



**COOPERATIVE**  
**STRATEGIES**

COMPLETE FINANCIAL & DEMOGRAPHIC PLANNING FOR EDUCATION

**IRVINE UNIFIED SCHOOL DISTRICT**

**ANNUAL AND FIVE-YEAR REPORTS**

**OCTOBER 21, 2019**

**PREPARED FOR:**

**Irvine Unified  
School District**

5050 Barranca  
Irvine, CA 92604  
T 949.936.5000

**PREPARED BY:**

Cooperative Strategies  
8955 Research Drive  
Irvine, CA 92618  
T 844.654.2421

# T.O.C.

<u>SECTION</u>	<u>PAGE</u>
I. INTRODUCTION-----	1
II. ANNUAL REPORT-----	2
III. FIVE YEAR REPORT-----	6

## EXHIBITS

**SCHEDULE A:**  
Reportable Fee Expenditures for Fiscal Year 2018/2019

## I. INTRODUCTION

Sections 66001 and 66006 of the Government Code require that Irvine 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. 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, and alternative school facility fees ("Alternative School Fees") collected pursuant to Sections 65995.5, 65995.6, and 65995.7 of the Government Code (collectively, "Reportable Fees").

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

1. Amounts collected
2. Amount of interest earned
3. Amounts 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 unexpended Reportable Fees will be spent
2. The reasonable relationship between the unexpended 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 unexpended Reportable Fees are required

The following Annual and Five-Year Reports ("Reports") for the fiscal year ending June 30, 2019 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 2018/2019 (i.e. July 1, 2018 through June 30, 2019) 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 2018/2019 consist of Statutory School Fees and Alternative School Fees. Statutory School Fees are collected by the School District from new residential and commercial/industrial development. Alternative School Fees were collected by the School District from new residential development for the dates they were in effect.

### **B. Amount of the Reportable Fees**

The amount of Reportable Fees is based on the Statutory School Fee and the Alternative School Fees that were in effect between July 1, 2018 and June 30, 2019 of fiscal year 2018/2019.

#### **Statutory School Fees**

The Statutory School Fees for the period between July 1, 2018 and June 30, 2019 of fiscal year 2018/2019 were established by the Governing Board ("Board") of the School District on March 13, 2018, by Resolution No. 17-18-32. 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") dated March 1, 2018.

#### **Alternative School Fees**

The Alternative School Fees for residential development between July 1, 2018 through October 2, 2018 of fiscal year 2018/2019 were established by the Board of the School District on October 3, 2017, by Resolution No. 17-18-16. This resolution adopted the Alternative School Fees for new residential development based on the report titled "School Facilities Needs Analysis ("Analysis"), dated July 21, 2017.



The Alternative School Fees for residential development between October 3, 2018 and June 30, 2019 of fiscal year 2018/2019 were established by the Board on October 2, 2018 by Resolution No. 18-19-21. This resolution adopted the Alternative school Fees for new residential development based on the Analysis, dated August 30, 2018.

Table 1 lists the fee amounts and effective dates for the applicable Statutory and Alternative School Fees for fiscal year 2018/2019.

**Table 1**  
**Effective Dates for Developer Fee Justification Reports**

<b>Item</b>	<b>Effective Dates (for FY 2018/2019)</b>	<b>Fee Amount (Per Square Foot)</b>
Statutory School Fees	July 1, 2018 – June 30, 2019	Residential - \$3.79 Commercial/Industrial - \$0.61 Self-Storage CID - \$0.067
Alternative School Fees	July 1, 2018 – October 2, 2018	Residential - \$4.72
	October 3, 2018 – June 30, 2019	Residential - \$4.78

**C. Beginning and Ending Balance of Account and Sub-Account(s):**

Table 2 lists the fiscal year 2018/2019 beginning and ending balances for Fund 25, the Capital Facility Fund, which holds all Reportable Fees:

**Table 2**  
**Beginning and Ending Balances for Fund 25**

<b>Item</b>	<b>Fund Balance</b>
Beginning Balance (7/1/2018)	\$20,071,755.30
Ending Balance (6/30/2019)	\$22,035,507.12

**D. Amount of the Reportable Fees Collected and Interest Earned**

Table 3 below shows the amount of Reportable Fees collected and interest earned during fiscal year 2018/2019 to accommodate students from additional development.

