



CITY OF BEND

SYSTEM DEVELOPMENT CHARGE ANNUAL REPORT

Fiscal Year Ended June 30, 2016

Finance Department

Accounting Division
December 2016

**City of Bend, Oregon
System Development Charge Annual Report
For the Fiscal Year Ended June 30, 2016**

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City of Bend, Oregon
System Development Charges Sources and Uses Activity Statement
For the Fiscal Year Ended June 30, 2016
Water

SDC Sources	<u>Improvement</u>	<u>Reimbursement</u>
System Development Charges	\$ 3,796,009	\$ 365,672
System Development Charges - Loan Repayments	52,532	5,060
Total Current Year Sources	<u>\$ 3,848,541</u>	<u>\$ 370,732</u>
SDC Uses		
Developer Reimbursement Contracts	\$ 517,654	\$ -
SDC Management Costs (ORS § 223.307(5))	(A) (7,332)	(7,332)
Debt Service	(B) (193,648)	(505,860)
SDC Methodology Approved Capital Improvements	(C)	
WA0902 Bridge Creek Intake and Pipeline	(7,661,846)	(6,020,022)
WA0904 Water Division Supervisory Control and Data Acquisition (SCADA)	-	(132,908)
WA16BA Roosevelt Water Main	(30,494)	(20,329)
WA15MA Water Rights Management Planning	(71,824)	-
WA15CA Riverside Waterline Upgrade	-	(17,225)
WA15NA Tumalo Restoration	-	(25,000)
WA16CB Automatic Meter Reading (AMR) Replacement Project	-	(1,103,749)
WA16FA Rimrock West Water Main	(21,578)	(14,385)
Project Management Costs	(D) (600,652)	(690,148)
Total Current Year Uses	<u>\$ (8,069,720)</u>	<u>\$ (8,536,958)</u>
Unspent (overspent) SDCs For the Fiscal Year Ended June 30, 2016	<u>\$ (4,221,179)</u>	<u>\$ (8,166,226)</u>
Cumulative Unspent (Overspent) as of July 1, 2015		
	\$ (24,228,040)	\$ (9,403,174)
Change from Current Year	(4,221,179)	(8,166,226)
Cumulative Unspent (Overspent) as of June 30, 2016	<u>\$ (28,449,219)</u>	<u>\$ (17,569,400)</u>
Ending Balance Reserved as of June 30, 2016	<u>\$ -</u>	<u>\$ -</u>

- (A) SDC management costs charged are net of the SDC administration fee collected during the year.
- (B) Debt service costs, for project costs incurred after the SDC Methodology date, are eligible against the improvement fee, pursuant to the growth percentage of the related SDC-eligible project costs.
- (C) Costs reflected for each project have already been reduced for any related debt-issuance, grant, or contributions. These amounts only represent the use of SDC revenues against current year project costs, not total project costs.
- (D) Project management costs are internally-allocated costs for engineering and other directly related overhead costs. The costs are allocated between improvement and reimbursement revenue, based on project specific growth percentages, pursuant to the SDC methodology in place as of June 30, 2016.

Reimbursement collections are eligible to be spent for Improvement projects, resulting in a netting effect as per ORS.

City of Bend, Oregon
System Development Charges Sources and Uses Activity Statement
For the Fiscal Year Ended June 30, 2016
Water Reclamation

SDC Sources	<u>Improvement</u>	<u>Reimbursement</u>
System Development Charges	\$ 4,308,437	\$ 1,990,698
System Development Charges - Loan Repayments	37,123	17,153
Total Current Year Sources	<u>\$ 4,345,560</u>	<u>\$ 2,007,851</u>
SDC Uses		
Developer Reimbursement Contracts	\$ (259,078)	\$ -
SDC Management Costs (ORS § 223.307(5))	(A) -	-
Debt Service	(B) (2,002,985)	(3,724,094)
SDC Methodology Approved Capital Improvements	(C)	
SW0707 Southeast Interceptor	(D) (4,735,870)	(5,788,285)
SW0802 Secondary Expansion	(D) (2,448,473)	(212,911)
SW0806 SCADA Update Telemetry	-	(102,062)
SW11BA Valhalla Sewer Relocation	-	(237,625)
SW12AA Collection System Master Plan Update	(D) (196,084)	(230,186)
SW13DA North Area Sewer Capacity Improvements	(89,857)	(101,328)
SW13EA Colorado Pump Station and Force Main	(4,537,719)	(3,025,146)
SW14BA Deschutes Brewery Sewer	(1,910)	(1,273)
SW15AA Plant Interceptor Rehabilitation	(1,086)	(1,327)
SW15BA Sewer SDC Study Update 2015	-	(4,941)
SW15CA Solids Drying Bed Extension	(69,644)	-
SW15DA NE & 2nd Penn Sewer Line	(158,564)	-
SW15GA Woodriver Village Sewer	(49,498)	-
SW15IA Bend South Sewer Evaluation	(49,194)	-
SW16DA Riverhouse Lift Station	(4,056)	(451)
Project Management Costs	(E) (1,248,830)	(814,170)
Total Current Year Uses	<u>\$ (15,852,848)</u>	<u>\$ (14,243,799)</u>
Unspent (overspent) SDCs For the Fiscal Year Ended June 30, 2016	<u>\$ (11,507,288)</u>	<u>\$ (12,235,948)</u>
Cumulative Unspent (Overspent) as of July 1, 2015	\$ (41,721,678)	\$ 24,466,760
Change from Current Year	(11,507,288)	(12,235,948)
Cumulative Unspent (Overspent) as of June 30, 2016	<u>\$ (53,228,966)</u>	<u>\$ 12,230,812</u>
Ending Balance Reserved as of June 30, 2016	<u>\$ -</u>	<u>\$ -</u>

