Meeting Date: **10/6/2015**

Report Type: Consent

Report ID: 2015-00858

City of SACRAMENTO 03

City Council Report
915 I Street, 1st Floor
www.CityofSacramento.org

Title: North Natomas Drainage Fees Disbursement and Waiver and Release

Location: District 1

Recommendation: Pass a Resolution 1) appropriating funds to reimburse Lennar Communities from drainage fees for expenses incurred in the construction of drainage facilities benefitting schools and civic uses; and 2) authorizing a waiver and release regarding the collection of drainage fees.

Contact: Mark Griffin, Manager, (916) 808-8788, Department of Finance

Presenter: None

Department: Finance

Division: Public Improvement Finance

Dept ID: 06001321

Attachments:

1-Description/Analysis

2-Background

3-Resolution

4-Exhibit A

City Attorney Review

Approved as to Form
Joseph Cerullo
9/30/2015 12:41:41 PM

Approvals/Acknowledgements

Department Director or Designee: Leyne Milstein - 9/28/2015 4:11:12 PM

Description/Analysis

Issue: Drainage fees have been collected over the past fourteen years under the North Natomas Financing Plan (Plan) to reimburse Lennar Winncrest for the construction of common, backbone drainage improvements benefitting schools and City civic uses. Appropriation authority is necessary to release the funds. A waiver and release is necessary to disburse the funds to Lennar Winncrest, to release the City from any liability for past fee collections, and to establish expectations for the collection of drainage fees from schools that might be constructed in the future.

Policy Considerations: California Government Code Section 66000, et seq. provides for the imposition of development impact fees and their use. Development impact fees cannot be comingled with other funds, must be used for the purposes for which the fee was imposed or be returned to the payer, and must earn interest. The disbursement to the intended recipient is consistent with state law and with the Plan. The waiver and release also releases the City from any liability regarding constructed schools and defines the expectations of the parties regarding two school sites that are consistent with the Standard Development Agreement and the Plan.

Environmental Considerations: Passage of the resolution is not a “project” subject to CEQA because (a) it has no potential to cause a significant effect on the environment and (b) it pertains to continuing administrative activities. (14 Cal. Code Regs. §§ 15061(b)(3), 15378(b)(2).)

Committee/Commission Action: None

Rationale for Recommendation: The Natomas Unified School District (NUSD), from which the fees were collected, does not object to the disbursement of funds to the intended recipient. The waiver and release will permit that disbursement to proceed and will release the City from any known liability regarding the collection of drainage fees from constructed schools. The waiver and release further defines the intent of the parties to the two remaining school sites, committing them to use good-faith efforts to implement a practical means for the collection of drainage fees on future schools.

Financial Considerations: The total of all fees collected is $550,837.50. Combined with interest earnings of $188,155.50, the total available for disbursement is $738,993.00. These funds are reserved for drainage fee reimbursement purposes in the Plan accounts and are recommended for disbursement with approval of the waiver and release. There is no impact on the General Fund or on other activities of the Plan.

Local Business Enterprise (LBE): Not applicable.

Background

When the North Natomas Community Plan and Financing Plan (Plan) were under development in the 1990s, a group of landowners, developers, City staff, school staff, and a wide variety of other interested parties formed a “Working Group” to design policies and procedures for City Council approval. There was widespread involvement and buy-in. One feature of the adopted Plan was the option of financing drainage sub-basins with Mello-Roos bond districts, in which case all land uses would be taxed except school and civic parcels, which were to pay drainage fees (1999 Plan, page IX-4 adopted by Resolution 99-471). If no Mello-Roos bonds were used, there were also to be no drainage fees for civic and school uses. This policy is unchanged to this day.

From 1999 to 2001, Lennar Winncrest constructed common, backbone drainage sub-basin facilities benefitting lands on which six school sites were planned by the NUSD and the Twin Rivers Unified School District (TRUSD). Mello-Roos bonds were used, which triggered the Plan requirement that drainage fees be imposed for schools and civic uses.

Four schools were constructed out of six sites subject to the drainage fee policy. Fees in the amount of $414,350 were collected for two schools on August 9, 2001, both constructed by the NUSD, on the good faith understanding that the fees were due under the Plan.

No mechanisms other than the Plan were in place to require payment of the fee by the schools. There are no formal agreements between the schools and the City concerning the collection or the disbursement of drainage fees. The agreements between Lennar Winncrest and the City (City Agreements 98-109-1, 2001-805, 2002-030, and 98-067) include some reimbursement provisions, but these do not function properly. The provisions, present in two of the agreements, require the fee “be payable upon such landowner’s first recordation of a…map, or issuance to such landowner of a special permit, whichever first occurs” [City Agreement 98-109-1, Exhibit G, Section 2 (a)]. However, the developer itself recorded the maps and the schools are not obligated to acquire special permits from the City. Finally, the six land sales agreements between Lennar and the schools have no provision for the payment of drainage fees.

At various times over the past ten years, the NUSD, the TRUSD, Lennar Winncrest, and the City have attempted to resolve the matter. In spite of the deficiencies, the NUSD has no objection to the disbursement of collected fees to Lennar Winncrest. A letter from NUSD to Lennar Homes to this effect is included at the end of this section.

As a matter of state law, the funds held by the City must either be returned to the payer or disbursed to the developer. Interest must also be disbursed.

Lennar is willing to release any rights it holds to fees not collected from the two other constructed schools in exchange for the fees on hand with interest and the City’s good

faith commitment to work with Lennar and the schools to collect fees for the two schools remaining to be built when they are constructed.

The intent of the Plan has always been to charge the drainage fees. The Standard North Natomas Development Agreement between the City and all developers in North Natomas commits all parties to abide by the terms of the Plan. The waiver and release commits the City to explore in good faith a workable method to implement the terms of the Plan on two remaining school sites, if possible.

A map of all six sites is provided at the end of this section.

