

COLTON JOINT UNIFIED SCHOOL DISTRICT



Annual Report of Financial Activity for Fiscal Year 2022/23

(Prepared Pursuant to Section 66006 of the California Government Code)

INTRODUCTION

Section 66006 of the Government Code requires that the Colton Joint Unified School District (“School District”) provide to the public information on impact fees received from new residential and commercial/industrial development to mitigate the impact of that new development on the school facilities of the School District (“Reportable Fees”). The School District currently collects statutory school facility fees (“Statutory School Fees”) pursuant to Sections 17620 *et seq.* of the Education Code and Sections 65995 *et seq.* of the Government Code, and alternative school facility fees (“Alternative School Fees”) collected pursuant to Sections 65995.5, and 65995.7 of the Government Code (collectively, “Reportable Fees”).

The School District is required to provide under the Government Code the following information on Reportable Fees for the prior fiscal year:

- Amounts collected
- Amount of interest earned
- Amounts spent of projects to accommodate additional enrollment from new residential and commercial/industrial development

The Reportable Fees do not include special tax proceeds, proceeds of bonds, or letters of credit to secure payment of Reportable Fees at a future date. Further, the School District is required to confirm that Reportable Fees have not been levied, collected, or imposed for general revenue purposes.

Additionally, the School District is required to identify the following:

- The proposed purposes to which unexpended Reportable Fees may be spent
- The Reasonable Relationship between the unexpended Reportable Fees and the purpose to which they are to be spent
- The funding sources and expected funding availability date for school facilities projects for which unexpended Reportable Fees are required

The following Annual Report (“Report”) for the fiscal year ending June 30, 2023, includes the information and proposed findings the School District intends to review and adopt in accordance with Section 66006 of the Government Code.

ANNUAL REPORT

Government Code Section 66006(b)(1) and (2) requires that an annual report of certain fees (“Reportable Fees”) be made available to the public not more than 180 days after the end of each fiscal year.

In accordance with Government Code Section 66006(b)(1) and (2), the School District hereby presents the following information for Fiscal Year 2022/23 (i.e., July 1, 2022, through June 30, 2023) with regard to the annual Reportable Fees:

DESCRIPTION OF THE TYPE OF REPORTABLE FEES

*For each separate account or fund established for the purpose of avoiding commingling of Reportable Fees Government Code Section 66006(b)(1)(A) requires that the Report contain **a brief description of the type of fee in the account or fund.***

The Reportable Fees of the School District for Fiscal Year 2022/23 consists of Statutory School Fees and, if applicable, Alternative School Fees. Statutory School Fees are collected by the School District for residential and commercial/industrial development, and Alternative School Fees, if applicable, are collected by the School District for new residential development.

AMOUNT OF THE REPORTABLE FEES

*For each separate account or fund established for the purpose of avoiding commingling of Reportable Fees Government Code Section 66006(b)(1)(B) requires that the Report set forth **the amount of the of the fee.***

The amount of Reportable Fees is based on the effective Statutory School Fee and the Alternative School Fee as described below.

STATUTORY SCHOOL FEES

The Statutory School Fees for the period between July 1, 2022 and June 30, 2023 were established by the Board of Education (“Board”) of the School District on April 21, 2022 by Resolution No. 22-30. This resolution adopted the Statutory School Fees for new residential and commercial/industrial development based on the report entitled “Fee Justification Report for Residential and “Commercial/Industrial Development” dated April 2022.

ALTERNATIVE SCHOOL FEES

Based on the District’s most recent analysis regarding its eligibility to adopt and impose Alternative Fees, for the period between July 1, 2022 and June 30, 2023, such Alternative School Fees were not justified or adopted.

Table 1 below lists the fee amounts and effective dates for the applicable Statutory and Alternative School Fees for Fiscal Year 2022/23.