- (A) SDC management costs charged are net of the SDC administration fee collected during the year. Estimated charges for compliance per the SDC methodology is \$44,257. SDC Admin Fees collected for FY 15/16 are greater than fees collected. No adjustment against reimbursement or improvement is required; excess applied against overall transfer
- (B) Debt service costs, for project costs incurred after the SDC Methodology date, are eligible against the improvement fee, pursuant to the growth percentage of the related SDC-eligible project costs.
- (C) Costs reflected for each project have already been reduced for any related debt-issuance, grant, or contributions. These amounts only represent the use of SDC revenues against current year project costs, not total project costs.
- (D) Project-specific debt proceeds, related to prior year costs were received during the current fiscal year. The prior year costs that had been charged against SDC revenues, and are now funded by debt, have been restored.
- (E) Project management costs are internally-allocated costs for engineering and other directly related overhead costs. The costs are allocated between improvement and reimbursement revenue, based on project specific growth percentages, pursuant to the SDC methodology in place as of June 30, 2016.
- Reimbursement collections are eligible to be spent for Improvement projects, resulting in a netting effect as per ORS.

City of Bend, Oregon
System Development Charges Sources and Uses Activity Statement
For the Fiscal Year Ended June 30, 2016
Transportation

SDC Sources	<u>Improvement</u>	<u>Reimbursement</u>
System Development Charges	\$ 7,303,396	\$ 2,209,328
System Development Charges - Loan Repayments	82,976	25,544
Total Current Year Sources	<u>\$ 7,386,372</u>	<u>\$ 2,234,872</u>
SDC Uses		
Developer Reimbursement Contracts	\$ (1,093,193)	\$ -
SDC Management Costs (ORS § 223.307(5))	(A) (49,750)	(49,750)
Debt Service	(B) -	(1,307,504)
SDC Methodology Approved Capital Improvements	(C)	
GM15DA Auto-CAD Consulting	(3,277)	(7,646)
ST11JA Murphy Overcrossing	(50,351)	(15,900)
ST12DA Transportation Demand Management Consulting	(59,962)	-
ST14EA Safety Implementation	(190,391)	-
ST14HA Transportation Efficiency Strategy	(1,385)	-
ST15LA Central Westside Project	(5,430)	(12,669)
ST15NA Phase 2 South 3rd Street Strip	(16,104)	-
Project Management Costs	(D) (593,320)	(8,680)
Total Current Year Uses	<u>\$ (2,063,163)</u>	<u>\$ (1,402,149)</u>
Unspent (overspent) SDCs For the Fiscal Year Ended June 30, 2016	<u>\$ 5,323,209</u>	<u>\$ 832,723</u>
Cumulative Unspent (Overspent) as of July 1, 2015		
	\$ 5,525,202	\$ (844,867)
Change from Current Year	5,323,209	832,723
Cumulative Unspent (Overspent) as of June 30, 2016	<u>\$ 10,848,411</u>	<u>\$ (12,144)</u>
Ending Balance Reserved as of June 30, 2016	<u>\$ 10,848,411</u>	<u>\$ -</u>

- (A) SDC management costs charged are net of the SDC administration fee collected during the year.
- (B) Debt service costs, for project costs incurred after the SDC Methodology date, are eligible against the improvement fee, pursuant to the growth percentage of the related SDC-eligible project costs. All existing debt was issued before the SDC Methodology date, so nothing is applied against the Improvement portion of SDC's.
- (C) Costs reflected for each project have already been reduced for any related debt-issuance, grant, or contributions. These amounts only represent the use of SDC revenues against current year project costs, not total project costs.
- (D) Project management costs are internally-allocated costs for engineering and other directly related overhead costs. The costs are allocated between improvement and reimbursement revenue, based on project specific growth percentages, pursuant to the SDC methodology in place as of June 30, 2016.
- Reimbursement collections are eligible to be spent for Improvement projects, resulting in a netting effect as per ORS.

City of Bend, Oregon
System Development Charge - Ending Balance Reserved
For the Fiscal Year Ended June 30, 2016

System Development Charge Type		Balance
Water		
Improvement	\$ -	
Reimbursement	-	
Total Water		-
Water Reclamation		
Improvement	\$ -	
Reimbursement	-	
Total Water Reclamation		-
Transportation		
Improvement	\$ 10,848,411	
Reimbursement	-	
Total Transportation		10,848,411
Total System Development Charge Ending Balance Reserved		\$ 10,848,411