

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE KNIGHTS LANDING  
COMMUNITY SERVICES DISTRICT, APPROVING A FIVE YEAR INTERNAL LOAN OF  
DEVELOPMENT IMPACT FEES FOR DISTRICT OPERATING COSTS**

**WHEREAS**, pursuant to California Government Code section 66006 (a), the Knights Landing County Service District (KLCSD) may require the payment of development fees in connection with specific projects and shall deposit it with other fees for the improvement in a separate capital facilities account to avoid commingling of the fees and shall only expend those fees for the purpose for which the fee was collected; and

**WHEREAS**, KLCSD has previously established development impact fees for Parks, Water, Sewer, Sewer Ponds and an Auxiliary Power Generator; and

**WHEREAS**, according to California Government Code section 66006 (G), interfund transfers or loans of Development fees may be made, so long as the District reports within 180 days after the last day of the fiscal year, a report is prepared documenting a description of the interfund transfer or loan made, the public improvement on which the transferred fees or loaned fees will be expended, the date the interfund loan will be repaid, and the rate of interest that the account will receive on the loan; and

**WHEREAS**, the KLCSD Board was notified on April 27, 2020 by the Chief Financial Officer of the County of Yolo that the district had exhausted its unrestricted cash resources in the County Treasury and needed to indentify a source of operating resources, otherwise the district would no longer be allowed to expend from the Treasury until achieving a positive cash balance; and

**WHEREAS**, the KLCSD plans to borrow formally from its restricted development impact fees in order to allow the district time to improve their financial position which will be repaid over a measured time period; and

**WHEREAS**, the District expects borrowing \$250,000 for these fees will allow sufficient time of six to twelve months for the district to make steps to improve their financial sustainability.

**NOW, THEREFORE, BE IT RESOLVED** by the Knights Landing Community Services District as follows:

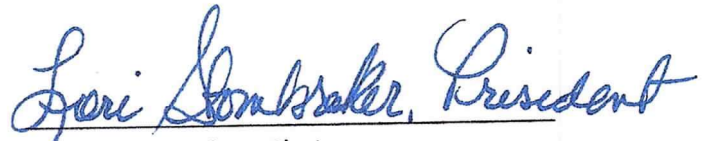
1. The Board finds and determines that the foregoing recitals are true and correct.
2. The Board finds good cause to approve a loan of Development Impact Fees from its restricted accounts in the amount of \$250,000 which shall be repaid within five years of

3. The KLCSD Board specifically will utilize the following Development Impact Fee accounts and amounts to execute this loan:

- Parks \$29,000
- Water \$79,000
- Sewer \$114,000
- Sewer Ponds \$19,000
- Auxiliary Power \$9,000

PASSED AND ADOPTED by the KLCSD Board of Directors at a regular meeting on May 19, 2020 by the following vote:

AYES:  
NOES:  
ABSTENTIONS:  
ABSENT:



Lori Stonebraker, Chair  
Knights Landing Community Services District