Table 1
Effective Dates for Reportable Fees

<u>REPORTABLE FEE TYPE</u>	<u>EFFECTIVE DATES (FOR FY 2022/23)</u>	<u>FEE AMOUNT (PER SQUARE FOOT)</u>
Statutory School Fees	June 30, 2022 – June 30, 2023	Residential- \$4.79 Commercial/Industrial-\$0.78
Alternative School Fees	July 1, 2022-June 30, 2023	Not Applicable

BEGINNING AND ENDING BALANCE(S)

*For each separate account or fund established for the purpose of avoiding commingling of Reportable Fees Government Code Section 66006(b)(1)(C) requires that the Report set forth **the beginning and ending balances of the account or fund.***

Table 2 lists the Capital Facilities Fund (Fund 25) beginning and ending balances for Fiscal Year 2022/23 which holds all Reportable Fees:

Table 2
Beginning and Ending Balances

<u>BALANCE DESIGNATION FOR FUND 25</u>	<u>FUND BALANCE</u>
Beginning Balance (07/01/2022)	\$4,124,601.45
Ending Balance (06/30/2023)	\$4,388,153.85

FEES COLLECTED AND INTEREST EARNINGS

*For each separate account or fund established for the purpose of avoiding commingling of Reportable Fees Government Code Section 66006(b)(1)(D) requires that the Report set forth **the amount of the fees collected and interest earned.***

Table 3 lists the amount of Reportable Fees collected during Fiscal Year 2022/23 as well as interest earnings on the fees collected:

Table 3
Fees Collected and Interest Earned

<u>REPORTABLE FEE ITEM (FUND 25)</u>	<u>TOTAL REVENUES</u>
Reportable Fees Collected	\$917,520.94
Interest Earnings & Other Funds	\$95,465.94
Total	\$1,012,986.88

IDENTIFICATION OF PUBLIC IMPROVEMENTS

*For each separate account or fund established for the purpose of avoiding commingling of Reportable Fees Government Code Section 66006(b)(1)(E) requires that the Report provide **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.***

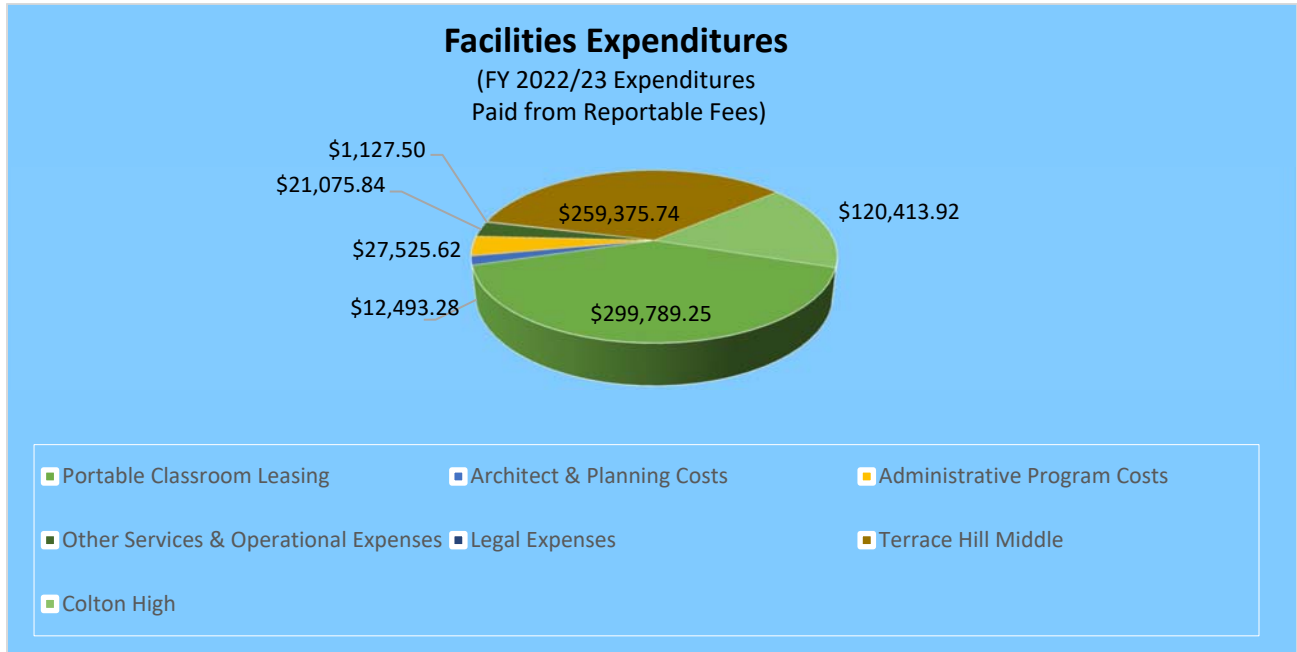
Table 4 lists the amount of Reportable Fees expended during Fiscal Year 2022/23 and the eligible projects associated with the expenditures:

