	Category
1	1	Bakerton Fire Station	\$180,000	Full	Stations/Land
3	2	Bakerton Fire Company Improvements	\$130,000	Partial	Apparatus
TOTALS			\$310,000		

2.4. Proposed Fee Boundary Districts

Presently, the only fee category which utilizes fee districts is Law Enforcement. The boundaries of these districts are coincident with the current municipal boundaries. The Law Enforcement Impact Fee Ordinance defines the fee collection district as that portion of the county which is unincorporated. As various municipalities continue to annex portions of the county, this boundary automatically adjusts. Thus there are no specific recommendations to change fee boundaries.

2.5. Proposed fee schedule changes

It is recommended that all fee categories undergo an annual adjustment for cost-of-living. By dictate of the Impact Fee Procedures Ordinance [2003-1], the Impact Fee Coordinator must use the Quantity and Price Indexes for Gross Government Fixed Investment by Type which is published by the United States Bureau of Economic Analysis¹. Consult Appendix 1 for the price indices and proposed inflation-adjusted fee schedules. These should take effect on 1 April 2007.

2.6. Proposed Changes to Level of Service Standards

2.6.1. Overview

West Virginia Code §7-20 requires that the County maintain, as part of its capital improvement program, level of service standards (LOS) for impact fee-applicable categories. The County maintains its LOS as the base data used to conduct impact fee calculations and these standards are documented in the report *Impact Fees* which was authored by Tischler and Associates (now TischlerBise). This document was originally produced in June of 2003 and has been subsequently modified for law enforcement, parks & recreation, and fire & EMS. Calendar Year 2007 falls between the recommended 3 year recalculation time period for all fees. The School impact fee was recalculated in CY 2006, and Law Enforcement, Parks & Recreation, and Fire & EMS impact fees are due to be recalculated in early CY 2008.

Thus there are no proposed changes to the existing level of service standards for calendar year 2007.

2.7. Proposed Changes to Fee Calculation Methodology

There are no proposed changes to fee calculation methodology.

¹ Source is Table 5.8.4B, lines 35, 36 and 43.

2.8. Proposed Changes to Base Data for Fee Calculation

There are no recommended changes to base data for calendar year 2007. The impact fee coordinator will recommend changes to base data when the Law Enforcement, Parks & Recreation, and Fire & EMS impact fees are recalculated in early calendar year 2008.

The Impact Fee Coordinator continues to recommend that the County solicit assistance from the 5 municipalities for the purpose of sharing residential building permit data from 2000 forward. The purpose of this data sharing exercise would be to better track population growth during the years between each decennial census.

2.9. Other Changes

2.9.1. Banking Proposal

The Impact Fee Coordinator conducted a competitive bid for banking services in the Spring of 2006. Banks selected to participate in this process were all within walking distance of the department. The primary focus of the proposal was to obtain the best interest rate possible for the long term holding accounts. Banks were invited to offer other service features as well. The County Commission heard presentations from representatives of the Bank of Charles Town and United Bank during a work session. The Bank of Charles Town was chosen by the County Commission during regular session. All five accounts (including the Department of Impact Fees General Account) now yield a 5% interest rate.

Appendix 1. 2007 Inflation Adjustments

2.1. Source Data

The following table is extracted from the BEA data for price indexes, years 2004 and 2005. These represent the most recent price indices and were released on 02 August, 2006. These data constitute the source for the annual inflation adjustments for the 4 impact fee categories currently in effect. As per Ordinance 2003-1, the annual inflation adjustment will be applied on 01 April 2007. This table may be viewed by directing a browser to the URL <http://www.bea.gov/bea/dn/nipaweb/SelectTable.asp>, then selecting Table 5.8.4B.

Table 17. Price Indices and Cost of Living Adjustment

Table Line	Fee Category	Structure Class	Price Index CY 2004	Price Index CY 2005	Differential (Inflation Adjustment)
35	School	State and Local – Educational	115.186	124.257	1.078
36	Law	State and Local – Public Safety	116.382	123.99	1.065
43	Parks	Conservation and Development	112.661	121.588	1.079
36	Fire	State and Local – Public Safety	116.382	123.99	1.065

2.2. Inflation Adjustment – Schools

Table 18. Inflation Adjustment - Schools

Residential Development	Impact Fee Per Dwelling Unit	
	2006	2007 Adjusted
Single Family Detached, including mobile homes	\$9,877	\$10,655
Townhouse/Duplex	\$7,444	\$8,030
Multi-family unit	\$5,484	\$5,916

