

**ANNUAL AND FIVE-YEAR REPORTABLE
FEES REPORT
FOR FISCAL YEAR 2023-2024**



SAN MARCOS
UNIFIED SCHOOL DISTRICT
engaging students...inspiring futures

**Andrew S. Johnsen, Ed.D.,
Superintendent of San Marcos Unified School District**

Governing Board: Sarah Ahmad Stacy Carlson Heidi Herrick Lena Lauer Meum Andrés Martín

Andrew S. Johnsen, Ed.D., Superintendent

THE SAN MARCOS UNIFIED SCHOOL DISTRICT ANNUAL AND FIVE-YEAR REPORTABLE FEES REPORT FOR FISCAL YEAR 2023-2024, IN COMPLIANCE WITH GOVERNMENT CODE SECTIONS 66006 AND 66001

Government Code Sections 66006 and 66001 provide that the San Marcos Unified School District (“District”) shall make available to the public certain information and adopt prescribed findings relative to school facility fees adopted pursuant to Education Code Section 17620 and Government Code Sections 65995 (“Level 1 Fees” and “Commercial/Industrial Fees” collectively, “Statutory School Facility Fees”) and Government Code Sections 65995.5, 65995.6 and 65995.7 (“Level 2 Fees” and “Level 3 Fees” collectively, “Alternative School Facility Fees”). The foregoing fees are collectively also referred to as reportable fees (“Reportable Fees”). The described information and findings contained in this Annual and Five-Year Reportable Fees Report (“Report”) relate to Reportable Fees that the District received, expended or may expend in connection with school facilities (“School Facilities”) in order to accommodate additional students from new and other residential development as well as commercial and industrial construction (collectively referred to as “Development”) if funded or partially funded with Reportable Fees. The Reportable Fees only include money in possession of the District and does not include letters of credit, bonds, or other instruments to secure payment of Reportable Fees at a future date. The Reportable Fees have not been levied, collected, or imposed for general revenue purposes.

ANNUAL REPORT

In accordance with Government Code Section 66006, the District provides the following information for fiscal year 2023-2024:

A. Description of the Type of Reportable Fees in the Account or Sub-Account(s) of the District:

The Reportable Fees consist of Statutory School Facility Fees and Alternative School Facility Fees. The Reportable Fees were deposited in Capital Facilities Fund 25-19 (“Fund”), a separate capital facilities account or fund in a manner to avoid any commingling of the Reportable Fees with other revenues and funds of the District, except for temporary investments. As this Report provides, the Reportable Fees and any interest income earned by moneys in the Fund have been expended as set forth herein solely for the purpose for which the Reportable Fees were originally collected. (Government Code Section 66006(a)).

B. Reportable Fees Information for the Fund:

1. Within 180 days after the last day of each fiscal year, the District is required to make available to the public certain information. As set forth below, the District provides the following information for the Fund for the fiscal year 2023-2024. (Government Code Section 66006(b)(1)).

a. Amount of the Reportable Fees

The Reportable Fees were authorized to be levied on Development by the Governing Board (“Board”) of the District at the time the Reportable Fees were adopted. As shown in the District’s Fee Justification Report (“FJR”) and/or School Facilities Needs Analysis (“SFNA”), the Reportable Fees only partially mitigate the impacts to the District caused by Development because the Reportable Fee amounts do not adequately fund the District’s School Facilities needs resulting from additional Development within the District. (Government Code Section 66006(b)(1)(A)).

