



# ANNUAL & FIVE YEAR DEVELOPER FEE REPORT FY 2020/2021

## CLOVIS UNIFIED SCHOOL DISTRICT

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November 10, 2021



# TABLE OF CONTENTS

EXECUTIVE SUMMARY _____	3
ANNUAL REPORTING REQUIREMENTS _____	5
A. Type of Fee _____	5
B. Amount of Fee _____	5
C. Beginning and Ending Balances _____	5
D. Amount of Fees Collected and Interest Earned _____	6
E. Improvements on Which Fees Were Expended _____	6
F. Incomplete Projects Funded with Developer Fee Revenues _____	6
G. Interfund Transfers or Loans _____	6
H. Refunds of School Fees _____	6
FIVE-YEAR REPORTING REQUIREMENTS _____	7
APPENDIX A _____	9

# EXECUTIVE SUMMARY

Under Education Code 17620 et seq., school districts may levy fees (“School Fees”) in order to offset the impacts to school facilities from new residential and commercial development. Commencing January 1, 1987, statutory school fees were authorized to be levied in the amount of \$1.50 per square foot of new residential assessable space and \$0.25 per square foot of enclosed commercial or industrial assessable space (“Level 1 Fees”), and are subject to an increase of the statutory fees based on the Statewide cost index for Class B construction, as determined by the State Allocation Board every two years. With the passage of Senate Bill 50 (the Leroy F. Greene School Facilities Act) in 1998, the State School Facility Program was established, and provides school districts with the option of adopting alternative school fees (also known as “Level II Fees” and “Level III Fees”) in excess of the Level I Fee upon meeting certain requirements, and are valid for a maximum of one (1) year.

In accordance with Government Code Sections 66001 and 66006, Clovis Unified School District (“School District”) shall, within 180 days after the last day of the fiscal year and at least 15 days prior to a public meeting of the Board of Education, make available to the public certain information regarding the collection and expenditure of School Fees collected under the authorization of Education Code Section 17620 et seq and Government Code Section 65995 et seq. This information shall consist of the following for the prior fiscal year (the “Annual Report”):

- Beginning balances
- Ending balances
- Amount of Fees Collected
- Interest earned
- Identification of any inter-fund transfers or loans, if applicable
- Amounts of any refunds
- Identification of the program on which Fees were expended, including the percentage of the cost of the project funded by Fees in connection with school facilities to accommodate additional students from new development if funded or partially funded with fees.
- Identification of an approximate date by which the construction of the public improvement will commence if the School District determines that sufficient funds have been collected to complete financing on an incomplete public improvement.

In addition, the School District must identify the following information with respect to the portion of the School Fee account and/or subaccounts remaining unexpended, whether committed or uncommitted (the “Five-Year Report”):

- Identification of the purpose to which the School Fee is to be expended
- Demonstration of a reasonable relationship between the School Fee and the purpose for which it is charged
- Identification of all sources and amounts of funding anticipated to complete financing for incomplete projects and the approximate date funding is expected to be deposited.

For the purposes of annual and five-year reporting requirements, School Fees do not include letters of credit and bond proceeds secured by payment of School Fees at a future date; revenues from developments under special mitigation agreements; or any other financing instrument used by the School District to fund school facilities construction and improvements. The Board of Education will review the Annual Report and Five-Year Report (collectively the “Report”) at the next regularly scheduled Board meeting, at least 15 days after the Report was made available to the public. In addition, at least 15 days prior to the meeting, the School District will post a public notice of the time and place of the meeting, including information with respect to where the Report may be reviewed, and will mail the public notice to any interested party who filed a written request with the School District for mailed notice of such meeting.

# ANNUAL REPORTING REQUIREMENTS

This report contains certain information regarding the type, amount, collection and expenditure of School Fees for Fiscal Year 2020/2021. Each of the capitalized letters A-H below correspond to the specific letter and portion of Government Code 66006.

## A. Type of Fee

Clovis Unified collects both Level I Fees and Level II Fees. Level I Fees are collected pursuant to Sections 17620 et seq. of the Education Code and Sections 66001 and 65995 et seq. of the Government Code. School Fees are deposited into the Capital Facilities Fund, Fund 25. Level I Fees are levied on square footage of assessable space for commercial/industrial construction/reconstruction and residential construction/reconstruction (primarily residential additions). Additionally, pursuant to Sections 65995.5, 65995.6, and 65995.7 of the Government Code, the School District collected Level II Fees.

## B. Amount of Fee

For collection purposes, all unmitigated residential construction/reconstruction in the School District was subject to School Fees in the amounts set forth in the table below.