The City civic use fees were handled differently. The City, as a party to City Agreement 98-109-1 (Agreement) covering Basin 1, agreed that fees would be determined in accordance with a “Technical Supplement” to the Agreement. The Technical Supplement accounts for all costs by all developers (the City also constructed facilities) and allocates those costs to each acre by land use. The difference between an owner’s cost and benefit represents the amount to be received from or paid to other owners. A payment amount represents the fee. The Technical Supplement is updated periodically to account for new construction and to update estimates of improvements yet to be built. The last update was in February 2010. As shown below, the City’s “fee” is $136,487.

Overall Cost Summary
2010 Technical Supplement Update
Cost Breakdown by Constructing Entity
4/5/2010

Item	Total Current & Future Construction	Total Estimated Obligation	Difference Over (Under)
Revised Estimate 2004 Totals	**$36,479,744**		
1 Lennar Constructed Facilities	**$21,499,215**		
2 Lennar Future Construction	**$0**		
Lennar Total	**$21,499,215**	**$12,808,288**	**$8,690,926**
1 Schumacher Constructed Facilities	**$6,395,686**		
2 Schumacher Future Construction	**$1,520,307**		
Schumacher Total	**$7,915,993**	**$15,048,776**	**($7,132,783)**
1 JMA Constructed Facilities	**$1,170,747**		
2 JMA Future Construction	**$0**		
JMA Total	**$1,170,747**	**$1,938,528**	**($767,780)**
1 Lewis Constructed Facilities	**$4,536,375**		
2 Lewis Future Construction	**$95,389**		
Lewis Total	**$4,631,764**	**$5,285,641**	**($653,877)**
1 City of Sacto Constructed Facilities	**$1,262,024**		
2 City of Sacto Future Construction	**$0**		
City of Sacto Total	**$1,262,024**	**$1,398,511**	**($136,487)**
1 Subtotal Constructed Facilities	**$34,864,048**		
2 Subtotal Future Construction	**$1,615,696**		
Total Check	**$36,479,744**	**$36,479,744**	**$0**

Prepared by:
Wood Rodgers Inc.

The total of all fees collected is $550,837.50. Combined interest earned is $188,155.50, for a grand total of $738,993.00. All amounts have been reserved. The waiver and release will disburse the funds to Lennar Communities as well as release the City of any liability over the collection of past fees and commit the City to work in good faith with Lennar to implement a practical means for collecting drainage fees on future schools that may be constructed on certain parcels.

The letter from NUSD to Lennar Communities representing their position on the fees is as follows:

Natomas
Unified School District
Connecting students to their future

Board of Trustees
B. Teri Burns
Scott Dosick
Ryan Herche
Susan Heredia
Lisa Kaplan

Chris Evans, Superintendent

May 17, 2013

Don Barnett
Community Planning Manger
Lennar Homes
1075 Creekside Ridge Drive, Suite 100
Roseville, CA 95678

Re: Natomas Drainage Fees

Dear Mr. Barnett:

On July 6, 1999, Lennar Winncrest, LLC ("Lennar") and the Natomas Unified School District (the "District") entered into a Purchase and Sale Agreement for the Natomas Park Elementary School site. In response to entering into that agreement, the District paid approximately $175,000 to the City for drainage fees related to the construction of the Natomas Park Elementary School. The District paid the drainage fees related to the Natomas Park Elementary School in 2000 during the time the District was building the Natomas Park School facility. These fees have remained on deposit at the City since then.

Next, in August 1999, Lennar and the District entered into a Purchase and Sale Agreement for the Charter School site. The District paid approximately $240,000 to the City for drainage fees related to the construction of the Charter School. The District paid the drainage fees related to the Charter School also in 2000 during the time the District was building the Charter School facility. These fees have remained on deposit at the City since then.

Finally, on August 13, 2002, Lennar and the District entered into a Purchase and Sale Agreement for the Northborough Elementary School site, the site for the Heron School. No drainage fees were ever paid to the City related to the construction of the Heron School.

In January of this year, you contacted the District to inquire as to the status of the drainage fees. After thorough consideration of the matter, the District is willing to have released to Lennar, the money that is currently deposited with the City. At your request, the District will contact the City and provide them with our approval for the release of the funds. The District is, however, unwilling to pay any additional monies related to the drainage fees with regards to the schools discussed in this letter. The District does not believe that, at this point, there is any legal basis to compel further payment by the District.

Please contact me at (916) 567-5457 if you have any questions / concerns, or if you would like to meet with me regarding this matter.

