



OFFICE OF THE
STATE AUDITOR

Auditor Alert 2023-02

Date: January 29, 2024

Subject: Impact Fee Reporting

Introduction

The Office of the State Auditor provides a sample impact fee report example on the [Local Government Resource Center](#) for local government entities to meet the annual impact fee report requirement. The impact fee report sample has been updated with additional reporting requirements that more closely adhere to statutory reporting requirements for impact fees collected by local government entities.

Impact Fee Reporting Requirements

The Office of the State Auditor has revised the impact fee report example to better comply with the reporting requirements outlined in *Utah Code* [11-36a-601\(4\)](#). The revised impact fee report example can be found at [this link](#). Using this revised report example, a local government entity that collects impact fees will be required to track and report:

1. All new revenues collected through impact fees by development project.
2. The specific project(s) for which the newly collected impact fee revenues are budgeted.
3. The project(s) where impact fees were spent (tracked by each fee).
4. Which specific project(s) on-hand impact fees from each development project are budgeted.

The purpose of these changes is to help local government entities adhere to statutory reporting requirements and to be able to track where impact fee funds collected from a specific development project are being spent to ensure they are being used in compliance with *Utah Code* [11-36a-602](#). This will allow the Office of the State Auditor and members of the public to verify that the funds collected from development projects through impact fees are being used on specific system improvements identified in the impact fee facilities plan.

Conclusion

All impact fee reports submitted to the Office of the State Auditor for years ending after December 15, 2023 should follow the new format found on the Local Government Resource Center. Additionally, the amounts reported on the annual impact fee report should agree to the restricted fund balance (for impact fees) on the financial statements. Reports that do not agree will be returned to the entity for correction.



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Comment Period: In an effort to make our publications accurate and useful to our intended audience, we invite individuals who work for and with local government entities to read this draft and provide comments. The comment period will last 30 days. Comments should be submitted to Seth Oveson at soveson@utah.gov by **December 1, 2023**.

Auditor Alert 2023-02

Date: October 26, 2023

Subject: Impact Fee Reporting

Introduction

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Impact Fee Reporting Requirements

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1. All new revenues collected through impact fees by development project.
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The purpose of these changes is to help local government entities adhere to statutory reporting requirements and to be able to track where impact fee funds collected from a specific development project are being spent to ensure they are being used in compliance with *Utah Code* [11-36a-602](#). This will allow the Office of the State Auditor and members of the public to verify that the funds collected from development projects through impact fees are being used on specific system improvements identified in the impact fee facilities plan.

Conclusion

All impact fee reports submitted to the Office of the State Auditor for years ending after December 15, 2023 should follow the new format found on the Local Government Resource Center. Additionally, the amounts reported on the annual impact fee report should agree to the restricted fund balance (for impact fees) on the financial statements. Reports that do not agree will be returned to the entity for correction.



Government Finance Officers Association

www.ugfoa.org secretary@ugfoa.org

December 4, 2023

Dear Mr. Oveson,

The Utah Government Finance Officers Association (UGFOA) is submitting this official letter in response to the Utah State Auditor's Office recently released Auditor Alert 2023-02.

As a result of hearing several concerns from its membership, the UGFOA Board prepared a survey related to the alert that was distributed to UGFOA members on November 6, 2023. Survey questions included: 1) Will the revised impact fee report example benefit you in creating a compliant impact fee report, 2) how will the Auditor Alert make reporting impact fees easier, and 3) how will the Auditor Alert make reporting impact fees more difficult?

The Board received over 30 responses during the survey period. The responses expressed both an eagerness to comply with statutory reporting requirements, as well as the desire to work with the State Auditor's Office in meeting those requirements. Concerns generally fell into one of three categories, which are submitted below for your consideration.

1) The Impact Fee Facilities Plan is a planning document that does not "cleanly" align with the legislative budget process.

- *"It will be challenging to tie specific collections to specific, IFFP project spending. The ties could legitimately change from time to time."*
- *"While we create a CIP and know what projects we want to do, the form may give the public and developers the wrong idea that certain projects are "automatically" allocated impact fees and that the allocations may be subject to change."*
- *"Many of our impact fees are structured on level of service rather than project specific, so we are unable to assign newly collected impact fees to a specific project. We also have six years to spend the impact fees, we are not budgeting six years in advance."*
- *"How do you report for project not yet included in your 5-year plan, etc?"*
- *"Our city collects eight different impact fees and typically processes fees collected from several hundred distinct entities each year. Coding each of those receipts for all 8 impact fees to a specific future project in untenable, particularly when many of our IFFP projects are formulated*

around "system" impact that is not directly associated with an individual project."

- *"The problem is we only budget 1 year worth of expenditures. We don't budget years 2-6. So this new method is making a lot of assumptions as to which project the impact fees will be applied. We have a council that updates and amends where they budget the impact fee projects."*
- *"Not all projects are undertaken in accordance with the plan as some are not quite ready and others pop up as needed prior to plan based upon load growth patterns and shifts. Economic factors such as supply chain also impact our ability to deliver according to the plan and once again, we have guidance that is sound in principle but administratively burdensome to apply in practice."*
- *"It would be good to have the auditor get a working group of individuals who ... manage a municipal budget and see what goes on at that level. The City Council will not be allocating revenues as specifically as the auditor foresees. That will be problematic in implementation."*

2) Lack of recognition of impact fees used to reimburse the entity for previously completed impact fee eligible projects.

- *"The report and examples assumes that the entity is collecting impact fees for future projects. We are in the sewer business and our impact fees are for prior years projects that we are being reimbursed for those costs."*
- *"The current template appears to focus solely on new projects"*

3) Reporting changes are not supported by statute, are more labor intensive, and do not add public value.

- *"This Auditor Alert will introduce an additional layer of complexity to the process of reporting impact fees. It mandates the inclusion of supplementary information in the impact fee report, which was not previously required in our standard reporting procedures. As a result, complying with this alert will necessitate the incorporation of new data elements, which may present logistical and administrative challenges for our organization. This could potentially increase the resource and time investment needed to ensure full compliance with the revised reporting requirements."*

- *"The old form already meets what is specified in Code, so I do not understand the reasoning behind changing the form."*
- *"A combined format would be better and more easy for the public to understand"*

The Board appreciates the additional information you have provided clarifying the origin of the Auditor-Alert and requests that this information be shared as an addendum to the alert. Implementing some type of work group that includes local government representation and the Auditors Office would also be welcome. Last, the UGFOA Board requests that the suggested reporting format be amended to include clarification on the concerns stated above.

Please direct any questions or comments about this response to Heidi Voordeckers at heidiv@nslcity.org or 801-335-8708. Thank you.



Heidi Voordeckers
UGFOA President

December 1, 2023

Seth Oveson
Office of the State Auditor

Subject: Auditor Alert 2023-02 Impact Fee Reporting

Dear Seth:

I am writing to comment on the recent Auditor Alert regarding Impact Fee Reporting. I am a licensed engineer working in the field of infrastructure planning and design. I am actively engaged in preparation of Impact Fee Facility Plans and Impact Fee Analyses and routinely work with cities and districts to calculate and administer impact fees. I have consulted with a number of public entities and other impact fee professionals, and we all share similar concerns regarding the recent alert.

While we appreciate the Auditor's desire to help entities comply with the requirements of the Impact Fee Act, we are concerned that the report template appears to be creating both unnecessary and potentially misleading work for impact fee administrators. This is primarily the result of two issues:

- **The current approach does not acknowledge the concept of an impact fee service area** – If the Impact Fee Act is reviewed as a whole, it is clear that fees may be calculated using the concept of a service area. For a common service area, impact fees are calculated based on the average cost of service for all new growth, independent of the individual projects used by a given development. This is necessary and allowed under the Act because, without the ability to combine users into service areas, it would be necessary to calculate the individual impact of every single lot and produce a customized fee for every different user. This would obviously be an impractical and wasteful effort. Hence, most entities use a single service area and charge the same impact fee to all users in the area, independent of which specific projects they are or are not using.

Because of the concept of a service area, there can be no requirement to tie individual developments to individual projects. While Section 11-36a-601(4)(c)(iii) does ask for identification of “the project for which the impact fee funds are budgeted”, the concept of a service area requires that this must be interpreted as applying only to the group of projects identified for the service area, not specific projects within the service area. Thus, we have no concern about identifying the projects that impact fees will be spent on, but to try and connect specific developments to specific projects within a service area is unnecessary and misleading.

We understand that you could probably use the current template and simply apply incoming fees to projects within the service area on a first in first out basis. However, by requiring the allocation to individual projects, the template appears to tie the accounting procedures to an individual project level of service, not the system level of service. This may result in individual

developers questioning the expenditure of fees on projects that are not in proximity to their development.

Further, this approach may create a comparison that fails to consider the timing related to the collection of impact fees and construction of projects. Often the current project being funded may not tie “directly” to the funds on hand but is still growth related and impact fee eligible. Flexibility to spend funds on all the impact fee eligible projects in the service area is needed to address project timing and need relative to growth.

- **The current approach does not include any guidance for documentation of reimbursement for excess capacity** – An important component in the calculation of any impact fee is the identification of available excess capacity to be used by new growth. Where this capacity is available, the Impact Fee Act allows for actual costs associated with existing infrastructure to be recouped. The current template appears to focus solely on new projects. It does not provide any clear guidance on where and how reimbursement should be documented from the impact fee fund back to the entity. While there may be ways to overcome this (perhaps creating an artificial “project” associated with existing capacity), some relatively simple modifications to the template could be made to facilitate this documentation.

We appreciate the opportunity to comment on this Auditor Alert. In the interest of developing an accounting system that will be accurate and easy to use for our clients, we would volunteer our assistance to discuss further modifications to the template. Please feel free to reach out to me at 801-495-2224.

Sincerely,
Bowen Collins & Associates, Inc.

A handwritten signature in black ink, appearing to read "Keith Larson". The signature is stylized and cursive.

Keith Larson. P.E.
Principal

Sample Impact Fee Schedule

Sample Government Entity
 Impact Fee Current Year Activity
 Fund Expenditures
 FY Ended: June 30, 2023

Name		Sample Government Entity	FY Ended: June 30, 2023
		Storm Drain Impact Fee Fund	
		Current Year Expenditures	Amount
Storm 2023-01	Midaas Creek Drain Capital Outlay		185,398
Storm 2023-02	Bob Creek Drain Capital Outlay		114,602
		TOTAL EXPENDITURES	300,000

		Planned Expenditures	Amount
Storm 2023-03	Box Culvert		25,250
Storm 2023-04	Western Box Culverts		376,071
		PLANNED EXPENDITURES	401,321

See approved impact fee plan available at https://www.webercountyutah.gov/Engineering/impact_fees.php

Sample Impact Fee Schedule

Sample Government Entity
 Impact Fee Schedule
 Revenues on Hand
 FY Ended: June 30, 2023

Projects From Which Funds Were Collected	Fiscal Year Received	Amount Collected	Interest allocated to Impact Fees	Expenditures	Total
GASB is Great LLC	2021	6,000	140		6,140
4th North Shopping Center	2021	50,000	1,170	(50,380)	790
Albertsons on Awsome Bulivard	2021	58,000	1,358	(58,441)	917
8975 Highland Blvd.	2021	4,000	94		4,094
Wal-Mart Stores 17000 South	2021	60,000	1,404	(60,456)	948
					-
Totals for fees collected in 2021		178,000	4,166	(169,277)	12,889
Subway Restaurant	2022	4,000	94		4,094
75400 S 1300 E	2022	3,000	70		3,070
Cost Conscious Condos	2022	6,000	140		6,140
Tasty's Fat Free Foods	2022	4,000	94		4,094
Megaplex Theater	2022	12,000	281	(12,091)	190
Alex's Aligator Wrestling	2022	19,000	445	(19,144)	301
					-
Totals for fees collected in 2022		48,000	1,124	(31,235)	17,889
Data Analytics Should Happen D.A.S.H.	2023	4,030	-	(4,030)	-
Arby's we have the Meats	2023	10,000	-		10,000
Sam's Saddle Repair Emporium	2023	21,000	-		21,000
Auto Mall Drive	2023	24,000	-		24,000
Cedar View Appartments	2023	3,000	-		3,000
Splash Pad Condo's	2023	108,000	-		108,000
Joe's Taco Palace	2023	300,000	1	(95,458)	204,543
Totals for fees collected in 2023		470,030	1	(99,488)	370,543
Total		696,030	5,291	(300,000)	401,321

https://www.webercountyutah.gov/Engineering/impact_fees.php

Sample Impact Fee Schedule

Sample Government Entity
 Impact Fee Schedule
 Revenues on Hand
 FY Ended: June 30, 2023

Projects From Which Funds Were Collected	Fiscal Year Received	Amount Collected	Interest allocated to Impact Fees	Storm Project 2023-01	Storm Project 2023-02	Total
GASB is Great LLC	2021	6,000	140			6,140
4th North Shopping Center	2021	50,000	1,170	(50,380)		790
Albertsons on Awsome Bulivard	2021	58,000	1,358	(58,441)		917
8975 Highland Blvd.	2021	4,000	94			4,094
Wal-Mart Stores 17000 South	2021	60,000	1,404	(60,456)		948
						-
Totals for fees collected in 2021		178,000	4,166	(169,277)	-	12,889
Subway Restaurant	2022	4,000	94			4,094
75400 S 1300 E	2022	3,000	70			3,070
Cost Conscious Condos	2022	6,000	140			6,140
Tasty's Fat Free Foods	2022	4,000	94			4,094
Megaplex Theater	2022	12,000	281	(12,091)		190
Alex's Aligator Wrestling	2022	19,000	445		(19,144)	301
						-
Totals for fees collected in 2022		48,000	1,124	(12,091)	(19,144)	17,889
Data Analytics Should Happen D.A.S.H.	2023	4,030	-	(4,030)		-
Arby's we have the Meats	2023	10,000	-			10,000
Sam's Saddle Repair Emporium	2023	21,000	-			21,000
Auto Mall Drive	2023	24,000	-			24,000
Cedar View Appartments	2023	3,000	-			3,000
Splash Pad Condo's	2023	108,000	-			108,000
Joe's Taco Palace	2023	300,000	1		(95,458)	204,543
Totals for fees collected in 2023		470,030	1	(4,030)	(95,458)	370,543
Total		696,030	5,291	(185,398)	(114,602)	401,321

The funds on hand will be spent in accordance with the approved impact fee plan, which is available on our website:
https://www.webercountyutah.gov/Engineering/impact_fees.php

Sample Impact Fee Schedule

Sample Government Entity
 Impact Fee Current Year Activity
 Fund Expenditure & Revenue Sources
 FY Ended: June 30, 2023

Name	Sample Government Entity	FY Ended: June 30, 2023
	Roads Impact Fee Fund	

	Revenues	Amount	Project for which the Impact fee funds are budgeted
	Data Analytics Should Happen D.A.S.H.	10,000	Reseal road post construction
	Arby's we have the Meats	15,000	Reseal road post construction
	Sam's Saddle Repair Emporium	28,000	
	Auto Mall Drive	30,000	
	Cedar View Apartments	3,900	Reseal road post construction
	Splash Pad Condo's	120,000	New Stop light at the corner of 800 E and 10000 S needed due to increased traffic
	Joe's Taco Palace	200,000	New Stop light at the corner of 800 E and 10000 S needed due to increased traffic
	Interest Earned	5,160	
	TOTAL REVENUE	412,060	

Project ID	Qualifying Expenditures - Project Description	Amount	Fee Allocation Methodology
2023-01	Stoplight At 4th west and 5500 South	250,000	Allocated to impact fees paid withing 10 blocks of the stoplight
2023-02	Safety features for crosswalk near Splash Pad Condo	80,000	Allocated directly to Splash Pad Condo's Impact fee
2023-03	Repave road between 4th and 8th on Northfield Road	300,000	Allocated to development projects on Northfield Road from center street to 1200 North
	TOTAL EXPENDITURES	630,000	

Name	Sample Government Entity	FY Ended: June 30, 2023
	Parks Impact Fee Fund	
	Revenues	Amount
	Data Analytics Should Happen D.A.S.H.	3,000
	Arby's we have the Meats	76,000
	Sam's Saddle Repair Emporium	17,500
	Auto Mall Drive	20,000
	Cedar View Appartments	2,000
	Splash Pad Condo's	68,500
	Joe's Taco Palace	10,000
	Interest Earned	2,300
	TOTAL REVENUE	199,300