Table 4
Identification of Expenditure Items and Amounts

Expenditure Item	Expenditure Amount Paid from Reportable Fees	Percent of Total Cost Funded with Fees
Rentals and Leases (Portable Classrooms)	\$299,789.25	100%
Architect Fees & Planning Costs	\$12,493.28	100%
Administrative Program Costs	\$27,525.62	100%
Other Services and Operational Expenses	\$21,075.84	100%
Legal Expenses	\$1,127.50	100%
Terrace Hill Middle School Addition ⁽¹⁾	\$259,375.74	100%
Colton High School Addition ⁽¹⁾	\$120,413.92	100%
Total	\$741,801.15	N/A

(1) Amounts shown above exclude Equipment Costs associated with each Project.

The following chart depicts the relative proportion of reportable fees expended on eligible projects:



DATE BY WHICH CONSTRUCTION WILL COMMENCE

*For each separate account or fund established for the purpose of avoiding commingling of Reportable Fees Government Code Section 66006(b)(1) (F) requires that the Report **identify 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.***

The School District has determined that at the close of Fiscal Year 2022/23, Reportable Fees and other sources of funding were not sufficient to complete the financing of additional school facilities of the School District. Please see the Five-Year Report prepared pursuant to Government Code 66001 for information on planned construction projects and the estimated date funding will be available to complete these construction projects.

INTERFUND TRANSFERS AND LOANS

*For each separate account or fund established for the purpose of avoiding commingling of Reportable Fees Government Code Section 66006(b)(1) (G) requires that the Report provide **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.***

Pursuant to Education Code 17620(a)(5), an interfund transfer was made from Fund 25 to the District's general fund to reimburse the District for the costs of associated with collecting the authorized statutory developer fees.

REFUNDS AND REVENUE ALLOCATIONS

For each separate account or fund established for the purpose of avoiding commingling of Reportable Fees Government Code Section 66006(b)(1) (H) requires that the Report identify the amount of refunds made pursuant to subdivision (e) of Section 66001 and any allocations pursuant to subdivision (f) of Section 66001.

No refunds of Reportable Fees were made pursuant to Section 66001(e) of the Government Code in Fiscal Year 2020/21.

FUND 25 ACTIVITY SUMMARY FOR FY 2021/22

Table 5 lists summarizes the beginning and ending balances, the amount of Reportable Fees collected as well as interest earned and other fee revenues as well as total expenditures made from Fund 25 during Fiscal Year 2022/23.

Table 5
Fund 25 Activity Summary for FY 2022/23

Fund 25 Activity Summary (FY 2022/23) Item	Amount
Beginning Balance (07/01/2022)	\$4,124,601.45
Reportable Fees Collected and Interest Earned	\$1,012,986.88
Reportable Fee Expenditures	(\$741,801.15)
Ending Balance (06/30/2023)	\$4,395,787.18