

LOS ANGELES UNIFIED SCHOOL DISTRICT

BOARD OF EDUCATION REPORT NO. 145-03/04  
Accounting and Disbursements Division  
for presentation to the Board of Education on November 25, 2003  
via Facilities Committee

SUBJECT: CAPITAL FACILITIES FUND (DEVELOPER FEES) 2002-03 ANNUAL  
REPORT

A. PROPOSAL

It is proposed that the Board adopt the attached resolution regarding the Capital Facilities Fund Annual Report required under Government Codes 66001 and 66006.

B. BACKGROUND

Government Code Sections 66001 and 66006 require local agencies, including school districts collecting developer fees, to provide an annual accounting of fees collected including the beginning and ending balances, interest and other income, expenditures by project and the amount of refunds made under Government Code Section 66001(e), and a report every fifth fiscal year containing information on ending balances. The District prepared its five-year report for 2001-02 and as such, only an annual report is required for fiscal year 2002-03. This information must be reviewed by the Board and made available to the public no later than 180 days after the end of the fiscal year.

C. POLICY IMPLICATIONS

There are no policy changes associated with this report.

D. BUDGET IMPLICATIONS

There are no budget implications for this action.

E. DESEGREGATION IMPACT

This action has been reviewed and does not require a Desegregation Impact Statement.

F. RECOMMENDATION

It is recommended that the Board adopt the attached resolution and the findings contained in the 2002-03 Annual Report which is shown as Exhibit A.

G. COMMITTEE RECOMMENDATION

At its November 13, 2003 meeting, the Facilities Committee recommended approval of the above actions and the placement of this report on the (Receipt, Consent, Regular) Calendar of the Order of Business for the November 25, 2003 Board Meeting.

	AYES	NO	ABSTAIN	ABSENT
M. Lansing	X			
J. Huizar				X
M. LaMotte	X			
D. Tokofsky	X			

Respectfully submitted,  
ROY ROMER  
Superintendent of Schools

Prepared by:

Richard J. Knott  
Controller

Presented by:

Kenneth C. Gotsch  
Chief Financial Officer

RESOLUTION OF THE BOARD OF EDUCATION OF THE  
LOS ANGELES UNIFIED SCHOOL DISTRICT  
ADOPTING THE FINDINGS OF CONTAINED IN  
THE ANNUAL ACCOUNTING REPORT

WHEREAS, pursuant to its authority under Education Code Sections 17620 et seq. and Government Code Sections 65995 et seq., the District has assessed residential developer fees and commercial/industrial developer fees on construction and reconstruction projects within its boundaries; and

WHEREAS the District has placed all fees it has received from such assessments in a separate noncommingled capital facilities fund (hereinafter the "Capital Facilities Fund") established for such purposes pursuant to Government Code Sections 66001(a) (c) and 66066(a) (b); and

WHEREAS the District has made available to the public within one hundred and eighty (180) days after the last day of its fiscal year an Annual Capital Facilities Fund Accounting Report (hereinafter "Annual Report") which describes the type of Capital Facilities Fund into which developer fees were placed, the amount of the fee, the beginning and ending balances of this Fund, the amount of fees collected and interest earned, the identification of expenditures made by project; and

WHEREAS the Annual Report has determined that no refunds of unexpended developer fee revenues were made in fiscal year 2002-03; and

WHEREAS the District has 1) at least 15 days prior to the Board of Education meeting, made available to the public the Annual Report, 2) not received any written requests from interested parties for a mailed notice of this meeting. Therefore be it

RESOLVED, that the Board adopt the findings contained in the Capital Facilities Fund Annual Report which is attached as Exhibit A.

ADOPTED this 25th day of November 2003

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Jose Huizar, President

ATTEST:

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Jefferson Crain, Executive Officer of the Board

**LOS ANGELES UNIFIED SCHOOL DISTRICT  
CAPITAL FACILITIES ACCOUNT FUND  
2002-03 ANNUAL REPORT**

**I. DESCRIPTION OF FUND**

The Capital Facilities Fund is used to account for resources received from developer fees assessed upon residential and commercial/industrial construction or reconstruction projects located within the District's boundaries in order to provide funds to help relieve overcrowded conditions at District schools. The Level 2 residential rate of \$3.55 per assessable square foot that was adopted by the Board of Education on August 28, 2001 was in effect from September 11, 2001 through September 10, 2002. A Level 1 rate of \$2.05 per assessable square foot was in effect for the period of September 11, 2002 through October 22, 2002, pending the Board of Education adoption of a new Level 2 rate. On October 22, 2002 the Board adopted a new Level 2 rate of \$3.55 per assessable square foot for the period of October 23, 2002 through October 22, 2003. These two Level 2 rates of \$3.55 per assessable square foot were based on separate extensive justification studies. The determination of rates established for any year is not in any way dependent upon the previous year's rate.