Sincerely,

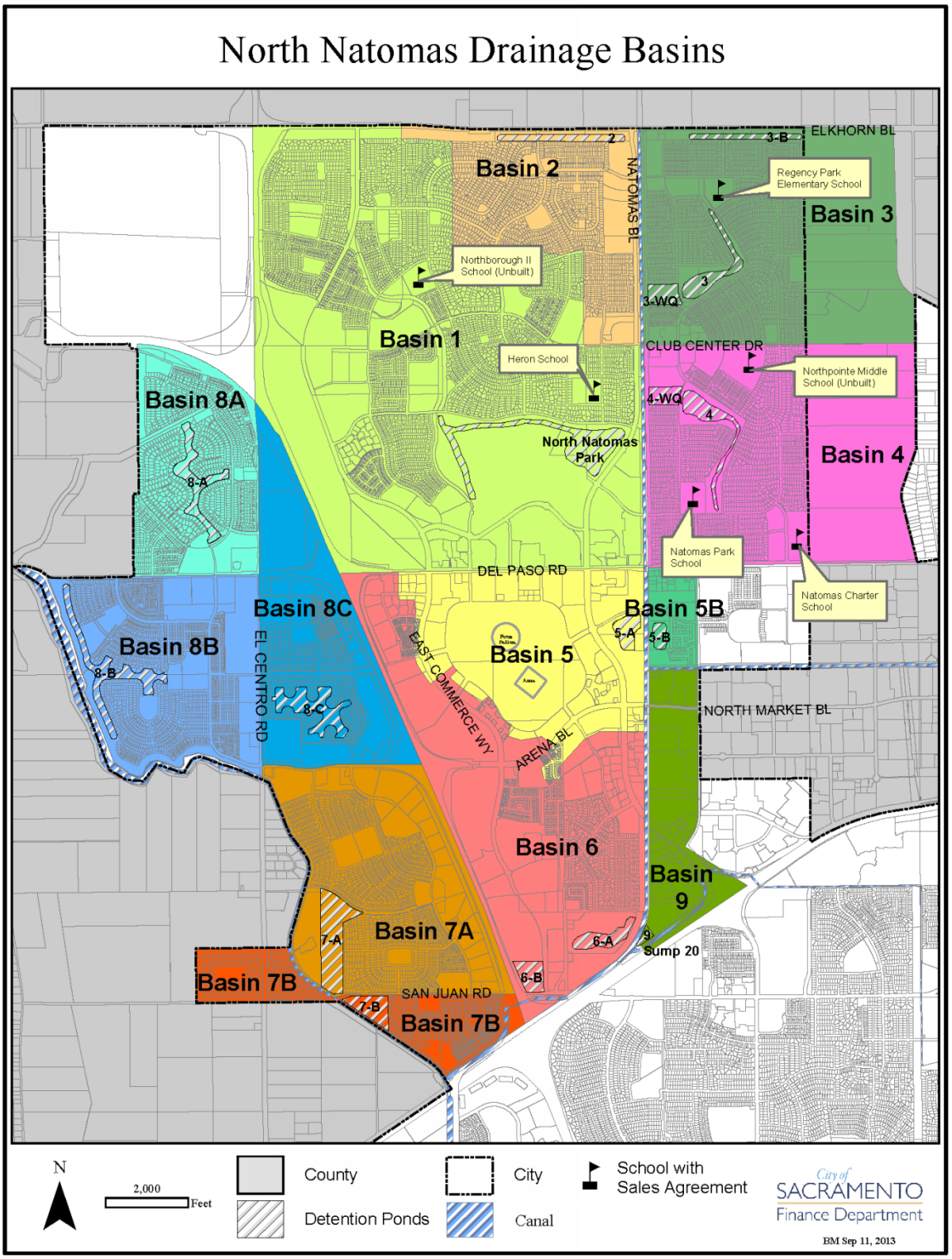
Douglas Crancer

Douglas Crancer,
Assistant Superintendent of Business Services

cc: Constantine C. Baranoff
Jeffrey L. Massey
Chris Evans

1901 Arena Blvd., Sacramento, CA 95834
(916) 567-5400

The map showing developed and undeveloped school sites is as follows:



RESOLUTION NO.

Adopted by the Sacramento City Council
on October 6, 2015

APPROPRIATION OF NORTH NATOMAS DRAINAGE FEES AND EXECUTION OF WAIVER AND RELEASE

BACKGROUND

A. Under the North Natomas Financing Plan (the "**Plan**"), drainage fees are to be collected on civic uses to reimburse developers that construct drainage improvements benefiting the civic uses.

B. In accordance with the following City Agreements, Lennar Winncrest, LLC ("**Lennar**") has constructed, and the City has accepted, drainage facilities that benefit civic uses: 98-109-1, dated November 19, 1998 (covering Basin 1); 2001-805, dated September 7, 2001 (covering Basin 2); 2002-030, dated February 7, 2002 (covering Basin 3); and 98-067, dated June 10, 1998 (covering Basin 4).

C. In calendar-year 2001, the City collected drainage fees in the amount of $414,350.50 from the Natomas Unified School District for two schools constructed within Basin 4. In accordance with the Plan and City Agreement 98-109-1 (covering Basin 1), the City set aside $136,487, representing the City's fair share of the cost to construct the North Natomas Library and the Town Center.

D. As required by Government Code § 66006, the drainage fees collected were not comingled with other revenues, and all interest earned on the fees was credited to the purposes for which the fees were collected.

E. The total of all drainage fees collected and reserved, plus interest, is $738,993. An appropriation of the drainage fees collected and the accumulated interest is necessary to reimburse the Lennar.

F. The City has agreed to disburse to Lennar the drainage fees collected to date from the Natomas Unified School District; Lennar has agreed to release the City from any claims Lennar may have in connection with drainage fees that have not been collected from school districts within the Plan area in the past; and the City and Lennar have agreed to use good-faith efforts to implement a practical means for collecting drainage fees on future schools that may be constructed on certain parcels.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The City Manager is authorized to appropriate $738,993 from the fund balance of the North Natomas Drainage Fee Fund (3205) for the purposes described in the Background.

Section 2. The City Manager is authorized to execute on the City's behalf the Waiver and Release attached to this resolution as Exhibit A.

Waiver and Release

Reimbursement for Storm Drainage Improvements for City Civic Uses and Constructed School Facilities Pursuant to the North Natomas Financing Plan

This agreement is between the **City of Sacramento** (the "City"), a California municipal corporation; and Lennar Winncrest, LLC. ("Landowner").

Background

A. Landowner has constructed drainage facilities that benefit lands in the North Natomas Finance Plan area identified in Exhibit A ("Benefit Area") that belong to other landowners who did not contribute their proportional share of the cost thereof at the time of construction. Landowner has completed the drainage facilities and they have been accepted by the City as required by the Agreements for Construction of Drainage Improvements dated November 19, 1998, and entered into by the City and Landowner ("Drainage Agreement").

B. On August 9, 2001, the City received drainage fees paid by the Natomas Unified School District for two of four constructed schools located in the Benefit Area in the total amount of $414,350.50, has maintained the funds in a separate account that has not been commingled with any other development or impact fees collected with respect to the North Natomas Financing Plan Area, and as of May 1, 2015, has earned interest in the City's demand account ("Pool A") in the amount of $177,251.93.

C. The City also reserved drainage fees for all City civic uses in the Benefit Area in the amount of $136,487 in accordance with the 2010 Technical Supplement Update for Drainage Basin Number One, Community Facilities District Number Four (Wood Rodgers Inc., May 6, 2010) and consistent with the North Natomas Financing Plan. The City has maintained the funds in a separate account that has not been commingled with any other development or impact fees collected with respect to the North Natomas Financing Plan Area and as of May 1, 2015, has earned interest in the City's Pool A in the amount of $10,903.57.

D. No drainage fees were paid for the Regency Park Elementary School (parcel number 201-0540-050) and the Heron Elementary School (parcel number 225-004-0036) located in the Twin Rivers School District and the Natomas Unified School District (collectively "School Districts"), respectively.