2.3. *Inflation Adjustment – Law Enforcement*

Table 19. Inflation Adjustment - Law Enforcement

Residential Development	Impact Fee Per Dwelling Unit	
	2006	2007 Adjusted
Single Family	\$127	\$135
Town home/Duplex	\$105	\$112
Multi-family	\$105	\$112
Non Residential Development	Impact Fee per 1,000 square feet gross usable floor area	
Commercial/Shopping Center 25,000 SF or less	\$226	\$241
Commercial/Shopping Center 25,001 – 50,000 SF	\$209	\$223
Commercial/Shopping Center 50,001 – 100,000 SF	\$182	\$194
Commercial/Shopping Center 100,001 – 200,000 SF	\$156	\$166
Commercial/Shopping Center over 200,000 SF	\$134	\$143
Office/Institutional 10,000 SF or less	\$105	\$112
Office/Institutional 10,001 – 25,000 SF	\$84	\$89
Office/Institutional 25,001 – 50,000 SF	\$72	\$77
Office/Institutional 50,001 – 100,000 SF	\$61	\$65
Office/Institutional over 100,000 SF	\$52	\$55
Business Park	\$59	\$63
Light Industrial	\$32	\$34
Warehousing	\$23	\$25
Manufacturing	\$18	\$19

2.4. Inflation Adjustment – Parks & Recreation

Table 20. Inflation Adjustment - Parks & Recreation

Residential Development	Impact Fee Per Dwelling Unit	
	2006	2007 Adjusted
Single Family Detached, including mobile homes	\$696	\$751
Townhouse/Duplex	\$532	\$574
Multi-family unit	\$524	\$565

2.5. Inflation Adjustment – Fire & EMS

Table 21. Inflation Adjustment - Fire & EMS

Residential Development	Impact Fee Per Dwelling Unit	
	2006	2007 Adjusted
Single Family	\$566	\$603
Town home/Duplex	\$432	\$460
Multi-family	\$426	\$454
Non Residential Development	Impact Fee per 1,000 square feet gross usable floor area	
Commercial/Shopping Center 25,000 SF or less	\$1,909	\$2,034
Commercial/Shopping Center 25,001 – 50,000 SF	\$1,771	\$1,887
Commercial/Shopping Center 50,001 – 100,000 SF	\$1,549	\$1,650
Commercial/Shopping Center 100,001 – 200,000 SF	\$1,341	\$1,429
Commercial/Shopping Center over 200,000 SF	\$1,151	\$1,226
Office/Institutional 10,000 SF or less	\$891	\$949
Office/Institutional 10,001 – 25,000 SF	\$722	\$769
Office/Institutional 25,001 – 50,000 SF	\$616	\$656
Office/Institutional 50,001 – 100,000 SF	\$525	\$559
Office/Institutional over 100,000 SF	\$448	\$477
Business Park	\$502	\$535
Light Industrial	\$275	\$293
Warehousing	\$195	\$208
Manufacturing	\$150	\$160

2.6. Residential Fee Totals – Inflation Adjusted

The Impact Fee Procedure Ordinance (2003-1) indicates that unless the Commission act to prevent these adjustments from taking effect, they automatically apply on the first day of April (c.f. §6(B) *et seq*). If the County Commission does not act to prevent the inflation adjustments listed in Table 17 from going into effect, the fee schedule listed in the table below will apply on 01 April 2007. Commercial fee schedules are always determined by the Impact Fee Coordinator on a case by case basis and thus may not easily be condensed into a summary table.

Table 22. Inflation Adjustment - Fire & EMS

Category	Town Home or		
	Single Family	Duplex	Multi Family
School	\$10,655	\$8,035	\$5,916
Law	\$135	\$112	\$112
Park & Rec	\$751	\$574	\$565
Fire & EMS	\$603	\$460	\$454
Total	\$12,144	\$9,181	\$7,047

Appendix 2. FY 2007/2008 Cash Flow Analyses

A cash flow analysis is an important tool in the management of impact fees. The analysis may focus solely on fees collected within a specific time frame, or conduct a projection of anticipated growth, or both. In either case, the analysis takes the actual/projected growth and determines the increase in base demand units (population, students, non-residential vehicle trips, etc). These values are multiplied by the cost per demand unit from the appropriate set of fee calculations to derive the revenue by land use. When the analysis is conducted correctly for actual growth, the calculated revenue should mirror the actual fees collected, minus any interest accrued by the collected fees. The table below lists the revenues for the law enforcement impact fee, by land use category, for calendar year 2006.

It is the second component of the analysis, the capital costs breakdown, which serves as a significant tool for the overall management of the expenditure of impact fees. In a manner similar to calculating the revenue stream, the actual or projected base demand increase is multiplied by the individual capital costs for each capital category within a specific service. For example, the capital categories for Law Enforcement are: (1) Facilities, (2) Vehicles, (3) Communications Equipment, and (4) Consultant Study Costs.

What emerges from these calculations is the fee amounts collected for each of these capital categories. Ideally, spending for each of these categories would equal the fees collected and this relationship would guarantee that all capital categories are being expanded in a manner proportional to growth. Continuing with the example of law enforcement, listed below are the calculated capital costs for each of the law enforcement categories for calendar year 2005.