	Expenditures	Amount	Fee Allocation Methodology
	Interconnecting Park Trail	260,000	Allocated to all properties within 8 blocks of trail
	Skate Park Expansion	30,000	Allocated to all properties within 2 miles of Skate Park First in First Out
	TOTAL EXPENDITURES	290,000	

Sample Impact Fee Schedule

Sample Government Entity
 Impact Fee Schedule
 Revenues on Hand
 FY Ended: June 30, 2023

Projects From Which Funds Were Collected	Fiscal Year Received	Roads Beginning of Year Bal	Interest allocated to Impact Fees	Project 2023-01	Project 2023-02	Project 2023-03	Project 2023-04	Project 2023-05	Project 2023-06	Total on Hand at Year End	Project for which the fee is Budgeted
GASB is Great LLC	2021	40,000	298			(40,298)				-	
4th North Shopping Center	2021	9,900	74			(9,974)				-	
Albertsons on Awsome Bulivard	2021	58,000	432			(58,432)				-	
8975 Highland Blvd.	2021	2,000	15							2,015	
Wal-Mart Stores 17000 South	2021	100,000	744	(80,645.01)						20,099	17000 South Safety Improvements - Bike lan
Total Collected for FY 2021		209,900	1,563	(80,645)	-	(108,704)	-	-	-	22,114	
Subway Restaurant	2022	10,000	74	(8,064.18)						2,010	
75400 S 1300 E	2022	3,000	22							3,022	
Cost Conscious Condos	2022	26,000	194			(26,194)				-	
Tasty's Fat Free Foods	2022	4,500	33							4,533	
Megaplex Theater	2022	15,000	112							15,112	
Alex's Aligator Wrestling	2022	18,000	134							18,134	
Total Collected for FY 2022		76,500	569	(8,064)	-	(26,194)	-	-	-	42,811	
Data Analytics Should Happen D.A.S.H.	2023	10,000	74							10,074	
Arby's we have the Meats	2023	15,000	112							15,112	
Sam's Saddle Repair Emporium	2023	28,000	208							28,208	Safety improvements - Sidewalk
Auto Mall Drive	2023	30,000	223			(30,223)				-	
Cedar View Apartments	2023	3,900	29							3,929	
Splash Pad Condo's	2023	120,000	893		(80,000)					40,893	Reseal Road after construction is complete
Joe's Taco Palace	2023	200,000	1,489	(161,290.81)						40,198	Reseal Road after construction is complete
Total Collected for FY 2023		406,900	3,028	(161,291)	(80,000)	(30,223)	-	-	-	138,414	
Subtotals by Category		693,300	5,160	(250,000)	(80,000)	(165,121)	-	-	-	203,339	
2023 Interest/Project Cost Allocation			5,160	(250,000)	(80,000)	(300,000)					
Total Road Impact Fees on Hand										203,339	

Sample Impact Fee Schedule

Sample Government Entity
 Impact Fee Schedule
 Revenues on Hand
 FY Ended: June 30, 2023

Projects From Which Funds Were Collected	Fiscal Year Received	Storm Drain Beginning of Year Bal	Interest allocated to Impact Fees	Storm Project 2023-01	Storm Project 2023-02	Storm Project 2023-03	Storm Project 2023-04	Storm Project 2023-05	Storm Project 2023-06	Total	Project for which the fee is Budgeted
GASB is Great LLC	2021	6,000	46							6,046	
4th North Shopping Center	2021	50,000	380	(50,380)						-	
Albertsons on Awsome Bulivard	2021	58,000	441	(58,441)						-	
8975 Highland Blvd.	2021	4,000	30							4,030	
Wal-Mart Stores 17000 South	2021	60,000	456	(60,456)						-	
Totals for fees collected in 2021		178,000	1,353	(169,277)	-	-	-	-	-	10,076	
Subway Restaurant	2022	4,000	30							4,030	
75400 S 1300 E	2022	3,000	23							3,023	
Cost Conscious Condos	2022	6,000	46							6,046	
Tasty's Fat Free Foods	2022	4,000	30							4,030	
Megaplex Theater	2022	12,000	91	(12,091)						-	
Alex's Aligator Wrestling	2022	19,000	144	(19,144)						-	
Totals for fees collected in 2022		48,000	364	(31,235)	-	-	-	-	-	17,129	
Data Analytics Should Happen D.A.S.H.	2023	4,000	30	(4,030)						-	
Arby's we have the Meats	2023	10,000	76							10,076	
Sam's Saddle Repair Emporium	2023	21,000	160							21,160	
Auto Mall Drive	2023	24,000	182							24,182	
Cedar View Appartments	2023	3,000	23							3,023	
Splash Pad Condo's	2023	108,000	821							108,821	
Joe's Taco Palace	2023	300,000	2,281	(95,458)						206,823	
Totals for fees collected in 2023		470,000	3,573	(99,488)	-	-	-	-	-	374,085	
Subtotals by Category		696,000	5,290	(300,000)	-	-	-	-	-	401,290	
2023 Interest/Project Allocation			5,290	(300,000)							
Total Storm Drain Impact Fees on Hand										401,290	

Sample Impact Fee Schedule

Sample Government Entity
 Impact Fee Schedule
 Revenues on Hand
 FY Ended: June 30, 2023

Projects From Which Funds Were Collected	Fiscal Year Received	Parks Beginning of Year Bal	Interest allocated to Impact Fees	Parks Project 2023-01	Parks Project 2023-02	Parks Project 2023-03	Parks Project 2023-04	Parks Project 2023-05	Parks Project 2023-06	Total	Project for which the fee is Budgeted
GASB is Great LLC	2021	5,000	38		(5,038)					-	
4th North Shopping Center	2021	5,000	38	(4,577.00)	(461)					-	
Albertsons on Awsome Bulivard	2021	15,000	114	(13,732.00)	(1,382)					-	
8975 Highland Blvd.	2021	2,000	15	(1,831.00)	(184)					-	
Wal-Mart Stores 17000 South	2021	18,000	137	(16,479.00)	(1,658)					-	
Total Collected for FY 2021		45,000	342	(36,619)	(8,723)	-	-	-	-	-	
Subway Restaurant	2022	5,000	38	(4,577.00)	(461)					-	
75400 S 1300 E	2022	15,000	114	(13,732.00)	(1,382)					-	
Cost Conscious Condos	2022	20,000	152	(18,310.00)	(1,842)					-	
Tasty's Fat Free Foods	2022	5,000	38	(4,577.00)	(461)					-	
Megaplex Theater	2022	5,000	38	(4,577.00)	(461)					-	
Alex's Alligator Wrestling	2022	5,000	38		(5,038)					-	
Total Collected for FY 2022		55,000	418	(45,773)	(9,645)	-	-	-	-	-	
Data Analytics Should Happen D.A.S.H.	2023	3,000	23		(3,023)					-	
Arby's we have the Meats	2023	76,000	577	(69,577.00)	(7,000)					-	
Sam's Saddle Repair Emporium	2023	17,500	133	(16,021.00)						1,612	
Auto Mall Drive	2023	20,000	152	(18,310.00)	(1,609)					233	
Cedar View Appartments	2023	2,000	15	(1,831.00)						184	
Splash Pad Condo's	2023	68,500	521	(62,714.00)						6,307	
Joe's Taco Palace	2023	10,000	76	(9,155.00)						921	
Total Collected for FY 2023		197,000	1,497	(177,608)	(11,632)	-	-	-	-	9,257	
Subtotals by Category		297,000	2,257	(260,000)	(30,000)	-	-	-	-	9,257	
2023 Interest/Project Cost Allocation			2,257	(260,000)	(30,000)						
Total Parks Impact Fees on Hand										9,257	

Impact Fee Schedule Instructions - PLEASE READ

In order to meet statutory requirements and increase transparency the following template is provided by the Office of the State Auditor. This template is designed to help entities meet the statutory requirements in Title 11-36a the Impact Fees Act. An individual entity may need to add additional tabs to this template depending on the types of impact fees they collect.

The Office of the State Auditor will perform a basic qualitative review of impact fees submitted for years ended December 2023 and after and may return the file to the entity if the reviewed characteristics are not met.

- 1) The entity name and reporting period and type of impact fee schedule should be clearly indicated at the top of each tab/page
- 2) The schedule must indicate the project from which funds were collected (11-36a-601(4)(c)(ii)) - this can be by address or developer, but the entity is required to maintain contact information to be able to refund unspent impact fees if required
- 3) List the year the impact fees were received (11-36a-601(4)(c)(i)) - This should correspond to the entity's fiscal year end
- 4) List the impact fees by project at the beginning of the year (This should correspond to your prior year's impact fees on hand)
- 5) List the current year's impact fees collected
- 6) Allocate interest to each project. This allocation is so that interest can be returned to the payor in the event of a refund.
- 7) List projects for the year and their expenditures. The total expenditures should tie to the project listing at the bottom of the form. The expenditures should be allocated to individual developments following a rational methodology. Expenditures of impact fees are only allowed for system improvements identified in the impact fee facilities plan. (11-36a-602) Entities should provide a reference/link to the Impact Fee Facilities Plan and Impact Fee Analysis on the schedule.
- 8) The entity must list the total impact fees on hand at their year-end for each impact fee type. This amount MUST agree to the amount shown on the annual financial report as a restricted fund balance for impact fees. If there are different impact fee types, we encourage the entity to provide explanatory information that will allow the Office of the State Auditor and the public to reconcile any amounts on the financial report to the impact fee schedule.
- 9) The projected schedule for expenditures (11-36a-601(4)(c)(iv)) should list when the funds will be used in the future

Beginning in 2024 Impact Fee Schedules will be rejected and returned to the entity if:

- 1) Project name, year, amount on hand at the beginning of the year, current year collections, interest, expenditures, amount on hand, projected expenditure year and project where it is budgeted are present.
- 2) Amount on hand at year-end does not agree to the amount shown as restricted fund balance on the annual financial report

ce of the State Auditor

have enacted.

Sample Impact Fee Schedule

Sample Government Entity
 Road Impact Fee Schedule
 Revenues on Hand
 30-Jun-23

Projects From Which Funds Were Collected	Fiscal Year Received	Roads Beginning of Year Bal	Impact Fees Collected in the Current Year	Interest allocated to Impact Fees	Project 2023-01	Project 2023-02	Project 2023-03	Project 2023-04	Project 2023-05	Project 2023-06	Total on Hand at Year End	Projected Schedule for Expenditure	Project for which the fee is Budgeted
GASB is Great LLC	2021	40,000		298			(40,298)				-		
4th North Shopping Center	2021	9,900		74			(9,974)				-		
Albertsons on Awesome Boulevard	2021	58,000		432			(58,432)				-		
8975 Highland Blvd.	2021	2,000		15							2,015		2024 Road Expansion Highland Blvd
Wal-Mart Stores 17000 South	2021	100,000		744	(80,645.01)						20,099		2024 17000 South Safety Improvements - Bike lan
											-		
Total Collected for FY 2021		209,900	-	1,563	(80,645)	-	(108,704)	-	-	-	22,114		
Subway Restaurant	2022	10,000		74	(8,064.18)						2,010		2024 Road Expansion Highland Blvd
75400 S 1300 E	2022	3,000		22							3,022		2024 Safety improvements 1300 E
Cost Conscious Condos	2022	26,000		194			(26,194)				-		
Tasty's Fat Free Foods	2022	4,500		33							4,533		2025 Business loop expansion project
Megaplex Theater	2022	15,000		112							15,112		2025 Business loop expansion project
Alex's Alligator Wrestling	2022	18,000		134							18,134		2025 Business loop expansion project
											-		
Total Collected for FY 2022		76,500	-	569	(8,064)	-	(26,194)	-	-	-	42,811		
Data Analytics Should Happen D.A.S.H.	2023		10,000	74							10,074		2026 Acceleration lane/bike lane improvements 5i
Arby's we have the Meats	2023		15,000	112							15,112		2026 Acceleration lane/bike lane improvements 5i
Sam's Saddle Repair Emporium	2023		28,000	208							28,208		2026 Safety improvements - Sidewalk
Auto Mall Drive	2023		30,000	223			(30,223)				-		
Cedar View Apartments	2023		3,900	29							3,929		2026 Acceleration lane/bike lane improvements 5i
Splash Pad Condo's	2023		120,000	893		(80,000)					40,893		2026 Reseal Road after construction is complete
Joe's Taco Palace	2023		200,000	1,489	(161,290.81)						40,198		2026 Reseal Road after construction is complete
											-		
Total Collected for FY 2023		-	406,900	3,028	(161,291)	(80,000)	(30,223)	-	-	-	138,414		
Subtotals by Category		286,400	406,900	5,160	(250,000)	(80,000)	(165,121)	-	-	-	203,339		
2023 Interest/Project Costs				5,160	(250,000)	(80,000)	(300,000)						
Total Road Impact Fees on Hand											203,339		

Current Year Project Name and Description	Amount remaining for project				Reference to Impact Fee Facilities Plan and Analysis
	Current Year Expenditure	Total Project Budget	Completion	Remaining	
2023-01 - Stoplight At 4th west and 5500 South	\$ 250,000.00	\$ 250,000.00	Complete	\$ 0.00	This project is included on page 3 of the Impact Fee Facilities Plan and page 12 of the Impact fee analysis (LINK or reference to where this plan and
2023-02 - Safety features for crosswalk near Splash Pad Condo	\$ 80,000.00	\$ 100,000.00		\$ 20,000.00	This project is included on page 2 of the Impact Fee Facilities Plan and page 11 of the Impact fee analysis (LINK or reference to where this plan and a
2023-03 - Pave road between 4th and 8th on Northfield Road	\$ 300,000.00	\$ 350,000.00		\$ 50,000.00	This project is included on page 4 of the Impact Fee Facilities Plan and page 15 of the Impact fee analysis (LINK or reference to where this plan and a
2023-04					
2023-05					
2023-06					

Sample Impact Fee Schedule

Sample Government Entity
 Storm Drain impact Fee Schedule
 Revenues on Hand
 30-Jun-23

Projects From Which Funds Were Collected	Fiscal Year Received	Impact Fees			Project 2023-01	Project 2023-02	Project 2023-03	Project 2023-04	Project 2023-05	Project 2023-06	Total on Hand at Year End	Projected Schedule for Expenditure	Project for which the fee is Budgeted
		Storm Drain Beginning of Year Bal	Collected in the Current Year	Interest allocated to Impact Fees									
GASB is Great LLC	2021	6,000		44						6,044.00			
4th North Shopping Center	2021	50,000		371						50,371			
Albertsons on Awesome Boulevard	2021	58,000		430						58,430			
8975 Highland Blvd.	2021	4,000		30						4,030		2024 Road Expansion Highland Blvd	
Wal-Mart Stores 17000 South	2021	60,000		445	(49,450.64)					10,994		2024 17000 South Safety Improvements - Bike lan	
										-			
Total Collected for FY 2021		178,000	-	1,320	(49,451)	-	-	-	-	129,869			
Subway Restaurant	2022	4,000		30	(3,296.98)					733		2024 Road Expansion Highland Blvd	
75400 S 1300 E	2022	3,000		22						3,022		2024 Safety improvements 1300 E	
Cost Conscious Condos	2022	6,000		44						6,044			
Tasty's Fat Free Foods	2022	4,000		30						4,030		2025 Business loop expansion project	
Megaplex Theater	2022	12,000		89						12,089		2025 Business loop expansion project	
Alex's Alligator Wrestling	2022	19,000		141						19,141		2025 Business loop expansion project	
										-			
Total Collected for FY 2022		48,000	-	356	(3,297)	-	-	-	-	45,059			
Data Analytics Should Happen D.A.S.H.	2023		4,000	30						4,030		2026 Acceleration lane/bike lane improvements 5i	
Arby's we have the Meats	2023		10,000	74						10,074		2026 Acceleration lane/bike lane improvements 5i	
Sam's Saddle Repair Emporium	2023		21,000	156						21,156		2026 Safety improvements - Sidewalk	
Auto Mall Drive	2023		24,000	178						24,178			
Cedar View Apartments	2023		3,000	22						3,022		2026 Acceleration lane/bike lane improvements 5i	
Splash Pad Condo's	2023		108,000	801						108,801		2026 Reseal Road after construction is complete	
Joe's Taco Palace	2023		300,000	2,224	(247,252.38)					54,972		2026 Reseal Road after construction is complete	
										-			
Total Collected for FY 2023		-	470,000	3,485	(247,252)	-	-	-	-	226,233			
Subtotals by Category		226,000	470,000	5,161	(300,000)	-	-	-	-	401,161			
2023 Interest/Project Costs				5,160	(300,000)								
Total Road Impact Fees on Hand										401,161			