From July 1, 2002 through December 22, 2002 fees for commercial/industrial, self-storage, and parking structures were \$0.33 and \$0.27 per square foot, respectively. The commercial/industrial fee and self-storage fee were increased to \$0.34 and \$0.28, respectively, on December 23, 2002. The fee for parking structures was \$0.09 per square foot.

**II. FINANCIAL INFORMATION**

**Revenues and Other Sources**

Beginning Fund Balance (Restated) – July 1, 2002		\$71,383,428
Gross developer fee collections	\$48,918,055	
Less: Refunds	(3,414,158)	
Less: Reserve for pending litigation	<u>(3,814,166)</u>	
Net Developer Fee Collections	\$41,689,731	
Interest Income	<u>1,526,769</u>	
Total Revenues		<u>\$43,216,500</u>
<b>Total Revenues &amp; Beginning Balance</b>		<b>\$114,599,928</b>
Less:		
Total Expenditures and Other Uses*		<u>\$ 40,824,031</u>
<b>ENDING FUND BALANCE JUNE 30, 2003</b>		<b><u>\$ 73,775,897</u></b>

\* See Schedule I for a detailed listing of expenditures

## Capital Facilities Account Fund

## Detail of Expenditures

year ended June 2003

	Expenditures	Project Number <sup>@</sup> / or Description	Approx. Start Date	Approx. Comp. Date	% of Fees to Ttl Cost %
	\$				
Collection Costs	930,191				
Fee Studies	216,342				
COPs Repayments					
Ambassador ( <i>Refunding</i> )	4,912,193				
( <i>site acquisition</i> )					
Bravo Medical Magnet	3,747,225				
( <i>school construction</i> )					
King Drew Medical Magnet	4,734,100				
( <i>school construction</i> )					
2000B	4,534,611				
( <i>purchase of portables for CSR</i> )					
Interfund Transfer					
Gratts El	6,069,978	22.24052	2004 - Q1	2006 - Q1	17.49 %
( <i>state school building</i>					
<i>lease purchase match</i> )					
Design of New Facilities	158,966	Design Costs for Escutia Projects			
4th Street New PC	164	47.00602	2004 - Q3	2005 - Q4	0.00 %
6th Ave El	448,167	47.00902	2003 - Q1	2004 - Q1	11.12 %
10th St El	102,588	47.00125	2003 - Q3	2004 - Q2	3.09 %
15th St El	528,182	47.00215	2004 - Q1	2005 - Q1	6.01 %
24th St El	34,667	47.00415			14.09 %
49th St El	101,886	Lease of Portables			
66th St El	27,728	Lease of Portables			
68th St El	143,051	47.00802	2003 - Q2	2004 - Q3	1.78 %
95th St El	21,997	Barrier Removal			
153rd St El	2,998	Lease of Portables			
186th St El	427	Lease of Portables			
Aldama El	67,910	Lease of Portables			
Alexandria El	62,382	47.01115	2004 - Q1	2004 - Q3	2.31 %
Alexandria New PC	984,803	47.01102	2003 - Q4	2005 - Q2	3.98 %
Alta Loma El	21,454	Lease of Portables			
Angeles Mesa El	50	Lease of Portables			
Aragon El	2,878	Site Prep for Portables			
Arlington Hts El	21,451	Lease of Portables			
Arlington Hts El	1,277	47.01513	2003 - Q2	2004 - Q3	0.01 %
Ascot El	36,979	47.01424	2003 - Q1	2004 - Q3	0.51 %
Atwater El	41,473	Barrier Removal			

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and type in project number  
for description