**Table 3  
Amount of Reportable Fees Collected**

<b>Item</b>	<b>Total Revenues</b>
Reportable Fees Collected	\$1,946,033.67
Interest Earned	\$442,191.97
<b>Total</b>	<b>\$2,388,225.64</b>

**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 2018/2019, 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 2018/2019, 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 Interfund 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 Interfund 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**

The School District did not make any interfund transfer in nor out of Fund 25 in fiscal year 2018/2019.

**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**

No refunds of Reportable Fees were made pursuant to Section 66001(e) of the Government Code in fiscal year 2018/2019.

**I. Summary Table of Fund Balance, Revenues, and Expenditures**

Table 4 below summarizes the beginning and ending balances, the amount of Reportable Fees collected and interest earned, additional refunds/revenues, and total expenditures from Fund 25 during fiscal year 2018/2019.

**Table 4**  
**Fund 25 Activity Summary (FY 2018/2019)**

<b>Item</b>	<b>Amount</b>
<b>Beginning Balance (7/1/2018)</b>	\$20,071,755.30
Reportable Fees Collected and Interest Earned	\$2,388,225.64
Expenditures – Schedule A	\$424,473.82
<b>Ending Balance (6/30/2019)</b>	<b>\$22,035,507.12</b>

### **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 was to fund the additional school facilities required to serve students generated by new development within the School District. Specifically, the Reportable Fees will be used for the construction, expansion, and/or acquisition of additional School Facilities, furnishing and equipping such facilities, as well as acquiring and installing additional portable classrooms to accommodate students.

**B. Demonstration of a Reasonable Relationship Between the Reportable Fees and the Purposes for which they are Charged**

There is a roughly proportional and a 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 do not exceed the costs of providing school facilities for the students generated from the development in which such fees were collected (as set forth in the Studies, referred to herein Section II.B).

**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 5 on the following page lists the proposed funding sources for all pending School Facility projects presently identified by the School District.



**Table 5**  
**Potential Funding Sources for Planned School Facility Projects**

<b>Sources</b>	<b>State Facility Program</b>	<b>Community Facilities Districts</b>	<b>General Obligation Bond Proceeds</b>	<b>Reportable Fees</b>	<b>Total Project Costs</b>
Anticipated Growth (Added classrooms, furniture)	\$0.00	\$0.00	\$0.00	\$6,000,000.00	\$6,000,000.00
Beacon Park ES Relocatables	\$0.00	\$0.00	\$0.00	\$582,729.82	\$582,729.82
Eastwood ES Relocatables	\$0.00	\$81,144.50	\$0.00	\$182,475.33	\$263,619.83
Creekside HS New Classrooms	\$2,019,117.00	\$0.00	\$716,491.00	\$2,146,655.00	\$4,882,263.00
Eastshore ES Relocatables	\$0.00	\$0.00	\$0.00	\$10,800.00	\$10,800.00*
Oak Creek ES Relocatables	\$0.00	\$0.00	\$0.00	\$28,800.00	\$28,800.00*
Rancho San Joaquin MS New Classrooms	\$1,108,967.00	\$0.00	\$495,358.50	\$919,951.50	\$2,524,277.00
Sierra Vista MS New Classrooms	\$1,572,100.00	\$0.00	\$1,084,669.25	\$2,014,385.75	\$4,671,155.00
South Lake MS New Classrooms	\$870,227.00	\$0.00	\$1,011,074.40	\$1,877,709.60	\$3,759,011.00
Stone Creek ES New Classrooms	\$681,602.00	\$0.00	\$727,257.65	\$1,350,621.35	\$2,759,481.00
Venado MS New Classrooms	\$2,231,969.00	\$0.00	\$1,080,321.90	\$2,006,312.10	\$5,318,603.00
Woodbridge HS Relocatables	\$0.00	\$0.00	\$0.00	\$57,600.00	\$57,600.00*
Woodbridge HS New Classrooms	\$5,155,009.00	\$0.00	\$0.00	\$2,495,732.74	\$7,650,741.74
<b>Total</b>	<b>\$13,638,991.00</b>	<b>\$81,144.50</b>	<b>\$5,115,172.70</b>	<b>\$19,673,773.19</b>	<b>\$38,509,081.39</b>

\* Represents the total remaining project costs in order to complete project.

