



Annual and Five Year Reports

Orange Unified School District

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I. Introduction

Sections 66001 and 66006 of the Government Code require that Orange 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 new development on the school facilities of the School District (“Reportable Fees”). The School District currently collects Statutory School Fees (“Statutory School Fees”) pursuant to Sections 17620 et seq. of the Education Code and Sections 65995 et seq. of the Government Code.

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

1. Amount collected
2. Amount of interest earned
3. Amount spent on 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 identifies Reportable Fees have not been levied, collected, or imposed for general revenue purposes.

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

1. The purpose to which Reportable Fees will be spent
2. The reasonable relationship between the Reportable Fees and the purpose to which they are to be spent.
3. The funding sources and expected funding availability date for school facilities projects for which Reportable Fees are required

The following Annual and Five-Year Reports (“Reports”) for the fiscal year ending June 30, 2014 include the information and proposed findings the School District intends to review and adopt in accordance with Sections 66001 and 66006 of the Government Code.

II. Annual Report

In accordance with Government Code Section 66006(b)(1) and (2) the School District hereby presents the following information for fiscal year 2014/2015 (i.e. July 1, 2014 through June 30, 2015) with regard to the annual Reportable Fees:

A. Description of the type of Reportable Fees in the account or sub-account(s) of the School District

The Reportable Fees of the School District for fiscal year 2014/2015 consist of Statutory School Fees. Statutory School Fees consist of Level 1 fees collected by the School District from new residential and commercial/industrial development.

B. Amount of the Reportable Fees

The amount of Reportable Fees is based on the effective Statutory School Fee. For the period between July 1, 2014 and June 30, 2015 the Statutory School Fee for the School District was \$3.20 per square foot of assessable space for residential development and \$0.51 per square foot of covered and enclosed space for commercial/industrial development.

The Statutory School Fees were established by the Board of Trustees (“Board”) of the School District on March 8, 2012 by adoption of Resolution No. 13-11-12. This resolution adopted the Statutory School Fees for new residential and commercial/industrial development based on the reports titled “Residential Development “School Fee Justification Study” and “Commercial/Industrial Development School Fee Justification Study”, (collectively, “Studies”), both dated February 24, 2012. As stated in the Studies, the Statutory School Fee amounts only partially mitigated the impacts to the School District from new residential and commercial/industrial development.

C. Beginning and ending balance of account and sub-account(s)

Table No. 1 lists the fiscal year 2014/2015 beginning and ending balances for Fund 25, the Capital Facility Fund, which holds all Reportable Fees:

Table 1

Item	Reportable Fees
Beginning Balance (7/1/2014)	\$4,322,750.76
Ending Balance (6/30/2015)	\$4,820,062.45

D. Amount of the Reportable Fees collected and interest earned

Table No. 2 below shows the amount of Reportable Fees collected, interest earned, and other income and adjustments during fiscal year 2013/2014 to accommodate students from additional development (“Project Students”).

Table 2

Item	Reportable Fees
Amount Collected	\$ 509,746.02
Interest Earned	\$ 18,545.42

E. Identification of each improvement on which Reportable Fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of each project of the School District that was funded with Reportable Fees

Schedule A to this report identifies the amount of Reportable Fees expended on school facilities in fiscal year 2014/2015, as well as the percentage of each improvement funded by Reportable Fees.

F. Identification of an approximate date by which the construction of project(s) of the School District will commence if the School District determines that sufficient funds have been collected to complete financing on an incomplete project of the School District, as identified in paragraph (2) of subdivision (A) of Section 66001, and the project of the School District remains incomplete

The School District has determined that at the close of fiscal year 2014/2015, Reportable Fees and other sources of funding were not sufficient to complete the financing of additional school facilities of the School District.

G. Description of each inter-fund transfer or loan made from the account or sub-account(s), including project(s) of the School District on which the transferred or loaned Reportable Fees will be expended and, in the case of an inter-fund loan, the date on which the loan will be repaid, and the rate of interest that the account or sub-account(s) will receive on the loan

No transfers or loans of Reportable Fees were made in fiscal year 2013/2014.

H. **The amount of refunds made or revenues allocated for other purposes, if the administrative costs of refunding unexpended revenues exceed the amount to be refunded**

The School District did not issue any refunds or make any allocations pursuant to Government Code section 66001(e)-(f) in fiscal year 2014/2015.

III. Five Year Report

In accordance with Government Code Section 66001, the School District provides the following information with respect to the Reportable Fees in the account or sub-account(s) remaining unexpended, whether committed or uncommitted to projects:

A. Identification of the purpose to which the Reportable Fees are to be put

The purpose of the Reportable Fees, imposed and collected on new residential and commercial/industrial development within the School District, is to fund the additional school facilities required to serve the grades K-12 Project Students generated by new development within the School District. Specifically, the Reportable Fees will be used for the construction and/or acquisition of additional school facilities, remodeling existing school facilities to add additional classrooms and technology, as well as acquiring and installing additional portable classrooms to accommodate project students.

B. Demonstration of a reasonable relationship between the Reportable Fees and the purposes for which they are charged

There is a roughly proportional, reasonable relationship between the new development, upon which the Reportable Fees are charged, and the need for additional school facilities. This relationship is based on the additional students that will be generated by new development within the School District exceeding the School District's existing student capacity. Furthermore, the Reportable Fees charged on new development will be used to fund school facilities that will serve the students generated from new development. The Reportable Fees do not exceed the costs of providing such school facilities for new students as set forth in 2012 Studies, herein referred to.

C. **Identification of all sources and amounts of funding anticipated to complete financing of the school facilities the School District has identified in the School District's reports**

Table 3

Facilities Project	State School Building Program	Community Facilities Districts	General Obligation Bonds	Pass Through Agreements	Reportable Fees	Certificates of Participation
Modernization of four comprehensive High Schools	\$0	\$0	\$0	\$0	\$0	\$0
Portable Relocation Site Growth	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0

D. Identification of the approximate dates on which the funding referred to in Section III.C is expected to be deposited into the appropriate account or fund

Table 4

Facilities Project	State School Building Program	Community Facilities Districts	General Obligation Bonds	Pass Through Agreements	Reportable Fees	Certificates of Participation
Modernization of four comprehensive High Schools	As Received	N/A	N/A	N/A	N/A	N/A
Portable Relocation Site Growth	As Received	N/A	N/A	N/A	N/A	N/A

Schedule "A"
Developer Fees Expenditures Report 2013-14
(Based on 2013-14 Budget Summary Report, as of June

Site	Description	Expenditures	Percent Funded by Reportable Fees
Facilities & Planning	Demographics Report	\$ 27,710.00	100%
District	Cost of Banking Fees	\$ 3,269.06	100%
Total		\$ 30,979.75	