E. The City does not possess any other drainage fees paid by landowners or reserved by the City for civic uses located in the Benefit Area.

With these background facts in mind, the City and Landowner agree as follows:

1. **The City's obligations with respect to City civic uses and constructed school facilities.** The City shall pay **$738,993.00** to Landowner, by check, within 30 days after the effective date of this agreement (see section 7 below). This amount represents the total reimbursement the City owes Landowner for drainage fees collected from other landowners and reserved by the City plus accumulated interest earned within the Benefit Area.

2. **The obligation of the parties with respect to schools not yet constructed.** The parties also agree to use good faith efforts to implement a practical means for collecting drainage fees on future schools that may be constructed on parcel numbers 201-0440-016 and 225-1060-039, including but not limited to, researching legally enforceable collection mechanisms, invoicing the School Districts for drainage fees incurred and meeting with personnel from the School Districts. To the extent all or any portion of such parcels become City owned, the City shall reserve drainage fees at the time of construction on said parcels.

3. **The obligation of the parties with respect to schools constructed for which no drainage fees were paid.** In the event that Landowner continues efforts to collect the drainage fees listed in Recital D above from the School Districts after the effective date of this agreement, the City agrees to provide relevant information in its possession related to the drainage fees, including information regarding the North Natomas Financing Plan, the Benefit Area, and applicable reimbursement agreements, to Landowner and the School Districts.

4. **Landowner's Release of Liability.** The following provisions are effective when the City has fully performed its payment obligation under section 1:

   (a) **Release.** Except as otherwise provided in Section 4(d), Landowner unconditionally and forever releases and discharges the City and the City's elected officials, officers, employees, and agents from all debts, claims, damages, and causes of action of any kind that pertain to, arise out of, or are in any way connected with, the City's obligations under the North Natomas Financing Plan for City civic uses and constructed school facilities. This release and discharge is to be broadly interpreted. It covers all acts, omissions, transactions, and events that relate to the City's obligations under the North Natomas Financing Plan to reimburse Landowner for the drainage fees collected under the North Natomas Financing Plan for City civic uses and constructed school facilities prior to the date of this agreement. It also includes any claim by Landowner for attorneys' fees, penalties, interest, and costs in any way connected with reimbursement for the drainage fees collected under the North Natomas Financing Plan for City civic uses and constructed school facilities prior to the date of this agreement. This release and discharge—

      (1) applies not just to Landowner but also to all persons and entities claiming by, through, under, or in concert with Landowner; and

(2) covers all claims, rights, liabilities, demands, obligations, duties, promises, costs, expenses, damages, and other losses or rights of any kind—past, present, and future—whatever the theory of recovery, and whether known or unknown, patent or latent, suspected or unsuspected, fixed or contingent, or matured or un-matured.

(b) **Waiver of Civil Code section 1542.** Landowner waives all rights and benefits that it has, and all rights and benefits that any person or entity claiming by, through, under, or in concert with it may have, under Civil Code section 1542, which provides as follows:

> **A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known to him or her must have materially affected his or her settlement with the debtor.**

This release under Civil Code section 1542 applies only to the claims Landowner may have concerning collection of drainage fees for City civic uses and constructed school facilities prior to the date of this agreement under the North Natomas Financing Plan.

(c) **Future claims.** Landowner acknowledges that after it enters into this agreement it may discover unknown or unsuspected claims or facts that are in addition to, or different from, the facts and claims it intends hereby to release fully, finally, and forever. Landowner further acknowledges that those unknown or unsuspected facts and claims are covered by the release in subsection 2(a) and the waiver in subsection 2(b) to the extent they pertain to, or arise out of, any acts, omissions, transactions, or events that relate to any agreement or understanding the City and Landowner may have concerning reimbursement for the lands transferred under the Reimbursement Agreement for City civic uses and constructed school facilities.

(d) **Exceptions.** The provisions of Sections 4(a), 4(b) and 4(c) are not applicable to the following: (i) the City's obligations under section 2; (ii) the City's obligations under section 3; and (iii) the City's obligation to promptly pay Landowner drainage fees collected in the future within the Benefit Area.

4. **Binding effect.** This agreement binds and inures to the benefit of the parties' successors and assigns.

5. **Severability.** If a court of competent jurisdiction rules that any part of this agreement is invalid, unenforceable, or contrary to law or public policy, then the rest of this agreement remains valid and fully enforceable.

6. **Interpretation.** This agreement is to be interpreted and applied in accordance with California law, except that that the rule of interpretation in California Civil Code section 1654 will not apply.

7. **Litigation costs and attorneys' fees.** The parties shall bear their own costs and attorneys' fees incurred in connection with this agreement.

8. **Effective date.** This agreement is effective on the date both parties have signed it, as indicated by the dates in the signature blocks below. The parties shall sign any additional documents that are reasonably necessary to carry out the intent and purposes of this agreement.

9. **Counterparts.** The parties may execute this agreement in counterparts, each of which will be considered an original, but all of which will constitute the same agreement.

10. **Waiver.** A party's failure to insist on strict performance of this agreement or to exercise any right or remedy upon breach of this agreement will not constitute a waiver of the performance, right, or remedy. No waiver is binding unless set forth in a writing signed by the waiving party.

11. **Integration and modification.** This agreement sets forth the parties' entire understanding regarding the matters set forth above and is intended to be their final, complete, and exclusive expression of those matters. It supersedes all prior or contemporaneous agreements, representations, and negotiations—written, oral, express, or implied—and may be modified only by another written agreement signed by both parties.

City of Sacramento

By:_____
John Dangberg, Assistant City Manager,
Date: _____, 2015

Approved as to Legal Form
Sacramento City Attorney

By:_____
Michael Voss
Senior Deputy City Attorney

Attest
City Clerk

Lennar Winncrest, LLC
BY: Lennar Homes of California, Inc.