Current Year Project Name and Description	Current Year Expenditure	Total Project Budget	Amount remaining for project completion	Reference to Impact Fee Facilities Plan and Analysis
2023-01 - Increase storm drain detention pond size 5500 S	\$ 300,000.00	\$ 300,000.00	Complete	This project is included on page 3 of the Impact Fee Facilities Plan and page 12 of the Impact fee analysis (LINK or reference to where this plan and a

Sample Impact Fee Schedule

Sample Government Entity
 Impact Fee Schedule
 Revenues on Hand
 30-Jun-23

Projects From Which Funds Were Collected	Fiscal Year Received	Parks Beginning of Year Bal	Impact Fees Collected in the Current Year	Interest allocated to Impact Fees	Parks Project 2023-01	Parks Project 2023-02	Parks Project 2023-03	Parks Project 2023-04	Parks Project 2023-05	Parks Project 2023-06	Total	Projected Schedule for Expenditure	Project for which the fee is Budgeted
GASB is Great LLC	2021	5,000		38		(5,038)					-		
4th North Shopping Center	2021	5,000		38	(4,577.00)	(461)					-		
Albertsons on Awesome Boulevard	2021	15,000		114	(13,732.00)	(1,382)					-		
8975 Highland Blvd.	2021	2,000		15	(1,831.00)	(184)					-		
Wal-Mart Stores 17000 South	2021	18,000		137	(16,479.00)	(1,658)					-		
Total Collected for FY 2021		45,000		342	(36,619)	(8,723)	-	-	-	-	-		
Subway Restaurant	2022	5,000		38	(4,577.00)	(461)					-		
75400 S 1300 E	2022	15,000		114	(13,732.00)	(1,382)					-		
Cost Conscious Condos	2022	20,000		152	(18,310.00)	(1,842)					-		
Tasty's Fat Free Foods	2022	5,000		38	(4,577.00)	(461)					-		
Megaplex Theater	2022	5,000		38	(4,577.00)	(461)					-		
Alex's Alligator Wrestling	2022	5,000		38		(5,038)					-		
Total Collected for FY 2022		55,000		418	(45,773)	(9,645)	-	-	-	-	-		
Data Analytics Should Happen D.A.S.H.	2023		3,000	23		(3,023)					-		
Arby's we have the Meats	2023		76,000	577	(524.00)	(7,000)					69,053	2,025	See Impact Facility Plan pg. 8
Sam's Saddle Repair Emporium	2023		17,500	133	(121.00)						17,512	2,025	See Impact Facility Plan pg. 8
Auto Mall Drive	2023		20,000	152	(138.00)	(1,609)					18,405	2,025	See Impact Facility Plan pg. 8
Cedar View Apartments	2023		2,000	15	(14.00)						2,001	2,025	See Impact Facility Plan pg. 8
Splash Pad Condo's	2023		68,500	521	(475.00)						68,546	2,025	See Impact Facility Plan pg. 8
Joe's Taco Palace	2023		10,000	76	(69.00)						10,007	2,025	See Impact Facility Plan pg. 8
Total Collected for FY 2023		-	197,000	1,497	(1,341)	(11,632)	-	-	-	-	185,524		
Subtotals by Category		100,000	197,000	2,257	(83,733)	(30,000)	-	-	-	-	185,524		
2023 Interest/Project Cost Allocation				2,257	(260,000)	(30,000)							
Total Parks Impact Fees on Hand											185,524		

Current Year Project Name and Description	Current Year Expenditure	Total Project Budget	Amount remaining for project completion	Reference to Impact Fee Facilities Plan and Analysis
2023-01 - Discovery Park and Soccer complex	\$ 260,000.00	\$ 2,000,000.00	\$ 1,400,000.00	This project is included on page 8 of the Impact Fee Facilities Plan and page 16 of the Impact fee analysis (LINK or reference to where this plan is). The Discovery Park and soccer complex is a multi year project that should be completed in 2025. Any questions regarding this project can be directed to the administration of the Parks and Rec Department 1-801-123-1234
2023-02 - Skate park expansion	\$ 30,000.00	\$ 30,000.00	complete	This project is included on page 13 of the Impact Fee Facilities Plan and page 22 of the Impact fee analysis (LINK or reference to where this plan is).

**Seth Oveson** <soveson@utah.gov>

Impact Fee Reporting

1 message

Karl Shuler <karlhshuler@gmail.com>
To: soveson@utah.gov

Mon, Oct 30, 2023 at 4:32 PM

I would like to comment on the Impact Fee requirements. It seems like a logical requirement but as always big government always seems to go overboard on it's implementation. This will be hard for very small water systems to comply with.

These small systems often have no full-time employees and much of the work is done by volunteers/customers within the sytem. This is an example of too much government oversight and frivolous regulations.

Sample Impact Fee Schedule

Sample Government Entity
 Impact Fee Current Year Activity
 Fund Expenditure & Revenue Sources
 FY Ended June 30, 2018

Name		Sample Government Entity	Fiscal Year Ended: 6/30/2018
		Roads Impact Fee Fund	
		Description	Amount
		Revenues	
		4595 Peachtree Circle	10,000
		Swan Meadows	15,000
		Heatherwood	28,000
		Chili's Restaurant	30,000
		Menlove Investments Inc.	3,900
		Daybreak Properties	120,000
		Bangeter Mall	200,000
		Interest Earned	4,500
		TOTAL REVENUE	411,400

		Expenditures	
		3rd West Capital Outlay	200,000
		TOTAL EXPENDITURES	200,000

Name		Sample Government Entity	Fiscal Year Ended: 6/30/2018
		Storm Drain Impact Fee Fund	
		Description	Amount
		Revenues	
		4595 Peachtree Circle	4,000
		Swan Meadows	10,000
		Heatherwood	21,000
		Chili's Restaurant	24,000

	Menlove Investments Inc.	3,000
	Daybreak Properties	108,000
	Bangeter Mall	300,000
	Interest Earned	5,000
	TOTAL REVENUE	475,000

	Expenditures	
	Midaas Creek Drain Capital Outlay	300,000
	TOTAL EXPENDITURES	300,000

Name	Sample Government Entity	Fiscal Year Ended: 6/30/2018
	Parks Impact Fee Fund	
	Description	Amount
	Revenues	
	4595 Peachtree Circle	3,000
	Swan Meadows	76,000
	Heatherwood	17,500
	Chili's Restaurant	20,000
	Menlove Investments Inc.	2,000
	Daybreak Properties	68,500
	Bangeter Mall	10,000
	Interest Earned	2,300
	TOTAL REVENUE	199,300

	Expenditures	
	Brigham Trail Capital Outlay	10,000
	TOTAL EXPENDITURES	10,000

Sample Impact Fee Schedule

Sample Government Entity
 Impact Fee Schedule
 Revenues on Hand
 FY Ended June 30, 2018

Projects From Which Funds Were Collected	Fiscal Year Received	Roads	Storm Drain	Parks
Copper Hills PUD	2016	40,000	35,000	10,000
Wheatfield Estates	2016	9,900	8,000	6,000
Albertsons	2016	58,000	45,000	15,000
8975 Highland Blvd.	2016	2,000	1,800	800
Wal-Mart Stores	2016	100,000	50,000	15,000
<i>Interest Earned</i>	2016	12,350	8,200	2,000
Total Collected for FY 2016		222,250	148,000	48,800
Subway Restaurant	2017	10,000	8,500	8,000
75400 S 1300 E	2017	3,000	2,000	5,000
Legend Falls Condominiums	2017	26,000	21,000	18,000
7005 Iron Blossom Way	2017	4,500	4,000	3,000
Michael's	2017	15,000	12,000	10,000
Iggy's Sports Grill	2017	18,000	15,000	11,000
<i>Interest Earned</i>	2017	3,000	2,900	2,000
Total Collected for FY 2017		79,500	65,400	57,000
4595 Peachtree Circle	2018	5,000	4,000	3,000
Swan Meadows	2018	15,000	10,000	76,000
Heatherwood	2018	28,000	21,000	17,500
Chili's Restaurant	2018	30,000	24,000	20,000
Menlove Investments Inc.	2018	3,900	3,000	2,000

Daybreak Properties	2018	120,000	108,000	68,500
Bangeter Mall	2018	200,000	300,000	10,000
<i>Interest Earned</i>		4,500	5,000	2,300
Total Collected for FY 2018		<u>406,400</u>	<u>475,000</u>	<u>199,300</u>

Total Impact Fees on Hand

Total

85,000
23,900
118,000
4,600
165,000
22,550
419,050

26,500
10,000
65,000
11,500
37,000
44,000
7,900
201,900

12,000
101,000
66,500
74,000
8,900

296,500

510,000

11,800

1,080,700

1,701,650

Sample Impact Fee Schedule

Sample Government Entity

Impact Fee Schedule

Projected Expenditures of Impact Fees on Hand

FY Ended June 30, 2018

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Roads						
7th East Preliminary Engineering	15,000	3,000				
7th East Road Widening		15,000	52,000			
Harris Point Road		108,000	100,000			
Legacy Drive Engineering				100,000	95,300	
3rd West				19,850	25,000	175,000
Storm Drain						
Jordon Park Drain	35,000					
River Front Parkway	128,000	18,000				
Brigham Trail			3,500	16,100		
Midas Creek Drain					187,800	300,000
Parks						
Founder's Park	50,000	17,000	6,300	65,000	11,800	
Harris Park Bowery			34,000	12,000		
Brigham Trail				65,000	34,000	10,000
Total by Fiscal Year	228,000	161,000	195,800	277,950	353,900	485,000
Impact Fees Projected for Expenditure						

Impact Fees by Project



18,000
67,000
208,000
195,300
219,850



35,000
146,000
19,600
487,800



150,100
46,000
109,000



1,701,650

Sample Impact Fee Schedule

Sample Government Entity
 Impact Fee Current Year Activity
 Fund Expenditure & Revenue Sources
 FY Ended: June 30, 2021

Name		Sample Government Entity	FY Ended: June 30, 2021
		Roads Impact Fee Fund	
	Description		Amount
	Revenues		
	4595 Peachtree Circle		10,000
	Swan Meadows		15,000
	Heatherwood		28,000
	Chili's Restaurant		30,000
	Menlove Investments Inc.		3,900
	Daybreak Properties		120,000
	Bangeter Mall		200,000
	Interest Earned		4,500
	TOTAL REVENUE		411,400

	Expenditures		
	3rd West Capital Outlay		200,000
	TOTAL EXPENDITURES		200,000

Name Sample Government Entity		FY Ended: June 30, 2021
Storm Drain Impact Fee Fund		
	Description	Amount
	Revenues	
	4595 Peachtree Circle	4,000
	Swan Meadows	10,000
	Heatherwood	21,000
	Chili's Restaurant	24,000
	Menlove Investments Inc.	3,000
	Daybreak Properties	108,000
	Bangeter Mall	300,000
	Interest Earned	5,000
	TOTAL REVENUE	475,000

	Expenditures	
	Midaas Creek Drain Capital Outlay	300,000
	TOTAL EXPENDITURES	300,000

Name Sample Government Entity		FY Ended: June 30, 2021
Parks Impact Fee Fund		
	Description	Amount
	Revenues	
	4595 Peachtree Circle	3,000
	Swan Meadows	76,000
	Heatherwood	17,500
	Chili's Restaurant	20,000
	Menlove Investments Inc.	2,000
	Daybreak Properties	68,500
	Bangeter Mall	10,000
	Interest Earned	2,300
	TOTAL REVENUE	199,300

	Expenditures	
	Brigham Trail Capital Outlay	10,000
	TOTAL EXPENDITURES	10,000

Sample Impact Fee Schedule

Sample Government Entity
 Impact Fee Schedule
 Revenues on Hand
 FY Ended: June 30, 2021

Projects From Which Funds Were Collected	Fiscal Year Received	Roads	Storm Drain	Parks	Total
Copper Hills PUD	2019	40,000	35,000	10,000	85,000
Wheatfield Estates	2019	9,900	8,000	6,000	23,900
Albertsons	2019	58,000	45,000	15,000	118,000
8975 Highland Blvd.	2019	2,000	1,800	800	4,600
Wal-Mart Stores	2019	100,000	50,000	15,000	165,000
<i>Interest Earned</i>	2019	12,350	8,200	2,000	22,550
Total Collected for FY 2019		222,250	148,000	48,800	419,050
Impact Fee Expenditures 2019		(40,000)	(100,000)	-	(140,000)
Impact Fees on Hand from 2019		182,250	48,000	48,800	279,050
Subway Restaurant	2020	10,000	8,500	8,000	26,500
75400 S 1300 E	2020	3,000	2,000	5,000	10,000
Legend Falls Condominiums	2020	26,000	21,000	18,000	65,000
7005 Iron Blossom Way	2020	4,500	4,000	3,000	11,500
Michael's	2020	15,000	12,000	10,000	37,000
Iggy's Sports Grill	2020	18,000	15,000	11,000	44,000
<i>Interest Earned</i>	2020	3,000	2,900	2,000	7,900
Total Collected for FY 2020		79,500	65,400	57,000	201,900
Impact Fee Expenditures 2020		(20,000)	(60,000)	(10,000)	(90,000)
Impact Fees on Hand from 2020		59,500	5,400	47,000	111,900
4595 Peachtree Circle	2021	5,000	4,000	3,000	12,000
Swan Meadows	2021	15,000	10,000	76,000	101,000
Heatherwood	2021	28,000	21,000	17,500	66,500
Chili's Restaurant	2021	30,000	24,000	20,000	74,000
Menlove Investments Inc.	2021	3,900	3,000	2,000	8,900
Daybreak Properties	2021	120,000	108,000	68,500	296,500
Bangeter Mall	2021	200,000	300,000	10,000	510,000
<i>Interest Earned</i>		4,500	5,000	2,300	11,800
Total Collected for FY 2021		406,400	475,000	199,300	1,080,700
Impact Fee Expenditures 2021		(30,000)	(120,000)	(20,000)	(170,000)
Impact Fees on Hand from 2021		376,400	355,000	179,300	910,700
Total Impact Fees on Hand					1,301,650

Sample Impact Fee Schedule

Sample Government Entity

Impact Fee Schedule

Projected Expenditures of Impact Fees on Hand

FY Ended: June 30, 2021

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Impact Fees by Project
Roads							
7th East Preliminary Engineering	15,000	3,000					18,000
7th East Road Widening		15,000	52,000				67,000
Harris Point Road		108,000	100,000				208,000
Legacy Drive Engineering 3rd West				100,000	95,300		195,300
				19,850	25,000	175,000	219,850
Storm Drain							
Jordon Park Drain	35,000						35,000
River Front Parkway	128,000	18,000					146,000
Brigham Trail			3,500	16,100			19,600
Midas Creek Drain					187,800	300,000	487,800
Parks							
Founder's Park	50,000	17,000	6,300	65,000	11,800		150,100
Harris Park Bowery			34,000	12,000			46,000
Brigham Trail				65,000	34,000	10,000	109,000
Total by Fiscal Year	228,000	161,000	195,800	277,950	353,900	485,000	
Impact Fees Projected for Expenditure							1,701,650



Seth Oveson <soveson@utah.gov>

Accepted: Impact Fee Report Review @ Tue Jul 25, 2023 3pm - 3:30pm (MDT) (David Lewis)

1 message

soveson@utah.gov <soveson@utah.gov>
Reply-To: soveson@utah.gov
To: David Lewis <dlewis@hebcpa.com>

Fri, Jul 21, 2023 at 12:18 PM

soveson@utah.gov has accepted this invitation.

