



RESOLUTION #

**RESOLUTION OF THE BOARD OF TRUSTEES
OF THE RESCUE UNION SCHOOL DISTRICT
ADOPTING ACCOUNTING OF DEVELOPER FEES**

In the Matter of the Public Report of Information Regarding Capital Facilities Fees for the 2018-19 Fiscal Year, and Findings Thereon, Pursuant to Government Code Sections 66001 and 66006A

WHEREAS, Rescue Union School District ("District") has received and expended reportable capital school facilities fees paid on new commercial and industrial construction, new residential construction and other residential construction as authorized pursuant to Education Code section 17620, et and Government Code section 65995, et seq. ("Developer Fees"); and

WHEREAS, said Developer Fees have been deposited in a separate capital facilities account (Fund 25 – Capital Facilities Fund) pursuant to Government Code section 66006, subdivision (a), in a manner to avoid commingling of Developer Fees with other revenues and funds of the District, except for temporary investments; and

WHEREAS, said Developer Fees expended for the sole purpose for which they were collected; and

WHEREAS, Government Code section 66006, subdivision (b) (1), provides that the District shall, within 180 days after the last day of each fiscal year, make available to the public the following information regarding Developer Fees for the fiscal year:

- (A) A brief description of the type of fee in the account or Fund;
- (B) The amount of the fee;
- (C) The beginning and ending balance of the account or fund;

- (D) The amount of the fees collected and the interest earned;
- (E) An identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with the fees;
- (F) An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement, as identified in Government Code section 66001, subdivision (a)(2), and the public improvement remains incomplete;
- (G) A description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid, and the rate of interest that the account or fund will receive on the loan; and
- (H) The amount of refunds made pursuant to Government Code section 66001, subdivision (e), and any allocations pursuant to Government Code section 66001, subdivision (f); and

WHEREAS, Government Code section 66001, subdivision (d), provides that for the fifth fiscal year following the first deposit into the account or fund of Developer Fees, and every five years thereafter, the District shall make all of the following findings with respect to that portion of the account or fund remaining unexpended, whether committed or uncommitted:

- (A) Identify the purpose to which the fee is to be put;
- (B) Demonstrate a reasonable relationship between the fee and the purpose for which it is charged;

- (C) Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements identified in Government Code section 66001, subdivision (a)(2); and
- (D) Designate the approximate dates on which the funding referred to in Government Code section 66001, subdivision (d)(1)(C), is expected to be deposited into the appropriate account or fund; and

WHEREAS, pursuant to Government Code section 66001, subdivision (e), except as otherwise provided by law, when sufficient funds have been collected, as determined pursuant to Government Code section 66006, subdivision (b)(1)(F), to complete financing on an incomplete public improvement identified in Government Code section 66001, subdivision (a)(2), and the public improvements remain incomplete, the District must identify, within 180 days of the determination that sufficient funds have been collected, an approximate date by which the construction of the public improvement will be commenced, or must refund to the then current record owner or owners of the lots or units, as identified on the last equalized assessment role, of the development project or projects on a prorated basis, the unexpended portion of the fee, and any interest accrued thereon; and

WHEREAS, pursuant to Government Code section 66001, subdivision (d), those findings required by that section must be made in connection with the public information required by Government Code section 66006, subdivision (b); and

WHEREAS, Government Code section 66006, subdivision (b)(2) provides that the District must review the information made available to the public pursuant to Section 66006 at a regularly scheduled public meeting occurring not less than 15 days after the information is made public; and

WHEREAS, that information required by Government Code sections 66001 and 66006, including but not limited to a report entitled the "Annual Accounting of Developer Fees – Fiscal Year 2018-19" ("Public Report"), was made available to the public on or before September 23, 2019, more than 15 days prior to the hearing held on October 8, 2019 before the Governing Board of the Rescue Union School District ("Board"); and

WHEREAS, the Public Report was presented to the Board at its duly noticed public meeting of October 8, 2019.