**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 6 lists the approximate dates on which the funds are expected to be available for the school facility projects presently identified by the School District.

**Table 6  
Timing of Funds for Planned School Facility Projects**

Sources	State Facility Program	Community Facilities Districts	General Obligation Bond Proceeds	Reportable Fees
Anticipated Growth (Added classrooms, furniture)	N/A	N/A	N/A	As Available
Beacon Park ES Relocatables	N/A	N/A	N/A	Fiscal Year 2019/2020
Eastwood ES Relocatables	N/A	October 2019	N/A	Fiscal Year 2019/2020
Creekside HS New Classrooms	January 2019/ October 2021	N/A	August 2019	Fiscal Year 2019/2020
Eastshore ES Relocatables	N/A	N/A	N/A	Fiscal Year 2019/2020
Oak Creek ES Relocatables	N/A	N/A	N/A	Fiscal Year 2019/2020
Rancho San Joaquin MS New Classrooms	October 2021	N/A	August 2019	Fiscal Year 2019/2020
Sierra Vista MS New Classrooms	October 2021	N/A	August 2019	Fiscal Year 2019/2020
South Lake MS New Classrooms	October 2021	N/A	August 2019	Fiscal Year 2019/2020
Stone Creek ES New Classrooms	October 2021	N/A	August 2019	Fiscal Year 2019/2020
Venado MS New Classrooms	October 2021	N/A	August 2019	Fiscal Year 2019/2020
Woodbridge HS Relocatables	N/A	N/A	N/A	Fiscal Year 2019/2020
Woodbridge HS New Classrooms	November 2019/ November 2021	N/A	N/A	Fiscal Year 2020/2021

*S:\Clients\Irvine Unified SD\Demographics\Monteith\SY1819\Reports\Final\IrvineUSD\_1819\_Monteith\_Fn.PDF*

**SCHEDULE A**

**Public Improvements on Which  
Reportable Fees Were Expended**

**IRVINE UNIFIED SCHOOL DISTRICT****Public Improvements on Which Reportable Fees Were Expended**

Fiscal Year 2018/2019

**Schedule A**

<b>Project</b>	<b>Amount Paid From Fees During FY 2018/2019</b>	<b>Percent of Total Cost Funded With Fees</b>
<b>Westpark Elementary School</b>	<b>\$10,800.00</b>	<b>100.00%</b>
Relocatable Classrooms	\$10,800.00	100.00%
<b>Eastshore Elementary School</b>	<b>\$10,800.00</b>	<b>100.00%</b>
Relocatable Classrooms	\$10,800.00	100.00%
<b>Woodbridge High School</b>	<b>\$19,200.00</b>	<b>100.00%</b>
Relocatable Classrooms	\$19,200.00	100.00%
<b>Oak Creek Elementary School</b>	<b>\$9,600.00</b>	<b>100.00%</b>
Relocatable Classrooms	\$9,600.00	100.00%
<b>Eastwood Elementary School</b>	<b>\$109,167.17</b>	<b>100.00%</b>
Relocatable Classrooms	\$109,167.17	100.00%
<b>Beacon Park Elementary School</b>	<b>\$140,987.85</b>	<b>100.00%</b>
Relocatable Classrooms	\$140,987.85	100.00%
<b>Sierra Vista Middle School</b>	<b>\$4,579.38</b>	<b>100.00%</b>
Site Improvements	\$4,579.38	100.00%
<b>Portola Springs Elementary School</b>	<b>\$5,800.60</b>	<b>100.00%</b>
Site Improvements	\$5,800.60	100.00%
<b>Jeffrey Trail Middle School</b>	<b>\$61,253.86</b>	<b>100.00%</b>
Site Improvements	\$61,253.86	100.00%
<b>Districtwide</b>	<b>\$52,284.96</b>	<b>100.00%</b>
Publishing Rates (OC Register)	\$1,319.52	100.00%
Professional/Consulting Services	\$49,733.00	100.00%
Developer Fee Inquiries (AALRR)	\$1,232.44	100.00%
<b>Total</b>	<b>\$424,473.82</b>	<b>N/A</b>