Microsoft Teams meeting
 Join on your computer, mobile app or room device
 Click here to join the meeting
 Meeting ID: 287 455 736 313
 Passcode: V4Buwr
 Download Teams | Join on the web
 Learn More | Meeting options

When

Tuesday Jul 25, 2023 · 3pm – 3:30pm (Mountain Time - Denver)

Location

Microsoft Teams Meeting

[View map](#)

Organizer

David Lewis
dlewis@hebcpa.com

Guests

soveson@utah.gov - creator

[View all guest info](#)

Invitation from [Google Calendar](#)

You are receiving this email because you are an attendee on the event. To stop receiving future updates for this event, decline this event.

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 **invite.ics**
3K



Seth Oveson <soveson@utah.gov>

Accepted: Impact Fee Reporting Form Discussion @ Wed Dec 27, 2023 11am - 12pm (MST) (eburnett@rqn.com)

1 message

Seth Oveson <soveson@utah.gov>
Reply-To: Seth Oveson <soveson@utah.gov>
To: eburnett@rqn.com

Thu, Dec 21, 2023 at 2:16 PM

Seth Oveson has accepted this invitation.

Microsoft Teams meeting
 Join on your computer, mobile app or room device
 Click here to join the meeting
 Meeting ID: 282 037 624 527
 Passcode: ktEEVs
 Download Teams | Join on the web
 Learn More | Meeting options

When

Wednesday Dec 27, 2023 · 11am – 12pm (Mountain Time - Denver)

Location

Microsoft Teams Meeting

[View map](#)

Guests

eburnett@rqn.com - organizer

Seth Oveson - creator

jtoth@rqn.com

[View all guest info](#)

Invitation from [Google Calendar](#)

You are receiving this email because you are an attendee on the event. To stop receiving future updates for this event, decline this event.

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 **invite.ics**
4K



Seth Oveson <soveson@utah.gov>

Accepted: SLC Impact Fee Meeting @ Fri Jun 9, 2023 10:30am - 11:30am (MDT) (Eliza H. Burnett)

1 message

soveson@utah.gov <soveson@utah.gov>
Reply-To: soveson@utah.gov
To: "Eliza H. Burnett" <eburnett@rqn.com>

Thu, Jun 8, 2023 at 2:08 PM

soveson@utah.gov has accepted this invitation.

All, please use the Zoom link below to join our meeting. Thank you for your flexibility in rescheduling to Friday, June 9, at 10:30am.

Please let me know if you have a conflict.

Thanks,

Eliza

Eliza Burnett is inviting you to a scheduled Zoom meeting.

Join Zoom Meeting

<https://us05web.zoom.us/j/86532111200?pwd=MS9RV2o2V1ZRQ2Y2UmIZU1p5UnJ4UT09>

Meeting ID: 865 3211 1200

Passcode: 358959

One tap mobile

+16699006833,,86532111200#,,,,*358959# US (San Jose)

+17193594580,,86532111200#,,,,*358959# US

Dial by your location

+1 669 900 6833 US (San Jose)

+1 719 359 4580 US

+1 253 205 0468 US

+1 253 215 8782 US (Tacoma)

+1 346 248 7799 US (Houston)

+1 669 444 9171 US

+1 360 209 5623 US

+1 386 347 5053 US

+1 507 473 4847 US

+1 564 217 2000 US

+1 646 931 3860 US

+1 689 278 1000 US

+1 929 205 6099 US (New York)

+1 301 715 8592 US (Washington DC)

+1 305 224 1968 US

+1 309 205 3325 US

+1 312 626 6799 US (Chicago)

Meeting ID: 865 3211 1200

Passcode: 358959

Find your local number: <https://us05web.zoom.us/j/86532111200?pwd=MS9RV2o2V1ZRQ2Y2UmIZU1p5UnJ4UT09>

When

Friday Jun 9, 2023 · 10:30am – 11:30am (Mountain Time - Denver)

Location

<https://us05web.zoom.us/j/86532111200?pwd=MS9RV2o2V1ZRQ2Y2UmIZU1p5UnJ4UT09>

[View map](#)

Organizer

Organizer

Eliza H. Burnett
eburnett@rqn.com

Guests

soveson@utah.gov - creator
Justin Toth
'DLewis@hebcpa.com'
Morris, Mark

[View all guest info](#)

Invitation from [Google Calendar](#)

You are receiving this email because you are an attendee on the event. To stop receiving future updates for this event, decline this event.

Forwarding this invitation could allow any recipient to send a response to the organizer, be added to the guest list, invite others regardless of their own invitation status, or modify your RSVP. [Learn more](#)

 **invite.ics**
3K



Seth Oveson <soveson@utah.gov>

Accepted: SLC Impact Fee Meeting @ Thu Jun 8, 2023 10am - 11am (MDT) (Eliza H. Burnett)

1 message

soveson@utah.gov <soveson@utah.gov>
Reply-To: soveson@utah.gov
To: "Eliza H. Burnett" <eburnett@rqn.com>

Sat, May 27, 2023 at 10:45 PM

soveson@utah.gov has accepted this invitation.

All, please use the Zoom link below to join our meeting.

Thanks,

Eliza

Eliza Burnett is inviting you to a scheduled Zoom meeting.

Join Zoom Meeting

<https://us05web.zoom.us/j/86532111200?pwd=MS9RV2o2V1ZRQ2Y2UmlZU1p5UnJ4UT09>

Meeting ID: 865 3211 1200

Passcode: 358959

One tap mobile

+16699006833,,86532111200#,,,,*358959# US (San Jose)

+17193594580,,86532111200#,,,,*358959# US

Dial by your location

+1 669 900 6833 US (San Jose)

+1 719 359 4580 US

+1 253 205 0468 US

+1 253 215 8782 US (Tacoma)

+1 346 248 7799 US (Houston)

+1 669 444 9171 US

+1 360 209 5623 US

+1 386 347 5053 US

+1 507 473 4847 US

+1 564 217 2000 US

+1 646 931 3860 US

+1 689 278 1000 US

+1 929 205 6099 US (New York)

+1 301 715 8592 US (Washington DC)

+1 305 224 1968 US

+1 309 205 3325 US

+1 312 626 6799 US (Chicago)

Meeting ID: 865 3211 1200

Passcode: 358959

Find your local number: <https://us05web.zoom.us/u/lcfFnMyeGs>

When

Thursday Jun 8, 2023 · 10am – 11am (Mountain Time - Denver)

Location

<https://us05web.zoom.us/j/86532111200?pwd=MS9RV2o2V1ZRQ2Y2UmlZU1p5UnJ4UT09>

[View map](#)

Organizer

Eliza H. Burnett

eburnett@rqn.com

Guests

soveson@utah.gov - creator

Justin Toth

dlewis@hebcpa.com

[View all guest info](#)

Invitation from [Google Calendar](#)

You are receiving this email because you are an attendee on the event. To stop receiving future updates for this event, decline this event.

Forwarding this invitation could allow any recipient to send a response to the organizer, be added to the guest list, invite others regardless of their own invitation status, or modify your RSVP. [Learn more](#)

 **invite.ics**
3K



Seth Oveson <soveson@utah.gov>

Auditor Alert 2023-02 Impact Fee Reporting - Formal response from UGFOA membership

3 messages

Heidi Voordeckers <heidiv@nslcity.org>
To: Seth Oveson <soveson@utah.gov>

Fri, Dec 1, 2023 at 9:28 AM

Hello, Seth,

I hope you are doing well this snowy morning. The above Auditor Alert created quite a stir in the local government community, particularly among the UGFOA membership. The Board put out a survey in mid-November to collect constructive feedback on the proposed changes to the reporting requirements, receiving over 30 responses. We are in the process of compiling them in a way that is a thoughtful and helpful formal response from the UGFOA membership. As such, would it be possible to submit a formal UGFOA response to the Auditor's office on Monday, December 4, extending the deadline by a few days?

Thank you in advance for considering this request.

Best,

Heidi

Heidi Voordeckers

Finance Director

[10 E Center Street](#)

[North Salt Lake, UT 84054](#)

(801) 335-8708



Seth Oveson <soveson@utah.gov>
To: Heidi Voordeckers <heidiv@nslcity.org>

Fri, Dec 1, 2023 at 11:13 AM

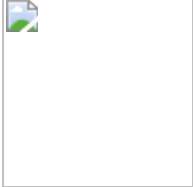
Heidi,

We are happy to receive the UGFOA feedback on the 4th. Thanks for reaching out.

Seth Oveson, CPA

Manager, Local Governments Division
435-572-0440

Office of the State Auditor
Utah State Capitol Complex
East Office Building, Suite E310
Salt Lake City, UT 84114-2310



Local government reporting requirements can be found on the local government resource center: resources.auditor.utah.gov

State Reporting Site: reporting.auditor.utah.gov/UtahLogin

[Quoted text hidden]

Heidi Voordeckers <heidiv@nslcity.org>
To: Seth Oveson <soveson@utah.gov>

Mon, Dec 4, 2023 at 5:16 PM

Thank you, Seth,

Please find attached the response from the UGFOA membership via the Board.

Have a great evening,

Heidi Voordeckers

Finance Director


10 E Center Street

North Salt Lake, UT 84054

(801) 335-8708



[Quoted text hidden]

 **Auditor Alert 2023-02 Comment Letter.pdf**
885K



Seth Oveson <soveson@utah.gov>

Comments on Auditor Alert 2023-02 Impact Fee Reporting

2 messages

Debbie Bannon <dbannon@sccity.org>
To: "soveson@utah.gov" <soveson@utah.gov>

Tue, Nov 28, 2023 at 3:27 PM

Hi Seth,

First, I sent a response to the email this came from as I wasn't included in the Alert. I never heard back and wanted to make sure that I'm on any email list for the Auditors Office. Second, I've reviewed the example report and am really confused. I had the City Manager review it with me and we still aren't clear on the new requirements.

Is there a way to get more specifics on the new requirements?

Please advise, thanks!

Debbie Bannon

Finance Director

Chat With me in Teams!

Santa Clara City

2603 Santa Clara Drive

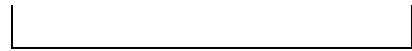
Santa Clara, UT 84765

O: (435) 673-6712; Ext. 206

C: (801) 209-8667



From: Office of the State Auditor <stateauditor@utah.gov>
Sent: Friday, October 27, 2023 9:00 AM
To: Rick Rosenberg <rickr@racivil.com>
Subject: Auditor Alert 2023-02 Impact Fee Reporting



OFFICE OF THE STATE AUDITOR

Auditor Alert 2023-02

Date: October 26, 2023

Subject: Impact Fee Reporting

Introduction

The Office of the State Auditor provides a sample impact fee report example on the [Local Government Resource Center](#) for local government entities to meet the annual impact fee report requirement. The impact fee report sample has been updated with additional reporting requirements that more closely adhere to statutory reporting requirements for impact fees collected by local government entities.

Impact Fee Reporting Requirements

The Office of the State Auditor has revised the impact fee report example to better comply with the reporting requirements outlined in *Utah Code 11-36a-601(4)*. The revised impact fee report example can be found at [this link](#). Using this revised report example, a local government entity that collects impact fees will be required to track and report:

1. All new revenues collected through impact fees by development project.
2. The specific project(s) for which the newly collected impact fee revenues are budgeted.
3. The project(s) where impact fees were spent (tracked by each fee).
4. Which specific project(s) on-hand impact fees from each development project are budgeted.

The purpose of these changes is to help local government entities adhere to statutory reporting requirements and to be able to track where impact fee funds collected from a specific development project are being spent to ensure they are being used in compliance with *Utah Code 11-36a-602*. This will allow the Office of the State Auditor and members of the public to verify that the funds collected from development projects through impact fees are being used on specific system improvements identified in the impact fee facilities plan.

Conclusion

All impact fee reports submitted to the Office of the State Auditor for years ending after December 15, 2023 should follow the new format found on the Local Government Resource Center. Additionally, the amounts reported on the annual impact fee report should agree to the restricted fund balance (for impact fees) on the financial statements. Reports that do not agree will be returned to the entity for correction.

Comment Period

In an effort to make our publications accurate and useful to our intended audience, we invite individuals who work for and with local government entities to read this draft and provide comments. The comment period will last 30 days. Comments should be submitted to Seth Oveson at soveson@utah.gov by December 1, 2023.

Please click the URL below to see the draft alert.

<https://auditor.utah.gov/wp-content/uploads/sites/6/2023/10/2023-02-Impact-Fee-Reporting-DRAFT-10.26.23.pdf>

Utah State Capitol Complex, East Office Building, Suite E310 • Salt Lake City, Utah 84114-2310 •
Tel: (801) 538-1025 • auditor.utah.gov

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||

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Seth Oveson <soveson@utah.gov>
To: Parker Van Eerden <pvan@utah.gov>

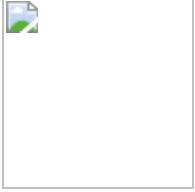
Tue, Nov 28, 2023 at 3:44 PM

Please make sure Debbie is on our mailer list for auditor alerts.

Seth Oveson, CPA
Manager, Local Governments Division

435-572-0440

Office of the State Auditor
Utah State Capitol Complex
East Office Building, Suite E310
Salt Lake City, UT 84114-2310



Local government reporting requirements can be found on the local government resource center: resources.auditor.utah.gov

State Reporting Site: reporting.auditor.utah.gov/UtahLogin

[Quoted text hidden]



Seth Oveson <soveson@utah.gov>

Comments on Auditor Alert 2023-02

1 message

Parke, Scott <sparke@webercountyutah.gov>
To: "soveson@utah.gov" <soveson@utah.gov>
Cc: "Hatch, Ricky" <rhatch@webercountyutah.gov>

Thu, Nov 30, 2023 at 12:53 PM

Seth,

Thanks for the opportunity to comment on the proposed adjustments to the Impact Fee schedule. My primary concern is that the proposal duplicates a lot of data on both the Current Year Activity schedule and the Revenues on Hand. Weber County has 7 separate impact fee systems we report on, and the using the proposed format would require an impact fee schedule of 60+ pages.

The second concern is with listing the proposed project by down to each developer's individual subdivision. The County has an approved impact fee plan showing projects and estimated expenditures. The problem is that most projects go over on costs, so if I assign a developer's individual impact fee to project A when I collect it, but then two years later use it for project B because of cost overruns (or because project B became a higher priority), I will be causing confusion with the developers who now think I mis-used their impact fees.

I have two proposals to address these concerns. I have included an excel file showing how I envision the schedules looking. The first option is shown on the orange tabs in the attached excel sheet, the second is in blue.

Option 1

- Eliminate the revenue section from the current year activity tab and instead put the current year collections on the Revenues on Hand schedule. This will help cut down on the length of the schedule and avoid duplication of data.
- Similarly, eliminate the expenditures section by project on the "Revenue on Hand" schedule because its already shown in total on the "Current Year Activity" schedule.
- Show the planned uses of all impact fees on hand on the Current Year Activity tab.

Option 2

- Eliminate the revenue section from the current year activity tab and instead put the current year collections on the Revenues on Hand schedule. This will help cut down on the length of the schedule and avoid duplication of data.
- Don't require expenditures to be shown on the "Current Year Activity" schedule because it's already on the Revenue on Hand schedule. This way, you would not need a Current Year Activity schedule at all.
- Allow references to the approved impact fee plan instead of budgeting each impact fee collection to a specific project.

I would be happy to discuss these proposals with you if you have the time.

Thanks


Scott Parke, CPA

Comptroller

Weber County Clerk / Auditor's Office

2380 Washington Blvd, Ste 320 | Ogden, UT | 84401

sparke@webercountyutah.gov | 801-399-8487

 **DRAFT Impact Fee Schedule for Comment.xlsx**
24K



Seth Oveson <soveson@utah.gov>

Corrective Action Required

2 messages

Seth Oveson <soveson@utah.gov>

Fri, Jul 28, 2023 at 11:44 AM

Reply-To: Seth Oveson <soveson@utah.gov>

To: psullivan@weberfd.com

Bcc: 1uInf6c92a8wkm21.kptxywfmif30afs0.anadwz1bu7c63tbo@8uzvkhpdqrman7mv.1esyf5ioe0ucvh.41-2kuxveae.na75.seu.salesforce.com

Dear Paul,


In our recent review of the 2022 Financial Report for Weber Fire District we noted that there was a missing report. Please see the attached letter regarding this issue. In order to avoid having funds withheld, please submit your **Impact Fee Report** to our reporting website reporting.auditor.utah.gov within 60 days.