NOW THEREFORE BE IT RESOLVED that the Board receives, incorporates by reference, approves and adopts the Public Report;

AND BE IT FURTHER RESOLVED that the Board makes the following findings:

1. That the above recitals are true and correct.
2. That, pursuant to Government Code section 66001, subdivision (d) and Government Code section 66006, subdivisions (b)(1) and (b)(2), the District has made available to the public and to the Board the requisite information and proposed findings concerning Developer Fees received, deposited, invested and expended by the District.
3. That the Board, at its regularly scheduled public meeting of October 8, 2019, has publicly reviewed the following information as contained in the Public Report (See Exhibit A) pursuant to Government Code section 66006, subdivision (b)(1), as required by Government Code section 66006, subdivision (b)(2).
4. That the findings set forth in the Public Report (See Exhibit B) as provided by Government Code section 66001, subdivision (d), are hereby adopted by the Board.

5. That all Developer Fees have been received, deposited, invested and expended in compliance with all applicable laws, including but not limited to Education Code section 17620, et seq., Government Code section 65995, et seq., and Government Code section 66000, et seq.
6. That no refunds or allocations of Developer Fees are required pursuant to Government Code section 66001, subdivision (e).
7. That the District is in compliance with the requirements of Government Code sections 66001 and 66006.

This Resolution is adopted this 8th day of October, 2019, by the following vote:

AYES: _____

NOES: _____

ABSTENTIONS: _____

ABSENT: _____

Clerk of the Governing Board

EXHIBIT A
ACCOUNTING OF DEVELOPER FEES FOR FISCAL YEAR 2018-2019
CAPITAL FACILITIES FUND (the “Fund”)

Per Government Code section 66006(b)(1)(A)-H) as indicated:

- A. A brief description of the type of fee in the Fund.

Statutory School Facilities Fees

- B. The amount of the fee.

As of June 30, 2019, the District collected \$2.17 per square foot of assessable space of residential construction; and \$0.34 per square foot of covered and enclosed space of commercial/industrial construction; but subject to the District’s determination that a particular project is exempt from all or part of these fees.

The District’s School Facility Fee Justification Report from June of 2016 demonstrated Rescue Union School District is justified to collect the legal maximum fee of \$3.48 per square foot of residential development as authorized by Government Code 65995 (Level 1 fees) as future residential development creates a school facility cost of \$4.39 per square foot.

- C. The beginning and ending balance of the Fund.

<i>Beginning Fund Balance:</i>	<i>\$ 1,789,584</i>
<i>Ending Fund Balance:</i>	<i>\$ 1,867,089</i>

- D. The amount of the fees collected and the interest earned.

<i>Fees Collected:</i>	<i>\$ 379,841</i>
<i>Interest Earned:</i>	<i>\$ 37,544</i>

- E. An identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees.

See Attachment A

- F. An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement, as identified in Paragraph (2) Subdivision (a) of Section 66001, and the public improvement remains incomplete:

Not applicable. The District has not made this determination.

- G. A description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid and the rate of interest that the account or fund will receive on the loan:

Not applicable. The District has not made any such interfund transfers.

- H. The amount of refunds made pursuant to Subdivision (e) of Section 66001 and any allocations pursuant to Subdivision (f) of Section 66001:

Not applicable. No refunds or allocations were made pursuant to subdivision (e) or (f) of Section 66001.

EXHIBIT B
ACCOUNTING OF DEVELOPER FEES FOR FISCAL YEAR 2018-2019
CAPITAL FACILITIES FUND (the “Fund”)

Per Government Code Section 66001(d)(1)-(4) as indicated:

- A. With respect to only that portion of the Fund remaining unexpended at the end the 2018-2019 fiscal year, the purpose of the fees is to finance the construction or reconstruction of school facilities necessary caused by the development on which the fees were levied, which facilities are more specifically identified as follows:

Demographic Studies, School Facility Analysis & Developer Fee Justification Studies; Master planning services; Legal fees related to developer impact fees; Marina Village Middle School, Pleasant Grove Middle School, Lakeview Elementary, Rescue Elementary, Jackson Elementary, Lake Forest Elementary, and Green Valle Elementary; Planning, design and construction of future school properties including Sienna Ridge; COP Rental and Interest payments; Administrative costs in overseeing school facility construction projects; and, EDCOE developer fee collection administrative costs.