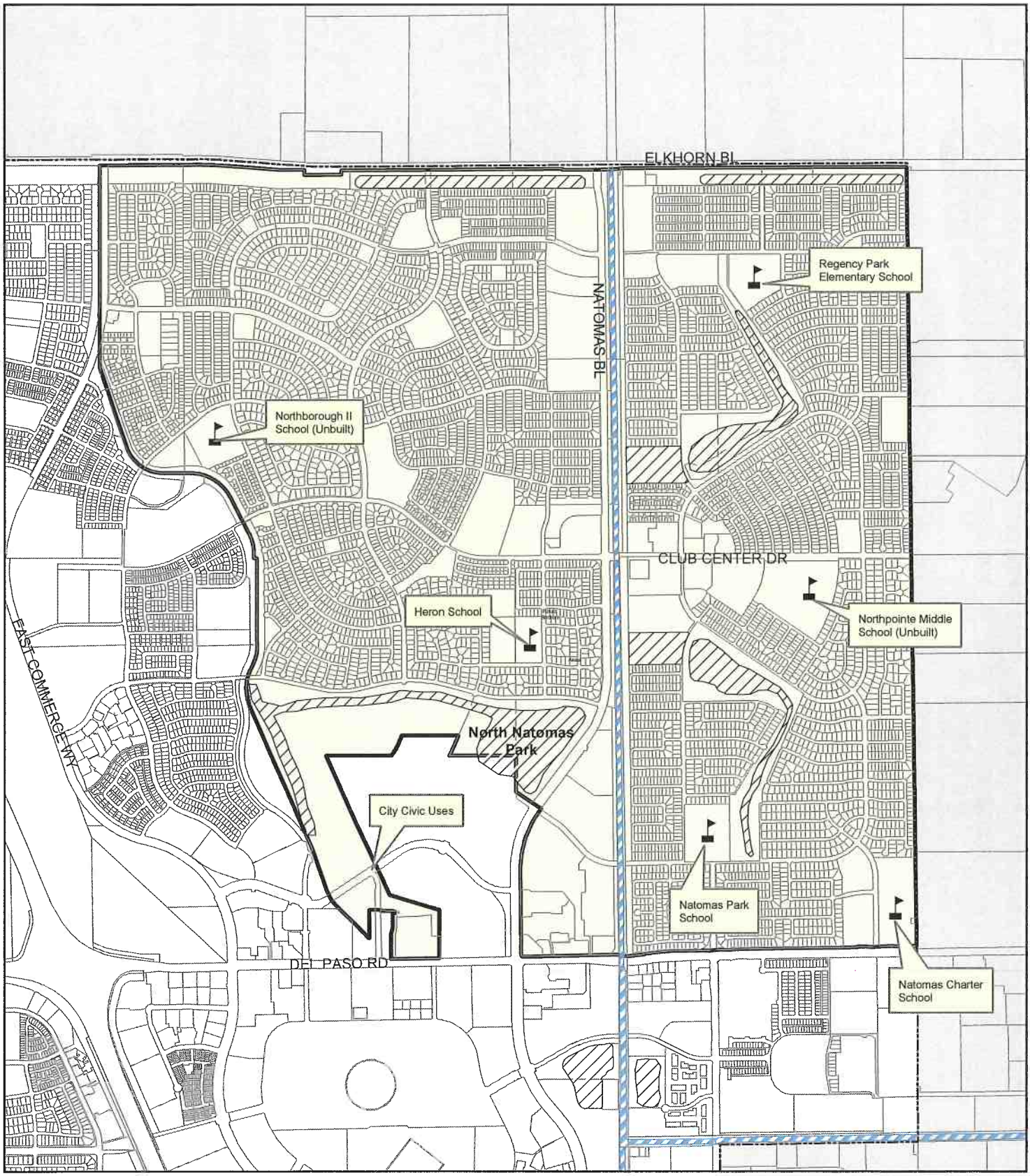
By:_____
NAME: Larry Gualco
TITLE: Vice President
Date: _____, 2015

Approved as to Legal Form
Boutin Jones, Inc.