Seth Oveson
Supervisor, Local Governments Division
435-572-0440

Office of the State Auditor
Utah State Capitol Complex
East Office Building, Suite E310
Salt Lake City, UT 84114-2310

Local government reporting requirements can be found on the local government resource center:
resources.auditor.utah.gov

State Reporting Site: reporting.auditor.utah.gov/UtahLogin

 **FUL_FS2022_7282023_WeberFireDistrict.pdf**
54K

Paul Sullivan <psullivan@weberfd.com>

Fri, Jul 28, 2023 at 12:48 PM

To: Seth Oveson <soveson@utah.gov>

We'll get right on this, Seth. Thank you for bringing it to our attention.

Paul Sullivan
Sent from my iPhone

On Jul 28, 2023, at 11:44 AM, Seth Oveson <soveson@utah.gov> wrote:

Dear Paul,
[Quoted text hidden]
<FUL_FS2022_7282023_WeberFireDistrict.pdf>



Seth Oveson <soveson@utah.gov>

Draft Impact Fee Schedule

4 messages

Seth Oveson <soveson@utah.gov>

Thu, Jul 27, 2023 at 2:25 PM

To: "Eliza H. Burnett" <EBurnett@rqn.com>, David Lewis <DLewis@hebcpa.com>

Please review this schedule and let me know if it contains all the elements we discussed.

Seth Oveson, CPA
Manager, Local Governments Division
435-572-0440

Office of the State Auditor
Utah State Capitol Complex
East Office Building, Suite E310
Salt Lake City, UT 84114-2310



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State Reporting Site: reporting.auditor.utah.gov/UtahLogin

 **OSA_Impact-Fee-Report-Example_Revised-7_21_2023.xlsx**
40K

Eliza H. Burnett <EBurnett@rqn.com>

Thu, Jul 27, 2023 at 4:38 PM

To: Seth Oveson <soveson@utah.gov>

Seth,

Thanks for the call earlier this afternoon. On that call, I don't believe you asked me to review the schedule you sent via your email below. However, the text of your email suggests otherwise. Would you like me to review the schedule? I was under the impression you had already submitted it for Auditor Dougall's review. I apologize if I misunderstood.

Thanks,

Eliza

Eliza H. Burnett | Ray Quinney & Nebeker P.C. | 36 South State Street, Suite 1400 | Salt Lake City, Utah 84111
Direct: +1 (801) 323-3667 | Facsimile: +1 (801) 532-7543 | www.rqn.com

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From: Seth Oveson <soveson@utah.gov>
Sent: Thursday, July 27, 2023 2:26 PM
To: Eliza H. Burnett <EBurnett@rqn.com>; David Lewis <DLewis@hebcpa.com>
Subject: Draft Impact Fee Schedule

CAUTION: EXTERNAL EMAIL

Please review this schedule and let me know if it contains all the elements we discussed.

Seth Oveson, CPA
Manager, Local Governments Division
435-572-0440

Office of the State Auditor
Utah State Capitol Complex
East Office Building, Suite E310
Salt Lake City, UT 84114-2310



[Quoted text hidden]

David Lewis <DLewis@hebcpa.com>
To: Seth Oveson <soveson@utah.gov>, "Eliza H. Burnett" <EBurnett@rqn.com>
Cc: "jtoth@rqn.com" <jtoth@rqn.com>

Fri, Jul 28, 2023 at 12:00 PM

Seth,

I think your adjustments incorporate all my suggestions. I'm leaving town shortly so I've emailed Eliza and Justin at RQN for their review and approval as well while I'm out of the office.

Regards,

Dave Lewis, CPA

Huber, Erickson & Bowman, LLC

Certified Public Accountants

375 South 300 West

Salt Lake City, Utah 84101

P: 801.328.5000

F: 801.328.5009

www.hebsolutions.com



From: Seth Oveson <soveson@utah.gov>
Sent: Thursday, July 27, 2023 2:26 PM
To: Eliza H. Burnett <EBurnett@rqn.com>; David Lewis <DLewis@hebcpa.com>
Subject: Draft Impact Fee Schedule

Please review this schedule and let me know if it contains all the elements we discussed.

Seth Oveson, CPA
Manager, Local Governments Division
435-572-0440

Office of the State Auditor
Utah State Capitol Complex
East Office Building, Suite E310
Salt Lake City, UT 84114-2310



[Quoted text hidden]

Justin Toth <jtoth@rqn.com>

Fri, Jul 28, 2023 at 3:11 PM

To: David Lewis <DLewis@hebcpa.com>, Seth Oveson <soveson@utah.gov>, "Eliza H. Burnett" <EBurnett@rqn.com>

This looks great. Thank you, Dave.

Appreciate all of your attention to this, Seth.

Sincerely

Justin Toth | Ray Quinney & Nebeker P.C. | [36 South State Street, Suite 1400 | Salt Lake City, Utah 84111](#)

Direct: +1 (801) 323-3343 | Facsimile: +1 (801) 532-7543 | [www.rqn.com](#) | vCard

This email is from a law firm and may contain privileged or confidential information. Any unauthorized disclosure, distribution, or other use of this email and its contents is prohibited. If you are not the intended recipient, please contact the sender and delete this email. Thank you.

From: David Lewis <DLewis@hebcpa.com>

Sent: Friday, July 28, 2023 12:00 PM

To: Seth Oveson <soveson@utah.gov>; Eliza H. Burnett <EBurnett@rqn.com>

Cc: Justin Toth <jtoth@RQN.COM>

Subject: RE: Draft Impact Fee Schedule

CAUTION: EXTERNAL EMAIL

Seth,

[Quoted text hidden]



Seth Oveson <soveson@utah.gov>

Feedback request on Auditor Alert 2023-02 Impact Fee Reporting

1 message

Secretary Treasurer <secretary@ugfoa.org>
To: Secretary Treasurer <secretary@ugfoa.org>
Bcc: soveson@utah.gov

Mon, Nov 6, 2023 at 9:26 AM

UGFOA Members,

One of the purposes of UGFOA is "influencing and improving standards, policies and legislation for the benefit of our members and community."

As such, we are preparing to provide formal feedback to the Office of the State Auditor regarding its draft [Auditor Alert 2023-02 Impact Fee Reporting](#) on behalf of our members.

Please complete [this survey](#) by November 17th at 5:00 PM to provide us with the feedback we need to ensure that we have considered all thoughts and concerns regarding this matter.

Survey link:

https://docs.google.com/forms/d/e/1FAIpQLSczqA-UfM4eTqQ7VYOm5T0aF1fvqI2PFEKDNCwwuLFi12tDtg/viewform?usp=sf_link

Jeremy Walker
Secretary/Treasurer
Utah Government Finance Officers Association





Seth Oveson <soveson@utah.gov>

FW: Comments regarding Auditor Alert 2023-02

4 messages

Keith Larson <kl Larson@bowencollins.com>
To: "soveson@utah.gov" <soveson@utah.gov>

Fri, Dec 1, 2023 at 5:26 PM

Mistyped your email address. Resending here.

Keith J. Larson, P.E.

Bowen Collins & Associates

801.495.2224 Office

154 E. 14075 South

[Draper, Utah 84020](#)

www.bowencollins.com

From: Keith Larson
Sent: Friday, December 1, 2023 5:24 PM
To: soveson@utah.gov
Cc: Susan Becker <Susan.Becker@zionsbancorp.com>; Fred Philpot (fred@lewisyoung.com) <fred@lewisyoung.com>; Justin Dietrich <jdietrich@bowencollins.com>; bhicken@kearnsid.org; Brandon Nelson <bcnelson@orem.gov>
Subject: Comments regarding Auditor Alert 2023-02

Seth,

Please see my comments attached.

Keith J. Larson, P.E.



801.495.2224 Office

154 E. 14075 South

[Draper, Utah 84020](#)

www.bowencollins.com

 **Auditor Alert Comments.pdf**
145K

Seth Oveson <soveson@utah.gov>
To: Parker Van Eerden <pvan@utah.gov>

Mon, Dec 4, 2023 at 8:21 AM

Parker,

Please take a look at this letter - He brings up a couple of points that we may want to take into consideration.

- 1) Impact fee service areas - I think our model could list the projects in the year that the impact fees funded (those in the service area)
- 2) His point on excess capacity does not cite code and I am not sure if it is correct. Can you look at it and see if there is a provision for recovering excess capacity and get us a code section we can rely on. I know they can be used for debt service but I have not heard of recovering excess capacity as he describes it.

Seth Oveson, CPA
Manager, Local Governments Division
435-572-0440

Office of the State Auditor
Utah State Capitol Complex
East Office Building, Suite E310
Salt Lake City, UT 84114-2310



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State Reporting Site: reporting.auditor.utah.gov/UtahLogin

[Quoted text hidden]

 **Auditor Alert Comments.pdf**
145K

Parker Van Eerden <pvan@utah.gov>
To: Seth Oveson <soveson@utah.gov>

Mon, Dec 4, 2023 at 8:35 AM

Hi Seth,

Yes, I'll take a look.

Thanks!

-Parker

[Quoted text hidden]

--

Parker Van Eerden | Local Government Analyst
Office of the State Auditor | auditor.utah.gov

Phone: 801-419-3113 | Email: pvan@utah.gov

Parker Van Eerden <pvan@utah.gov>
To: Seth Oveson <soveson@utah.gov>

Mon, Dec 4, 2023 at 1:35 PM

Hi Seth,

Here are my thoughts on Mr. Larson's concerns.

Service areas are defined in [11-36a-102\(20\)](#)
(20)

(a) "Service area" means a geographic area designated by an entity that imposes an impact fee on the basis of sound planning or engineering principles in which a public facility, or a defined set of public facilities, provides service within the area.

(b) "Service area" may include the entire local political subdivision or an entire area served by a private entity.

An entity wishing to impose impact fees shall pass an Impact Fee Enactment which must contain a provision establishing one or more service areas. ([11-36a-401](#), [11-36a-402\(1\)](#)) These established service areas serve to define the boundaries in which an entity provides services within which it will calculate and impose impact fees for various land use categories.

Impact fees must be used for system improvements identified in the impact fee facilities plan and for the specific public facility type for which the fee was collected ([11-36a-602](#)). It cannot just be used for blanket improvements within an entire service area. System improvements are defined as existing public facilities or future public facilities identified in the impact fee analysis under Section 11-36a-304 that are intended to provide services to service areas within the community at large ([11-36a-102\(22\)](#)). The impact fee analysis must also; 1) identify anticipated impact on or consumption of any existing capacity of a public facility by the anticipated development activity, 2) identify anticipated impact on system improvements required by the anticipated development activity to maintain the established level of service for each public facility, 3) demonstrate how these anticipated impacts are reasonably related to the anticipated development activity and estimate the costs for existing capacity that will be recouped and the costs of impacts on system improvements that are reasonably related to the new development activity, and 4) identify how the impact fee was calculated. ([11-36a-304](#))

In short, impact fees must be used for specific system improvements identified in the impact fee analysis that have been demonstrated as being reasonably related to the anticipated development activity, they cannot be used on all system improvements within an established service area unless all of those system improvements have been demonstrated as being reasonably related to the anticipated development activity.

In the Impact Fee Enactment, either a schedule of impact fees for each type of development activity that specifies the amount of the impact fee to be imposed for each type of system improvement or the formula that the entity will use to calculate each impact fee must also be provided. ([11-36a-402\(1\)\(b\)](#)). An entity reporting expenditures and budgeting of impact fees should be able to simply apply this schedule or formula to collected impact fees and the system improvements identified in the impact fee analysis to determine how much from each collected impact fee is spent or budgeted for each project within the established service area.

I do agree that adding provisions in the report template for reporting and accounting for reimbursements to developers is a good idea.

Best regards,

Parker

[Quoted text hidden]



Seth Oveson <soveson@utah.gov>

Impact Fee - Call

1 message

Eliza H. Burnett <EBurnett@rqn.com>
To: Seth Oveson <soveson@utah.gov>

Fri, Jul 21, 2023 at 11:53 AM

Hi Seth,

I emailed Dave Lewis and he said he didn't see your prior email, but will give you a call this afternoon.

Thanks,

Eliza

Eliza H. Burnett | Ray Quinney & Nebeker P.C. | 36 South State Street, Suite 1400 | Salt Lake City, Utah 84111
Direct: +1 (801) 323-3667 | Facsimile: +1 (801) 532-7543 | www.rqn.com

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Seth Oveson <soveson@utah.gov>

Impact Fee Auditor Alert Draft

1 message

Parker Van Eerden <pvan@utah.gov>
To: Seth Oveson <soveson@utah.gov>

Fri, Oct 13, 2023 at 3:09 PM

Hi Seth,

Attached is the draft of the Impact Fee Reporting Auditor Alert. Feel free to make any changes you see fit and let me know what changes you'd like me to make. As of now, I'll just have to convert the google sheet impact fee report to excel, upload it to wordpress and put the link in the auditor alert.

Best,

--

Parker Van Eerden | Local Government Analyst
Office of the State Auditor | auditor.utah.gov
Phone: 801-419-3113 | Email: pvan@utah.gov



2023-02 Impact Fee Reporting DRAFT 10.12.23.docx
65K



Seth Oveson <soveson@utah.gov>

Impact Fee Form Check In

3 messages

Eliza H. Burnett <EBurnett@rqn.com>
To: Seth Oveson <soveson@utah.gov>
Cc: Justin Toth <jtoth@rqn.com>

Thu, Jul 6, 2023 at 3:30 PM

Seth,

I hope you had a great Fourth of July and were able to fit in some glow-in-the-dark skeet shooting.

We are checking in on the status of the State Auditor's updated impact fee forms. Please let us know if we can provide any information or help in any way.

Thanks,

Eliza

Eliza H. Burnett | Ray Quinney & Nebeker P.C. | 36 South State Street, Suite 1400 | Salt Lake City, Utah 84111
Direct: +1 (801) 323-3667 | Facsimile: +1 (801) 532-7543 | www.rqn.com

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Seth Oveson <soveson@utah.gov>
To: "Eliza H. Burnett" <EBurnett@rqn.com>
Cc: Justin Toth <jtoth@rqn.com>

Thu, Jul 6, 2023 at 3:55 PM

Eliza,

It has been a little busy - can I get the phone number from your accountant that was on the meeting with us the other day. We agreed that I was going to add a column to the current year activity tab of our template but I misplaced my notes and I want to go over it one more time to make sure we have it done correctly.

(Or if you have your notes that would work as well)

Seth Oveson, CPA
Manager, Local Governments Division
435-572-0440

Office of the State Auditor
Utah State Capitol Complex
East Office Building, Suite E310
Salt Lake City, UT 84114-2310



Local government reporting requirements can be found on the local government resource center: resources.auditor.utah.gov

State Reporting Site: reporting.auditor.utah.gov/UtahLogin

[Quoted text hidden]

Eliza H. Burnett <EBurnett@rqn.com>
To: Seth Oveson <soveson@utah.gov>
Cc: Justin Toth <jtoth@rqn.com>

Thu, Jul 6, 2023 at 4:02 PM

Seth,

No worries at all. Below is David Lewis' contact information.

David Lewis, CPA

Huber, Erickson & Bowman, LLC

P: 801-328-5000

DLewis@hebcpa.com

Thanks,

Eliza

Eliza H. Burnett | Ray Quinney & Nebeker P.C. | 36 South State Street, Suite 1400 | Salt Lake City, Utah 84111
Direct: +1 (801) 323-3667 | Facsimile: +1 (801) 532-7543 | www.rqn.com

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From: Seth Oveson <soveson@utah.gov>
Sent: Thursday, July 6, 2023 3:56 PM
To: Eliza H. Burnett <EBurnett@rqn.com>
Cc: Justin Toth <jtoth@RQN.COM>
Subject: Re: Impact Fee Form Check In

CAUTION: EXTERNAL EMAIL

Eliza,

It has been a little busy - can I get the phone number from your accountant that was on the meeting with us the other day. We agreed that I was going to add a column to the current year activity tab of our template but I misplaced my notes and I want to go over it one more time to make sure we have it done correctly.