- B. Demonstrate a reasonable relationship between the fee and the purpose for which it is charged

Future residential development will cause new families to move into the District and, consequently, will generate additional students in the District. The District’s School Facility Fee Justification Report from June of 2016 demonstrated adequate school facilities do not exist for these students. Future residential development, therefore, creates a need for additional school facilities. The fee’s use (acquiring school facilities) is, therefore, reasonably related to the type of project (future residential development) on which it is imposed.

New commercial/industrial development will cause new workers to move into the District. Because some of these workers will have school-age children, commercial /industrial development will also generate new students in the District. The District’s School Facility Fee Justification Report from June of 2016 demonstrated adequate school facilities do not exist for these students. New commercial/industrial development, therefore, creates a need for additional school facilities. The fee’s use (acquiring school facilities) is, therefore, reasonably related to the type of project (new commercial/industrial development) on which it is imposed.

- C. With respect to only that portion of the Fund remaining unexpended at the end of the 2018-2019 fiscal year, the sources and amounts of funding anticipated to complete financing on any incomplete improvements identified in Paragraph A above are as follows:

General Obligation Bond Proceeds (requires voter approval), Community Facilities District Funds and State matching funds.

- D. With respect to only that portion of the Fund remaining unexpended at the end of 2018-2019 fiscal year, the following are the approximate dates on which the funding referred to in Paragraph C above is expected to be deposited into the appropriate account or fund:

This cannot be determined for certain at this time. The determining factor is the availability of State funding on certain new construction projects, housing development progress and completion dates throughout the District.



Rescue Union School District
 Annual Accounting of Developer Fees - Fiscal Year 2018-19
 Per Government Code 66001-66008

08.29.19

Attachment A

Beginning Balance (July 1, 2018 Unaudited)			\$ 1,789,584
Revenues:			
Fees Collected		\$ 379,841	
Interest Earned		\$ 37,544	
Other:		\$ -	
Total Revenue:			\$ 417,385
Total Funds Available			\$ 2,206,969
Expenditures:		Amount Expended	Percentage of Cost Funded by Developer Fees
Construction Projects:			
<i>Rescue Elementary School Capital Improvements:</i>			
The District has embarked on a plan to upgrade facilities needed to accommodate growth.		\$ 108,567	100%
Debt Service - 2010 Certificates of Participation Refunding		\$ 162,720	31.25%
Rental Payments and Interest were paid on the 2010 Certificates of Participation used to refund the 2001 and 2008 COP's. Proceeds from the original sale of Certificates of Participation (2001) were used to plan, design, and construct school facilities and to accommodate growth in constructing the Pleasant Grove Middle School (\$2.5M of \$8M COP).			
EDCOE Fee		\$ 11,395	100%
The El Dorado County Office of Education administers the collection of Developer Impact Fees for the school districts in El Dorado County. This is the administrative fee charged by EDCOE for their services.			
Contracts - School Facility Consultants		\$ 8,849	100%
The District contracted with School Facility Consultants to perform the following - Prepare Modernization Eligibility Analysis for Rescue USD, and District Master Plan.			
Legal Services - Lozano Smith		\$ 1,292	100%
The District contracted with Lozano Smith to perform legal services related to facilities growth.			
Conferences		\$ 311	100%
District staff attended Coalition for Adequate School Housing (C.A.S.H.) and other facilities related workshops, courses, and conferences.			
Administrative Expenses		\$ 46,746	33%
Administrative expenses including payroll and benefits related to the Facilities Department's oversight of the capital improvements and projects being planned, designed and constructed to accommodate growth were incurred by the District.			
Total Expenditures:			\$ 339,880
Ending Balance (June 30, 2019)			\$ 1,867,089