Fee Type	Effective Dates	School Fee Per Square Foot
Level I Fees Residential Additions/Remodels	July 1, 2020 – June 30, 2021	\$4.08
Level I Fees Commercial/Industrial	July 1, 2020 – June 30, 2021	\$0.66
Level II Fees New Residential Construction	July 1, 2020 – June 30, 2021	\$4.94

## C. Beginning and Ending Balances

July 1, 2020 Beginning Fund Balance	\$ 18,058,603.93
June 30, 2021 Ending Fund Balance	\$ 40,195,590.96

## D. Amount of Fees Collected and Interest Earned

Source	Revenue
Amount of Fees Collected	\$ 24,675,207.86
Fair Market Adjustment*	\$ 5,532.69
Interest Earned	\$ 199,235.32
<b>TOTAL REVENUE</b>	<b>\$ 24,879,975.87</b>

\* An accounting entry required when the auditors examine the return on investments received from the Fresno County Treasurer's Pool

## E. Improvements on Which Fees Were Expended

Project	Expense
Purchase/Lease of Relocatable Classrooms & Site Preparation*	\$ 723,580.60
Deposits/Purchase of Land & Site Preparation*	\$ 539,491.35
Legal/Enrollment Studies	\$ 223,559.89
Other Indirect & Support Services	\$ 1,256,357.00
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,742,988.84</b>

\*See Appendix A for detailed information

## F. Incomplete Projects Funded with Developer Fee Revenues

Project	Estimated Completion
All Projects Complete	n/a

\* As of June 30, 2021

## G. Interfund Transfers or Loans

No interfund loans or transfers were made during the reporting period.

## H. Refunds of School Fees

Government Code Section 66001 (e) stipulates that Clovis Unified is required to refund unexpended portions of fees and interest accrued to property owners, should the School District determine that sufficient funds have become available to complete any incomplete projects (as described under Government Code 66006 (b) (1) (F)) but not identify an approximate date by which construction of the public improvements will commence within 180 days, subject to exceptions described under Government Code 66001 (f). However, no such refunds were issued in the 2020/2021 fiscal year.

# FIVE-YEAR REPORTING REQUIREMENTS

In accordance with Government Code Section 66001, the District provides the following information for fiscal year 2020-2021:

For the fifth fiscal year following the first deposit into the Fund, and every five years thereafter, the District is required to make all of the following findings with respect to that portion of the Fund remaining unexpended, whether committed or uncommitted. At the close of the fiscal year 2020-2021, there remained \$40,195,591 in the Fund (Government Code Section 66001(d):

## **A. Identification of All Projects for Which the Developer Fees Will be Expended in the Future**

The purpose of the Developer Fees imposed and collected on Development within the District is to fund additional School Facilities required to serve the students of the District generated by Development within the District. Specifically, the Developer Fees will be used for the construction and/or acquisition of additional School Facilities, remodeling existing School Facilities to accommodate new growth from new development including, but not limited to, adding additional classrooms, technology and acquiring and installing additional portable classrooms. (Government Code Section 66001(d)(1)(A)).

Further information regarding such Project(s) is set forth in the chart found in Section C of this report.

## **B. Demonstration of a Reasonable Relationship Between the Developer Fees and the Purposes for Which They Are Charged**

As shown in the Fee Justification Study and School Facility Needs Analysis, Board approved June 9, 2021, there is a roughly proportional, reasonable relationship between the Development upon which the Developer Fees are charged and the need for additional School Facilities by reason of the fact that additional students will be generated by additional Development within the District, and the District does not have student capacity in its existing School Facilities to accommodate these new students. Furthermore, the Developer Fees charged on Development will be used to fund School Facilities which will be used to serve the students generated from Development. The Developer Fees do not exceed the costs of providing such School Facilities for new students. (Government Code Section (d)(1)(B)).

### C. Identification of All Sources and Amounts of Funding Anticipated to Complete Incomplete Projects Identified by the District in Paragraph A Above and Approximate Date Funding Is Expected to Be Deposited

The following table provides the information required by Government Code Section 66001(d)(1) (C) and (D). The information is reported as of the date of this report and is subject to change.

Project Name	Source of Funds	Expected Deposit Date	Amount of Anticipated Funding From Each Source	Project Total
New Elementary School Fowler/McKinley	Developer Fees	On hand	\$40,000,000	\$50,000,000
	State Bonds	On hand	\$10,000,000	
Terry P. Bradley Educational Center	Local Bonds	On hand	\$280,000,000	\$400,000,000
	Developer Fees	As Available	\$10,000,000	
	State Bonds	On hand	\$10,000,000	
	Certificates of Participation	As Available	\$100,000,000	
New Elementary School (TBD)	Developer Fees	As Available	\$35,000,000	\$55,000,000
	State Bonds	As Available	\$20,000,000	
Classroom Wing Additions (Various Sites)	Developer Fees	As Available	\$12,000,000	\$36,000,000
	Local Bonds	On hand	\$24,000,000	
TOTAL				\$541,000,000



# APPENDIX A

Project	Amount of Project Total Funded	Percentage of Project Total Funded
<b>Purchase/Lease of Relocatable Classrooms &amp; Site Preparations</b>		
Relocatable Classroom Construction	\$ 723,580.60	100%
Clovis East		
Cedarwood		
Clovis High		
Reyburn		
Clark		
Clovis Online		
<b>TOTAL</b>	<b>\$ 723,580.60</b>	
<b>Deposits/Purchase of Land &amp; Site Preparation</b>		
Site Preparation - Fowler/McKinley	\$ 539,491.35	100%
<b>TOTAL</b>	<b>\$ 539,491.35</b>	
<b>TOTAL</b>	<b>\$ 1,263,071.95</b>	