(Or if you have your notes that would work as well)

Seth Oveson, CPA

Manager, Local Governments Division

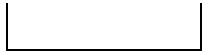
435-572-0440

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Utah State Capitol Complex

East Office Building, Suite E310

Salt Lake City, UT 84114-2310



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[Quoted text hidden]



Seth Oveson <soveson@utah.gov>

Impact fee Report

2 messages

Seth Oveson <soveson@utah.gov>

Tue, Jul 11, 2023 at 10:02 AM

Reply-To: Seth Oveson <soveson@utah.gov>

To: cdwhite@xmission.com

Bcc: 1voqvqslpqqtps1c.6yhy1l9ycn7qb5fc.ghz17idp6rfjqzhk@q2qqd0wc8ae8qht0.60w8w74uwpqa3n.41-2kuxveae.na75.seu.salesforce.com

Charles,

You are listed as the treasurer of the Elk Meadows SSD. The 2022 financial report indicates that the district collected \$74,269 in impact fees. If an entity collects impact fees a separate impact fee report needs to be submitted to the office.

Seth Oveson
Supervisor, Local Governments Division
435-572-0440

Office of the State Auditor
Utah State Capitol Complex
East Office Building, Suite E310
Salt Lake City, UT 84114-2310

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resources.auditor.utah.gov

State Reporting Site: reporting.auditor.utah.gov/UtahLogin

cdwhite@xmission.com <cdwhite@xmission.com>

Tue, Jul 11, 2023 at 12:03 PM

To: Seth Oveson <soveson@utah.gov>

Okay – was not aware of this.

[Quoted text hidden]



Seth Oveson <soveson@utah.gov>

Impact Fee Report Review

3 messages

David Lewis <DLewis@hebcpa.com>
To: Seth Oveson <soveson@utah.gov>

Fri, Jul 21, 2023 at 11:56 AM

Microsoft Teams meeting

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Passcode: V4Buwr

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 **invite.ics**
4K

Seth Oveson <soveson@utah.gov>
To: David Lewis <DLewis@hebcpa.com>

Fri, Jul 21, 2023 at 1:06 PM

David,

I have attached the draft Impact Fee Report - Please take a look and help me remember what we were going to add to the first tab.

Seth Oveson, CPA
Manager, Local Governments Division
435-572-0440

Office of the State Auditor
Utah State Capitol Complex
East Office Building, Suite E310
Salt Lake City, UT 84114-2310



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[Quoted text hidden]

 **OSA_Impact-Fee-Report-Example_Revised-5_10_2023.xlsx**
35K

David Lewis <DLewis@hebcpa.com>
To: Seth Oveson <soveson@utah.gov>
Cc: "jtoth@rqn.com" <jtoth@rqn.com>

Tue, Jul 25, 2023 at 12:08 PM

Seth,

In preparation for our meeting this afternoon I reviewed your revised report. I think the report looks great. As I recall, we were going to add an overall budget summary for each fund not connected to the specific inflows, so that a user could see what the budgeted projects were and know generally the overall costs related to that project as well as any cumulative expenses posted against the project to date. This will create transparency and accountability as the users will be able to see the whole scope of budgeted projects annually as well as how the budgets may change (as they have with Salt Lake City). Let's discuss this further on the call later today but I wanted to give you a heads up prior to the call.

Regards,

Dave Lewis, CPA

Huber, Erickson & Bowman, LLC

Certified Public Accountants

[375 South 300 West](#)

[Salt Lake City, Utah 84101](#)

P: 801.328.5000

F: 801.328.5009

www.hebsolutions.com



From: Seth Oveson <soveson@utah.gov>
Sent: Friday, July 21, 2023 1:06 PM

To: David Lewis <DLewis@hebcpa.com>
Subject: Re: Impact Fee Report Review

David,

I have attached the draft Impact Fee Report - Please take a look and help me remember what we were going to add to the first tab.

Seth Oveson, CPA
Manager, Local Governments Division
435-572-0440

Office of the State Auditor
Utah State Capitol Complex
East Office Building, Suite E310
Salt Lake City, UT 84114-2310



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[Quoted text hidden]



Seth Oveson <soveson@utah.gov>

Impact Fee report

1 message

Kelsey Brinkerhoff <kelseybicknellutah@gmail.com>
To: soveson@utah.gov

Mon, Nov 6, 2023 at 1:40 PM

Hi Seth

I'm just wondering how to submit the impact fee report that is requested and when is it due? Also on the draft what all needs to be filled out? Please let me know! Thanks

--

Kelsey Brinkerhoff
Bicknell Town Clerk
(435)425-2215



Seth Oveson <soveson@utah.gov>

Impact Fee Reporting Form - Discussion

4 messages

Eliza H. Burnett <EBurnett@rqn.com>
To: Seth Oveson <soveson@utah.gov>
Cc: Justin Toth <jtoth@rqn.com>

Thu, Dec 21, 2023 at 10:58 AM

Hi Seth,

Justin and I have a few questions regarding the impact fee reporting form. We were hoping to schedule a meeting with you in the next couple of weeks. Please let us know your availability.

Have a wonderful holiday!

Thanks,

Eliza

Eliza H. Burnett | Ray Quinney & Nebeker P.C. | 36 South State Street, Suite 1400 | Salt Lake City, Utah 84111
Direct: +1 (801) 323-3667 | Facsimile: +1 (801) 532-7543 | www.rqn.com

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Seth Oveson <soveson@utah.gov>
To: "Eliza H. Burnett" <EBurnett@rqn.com>
Cc: Justin Toth <jtoth@rqn.com>

Thu, Dec 21, 2023 at 11:16 AM

Eliza,

I will be working through Friday this week and on the 26th and 27th next week or you can wait until the week of January 2nd when I am back to normal work hours.

Seth Oveson, CPA
Manager, Local Governments Division
435-572-0440

Office of the State Auditor
Utah State Capitol Complex
East Office Building, Suite E310
Salt Lake City, UT 84114-2310



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[Quoted text hidden]

Eliza H. Burnett <EBurnett@rqn.com>
To: Seth Oveson <soveson@utah.gov>
Cc: Justin Toth <jtoth@rqn.com>

Thu, Dec 21, 2023 at 11:25 AM

Seth,

Does 11am on the 27th work for you? If so, I will circulate a Teams invite.

Thanks,

Eliza

Eliza H. Burnett | Ray Quinney & Nebeker P.C. | 36 South State Street, Suite 1400 | Salt Lake City, Utah 84111
Direct: +1 (801) 323-3667 | Facsimile: +1 (801) 532-7543 | www.rqn.com

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From: Seth Oveson <soveson@utah.gov>
Sent: Thursday, December 21, 2023 11:16 AM
To: Eliza H. Burnett <EBurnett@rqn.com>
Cc: Justin Toth <jtoth@rqn.com>
Subject: Re: Impact Fee Reporting Form - Discussion

CAUTION: EXTERNAL EMAIL

Eliza,

I will be working through Friday this week and on the 26th and 27th next week or you can wait until the week of January 2nd when I am back to normal work hours.

Seth Oveson, CPA
Manager, Local Governments Division
435-572-0440

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Utah State Capitol Complex
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Salt Lake City, UT 84114-2310



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[Quoted text hidden]

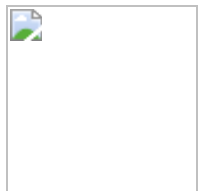
Seth Oveson <soveson@utah.gov>
To: "Eliza H. Burnett" <EBurnett@rqn.com>

Thu, Dec 21, 2023 at 12:10 PM

That will work fine for me

Seth Oveson, CPA
Manager, Local Governments Division
435-572-0440

Office of the State Auditor
Utah State Capitol Complex
East Office Building, Suite E310
Salt Lake City, UT 84114-2310



Local government reporting requirements can be found on the local government resource center: resources.auditor.utah.gov

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[Quoted text hidden]



Seth Oveson <soveson@utah.gov>

Impact Fee Reporting Form Discussion

1 message

Eliza H. Burnett <EBurnett@rqn.com>

Thu, Dec 21, 2023 at 12:58 PM

To: Justin Toth <jtoth@rqn.com>, "soveson@utah.gov" <soveson@utah.gov>

Microsoft Teams meeting

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Passcode: ktEEVs

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4K



Seth Oveson <soveson@utah.gov>

Impact Fee Reporting Format

1 message

Kierstan Smith <kierstansmith.cpa@gmail.com>
To: soveson@utah.gov

Wed, Nov 1, 2023 at 10:34 AM

Good morning,

I have reviewed the sample impact fee reporting format and have a few questions/concerns. I'm working with districts that have impact fee facility plans that are for system-wide infrastructure. Currently, impact fees are used on a first-in first-out basis to build the eligible infrastructure. I'm not clear how the "Fee Allocation Methodology" applies here. Let's use a sewer facilities impact fee as an example. The plan calls for a new sewer lift station. The District builds the lift station and all impact fees collected under this plan are eligible to be used to pay for this project. It appears from the example that only impact fees from specific developments would be eligible which doesn't make sense in system-wide infrastructure. Not to mention the exponentially increased cost for the District to enlist their engineering consultants to go through and determine every development affected by this improvement and by what percentage, as well as the increased staff time necessary when most small districts are understaffed to begin with.

Aren't the requirements that this reporting format are trying to address (*The purpose of these changes is to help local government entities adhere to statutory reporting requirements and to be able to track where impact fee funds collected from a specific development project are being spent to ensure they are being used in compliance with Utah Code 11-36a-602*) already being addressed in the steps taken through the State Legal Compliance portion of the audit?

This change appears to be more developer related than resident related. We should be simplifying reporting not complicating it, thus keeping utility rates down.

I hope the SAO reconsiders this format, sets aside any personal political agendas that may be involved, and considers how best to meet the requirements while putting residents first. I appreciate you taking comments.

Have a good day!



Kierstan Smith
Certified Public Accountant

PO Box 331, Lehi UT 84043-0331 • 801-228-8333

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Seth Oveson <soveson@utah.gov>

Impact Fee Reporting Notice Auditor Alert 2023-02

1 message

Bart Miller <bmillier@heberpower.com>

Fri, Oct 27, 2023 at 12:38 PM

To: "soveson@utah.gov" <soveson@utah.gov>

Cc: Jason Norlen <jnorlen@heberpower.com>

Seth:

If these impact fee reporting rules are adopted, I will comply with the new Impact fee reporting requirements, however, I don't agree with this alert for the following reasons:

1. We calculate our impact fee rates regularly based upon our capital plan. These rates are set at an amount that is rather high but not near what would be needed to complete the projects in the required timeframe. Thus, we never have enough impact fees to cover the appropriate project costs which then makes reporting on bullet point 1 (All new revenues collected through impact fees by development project) difficult and in many ways meaningless. Our contributions in aid of construction follow this model but impact fees, they would be an entirely different animal. It would be administratively burdensome to define an impact fee for development projects across our territory.
2. As mentioned, before we base our rate study on our capital plan and therefore, we have a list of active projects that if audited I could demonstrate where the fees were applied thus allowing me to be in compliance with bullet point 2. However, not all projects are undertaken in accordance with the plan as some are not quite ready and others pop up as needed prior to plan based upon load growth patterns and shifts. Economic factors such as supply chain also impact our ability to deliver according to the plan and once again, we have guidance that is sound in principle but administratively burdensome to apply in practice.
3. I do not currently track by fee where they are being applied on our impact fee eligible projects. At any given time, I have 15-20 projects that are impact fee eligible on our system and thus it is difficult to assign customer A's fee to project 12, and customer B's impact fee to project 19. I do track which projects I am pulling funds out of the restricted account and transferring them to our operating account when I do such transfers. I guess in a roundabout way I could make a list of who made the payment and how it is applied to the different projects, but I fail to see the value in this and would also assess this bullet point 3 as administratively burdensome. I struggle to correlate that customer D's \$6,310 is more important on the Provo River 201 circuit rebuild than on the Southfield Substation project.
4. I am already mostly in compliance with bullet point 4 as all impact fee projects are budgeted. I just haven't been calling them out to the State in our annual report. Nor have I been breaking them out by development project. As highlighted in the previous three points, this is administratively burdensome whereas we don't collect enough to cover these projects and we then need to assign a priority system to the application of these funds when at the end of the day, it all hits the same pot, and we are in full compliance with the spirit of the law.

Sorry to be argumentative on this issue. However, when I read the law, and it states that "the fee needs to be identified in the impact fee facilities plan"; I do not read that the fees need to be applied to specific development projects. Our basing our study on the capital plan meets this requirement and the direct assignment of projects goes above and beyond this legislative intent. In bullet point 2 of 11-36a-602, it reads "for the specific public facility type for which the fee was collected". My interpretation of "facility type" is not specific project, rather a type of project. Heber Light & Power has taken this to mean those projects that derive an impact on the system as a whole that result in added capacity. I do not read direct development projects and thus I feel that these requirements as listed in this Auditor Alert go above and beyond the intent of the law and place an undue burden upon local government staff.

If I was the State and looking for additional reporting on impact fees, I would be more focused on subsection 2 of the Utah Code 11-36a-602 as I believe it is the section that is more likely to be violated. Heber Light is not in a position to collect more impact fees than it can expend. However, I do know of some entities across the State that don't seem to be expended them in the required timeframe, nor does the State seem to have a mechanism for the reporting of the extenuating circumstances driving the entity to hold them beyond 6 years.

2/12/24, 3:59 PM

State of Utah Mail - Impact Fee Reporting Notice Auditor Alert 2023-02

I hate impact fees and the reporting of such, and it is for this reason I have responded so verbosely on this recent Auditor Alert as I fully believe that the requirement is a departure from the intent of the law. This will be a headache for me to implement and thus I do not believe that this should be adopted.

Thanks,

Bart Stanley Miller



Seth Oveson <soveson@utah.gov>

Impact Fee Reporting

2 messages

Laketown Clerk <clerk@laketownutah.com>
To: CPA Seth Oveson <soveson@utah.gov>

Mon, Dec 11, 2023 at 3:03 PM

I Seth,

I hope you are well. I received the email below in Oct and clicked on the link within her document and Laketown does not collect any of her referenced impact fees so I'm not planning on completing the worksheet she is referencing. I guess my questions to you is do I need to submit any water impact fee reporting to you?

Please advise. We only collected one in 2023.

Thanks in advance,

Alice Jackson

Laketown City Clerk

clerk@laketownutah.com

P.O. Box 118

10 N 200 East

Laketown, Utah 84038

(435) 946.9000

From: RWAU <christian@rwau.ccsend.com> on behalf of RWAU <rwau+rwau.net@ccsend.com>

Sent: Friday, October 27, 2023 2:42 PM

To: Laketown Clerk <clerk@laketownutah.com>

Subject: News | Public Notice Compliance and Impact Fee Reporting



Rural Water
Association of Utah

RURAL WATER NEWS

Message from the State Auditor

WHAT YOU SHOULD KNOW

This news was written and distributed by the State Auditors office. It is being relayed to you because we believe it to be very important.

Impact Fee Reporting

Introduction

The Office of the State Auditor provides a sample impact fee report example on the [Local Government Resource Center](#) for local government entities to meet the annual impact fee report requirement. The impact fee report sample has been updated with additional reporting requirements that more closely adhere to statutory reporting requirements for impact fees collected by local government entities.

Impact Fee Reporting Requirements

The Office of the State Auditor has revised the impact fee report example to better comply with the reporting requirements outlined in Utah Code [11-36a-601\(4\)](#). The revised impact fee report example can be found at [this link](#). Using this revised report example, a local government entity that collects impact fees will be required to track and report:

1. All new revenues collected through impact fees by development project.
2. The specific project(s) for which the newly collected impact fee revenues are budgeted.
3. The project(s) where impact fees were spent (tracked by each fee).
4. Which specific project(s) on-hand impact fees from each development project are budgeted.

The purpose of these changes is to help local government entities adhere to statutory reporting requirements and to be able to track where impact fee funds collected from a specific development project are being spent to ensure they are being used in compliance with Utah Code **11-36a-602**. This will allow the Office of the State Auditor and members of the public to verify that the funds collected from development projects through impact fees are being used on specific system improvements identified in the impact fee facilities plan.

Conclusion

All impact fee reports submitted to the Office of the State Auditor for years ending after December 15, 2023 should follow the new format found on the Local Government Resource Center. Additionally, the amounts reported on the annual impact fee report should agree to the restricted fund balance (for impact fees) on the financial statements. Reports that do not agree will be returned to the entity for correction.

Comment Period

In an effort to make our publications accurate and useful to our intended audience, we invite individuals who work for and with local government entities to read this draft and provide comments. The comment period will last 30 days. Comments should be submitted to Seth Oveson at soveson@utah.gov by December 1, 2023.