**Statutory School Facility Fees
(Government Code Section 66006(b)(1)(B))**

Level 1 Residential	\$4.79 per square foot
Level 1 Commercial/Industrial	\$0.78 per square foot

From July 1, 2023 to June 30, 2024 (Fee Justification Report adopted April 19, 2022, effective June 20, 2022)

b. Beginning and Ending Balance, Reportable Fees Collected, Interest Earned and Expenditures of the Fund (Government Code Section 66006(b)(1)(C) and (D)):

Reportable Fees	
Beginning Balance (07/01/23)	\$7,991,233
Amount of Reportable Fees Collected	\$2,586,627
Amount of Revenue from Other	\$0
Amount of Fees Refunded*	\$0
Interest Earned	\$475,457
Expenditures	(\$1,217,403)
Ending Balance (06/30/24):	\$9,835,914

c. Identification of Each District Project on Which Reportable Fees Were Expended Including the School Facilities Project (“Project”) Total and Percentage of the Project Cost that was Funded with Reportable Fees (Government Code Section 66006(b)(1)(E)):

The foregoing information¹ is set forth below.

Project Description	Project Total (\$)	Percentage of Project Total Funded w/ Reportable Fees	Amount Funded w/ Reportable Fees	Date Project Commenced
Rental of classroom facilities for growth	\$274,939	100%	\$274,939	July 2023
Legal costs for facilities reports related to new growth	\$15,967	100%	\$11,466	July 2023
Construction management and related costs of District school projects relating to new growth	\$901,497	100%	\$901,497	July 2023
Land purchased consultant fees	\$25,000	100%	\$29,501	July 2023
Total	\$1,217,403	N/A	\$1,217,403	July 2023

d. When the District Accumulates Sufficient Funds to Complete Project(s) for Which It Previously Identified as Intending to Spend Reportable Fees², the District Needs to Identify the Approximate Date It Will Commence Construction on Such Project(s) (Government Code 66006(b)(1)(F)(i):

The District has determined for the fiscal year 2023-2024, that sufficient funds have been collected to complete financing on the Project(s) listed below. The chart below identifies the estimated date that construction is anticipated to commence on each Project:

¹ Pursuant to Education Code 17620(a)(5), Level 1 Fees collected may also be spent on the following non-facility costs: the costs of conducting a School Facilities Needs Analysis and/or Fee Justification Study; and preparing the Annual and Five-Year Report. In addition, a school district may also retain "an amount not to exceed, in any fiscal year, three percent of the fees collected in that fiscal year...." The three percent amount is for the reimbursement of administrative costs incurred in collecting the fee. For school districts that levy a Level 2 Fee, the three percent amount is calculated only on the amount of the Level 1 Fees that are collected.

² The District is required to make such identification pursuant to Government Code Section 66001(a)(2). The identification may have been done by reference to a capital improvement plan or general plan or may be made in other public documents that identify the public facilities for which the fee is charged.

Project	Estimated/Actual Commencement Date
N/A	N/A

e. If the District Has Accumulated Sufficient Funds to Complete Project(s) for Which It Previously Identified as Intending to Spend Reportable Fees, the District Needs to Identify Whether Construction Commenced on Such Project(s) on the Approximate Date Noted in the Previous Report (Government Code 66006(b)(1)(F)(ii)):

Project	Did Construction Commence on Estimated Commencement Date?
N/A	N/A

f. If the District Has Accumulated Sufficient Funds to Complete Project(s) for Which It Previously Identified as Intending to Spend Reportable Fees, and Construction on Such Project(s) Did Not Commence on the Approximate Date Noted in the Previous Report, the District Needs to Identify (i) the Reason for the Delay and (ii) a Revised Approximate Date that Construction will Commence on Such Project(s) (Government Code 66006(b)(1)(F)(iii)):

Project	Reason for Delay	Revised Approximate Commencement Date
N/A		N/A

g. Description of Each Interfund Transfer or Loan Made From the Fund (Government Code Section 66006(b)(1)(G)):

Interfund Transfers:

Description of Project for which Interfund Transfer was Used	Fund(s) to Which Reportable Fees Were Transferred	Amount Transferred
N/A	N/A	N/A

Interfund Loans:

Description of Project for Which Interfund Loan was Used	Fund(s) to Which Reportable Fees Were Loaned	Amount Loaned	Date Loan Repaid	Rate of Interest
N/A	N/A	N/A	N/A	N/A

h. Refunds and Allocations (Government Code Section 66006(b)(1)(H) and 66001(e), (f):

When the District has determined that sufficient funds have been collected to complete financing on incomplete Project(s) and the Project remains incomplete, the District is required to identify the approximate date by which the construction of the Project(s) will commence. If the District fails to timely identify the approximate date by which the construction of the Project(s) will commence, then the District must refund the unexpended portion of the Reportable Fees and any interest accrued thereon to the then current record owner(s) and identify the number of persons or entities that receive refunds.