## Capital Facilities Account Fund

## Detail of Expenditures

year ended June 2003

<b>Expenditures</b>	<b>Project Number<sup>@</sup> / or Description</b>	<b>Approx. Start Date</b>	<b>Approx. Comp. Date</b>	<b>% of Fees to Ttl Cost</b>
Avalon Gardens El	12,321 Lease of Portables			
Baldwin Hills El	26,247 Lease of Portables			
Banning New ES # 1	1,677,329 47.03401	2004 - Q1	2005 - Q3	5.97 %
Barton Hill El	57 Barrier Removal			
Barton Hill El	5,636 47.01614	2003 - Q2	2004 - Q2	0.11 %
Beckford El	127,688 Portables - Various Expenditures			
Bellevue Primary School	84 22.2402	2001- Q4	2003 - Q2	0.00 %
Belmont Learning Complex	3,090,412 22.24031			2.47 %
Belmont New ES # 10	2,602 47.00101			1.16 %
Belmont New PC # 11	195,775 47.00102	2003 - Q4	2005 - Q2	1.33 %
Belmont New PC # 12	23,075 47.06801	2004 - Q1	2005 - Q2	0.15 %
Berendo MS	20,770 Lease of Portables			
Birmingham SH	453 Lease of Portables			
Bryson El	2,191 47.01815			2.89 %
Bryson El	6,753 Lease of Portables			
Bryson El	1,376 47.01813	2003 - Q4	2004 - Q3	0.04 %
Cabrillo El	19,774 47.01915			6.86 %
Cahuenga New ES # 1	475 47.02002	2003 - Q4	2005 - Q2	0.00 %
Calvert El	538 Barrier Removal			
Camellia El	80,782 Portables - Various Expenditures			
Canoga Park El	126,148 Portables - Various Expenditures			
Canterbury El	114,729 Lease of Portables			
Carson SH	150 Barrier Removal			
Cienega El	84,379 47.02302	2003 - Q2	2004 - Q3	1.08 %
City Terrace El	27,529 Lease of Portables			
Commonwealth El	200,369 47.02514	2003 - Q4	2005 - Q3	1.63 %
Commonwealth El	10,735 Lease of Portables			
Community Magnet School	57 Lease of Portables			
Corona New PC	2,110 47.02602	2003 - Q4	2004 - Q4	0.01 %
Crenshaw SH	47,325 Lease of Portables			
Dayton Heights El	80,010 47.02715	2003 - Q4	2004 - Q3	2.33 %
Dena New PC	128,117 47.02802	2003 - Q4	2004 - Q4	1.07 %
Drew MS	58,883 Lease of Portables			
Dyer El	1,269 Lease of Portables			
East La Occupational Center	489 Lease of Portables			
El Dorado El	7,145 Lease of Portables			
El Sereno Math/Sc Mag	20 Lease of Portables			
Encino El	30,232 Barrier Removal			
Erwin El	366 Lease of Portables			

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## Capital Facilities Account Fund

## Detail of Expenditures

year ended June 2003

	<b>Expenditures</b>	<b>Project Number<sup>@</sup> / or Description</b>	<b>Approx. Start Date</b>	<b>Approx. Comp. Date</b>	<b>% of Fees to Ttl Cost</b>
Fernangeles El	9,070	Barrier Removal			
Fishburn El	61,605	Lease of Portables			
Fletcher Dr El	840	47.03214	2003 - Q2	2004 - Q4	0.01 %
Florence El	27,407	47.03315	2003 - Q2	2003 - Q4	1.07 %
Ford Blvd El	203	Lease of Portables			
Foshay Learning Center	26,308	Barrier Removal			
Fremont New PC # 2	21,187	47.01002	2003 - Q4	2004 - Q4	0.16 %
Fries El	38	47.03413	2004 - Q1	2004 - Q3	0.00 %
Fries El	10,687	Lease of Portables			
Fullbright El	27,436	Portables - Various Expenditures			
Gage MS	90	22.24019	1990 - Q2	1992 - Q3	0.00 %
Garvanza El	1,023	47.08614	2003 - Q4	2004 - Q2	0.05 %
Gledhill El	25,974	Lease of Portables			
Grand View El	112	Lease of Portables			
Gratts New PC	48,183	47.03902	2005 - Q3	2007 - Q1	0.20 %
Gridley El	1,078	Lease of Portables			
Harding El	46,164	Portables - Various Expenditures			
Hawaiian El	18,653	Lease of Portables			
Heliotrope El	400	47.03123			0.02 %
Heliotrope El	62,522	Portables - Various Expenditures			
Hillside El	62,186	47.04115	2003 - Q3	2004 - Q2	3.14 %
Hooper El	10,799	Lease of Portables			
Hooper New PC	943,607	47.04302	2003 - Q4	2004 - Q4	5.79 %
Hoover El	341,500	47.00115	2004 - Q2	2004 - Q3	6.57 %
Hoover El	82,540	47.07515	2004 - Q2	2004 - Q3	2.04 %
Hubbard El	36,238	Portables - Various Expenditures			
Hughes El	71,764	47.02625	2004 - Q1	2004 - Q4	2.15 %
Huntington Dr El	26,807	Portables - Various Expenditures			
Huntington Park New ES #7	30,068	47.03101	2004 - Q3	2005 - Q3	0.12 %
Huntington Pk SH	8,125	Barrier Removal			
Hyde Park El	11	Lease of Portables			
Jefferson New ES #1	1,249,963	47.00301	2004 - Q1	2005 - Q1	3.82 %
Jefferson SH	238	Lease of Portables			
Jordan-Locke Comm Ad Sch Aewc	96	Lease of Portables			
Kenter Canyon El	43,706	Lease of Portables			
La New Elem Sch #5	114	47.04211	2004 - Q1	2005 - Q2	0.00 %
Lankershim El	19,483	Lease of Portables			
Leland El	20,261	Lease of Portables			