Public Notice Compliance for Local Governments

Introduction

The Office of the State Auditor has noted widespread non-compliance with public notice requirements among local government entities. Many entities are not compliant, either in whole or in part, with the requirements found in Utah Code 52-4-203 regarding the keeping and posting of written minutes and recordings of public meetings and other statutes requiring the public posting of board member and entity information.

Public Notice Requirements

The Office of the State Auditor has observed five requirements which the Office has noted general noncompliance:

1. The entity should be properly listed on the Public Meeting Notice Website (PMN) with the same information that is on file with the Office of the State Auditor and the Office of the Lieutenant Governor, including entity type, entity name, and contact information in accordance with Utah Code [63A-16-601\(4\)\(a\)](#).
2. Entities should publicly post pending and approved minutes of public meetings in accordance with Utah Code [52-4-203\(4\)\(f\)\(i\)&\(ii\)](#) and [52-4-203\(g\)\(i\)&\(ii\)](#). Counties, cities, towns, and metro townships must post pending minutes of a public meeting within 30 days of holding the public meeting. They must post the approved minutes within three business days of the written minutes being approved. Other local public bodies must post pending minutes of public meetings within a reasonable time after holding the open meeting. They must post the approved minutes within three business days of the written minutes being approved.
3. Entities must make an audio recording of open meetings available to the public for listening within three business days after holding an open meeting in accordance with Utah Code [52-4-203\(4\)\(f\)\(iii\)&\(g\)\(iii\)](#). This requirement can be fulfilled by posting the recording on the PMN or by posting a link on the PMN to the entity's website where the audio recording can be found. Recordings of public meetings are required for all public bodies unless they qualify for an exemption see Utah Code [52-4-203\(7\)\(b\)](#).
4. Entities must list the names of all board members, absent or present, in the pending and approved minutes of public meetings in accordance with Utah Code [52-4-203\(2\)\(a\)\(ii\)](#).
5. Entities must post the name, phone number, and email of all board members on the PMN in accordance with Utah Code [63A-16-601\(4\)\(a\)](#), [17B-1-303\(9\)](#) & [17D-1-106\(1\)\(b\)\(ii\)](#).

Conclusion

There is widespread noncompliance among local government entities with various public posting requirements, especially those regarding posting entity information on the PMN, posting minutes and audio recordings on the PMN, and posting board member information in meeting minutes and on the PMN. All local government entities should verify that they are in compliance with all public posting requirements in Utah Code [52-4](#), especially the five items identified by the Office of the State Auditor in this Auditor Alert.

Comment Period

In an effort to make our publications accurate and useful to our intended audience, we invite individuals who work for and with local government entities to read this draft and provide comments. The comment period will last 30 days. Comments should be submitted to Parker Van Eerden at pvan@utah.gov by December 1, 2023

Please click the URL below to see the draft alert.

<https://auditor.utah.gov/wp-content/uploads/sites/6/2023/10/2023-01-Public-Notice-Compliance-for-Local-Governments-DRAFT-10.26.23.pdf>



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Seth Oveson <soveson@utah.gov>
To: Laketown Clerk <clerk@laketownutah.com>

Tue, Dec 12, 2023 at 2:39 PM

Alice,

This is a question we have talked to the city about a few times. The most recent conversation was with Amber Dreesbeke and Burdette Weston in January of 2022. Impact fees are a very specific type of fees and have their own section of code. According to the information provided at that time Lake Town doesn't really charge impact fees. Impact fees must follow Title 11-36a. Here are some questions you should ask:

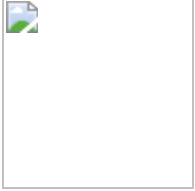
- 1) Does laketown have an impact fee facility plan?
- 2) Do you have an impact fee analysis?
- 3) Was the impact fee analysis certified?

Our prior discussions led our office to believe that what laketown previously called an impact fee was really a connection fee - a fee covering the cost of connecting to utilities, installing a meter etc... If the fee is to recover the cost of things like cutting into the road to connect to utilities, cost of the meter, cost of inspection etc... then it isn't an impact fee and the city should stop referring to it as such in their meetings, budget and financial statements. If the city has enacted an impact fee then you should provide an annual impact fee report following the template on our website.

If you would like to discuss this issue via a phone or teleconference please let me know and we can discuss any additional concerns you may have.

Seth Oveson, CPA
Manager, Local Governments Division
435-572-0440

Office of the State Auditor
Utah State Capitol Complex
East Office Building, Suite E310
Salt Lake City, UT 84114-2310



Local government reporting requirements can be found on the local government resource center: resources.auditor.utah.gov

State Reporting Site: reporting.auditor.utah.gov/UtahLogin

[Quoted text hidden]



Seth Oveson <soveson@utah.gov>

Impact Fee Reporting

3 messages


Marci Doolan <marci@bonavistawater.com>
 To: "soveson@utah.gov" <soveson@utah.gov>


Tue, Dec 26, 2023 at 11:10 AM

Good Morning Seth,

This past October, an email was sent out regarding impact fee reporting requirements. I was just reviewing that email as I am preparing to update our spreadsheet with our December impact fee numbers. My question is, does our report have to match the sample report in the email, or if it meets all the requirements outlined, can it be in a different format? A lot of our revenue sources bring money in year after year as they are built out so I've been using a more horizontal format instead of the vertical format in the example.

Thanks for your help,
 Marci

	A	J	K	L	M	N	O
	Bona Vista Water Improvement District						
	Impact Fee Schedule						
	As of December 31, 2023						
Multi - Year Summary		Year	Revenue	ARPA Funding	Interest Earned	Expenditures	Impact Fees On Hand
		2011	\$ 115,959.00		\$ -	\$ 147,010.49	-\$196,612.72
		2012	\$ 127,796.00		\$ -	\$ -	-\$227,664.21
		2013	\$ 262,790.00		\$ 85.96	\$ 248,508.29	\$ (85,500.54)
		2014	\$ 413,943.00		\$ -	\$ 247,159.83	\$ 81,282.63
		2015	\$ 319,904.00		\$ 906.25	\$ 236,522.44	\$ 165,570.44
		2016	\$ 392,523.00		\$ 3,170.80	\$ 2,318.01	\$ 558,946.23
		2017	\$ 865,348.00		\$ 11,149.40	\$ 558,978.37	\$ 876,465.26
		2018	\$ 744,656.00		\$ 23,349.92	\$ 1,425,808.15	\$ 218,663.03
		2019	\$ 977,700.00		\$ 11,781.09	\$ 602,639.94	\$ 605,504.18
		2020	\$ 1,085,874.00		\$ 11,092.63	\$ 431,172.06	\$ 1,271,298.75
	2021	\$ 1,340,163.00		\$ 6,941.32	\$ 680,564.58	\$ 1,937,838.49	
	2022	\$ 1,265,640.49	\$ 291,685.49	\$ 33,938.35	\$ 221,627.49	\$ 3,015,789.84	
	2023	\$ 1,150,876.88		\$ 144,505.62	\$ 427,859.16	\$ 3,873,261.30	
	Subdivision / Property	2018	2019	2020	2021	2022	2023
	1038 North 375 East						\$ 3,898.00
	1121 North 3650 West, MSC		\$ 2,125.00				
	1133 North 2540 West, MSC (McCormick)			\$ 3,542.00			
	1136 North 2700 West		\$ 3,542.00				

	<p>Marci Doolan Administrative Manager</p> <p>Phone: 801-621-0474 ext. 204</p> <p>Email: marci@bonavistawater.com</p> <p>2020 West 1300 North Farr West, UT 84404</p> <p>www.bonavistawater.com</p>
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Seth Oveson <soveson@utah.gov>
 To: Marci Doolan <marci@bonavistawater.com>

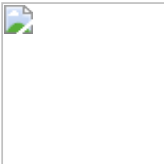
Wed, Dec 27, 2023 at 10:04 AM

Marci,

The proposed changes will be effective for Impact fee reports for years after 12/15/2023 which means the report that is due this month can be completed using the old form. We will be finalizing the form after the roundtable discussions in January. Once we finalize the format in our example, we will allow for some customization as long as the requirements are met.

Seth Oveson, CPA
 Manager, Local Governments Division
 435-572-0440

Office of the State Auditor
 Utah State Capitol Complex
 East Office Building, Suite E310
 Salt Lake City, UT 84114-2310



Local government reporting requirements can be found on the local government resource center: resources.auditor.utah.gov

State Reporting Site: reporting.auditor.utah.gov/UtahLogin

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Marci Doolan <marci@bonavistawater.com>
 To: Seth Oveson <soveson@utah.gov>

Wed, Dec 27, 2023 at 12:05 PM

Thank you for the clarification.

[Quoted text hidden]



Seth Oveson <soveson@utah.gov>

Impact Fee Schedule

3 messages

Seth Oveson <soveson@utah.gov>
To: John Dougall <jdougall@utah.gov>

Fri, Jul 21, 2023 at 4:10 PM

John,

I have attached the new draft impact fee schedule as well as a copy of the old template that is currently on the website. Here are the key differences.

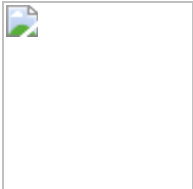
- 1) Column to detail the project that the impact fee is budgeted to cover. (This is required by the statute)
- 2) Fee allocation methodology - This will provide transparency as to how the project applies to a specific project. This addresses one of the main concerns from the Salt Lake court case.
- 3) Changes to the impact fees on hand to show the individual fees with interest allocated and costs deducted (required by statute).

I think the changes make our form more in line with the statute and will provide more transparency. With that said several entities will struggle to keep track of the fees with a higher level of detail and we are likely to get a lot of push back. Also - with the changes in Salesforce we will begin reviewing impact fee schedules to ensure that 1) the impact fees on hand agree to the audited financial statements 2) each fee is budgeted to a project.

Is there anything else that you would like to see included in our review or as part of the form template? We can discuss this next week if you would like.

Seth Oveson, CPA
Manager, Local Governments Division
435-572-0440


Office of the State Auditor
Utah State Capitol Complex
East Office Building, Suite E310
Salt Lake City, UT 84114-2310



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2 attachments

 **OSA_Impact-Fee-Report-Example_Revised-7_21_2023.xlsx**
36K

 **OSA_Impact-Fee-Report-Example_Revised-8_13_2021 (2).xlsx**
25K

Seth Oveson <soveson@utah.gov>

Wed, Aug 16, 2023 at 12:21 PM

To: John Dougall <jdougall@utah.gov>

John,

I wanted to follow up on the Impact fee schedule changes. The changes in the impact fee schedule should help us follow the code 11-36a-601 Accounting for Impact Fees more closely.

Key Differences:

- 1) Column to detail the project that the impact fee is budgeted to cover. (required by 11-36a-601(4)(c)(iii))
- 2) Fee allocation methodology - This will provide transparency as to how the project applies to a specific project. This addresses one of the main concerns from the Salt Lake court case (This would not be required by the code unless it is 11-36a-601(4)(d)(i) - in a format developed by the state auditor.
- 3) Changes to the impact fees on hand to show the individual fees with interest allocated and costs deducted (required by 11-36a-601(3)).
- 4) Shows expenditures for each fund or ledger account 11-36a-601(4)

If this is implemented, we will change our process to begin reviewing impact fee reports for the following (:

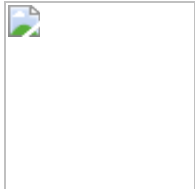
- 1) Impact fees on hand ties to restricted funds on the annual financial report
- 2) Interest for impact fees are allocated to each fee on hand
- 3) Impact fees balances are tracked individually and not in aggregate
- 3) Each fee on hand is budgeted towards a specific project that is included in the impact fee study.
- 4) Expenditures show an allocation methodology.

This will be a fairly large lift in the first year as we train people how to do this correctly. None of the impact fee collecting entities track at this level of detail at this time. I would suggest we make it required for December 31 year ends which would give us some time to cover the changes in our fall trainings and put an online training video out on our site.

Thanks,

Seth Oveson, CPA
Manager, Local Governments Division
435-572-0440

Office of the State Auditor
Utah State Capitol Complex
East Office Building, Suite E310
Salt Lake City, UT 84114-2310




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2 attachments

 **OSA_Impact-Fee-Report-Example_Revised-7_21_2023.xlsx**
40K

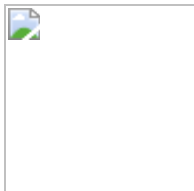
 **OSA_Impact-Fee-Report-Example_Revised-8_13_2021 (2) (1).xlsx**
25K

Seth Oveson <soveson@utah.gov>
To: Parker Van Eerden <pvan@utah.gov>

Here you are - this should have the old one and the new one.

Seth Oveson, CPA
Manager, Local Governments Division
435-572-0440

Office of the State Auditor
Utah State Capitol Complex
East Office Building, Suite E310
Salt Lake City, UT 84114-2310



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2 attachments

 **OSA_Impact-Fee-Report-Example_Revised-7_21_2023.xlsx**
36K

 **OSA_Impact-Fee-Report-Example_Revised-8_13_2021 (2).xlsx**
25K



Seth Oveson <soveson@utah.gov>

Impact Fee Schedule

1 message

Seth Oveson <soveson@utah.gov>
To: Parker Van Eerden <pvan@utah.gov>

Wed, May 10, 2023 at 3:39 PM

Parker, Please take a look at the attached impact fee schedule and let me know if you think it meets the requirements.

Seth Oveson, CPA
Manager, Local Governments Division
435-572-0440

Office of the State Auditor
Utah State Capitol Complex
East Office Building, Suite E310
Salt Lake City, UT 84114-2310



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 **OSA_Impact-Fee-Report-Example_Revised-5_10_2023.xlsx**
35K



Seth Oveson <soveson@utah.gov>

Impact Fee Schedule

1 message

Seth Oveson <soveson@utah.gov>

Mon, Nov 6, 2023 at 11:54 AM

Reply-To: Seth Oveson <soveson@utah.gov>

To: jmccosh@hideoututah.gov

Bcc: 3713udjq90gvtvnm.8ylde1hn81w36hl1@tmnsmkt4tb8qy82c.e5rew.41-2kuxveae.na225.seu.salesforce.com

Here is a link to the Impact fee report and Auditor Alert

Seth Oveson
Supervisor, Local Governments Division
435-572-0440

Office of the State Auditor
Utah State Capitol Complex
East Office Building, Suite E310
Salt Lake City, UT 84114-2310

Local government reporting requirements can be found on the local government resource center:
resources.auditor.utah.gov

State Reporting Site: reporting.auditor.utah.gov/UtahLogin

3 attachments



2023-02-Impact-Fee-Reporting-DRAFT-10.26.23.pdf
37K



2022 CPA Workpaper Review Results.pdf
49K



DRAFT_OSA_Impact-Fee-Report-Example_Revised-7_21_2023 (1).xlsx
36K



Seth Oveson <soveson@utah.gov>

Impact fees

1 message

Richard Anderson <richard.anderson@loganutah.org>
To: Seth Oveson <soveson@utah.gov>

Mon, Oct 30, 2023 at 11:13 AM

Seth,

Thanks for taking my comments and suggestions regarding the updated impact fees report example.

1) In the current example, the "Current Year Activity" summary tab is completely redundant and should be eliminated entirely.

For a small city who collects 5 impact fee transactions a year (such as your example), this tab might seem fun. But for larger cities who might collect hundreds of impact fee transactions, this tab is an extreme amount of detailed busy work that adds no value whatsoever. From my perspective, the only thing that is on this tab that is not on the detailed tab is "Fee Allocation Methodology", and the Fee Allocation Methodology is NOT required by 11-36a-601. Therefore, this entire tab should be scratched.

2) The interest calculation in the example is problematic

I recognize that there is no perfect system, but the problem with the calculation in the example is that if for the current year, if revenues are evenly collected and expenses are evenly distributed, then in theory there would be no interest earned. I like your example somewhat for simplicity sake, but trying to tie specific interest to a specific fee in this way is not accurate. It will result in either overstating or understating interest earned for that specific fee based on the specific timing of transactions. If a fee were ever refunded, the interest calculation would have to be specific to that fee. Adding interest here in this way only complicates that subsequent calculation.

3) How would we report expenses in excess of revenue collections?

In the example, it appears that we do not report expenses in excess of revenues. Do we simply report those the next year as expenses of the next fiscal year? If we are adding interest to revenue, we should probably add interest to expenses each year for excess expenses to be fair.