By:_____
Jeffry R. Jones
Attorneys for Lennar Winncrest, LLC

By: _____

Exhibit A: Benefit Area



N

1,500 Feet

County

Detention Ponds

City

Canal

School with Sales Agreement

City of SACRAMENTO Finance Department

BM May 19, 2015

City of Sacramento
Lennar Winncrest, LLC. Drainage Fees Payable Calculation

	Month	Year	# of Days Per Month	Net Investment Income to be Allocated	Average General Ledger Daily Cash Balance	Allocated Rate of Return (Annualized)	School Fees			City Civic	
							Perodic Rate	Interest	Running Balance	Interest	Running Balance
Fiscal Year											
2001-2002	July	2001	31	2,830,354	703,540,356	4.74%			414,350.50		
	August	2001	31	2,948,833	696,364,902	4.99%	0.31%	1,277.31	415,627.81		
	September	2001	30	2,222,502	676,723,370	4.00%	0.33%	1,383.97	417,011.78		
	October	2001	31	2,462,042	649,215,478	4.47%	0.37%	1,551.69	418,563.47		
	November	2001	30	2,348,470	637,960,958	4.48%	0.37%	1,562.22	420,125.69		
	December	2001	31	2,419,085	666,419,158	4.27%	0.36%	1,496.35	421,622.04		
	January	2002	31	2,272,184	675,032,552	3.96%	0.33%	1,392.49	423,014.53		
	February	2002	28	2,034,105	660,935,866	4.01%	0.33%	1,414.24	424,428.77		
	March	2002	31	2,148,102	676,247,917	3.74%	0.31%	1,322.83	425,751.60		
	April	2002	30	2,384,209	657,108,849	4.41%	0.37%	1,566.22	427,317.82		
	May	2002	31	2,128,238	653,745,223	3.83%	0.32%	1,364.94	428,682.76		
	June	2002	30	2,152,358	650,927,924	4.02%	0.34%	1,437.17	430,119.93		
								0.00	430,119.93		
2002-2003	July	2002	31	2,743,946	723,754,706	4.46%	0.37%	1,600.01	431,719.94		
	August	2002	31	2,806,066	717,252,720	4.61%	0.38%	1,657.21	433,377.15		
	September	2002	30	3,280,003	731,235,596	5.46%	0.45%	1,970.94	435,348.09		
	October	2002	31	1,844,062	720,735,372	3.01%	0.25%	1,092.91	436,441.01		
	** November	2002	30	6,431,430	699,719,097	11.18%	0.93%	4,067.24	440,508.25		
	December	2002	31	2,060,023	709,066,407	3.42%	0.29%	1,255.71	441,763.95		
	*** January	2003	31	1,789,764	719,134,305	2.93%	0.24%	1,078.76	442,842.72		
	*** February	2003	28	824,604	715,938,458	1.50%	0.13%	554.08	443,396.80		
	*** March	2003	31	1,473,362	805,196,840	2.15%	0.18%	796.07	444,192.87		
	April	2003	30	1,725,319	809,695,275	2.59%	0.22%	959.64	445,152.51		
	May	2003	31	3,685,772	804,232,633	5.40%	0.45%	2,001.73	447,154.24		
	June	2003	30	1,886,185	777,017,439	2.95%	0.25%	1,100.53	448,254.77		
								0.00	448,254.77		
								0.00	448,254.77		
2003-2004	July	2003	31	1,260,925	761,573,499	1.95%	0.16%	728.20	448,982.97		
	August	2003	31	1,265,401	774,955,139	1.92%	0.16%	719.34	449,702.31		
	September	2003	30	1,325,575	745,743,429	2.16%	0.18%	810.46	450,512.76		
	October	2003	31	1,108,938	798,118,582	1.64%	0.14%	614.18	451,126.94		
	November	2003	30	1,318,353	786,360,838	2.04%	0.17%	766.83	451,893.77		
	December	2003	31	1,131,153	757,123,181	1.76%	0.15%	662.43	452,556.21		
	January	2004	31	1,183,067	772,655,347	1.80%	0.15%	679.90	453,236.11		
	February	2004	29	954,155	779,551,989	1.54%	0.13%	581.85	453,817.96		
	March	2004	31	2,582,247	784,892,608	3.87%	0.32%	1,464.94	455,282.90		
	April	2004	30	690,198	816,344,745	1.03%	0.09%	390.28	455,673.17		
	May	2004	31	850,901	808,058,878	1.24%	0.10%	470.80	456,143.98		
	June	2004	30	1,021,225	808,320,413	1.54%	0.13%	584.29	456,728.27		
								0.00	456,728.27		
2004-2005	July	2004	31	1,080,380	797,290,545	1.60%	0.13%	607.25	457,335.52		
	August	2004	31	1,680,236	811,144,282	2.44%	0.20%	929.52	458,265.03		
	September	2004	30	1,215,702	782,418,637	1.89%	0.16%	721.93	458,986.96		
	October	2004	31	1,424,334	785,566,506	2.13%	0.18%	816.54	459,803.51		
	November	2004	30	1,429,502	757,475,580	2.30%	0.19%	879.79	460,683.30		
	December	2004	31	1,213,417	717,048,029	1.99%	0.17%	764.92	461,448.21		
	January	2005	31	1,476,749	720,507,137	2.41%	0.20%	927.99	462,376.20		
	February	2005	28	1,720,558	736,669,438	3.04%	0.25%	1,173.13	463,549.33		

City of Sacramento
Lennar Winncrest, LLC. Drainage Fees Payable Calculation

	Month	Year	# of Days Per Month	Net Investment Income to be Allocated	Average General Ledger Daily Cash Balance	Allocated Rate of Return (Annualized)	School Fees			City Civic	
							Perodic Rate	Interest	Running Balance	Interest	Running Balance
Fiscal Year											
	March	2005	31	1,480,894	750,957,435	2.32%	0.19%	896.92	464,446.25		
	April	2005	30	2,113,859	770,414,033	3.34%	0.28%	1,292.04	465,738.30		
	May	2005	31	1,301,132	777,667,870	1.97%	0.16%	764.57	466,502.87		
	June	2005	30	2,029,277	767,418,496	3.22%	0.27%	1,250.70	467,753.57		
								0.00	467,753.57		
2005-2006	July	2005	31	1,699,129	704,910,174	2.84%	0.24%	1,106.27	468,859.84		
	August	2005	31	1,771,450	693,192,925	3.01%	0.25%	1,175.62	470,035.46		
	September	2005	30	1,888,107	718,260,607	3.20%	0.27%	1,252.75	471,288.21		
	October	2005	31	1,878,565	708,338,370	3.12%	0.26%	1,226.37	472,514.58		
	November	2005	30	1,747,521	667,637,789	3.18%	0.27%	1,253.97	473,768.55		
	December	2005	31	1,770,475	636,885,349	3.27%	0.27%	1,292.24	475,060.80		
	January	2006	31	1,891,901	644,394,002	3.46%	0.29%	1,368.50	476,429.30		
	February	2006	28	2,091,569	642,801,419	4.24%	0.35%	1,684.02	478,113.32		
	March	2006	31	2,065,660	666,315,997	3.65%	0.30%	1,454.32	479,567.64		
	April	2006	30	2,142,668	683,624,662	3.81%	0.32%	1,523.97	481,091.61		
	May	2006	31	2,314,001	693,454,964	3.93%	0.33%	1,575.15	482,666.77		
	June	2006	30	2,770,814	826,298,532	4.08%	0.34%	1,641.00	484,307.76		
								0.00	484,307.76		
2006-2007	July	2006	31	2,931,849	803,285,092	4.30%	0.36%	1,734.38	486,042.14		
	August	2006	31	3,117,372	848,487,333	4.33%	0.36%	1,752.13	487,794.27		
	September	2006	30	3,095,227	845,008,127	4.46%	0.37%	1,811.58	489,605.86		
	October	2006	31	2,885,976	790,602,496	4.30%	0.36%	1,753.60	491,359.46		
	November	2006	30	3,069,081	777,200,600	4.80%	0.40%	1,967.27	493,326.74		
	December	2006	31	2,905,022	766,496,146	4.46%	0.37%	1,834.53	495,161.26		
	January	2007	31	2,767,977	738,026,119	4.42%	0.37%	1,822.16	496,983.43		
	February	2007	28	2,811,846	745,400,040	4.92%	0.41%	2,036.56	499,019.99		
	March	2007	31	3,137,692	797,529,305	4.63%	0.39%	1,926.33	500,946.32		
	April	2007	30	2,884,941	759,870,042	4.62%	0.38%	1,928.32	502,874.64		
	May	2007	31	3,075,244	778,330,019	4.65%	0.39%	1,949.51	504,824.15		
	June	2007	30	3,346,847	823,562,004	4.94%	0.41%	2,080.03	506,904.18		
								0.00	506,904.18		
2007-2008	July	2007	31	3,573,489	804,868,306	5.23%	0.44%	2,208.23	509,112.41		
	August	2007	31	3,318,241	770,067,843	5.07%	0.42%	2,152.50	511,264.91		
	September	2007	30	3,031,476	750,730,315	4.91%	0.41%	2,093.18	513,358.09		
	October	2007	31	3,159,264	737,231,489	5.05%	0.42%	2,158.50	515,516.59		
	November	2007	30	2,875,756	731,294,290	4.78%	0.40%	2,055.38	517,571.97		
	December	2007	31	2,824,952	692,293,685	4.80%	0.40%	2,072.25	519,644.22		
	January	2008	31	2,916,150	735,372,248	4.67%	0.39%	2,021.90	521,666.11		
	February	2008	29	2,629,632	800,894,163	4.13%	0.34%	1,796.50	523,462.61		
	March	2008	31	2,672,885	789,600,226	3.99%	0.33%	1,738.64	525,201.24		
	April	2008	30	2,177,513	791,890,588	3.35%	0.28%	1,464.24	526,665.48		
	May	2008	31	2,301,795	855,202,754	3.17%	0.26%	1,390.86	528,056.34		
	June	2008	30	1,955,964	854,034,687	2.79%	0.23%	1,226.19	529,282.52		
								0.00	529,282.52		
2008-2009	July	2008	31	2,184,039	780,861,788	3.29%	0.27%	1,452.53	530,735.05		
	August	2008	31	1,918,393	732,631,180	3.08%	0.26%	1,363.58	532,098.63		
	September	2008	30	2,012,564	677,896,945	3.61%	0.30%	1,601.65	533,700.28		
	October	2008	31	2,057,545	673,821,654	3.60%	0.30%	1,599.01	535,299.29		

