Travis Unified School District
2023-24 Developer Fee Annual and Five-Year Report

December 17, 2024

Background

In 1986 the California Legislature authorized school districts and other agencies to levy school impact or developer fees to fund school facilities. Districts charge developers a specified amount per square foot of "assessable space" of new construction.

The amount charged depends on the level of fees the district qualifies to collect.

- Level 1: Statutorily designated and adjusted every two years for inflation.
  - $5.17/sq. ft. residential and $.84/sq. ft. commercial
  - Requires a justification study to be performed before the fee can be charged.

- Level 2: Varies by district. Complex calculation set forth by CA Government Code.
  - Requires a School Facility Needs Analysis annually in addition to the periodic justification study.
  - Allows districts to collect a higher amount than Level 1.
  - Travis USD currently collects Level 2 fees.

- Level 3: Varies by district. Complex calculation set forth by CA Government Code.
  - Requires a School Facility Needs Analysis (SFNA) annually in addition to the periodic justification study.
  - Allows districts to collect an amount that is about double Level 2.
  - Requires authorization from State Allocation Board.

A justification study is required whenever a district wants to charge or increase developer fees. Travis USD's last justification study was approved by the board on May 5, 2024. The prior study was conducted on May 10, 2022.

The Travis USD Board of Trustees approved annual SFNA's to charge Level II Fees on May 9, 2023 and May 5, 2024.

Proceeds from Developer Fees must be maintained in a separate account. Fund 25 has been established for this purpose.

School districts must adhere to restrictions on how to expend such developer fees. State law requires school districts to expend developer fees solely for the purpose for which the fee was collected, which is construction or reconstruction of school facilities

Annually, all agencies collecting fees must make accounting information publicly available, within 180 days from the end of the fiscal year. Every five years agencies must hold a meeting to make findings regarding fees for the prior five years. The report must be publicly available 15 days prior to reporting the information to the board. The 2022-23 report was compiled using cash-basis accounting. This and subsequent reports will use accrual-basis accounting and prior periods have been restated using this method.

In order to not miss the five-year requirements, many school districts issue a "five-year report" annually.

The following report contains all the annual and five-year reporting requirements.

Annual Reporting Requirements

Description of the type of fee in the account: Fund 25 contains proceeds of all developer fees and interest received by the District. In 2023-2024 Travis USD was collecting Level 2 fees at an amount of $7.00 per square foot for residential and $0.78 for commercial from May 9, 2023 until May 5, 2024 when a new SFNA was approved which changed the fee to $6.78 per square foot for residential and $0.84 for commercial.

The Amount of the Fee: Level 2 fees collected were $7.00 per square foot for residential and $0.78 for commercial from May 9, 2023 until May 5, 2024 when a new SFNA was approved which changed the fee to $6.78 per square foot for residential and $0.84 for commercial.

The Beginning and ending Balances in the Account:

	2019-20	2020-21	2021-22	2022-23	2023-24
Beginning Balance	$ 2,875,453	$ 6,149,354	$ 11,691,624	$ 10,106,607	$ 11,645,911
Ending Balance	$ 6,149,354	$ 11,691,624	$ 10,106,607	$ 11,645,911	$ 15,702,369

The Amount of Fees Collected and Interest Earned:

	2019-20	2020-21	2021-22	2022-23	2023-24
Revenue					
Interest	$ 92,877	$ 81,386	$ 30,744	$ 245,346	$ 552,940
GASB 31 FMV Adj.		$ 8,686	$ (111,275)	$ (47,902)	$ (46,397)
Developer Fees	$ 3,388,205	$ 6,051,128	$ 4,433,964	$ 2,365,405	$ 6,801,879
	$ 3,481,082	$ 6,141,200	$ 4,353,433	$ 2,562,849	$ 7,308,422

An identification of each public improvement on which fees were expended, including the percentage of the cost of the improvement that was funded with fees:

The District leases portable classroom buildings to accommodate the number of enrolled students at many of the District's sites. 100% of the cost of those leases are charged to Fund 25. Projects started on schedule in June 2023 to add portable buildings to Cambridge and Foxboro Elementary Schools. These projects were completed during 2023-24 and paid 100% from developer fees. The District also has two projects planned to begin construction during the 2024-25 fiscal year: addition of classroom buildings at Golden West Middle School to begin March 1, 2025 and installation of a donated Special Education office building to begin August 1, 2024.

Legal/Consulting Fees	$ 13,923.75
Cambridge Building Project	$ 1,937,306.42
Foxboro Building Project	$ 979,903.67
GW/Sp. Ed. Projects	$ 229,954.68
Leases for Portable Classrooms:	
Foxboro	$ 23,625.00
Vanden	$ 15,000.00
Travis Education Center	$ 47,250.00
2016 COP Admin. Fee	$ 5,000.00
Total	$3,251,963.52

A description of each inter-fund transfer or loan: No inter-fund transfers or loans have been made from the Developer Fee fund.

The Amount of any refunds made for fees Unexpended and Uncommitted after Five Years: There were no refunds and no uncommitted funds.

Five Year Reporting Requirements

The Purpose to which the Fee is collected: The fee is collected to increase facility capacity due to student growth. The District has experienced growth, adding 300 students in the past ten years. The fees have been used to add student classrooms.

Demonstrate a reasonable relationship between the fee charged and the purpose for which it is charged: The fee does not adequately address all the growth needs of the district. The district has issued COPs to help address most of these needs.

Identify all sources and amounts of funding anticipated to complete incomplete improvements: The district has funded projects through issuing COPs. There are also revenues from two CFDs with fund balances totaling $11.36 million.

Five Year Summary of Developer Fees

	2019-20	2020-21	2021-22	2022-23	2023-24
Revenue					
Interest	$ 92,877	$ 81,386	$ 30,744	$ 245,346	$ 552,940
GASB 31 FMV Adj.		$ 8,686	$ (111,275)	$ (47,902)	$ (46,397)
Developer Fees	$ 3,388,205	$ 6,051,128	$ 4,433,964	$ 2,365,405	$ 6,801,879
	$ 3,481,082	$ 6,141,200	$ 4,353,433	$ 2,562,849	$ 7,308,422
Expenditures					
Debt Service	$ -	$ 484,231	$ 5,699,630	$ -	$ -
Classroom Leases	$ 92,460	$ 92,460	$ 95,835	$ 95,835	$ 85,875
New Building Projects			$ 123,486	$ 912,646	$ 3,147,165
Administrative	$ 114,304	$ 13,552	$ 19,500	$ 15,063	$ 18,924
	$ 207,181	$ 590,243	$ 5,938,451	$ 1,023,544	$ 3,251,964
Revenue - Expenditures	$ 3,273,901	$ 5,542,271	$ (1,585,018)	$ 1,539,305	$ 4,056,458
Beginning Balance	$ 2,875,453	$ 6,149,354	$ 11,691,624	$ 10,106,607	$ 11,645,911
Ending Balance	$ 6,149,354	$ 11,691,624	$ 10,106,607	$ 11,645,911	$ 15,702,369