4) Can we not allow aggregate reporting of total revenue and project reporting of expenses in total, with detailed reporting of impact fee balances on hand at the end of the year with aggregate interest?

11-36a-601 requires a report for "each fund or ledger account, i.e., each impact fee, by fund. It requires all revenues and expenses, but does not require detail reporting of each expense by fee collected. It only requires detail in 11-36a-601(4) (b) referring to "all impact fee funds that the local political subdivision has on hand **at the end of the fiscal year.**" If we took this approach only providing detail on balances held, then a summary page showing revenue collected and expenses by project would then also make sense (otherwise see #1).

All in all, I don't think this changes dramatically what we have prepared in the past. The information is all the same, albeit organized a little differently, and more detailed on balances. However, I don't think it improves anything over what we have reported previously either. I believe more detailed we try to be the more difficult and specifically inaccurate (think carefully about the interest calculation above) this will be and the more time it will take to produce. Furthermore, dollars are fungible, regardless of what 11-36a-601 says, dollars in a bank account do not have serial numbers. So, to a certain extent it is pointless to try to put serial numbers on them by being so detailed in our reporting (i.e., trying to apply interest to each fee, applying specific expenses, and allocating to a specific project - absent specifics in the Impact Fee Study).

I believe we improve things by simplifying. I believe we cut costs by avoiding complex reporting that adds marginal value.

The court system seems to apply a reasonable person standard to all their interpretations of State Laws. I would suggest we do the same.

Thanks for your time!

--

Rich Anderson CPA, CFE, CGFM, CPFO
Director of Finance
City of Logan
435-716-9180
Richard.Anderson@LoganUtah.org



Seth Oveson <soveson@utah.gov>

RE: (EXTERNAL) Salt Lake City Impact Fees

4 messages

Atkinson, Mike <michael.atkinson@slcgov.com>

Fri, May 19, 2023 at 1:15 PM

To: Parker Van Eerden <pvan@utah.gov>

Cc: Seth Oveson <soveson@utah.gov>

Good afternoon,

I am requesting more time to reply to your questions. I will be out of town until May 30, 2023 and need additional time to reply. I will be able to have a response to you by end of day June 5, 2023. I hope this will work for you.

Thanks,

Mike Atkinson

From: Parker Van Eerden <pvan@utah.gov>
Sent: Thursday, May 11, 2023 3:45 PM
To: Atkinson, Mike <michael.atkinson@slcgov.com>
Cc: Seth Oveson <soveson@utah.gov>
Subject: (EXTERNAL) Salt Lake City Impact Fees

Caution: This is an external email. Please be cautious when clicking links or opening attachments.

Good afternoon,

While reviewing Salt Lake City's 2022 Impact Fee Report and 2022 Financial Report, we found an inconsistency. In SLC's 2022 Financial Report, the fund balance restricted for Impact Fees is reported as \$44,666,105 but in the 2022 Impact Fee Report, the impact fee revenues on hand is reported as \$44,871,980. In this case, the Office of the State Auditor assumes that the amount listed in the Audited Financial Report lists the correct amount.

Also, the 2022 Impact Fee Report does not include a relation between the development projects that impact fees are collected from and the projects those funds are being spent on. We would like to know the city's method for determining this relation.

Our Office is Requesting two pieces of information from you for clarification.

1. An explanation of the \$205,875 difference between reported impact fees on hand in the 2022 Audited Financial Report (\$44,666,105) and the 2022 Impact Fee Report (\$44,871,980).
2. SLC's methodology for determining how impact fees collected from a development are applied to projects expending those funds

Please reply with your responses by **Thursday, May 25th**.

Feel free to contact myself or Seth Oveson (435-572-0440; soveson@utah.gov) with any questions you may have.

Best Regards,

--

Parker Van Eerden | Local Government Analyst

Office of the State Auditor | auditor.utah.gov

Phone: 801-419-3113 | Email: pvan@utah.gov

Parker Van Eerden <pvan@utah.gov>
 To: "Atkinson, Mike" <michael.atkinson@slcgov.com>
 Cc: Seth Oveson <soveson@utah.gov>

Fri, May 19, 2023 at 2:08 PM

Hi Mike,

June 5th will work for your responses to these questions.

Thank you,

-Parker

[Quoted text hidden]

Atkinson, Mike <michael.atkinson@slcgov.com>
 To: Parker Van Eerden <pvan@utah.gov>
 Cc: Seth Oveson <soveson@utah.gov>

Mon, Jun 5, 2023 at 4:30 PM

Good afternoon,

Please see our responses below and our attached updated FY22 Impact Fee Report.

1. An explanation of the \$205,875 difference between reported impact fees on hand in the 2022 Audited Financial Report (\$44,666,105) and the 2022 Impact Fee Report (\$44,871,980).

The difference between the 2022 Audited Financial Report and the 2022 Impact Fee Report, was caused by unrecorded liabilities. The encumbrances for unrecorded liability GL entries were inadvertently included along with the GL entries, effectively duplicating \$205,875 of expenditures on this report. The error exists in the Impact Fee Report only.

These transactions and their effects have been adjusted in the new submittal.

2. SLC's methodology for determining how impact fees collected from a development are applied to projects expending those funds

SLC uses the First-In-First-Out (FIFO) method to apply expenditures from projects listed in the Impact Fee Facilities Plan to Impact Fee Revenues on Hand.

Upon reviewing the State Auditor's Impact Fee Template, Salt Lake City has adjusted the new submittal to include the following:

- report current year Impact Fees received and expenditures by fund,
- report all Impact Fees on hand at the end of the fiscal year by:
 - the year in which it was received;
 - the project from which the impact fee funds were collected;
 - the project for which the impact fee funds are budgeted; and
 - the projected schedule of expenditures.

Thanks,



Mike J. Atkinson, CFA

CAP Manager, Capital Asset Planning Team

FINANCE | SALT LAKE CITY CORPORATION

Phone: (801) 535-6420

Email: michael.atkinson@slcgov.com

WWW.SLC.GOV

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 **FY2022 Impact Fee Report.xlsx**
149K

Parker Van Eerden <pvan@utah.gov>
To: "Atkinson, Mike" <michael.atkinson@slcgov.com>
Cc: Seth Oveson <soveson@utah.gov>

Tue, Jun 6, 2023 at 2:57 PM

Mike,

Thank you for providing us with this information. I have changed the status of the 2022 Impact Fee Report on the State Reporting Site to "Action Required". Please upload the amended 2022 Impact Fee Report to the State Reporting Site at your earliest convenience. <https://reporting.auditor.utah.gov/>

Best Regards,

Parker

[Quoted text hidden]



Seth Oveson <soveson@utah.gov>

RE: Auditor Alert 2023-02 Impact Fee Reporting

1 message

Cade Visser <cvisser@ivins.com>
To: "soveson@utah.gov" <soveson@utah.gov>

Mon, Oct 30, 2023 at 10:25 AM

Seth,

What do I need to do to receive auditor alerts in the future?

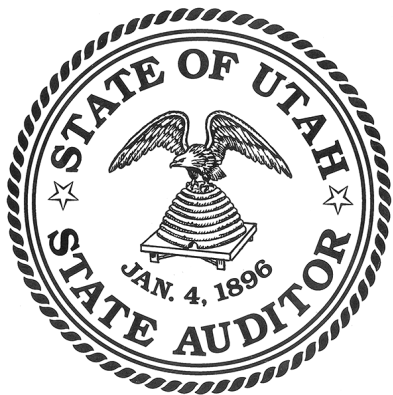
Thanks,

Cade

From: Kari Jimenez <KJimenez@ivins.com>
Sent: Friday, October 27, 2023 9:53 AM
To: Cade Visser <cvisser@ivins.com>
Subject: FW: Auditor Alert 2023-02 Impact Fee Reporting

Here is the other email that was sent to me. Thanks.

From: Office of the State Auditor <stateauditor@utah.gov>
Sent: Friday, October 27, 2023 9:00 AM
To: Kari Jimenez <KJimenez@ivins.com>
Subject: Auditor Alert 2023-02 Impact Fee Reporting



OFFICE OF THE STATE AUDITOR

Auditor Alert 2023-02

Date: October 26, 2023

Subject: Impact Fee Reporting

Introduction

The Office of the State Auditor provides a sample impact fee report example on the [Local Government Resource Center](#) for local government entities to meet the annual impact fee report requirement. The impact fee report sample has been updated with additional reporting requirements that more closely adhere to statutory reporting requirements for impact fees collected by local government entities.

Impact Fee Reporting Requirements

The Office of the State Auditor has revised the impact fee report example to better comply with the reporting requirements outlined in *Utah Code 11-36a-601(4)*. The revised impact fee report example can be found at [this link](#). Using this revised report example, a local government entity that collects impact fees will be required to track and report:

1. All new revenues collected through impact fees by development project.
2. The specific project(s) for which the newly collected impact fee revenues are budgeted.
3. The project(s) where impact fees were spent (tracked by each fee).

4. Which specific project(s) on-hand impact fees from each development project are budgeted.

The purpose of these changes is to help local government entities adhere to statutory reporting requirements and to be able to track where impact fee funds collected from a specific development project are being spent to ensure they are being used in compliance with *Utah Code 11-36a-602*. This will allow the Office of the State Auditor and members of the public to verify that the funds collected from development projects through impact fees are being used on specific system improvements identified in the impact fee facilities plan.

Conclusion

All impact fee reports submitted to the Office of the State Auditor for years ending after December 15, 2023 should follow the new format found on the Local Government Resource Center. Additionally, the amounts reported on the annual impact fee report should agree to the restricted fund balance (for impact fees) on the financial statements. Reports that do not agree will be returned to the entity for correction.

Comment Period

In an effort to make our publications accurate and useful to our intended audience, we invite individuals who work for and with local government entities to read this draft and provide comments. The comment period will last 30 days. Comments should be submitted to Seth Oveson at soveson@utah.gov by December 1, 2023.

Please click the URL below to see the draft alert.

<https://auditor.utah.gov/wp-content/uploads/sites/6/2023/10/2023-02-Impact-Fee-Reporting-DRAFT-10.26.23.pdf>

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Seth Oveson <soveson@utah.gov>

RE: Auditor Alert 2023-02 Impact Fee Reporting

2 messages

Bruce Moio <Bruce@cssutah.org>
To: Seth Oveson <soveson@utah.gov>

Fri, Oct 27, 2023 at 9:14 AM

Seth we never have collected impact fees, why would we receive this email?

Thank you

Bruce S. Moio

Director of Accounting

Children's Service Society of Utah

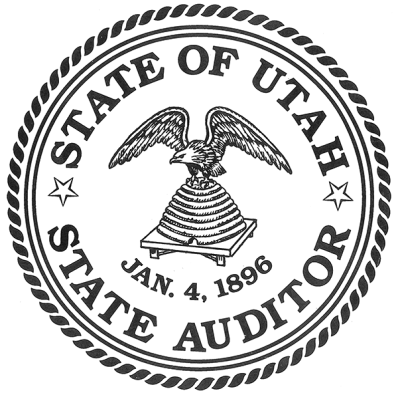
[655 East 4500 South #200 | SLC, UT 84107](#)

D: 801.326.4365 | F: 801.355.7453

bruce@cssutah.org | www.cssutah.org

Caring for Utah's families since 1884

From: Office of the State Auditor <stateauditor@utah.gov>
Sent: Friday, October 27, 2023 9:00 AM
To: Bruce Moio <Bruce@cssutah.org>
Subject: Auditor Alert 2023-02 Impact Fee Reporting



OFFICE OF THE STATE AUDITOR

Auditor Alert 2023-02

Date: October 26, 2023

Subject: Impact Fee Reporting

Introduction

The Office of the State Auditor provides a sample impact fee report example on the [Local Government Resource Center](#) for local government entities to meet the annual impact fee report requirement. The impact fee report sample has been updated with additional reporting requirements that more closely adhere to statutory reporting requirements for impact fees collected by local government entities.

Impact Fee Reporting Requirements

The Office of the State Auditor has revised the impact fee report example to better comply with the reporting requirements outlined in *Utah Code 11-36a-*

601(4). The revised impact fee report example can be found at [this link](#). Using this revised report example, a local government entity that collects impact fees will be required to track and report:

1. All new revenues collected through impact fees by development project.
2. The specific project(s) for which the newly collected impact fee revenues are budgeted.
3. The project(s) where impact fees were spent (tracked by each fee).
4. Which specific project(s) on-hand impact fees from each development project are budgeted.

The purpose of these changes is to help local government entities adhere to statutory reporting requirements and to be able to track where impact fee funds collected from a specific development project are being spent to ensure they are being used in compliance with *Utah Code 11-36a-602*. This will allow the Office of the State Auditor and members of the public to verify that the funds collected from development projects through impact fees are being used on specific system improvements identified in the impact fee facilities plan.

Conclusion

All impact fee reports submitted to the Office of the State Auditor for years ending after December 15, 2023 should follow the new format found on the Local Government Resource Center. Additionally, the amounts reported on the annual impact fee report should agree to the restricted fund balance (for impact fees) on the financial statements. Reports that do not agree will be returned to the entity for correction.

Comment Period

In an effort to make our publications accurate and useful to our intended audience, we invite individuals who work for and with local government entities to read this draft and provide comments. The comment period will last 30 days. Comments should be submitted to Seth Oveson at soveson@utah.gov by December 1, 2023.

Please click the URL below to see the draft alert.

<https://auditor.utah.gov/wp-content/uploads/sites/6/2023/10/2023-02-Impact-Fee-Reporting-DRAFT-10.26.23.pdf>

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Seth Oveson <soveson@utah.gov>
To: Bruce Moio <Bruce@cssutah.org>

Thu, Nov 16, 2023 at 8:28 AM

Bruce,

At one point in time you signed up to receive auditor alerts from our office. When we send an alert it goes to all entities - in this case you received one that doesn't apply to you. We do try to limit this kind of communication to not cause a burden on local officials sifting through what applies and what does not.

Thanks,

Seth Oveson, CPA
Manager, Local Governments Division
435-572-0440

Office of the State Auditor
Utah State Capitol Complex
East Office Building, Suite E310

Salt Lake City, UT 84114-2310



Local government reporting requirements can be found on the local government resource center: resources.auditor.utah.gov

State Reporting Site: reporting.auditor.utah.gov/UtahLogin

[Quoted text hidden]



Seth Oveson <soveson@utah.gov>

Salt Lake City Impact Fees

1 message

Parker Van Eerden <pvan@utah.gov>
To: michael.atkinson@slcgov.com
Cc: Seth Oveson <soveson@utah.gov>

Thu, May 11, 2023 at 3:45 PM

Good afternoon,

While reviewing Salt Lake City's 2022 Impact Fee Report and 2022 Financial Report, we found an inconsistency. In SLC's 2022 Financial Report, the fund balance restricted for Impact Fees is reported as \$44,666,105 but in the 2022 Impact Fee Report, the impact fee revenues on hand is reported as \$44,871,980. In this case, the Office of the State Auditor assumes that the amount listed in the Audited Financial Report lists the correct amount.

Also, the 2022 Impact Fee Report does not include a relation between the development projects that impact fees are collected from and the projects those funds are being spent on. We would like to know the city's method for determining this relation.

Our Office is Requesting two pieces of information from you for clarification.

1. An explanation of the \$205,875 difference between reported impact fees on hand in the 2022 Audited Financial Report (\$44,666,105) and the 2022 Impact Fee Report (\$44,871,980).
2. SLC's methodology for determining how impact fees collected from a development are applied to projects expending those funds

Please reply with your responses by **Thursday, May 25th**.

Feel free to contact myself or Seth Oveson (435-572-0440; soveson@utah.gov) with any questions you may have.

Best Regards,

--

Parker Van Eerden | Local Government Analyst
Office of the State Auditor | auditor.utah.gov
Phone: 801-419-3113 | Email: pvan@utah.gov



Seth Oveson <soveson@utah.gov>

SLC Impact Fee Meeting

1 message

Eliza H. Burnett <EBurnett@rqn.com>

Fri, Apr 28, 2023 at 9:54 AM

To: Justin Toth <jtoth@rqn.com>, "soveson@utah.gov" <soveson@utah.gov>

Cc: Brandy Sears <bsears@rqn.com>

 **invite.ics**
2K