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							Perodic Rate	Interest	Running Balance	Interest	Running Balance
Fiscal Year											
	November	2008	30	(1,717,998)	664,023,131	-3.15%	-0.26%	(1,404.19)	533,895.10		
	December	2008	31	1,697,671	620,611,624	3.22%	0.27%	1,432.98	535,328.08		
	January	2009	31	1,487,733	615,331,471	2.85%	0.24%	1,269.95	536,598.02		
	February	2009	28	1,525,765	658,226,378	3.02%	0.25%	1,351.19	537,949.21		
	March	2009	31	1,574,782	649,272,355	2.86%	0.24%	1,280.22	539,229.43		
	April	2009	30	1,115,741	657,813,810	2.06%	0.17%	927.31	540,156.74		
	May	2009	31	977,451	700,332,086	1.64%	0.14%	739.71	540,896.45		
	June	2009	30	1,009,841	689,604,200	1.78%	0.15%	803.08	541,699.53		
								0.00	541,699.53		
2009-2010	July	2009	31	970,397	660,663,954	1.73%	0.14%	780.69	542,480.21		
	August	2009	31	938,087	631,232,079	1.75%	0.15%	791.02	543,271.23		
	September	2009	30	1,225,295	608,306,742	2.45%	0.20%	1,109.49	544,380.73		
	October	2009	31	948,755	597,407,207	1.87%	0.16%	848.27	545,229.00		
	November	2009	30	911,781	572,742,556	1.94%	0.16%	880.04	546,109.04		
	December	2009	31	904,712	547,712,695	1.94%	0.16%	885.09	546,994.13		
	January	2010	31	920,911	586,240,630	1.85%	0.15%	843.09	547,837.22		136,487.00
	February	2010	28	983,492	609,421,167	2.10%	0.18%	960.41	548,797.63	239.28	136,726.28
	March	2010	31	973,458	597,134,006	1.92%	0.16%	877.82	549,675.46	218.70	136,944.97
	April	2010	30	949,588	597,972,291	1.93%	0.16%	885.02	550,560.47	220.49	137,165.47
	May	2010	31	1,275,025	632,007,977	2.38%	0.20%	1,089.81	551,650.28	271.51	137,436.98
	June	2010	30	963,190	640,516,161	1.83%	0.15%	841.08	552,491.36	209.54	137,646.52
								0.00	552,491.36	0.00	137,646.52
2010-2011	July	2010	31	910,815	664,648,410	1.61%	0.13%	742.87	553,234.23	185.08	137,831.60
	August	2010	31	908,141	642,249,751	1.66%	0.14%	767.55	554,001.78	191.23	138,022.83
	September	2010	30	1,105,947	606,624,715	2.22%	0.18%	1,024.04	555,025.82	255.13	138,277.95
	October	2010	31	794,700	586,076,471	1.60%	0.13%	738.43	555,764.26	183.97	138,461.93
	November	2010	30	780,370	560,099,901	1.70%	0.14%	785.08	556,549.34	195.59	138,657.52
	December	2010	31	1,111,085	530,748,859	2.46%	0.21%	1,143.17	557,692.51	284.81	138,942.33
	January	2011	31	1,191,675	543,003,745	2.58%	0.22%	1,200.88	558,893.39	299.18	139,241.51
	February	2011	28	793,770	603,109,890	1.72%	0.14%	799.06	559,692.45	199.08	139,440.59
	March	2011	31	1,015,428	581,335,684	2.06%	0.17%	959.23	560,651.68	238.98	139,679.57
	April	2011	30	878,175	582,873,493	1.83%	0.15%	856.43	561,508.11	213.37	139,892.94
	May	2011	31	730,610	627,853,452	1.37%	0.11%	641.11	562,149.22	159.73	140,052.66
	June	2011	30	759,426	647,252,484	1.43%	0.12%	668.73	562,817.95	166.61	140,219.27
								0.00	562,817.95	0.00	140,219.27
2011-2012	July	2011	31	964,937	611,351,523	1.86%	0.15%	871.62	563,689.57	217.15	140,436.42
	August	2011	31	1,670,186	616,820,563	3.19%	0.27%	1,497.60	565,187.17	373.11	140,809.53
	September	2011	30	1,354,859	595,764,100	2.77%	0.23%	1,303.17	566,490.35	324.67	141,134.20
	October	2011	31	726,746	592,010,998	1.45%	0.12%	682.33	567,172.68	169.99	141,304.20
	November	2011	30	975,910	561,917,157	2.11%	0.18%	998.72	568,171.40	248.82	141,553.01
	December	2011	31	690,416	547,311,057	1.49%	0.12%	703.24	568,874.64	175.20	141,728.22
	January	2012	31	1,155,319	577,369,011	2.36%	0.20%	1,116.90	569,991.54	278.26	142,006.48
	February	2012	29	759,725	625,774,901	1.53%	0.13%	725.81	570,717.35	180.83	142,187.31
	March	2012	31	836,823	612,957,412	1.61%	0.13%	764.49	571,481.84	190.46	142,377.77
	April	2012	30	1,225,915	675,531,673	2.21%	0.18%	1,051.50	572,533.34	261.97	142,639.74
	May	2012	31	1,520,606	704,434,450	2.54%	0.21%	1,212.63	573,745.96	302.11	142,941.85
	June	2012	30	1,767,679	730,667,799	2.94%	0.25%	1,407.32	575,153.28	350.62	143,292.47
								0.00	575,153.28	0.00	143,292.47