Table 23. Example Cash Flow Analysis - Law Enforcement - CY 2005

2005/2006 Cash Flow Analysis	
Revenues	1/05-12/05
Single Family	\$31,068
Town Home	\$1,192
Multifamily	\$0
Commercial	\$213.78
Office	\$196.74
Manufacturing	\$265.57
Total	\$32,936
Capital Costs	
Facilities	\$19,638
Communications	\$1,832
Vehicles	\$10,933
Consultant	\$534
Total	\$32,937

Most would recognize that it doesn't make sense to spend collected fees each year in a manner that directly mirrors the capital costs expressed in a cash flow analysis. For example, spending \$19,600 on expansion of facilities will not meaningfully expand the Sheriff's office space in any given year. However, retaining those collected fees for 5 or 6 years accrues some \$100,000 for office expansion. So the cash flow analysis is a tool which, when used over a multi-year period, does help guide the County to ensure that each capital category is addressed *over time*.

The County Commission adopted a policy of using cash flow analyses to assist in making funding determinations for impact fee expenditure in the Spring of 2006.

Table 24. School Cash Flow Analysis

School Cash Flow Analysis

Department of Impact fees - January 2007

	Cumulative through June 2006			Current						
				FY 2007 Expenditures			Cumulative through December 2006			
Revenues										
Single Family	\$6,244,446						\$ 6,945,741			
Town Home	\$ 856,876						\$ 1,132,019			
Multifamily										
Total	\$7,101,323						\$ 8,077,761			
Capital Costs				Elementary	Middle	High	Elementary	Middle	High	
School Buildings	\$3,385,503	\$1,558,885	1,457,647	\$ (84,563)	\$ (1,558,885)	\$ (1,457,647)	\$ 3,736,396	\$ 201,176	\$ 229,426	
School Acreage	\$ 207,779	\$ 16,444	39,317		\$ (16,444)	\$ (39,317)	\$ 237,016	\$ 4,149	\$ 10,071	
Portable Buildings	\$ 30,136	\$ 33,252	11,684		\$ (33,252)	\$ (11,684)	\$ 36,850	\$ 7,092	\$ 2,719	
Admin/Maintenance	\$ 55,089	\$ 27,778	27,777		\$ (27,778)	\$ (27,777)	\$ 63,396	\$ 3,788	\$ 3,788	
Shop	\$ 27,008	\$ 13,618	13,618		\$ (13,618)	\$ (13,618)	\$ 31,067	\$ 1,851	\$ 1,851	
Indoor Equipment	\$ 209,965	\$ 105,816	105,816		\$ (105,816)	\$ (105,816)	\$ 234,791	\$ 11,321	\$ 11,321	
Consultant fee	\$ 3,691	\$ 1,924	1,861		\$ (1,924)	\$ (1,861)	\$ 4,152	\$ 210	\$ 210	
Credit Adjustment	\$ -	\$ -	(233,227)		\$ -	\$ -	\$ -		\$ (254,822)	
Cat. Total	\$3,919,171	\$1,757,717	1,424,493	\$ (84,563)	\$ (1,757,717)	\$ (1,657,720)	\$ 4,343,668	\$ 229,588	\$ 4,564	
Grand Total			\$7,101,381			\$ (3,500,000)			\$ 4,577,819	

Notes

/1 Expenditure of 3.5 million approved for new high school.

Table 25. Law Enforcement Cash Flow Analysis

Law Enforcement Cash Flow Analysis
 Department of Impact Fees - January 2007
 FY 2006-2007

<u>Through 5/17/2006</u>		Cumulative Totals	
		Expenditures	Through 31 Dec 2006
Revenues			
Single Family	\$51,049		\$63,589
Town Home	\$3,234		\$6,816
Multifamily			\$0
Commercial	\$428		\$428
Office	\$394		\$394
Manufacturing	\$532		\$532
Total	\$55,636		\$71,758
Capital Costs			
Facilities	\$33,165		\$42,790
Communications	\$3,093		\$3,991
Vehicles	\$18,463	(32,936.00)	(9,114.31)
Consultant	\$915		\$1,155
Total	\$55,636		\$38,822

Table 26. Parks & Recreation Cash Flow Analysis

Parks & Recreation Cash Flow Analysis
 Department of Impact Fees - January 2007

FY 2006-2007		Cumulative Totals	
through 5/06		Expenditures	Dec-06
Revenues			
Single Family	\$212,459		\$281,385
Town Home	\$13,282		\$32,970
Multifamily			
Total	\$225,741		\$314,354
Capital Costs			
Parkland	\$102,188		\$142,302
Improvements	\$74,504		\$103,751
Vehicles and Equipment	\$8,525		\$11,871
Sam Michael Improvements	\$38,005	(\$28,000)	\$24,923
Consultant Study	\$2,519		\$3,508
Total	\$225,741		\$286,354

Table 27. Fire & EMS Cash Flow Analysis

Fire & EMS Cash Flow Analysis
 Department of Impact Fees - January 2007

	FY 2006-2007	Cumulative
	Through 5/06	Through 12/06
Revenues		
Single Family	\$165,902	\$221,929
Town Home	\$10,764	\$26,767
Multifamily	\$0	\$0
Commercial	\$1,809	\$1,809
Office	\$0	\$0
Manufacturing	\$0	\$0
Total	\$178,474	\$250,504
Capital Costs		
Stations & Land	\$66,185	\$92,898
Apparatus	\$110,737	\$155,432
Communications	\$902	\$1,266
Consultant Study	\$651	\$909
Total	\$178,474	\$250,504