Refund	N/A
Less Admin. Costs of Refunding	N/A
Net Refund	N/A
Number of Persons/Entities Receiving Refunds	N/A

2. The District will review the Report at the next regularly scheduled public meeting (“Meeting”) not less than 15 days after the Report is made available to the public. Notice of the time and place of the Meeting, including the address where the Report may be reviewed, will be mailed at least 15 days prior to the Meeting, to any interested party who filed a written request with the District for mailed notice of the Meeting.

FIVE-YEAR REPORT

In accordance with Government Code Section 66001, the District provides the following information for fiscal year 2023-2024.

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 2023-2024, there remained \$9,835,914 in the Fund (Government Code Section 66001(d)).

A. Identification of All Projects for Which the Reportable Fees Will be Expended in the Future:

The purpose of the Reportable 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 Reportable 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 following chart³:

Project Name	Reportable Fees	Bond Funds	CFDs	State Program	Redevelopment Pass Through Agreements	Anticipated Project Total
Construction Management 5-Year	\$5,000,000					\$5,000,000
Classroom Rentals (ATP) 5-year	\$1,500,000					\$1,500,000
Portable Buildings – All locations - leases	\$1,000,000					\$1,000,000
New Construction / Increasing Student Housing / Capacity at: Various / Elementary, Middle, and High Schools	\$4,000,000	\$81,000,000	\$5,000,000	\$40,000,000	\$20,000,000	\$150,000,000
Land acquisition costs for new school facilities to accommodate student housing needs	\$5,000,000	\$7,500,000	\$0	\$12,500,000	\$0	\$25,000,000
Anticipated Funding Source Total	\$16,500,000	\$88,500,000	\$5,000,000	\$52,500,000	\$20,000,000	\$182,500,000⁴

³ See chart in Paragraph C below for applicable sources of funds.

⁴ This total should equal the total in Lines 10 and 11 of the chart in paragraph C below.

B. Demonstration of a Reasonable Relationship Between the Reportable Fees and the Purposes for Which They are Charged:

As shown in the FJR and/or SFNA, there is a roughly proportional, reasonable relationship between the Development upon which the Reportable 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 Reportable Fees charged on Development will be used to fund School Facilities which will be used to serve the students generated from Development. The Reportable 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. (Government Code Section 66001(d)(1)(C) and (D)):

Source of Funding	Amount of Funding Anticipated to Complete Incomplete Projects	Approximate Date Funding Expected to Be Deposited
1. State Funding Program Funds	\$52,500,000	Various
2. State Hardship Funds	\$0	
3. Community Facilities Districts	\$5,000,000	Various
4. General Obligation Bond Proceeds (Not Authorized, Only Issued)	\$88,500,000	
5. Redevelopment Pass-Through Agreements	\$20,000,000	Various
6. Statutory and Alternative School Facility Fees	\$16,500,000	Various
7. Mitigation Payments	\$0	
8. Certificates of Participation	\$0	
9. SB-201 Fees (Government Code Section 65970, <i>et seq.</i>)	\$0	
10. Total Funding (Add Lines 1 – 9 above)	\$182,500,000	
11. Total Costs of All Incomplete Projects	\$182,500,000	
12. Minus Total of All Funding Sources (Enter from Line 10 above).	\$182,500,000	
13. Unfunded Balance (Line 12, minus Line 11)	\$0	