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Fiscal Year											
2012-2013	July	2012	31	655,147	714,770,570	1.08%	0.09%	517.26	575,670.54	128.87	143,421.33
	August	2012	31	515,134	729,744,953	0.83%	0.07%	398.72	576,069.26	99.34	143,520.67
	September	2012	30	1,404,756	710,749,077	2.40%	0.20%	1,154.38	577,223.65	287.60	143,808.27
	October	2012	31	1,023,402	686,380,462	1.76%	0.15%	844.45	578,068.10	210.39	144,018.66
	November	2012	30	765,035	647,265,117	1.44%	0.12%	692.74	578,760.84	172.59	144,191.24
	December	2012	31	537,584	613,108,972	1.03%	0.09%	497.92	579,258.76	124.05	144,315.30
	January	2013	31	964,063	659,086,434	1.72%	0.14%	831.35	580,090.11	207.12	144,522.42
	February	2013	28	605,710	730,237,015	1.08%	0.09%	522.70	580,612.81	130.22	144,652.64
	March	2013	31	599,019	743,971,473	0.95%	0.08%	458.69	581,071.50	114.28	144,766.92
	April	2013	30	617,168	949,521,437	0.79%	0.07%	382.93	581,454.43	95.40	144,862.32
	May	2013	31	935,246	976,784,826	1.13%	0.09%	546.25	582,000.68	136.09	144,998.41
	June	2013	30	514,632	987,990,379	0.63%	0.05%	307.37	582,308.05	76.58	145,074.99
2013-2014	July	2013	31	622,415	994,343,814	0.74%	0.06%	357.64	582,665.69	89.10	145,164.09
	August	2013	31	572,194	994,843,562	0.68%	0.06%	328.82	582,994.50	81.92	145,246.01
	September	2013	30	700,475	960,103,767	0.89%	0.07%	431.25	583,425.76	107.44	145,353.45
	October	2013	31	634,797	957,643,987	0.78%	0.07%	379.46	583,805.22	94.54	145,447.99
	November	2013	30	753,844	912,838,745	1.00%	0.08%	488.82	584,294.03	121.78	145,569.77
	December	2013	31	1,098,037	878,686,045	1.47%	0.12%	716.42	585,010.45	178.49	145,748.26
	January	2014	31	635,135	923,159,844	0.81%	0.07%	394.91	585,405.36	98.39	145,846.65
	February	2014	28	869,035	983,937,516	1.15%	0.10%	561.67	585,967.03	139.93	145,986.58
	March	2014	31	893,216	955,044,787	1.10%	0.09%	537.72	586,504.75	133.97	146,120.55
	April	2014	30	681,471	958,801,337	0.86%	0.07%	422.65	586,927.40	105.30	146,225.84
	May	2014	31	323,868	999,063,267	0.38%	0.03%	186.68	587,114.08	46.51	146,272.36
	June	2014	30	591,228	1,002,056,808	0.72%	0.06%	351.22	587,465.30	87.50	146,359.86
2014-2015**	July	2014	31	614,322	957,188,383	0.76%	0.06%	369.94	587,835.24	92.17	146,452.02
	August	2014	31	393,941	933,433,465	0.51%	0.04%	251.53	588,086.77	62.67	146,514.69
	September	2014	30	461,768	904,649,635	0.62%	0.05%	304.35	588,391.12	75.83	146,590.51
	October	2014	31	580,445	898,031,787	0.76%	0.06%	373.15	588,764.28	92.97	146,683.48
	November	2014	30	480,868	856,291,056	0.68%	0.06%	335.23	589,099.50	83.52	146,767.00
	December	2014	31	1,319,935	839,968,126	1.85%	0.15%	908.30	590,007.80	226.29	146,993.29
	January	2015	31	N/A	N/A	0.89%	0.07%	437.59	590,445.39	109.02	147,102.31
	February	2015	28	N/A	N/A	0.82%	0.07%	403.47	590,848.86	100.52	147,202.83
	March	2015	31	N/A	N/A	0.68%	0.06%	334.81	591,183.67	83.41	147,286.24
	April	2015	30	N/A	N/A	0.85%	0.07%	418.76	591,602.43	104.33	147,390.57
								Interest	177,251.93		10,903.57
								Principal	414,350.50		136,487.00
								Totals	591,602.43		147,390.57

	Totals
Interest	188,155.50
Principal	550,837.50
Totals	738,993.00

*** Amortized historical cost basis, net of Treasury Recovery Fee**

**** Fiscal 2015 has not been allocated by Accounting. The Allocated Rate of Return is net of Recovery Fee per the Treasurer's Office.**