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## Capital Facilities Account Fund

## Detail of Expenditures

year ended June 2003

Expenditures	Project Number <sup>@</sup> / or Description	Approx. Start Date	Approx. Comp. Date	% of Fees to Ttl Cost
Loreto El	47.04914	2003 - Q4	2005 - Q1	0.03 %
Maclay MS	Lease of Portables			
Maclay Primary Ctr	Lease of Portables			
Magnolia El	47.05302	2004 - Q1	2005 - Q2	0.18 %
Manual Arts SH	Lease of Portables			
Manual Arts New ES # 3	47.08001	2003 - Q3	2004 - Q4	0.76 %
Mar Vista El	Portables - Various Expenditures			
Marshall New PC # 1	47.02702	2003 - Q4	2005 - Q1	0.00 %
Marvin El	Lease of Portables			
Mayall El	Barrier Removal			
Menlo El	47.05415	2004 - Q1	2004 - Q3	1.77 %
Middleton New PC	47.05502	2003 - Q4	2004 - Q4	0.00 %
Miles El	47.05615	2003 - Q2	2003 - Q4	0.33 %
Miller El	Portables - Various Expenditures			
Miramonte New PC	47.04312	2003 - Q2	2004 - Q1	0.17 %
Monroe SH	Portables - Various Expenditures			
Morningside El	47.05902	2003 - Q3	2004 - Q3	0.33 %
N Valley Occupational Ctr	Lease of Portables			
Nevin El	Lease of Portables			
Newcastle ES	Lease of Portables			
Nobel MS	Barrier Removal			
Noble New PC	47.06002	2003 - Q4	2005 - Q1	0.00 %
Norwood El	47.06114	2003 - Q1	2004 - Q1	0.03 %
Otis New ES	22.67003	2002 - Q4	2004 - Q2	0.00 %
Otis New ES	47.07014	2002 - Q4	2003 - Q4	2.63 %
Pacoima El	47.06315	2003 - Q2	2004 - Q1	1.93 %
Pacoima El	Lease of Portables			
Palms MS	Lease of Portables			
Peary MS	Barrier Removal			
Pio Pico El	47.04225			38.93 %
Pio Pico El	Lease of Portables			
Plummer El	Lease of Portables			
Portola MS	Barrier Removal			
Ramona El	47.06713	2004 - Q1	2004 - Q4	0.44 %
Reseda El	Lease of Portables			
Roscoe El	Lease of Portables			
Rosemont El	47.06813	2003 - Q3	2004 - Q2	0.00 %
Rosemont El	Lease of Portables			
Rowan New PC	47.06902	2003 - Q4	2004 - Q4	0.09 %

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## Capital Facilities Account Fund

## Detail of Expenditures

year ended June 2003

	<b>Expenditures</b>	<b>Project Number<sup>@</sup> / or Description</b>	<b>Approx. Start Date</b>	<b>Approx. Comp. Date</b>	<b>% of Fees to Ttl Cost</b>
Russell El	4,140	Lease of Portables			
San Fernando El	22,445	Lease of Portables			
San Fernando MS	31,779	Lease of Portables			
San Gabriel El	14,533	22.24051			0.16 %
San Gabriel El	3,698	47.07014	2002 - Q4	2003 - Q4	
San Gabriel El	17,002	Lease of Portables			
San Miguel El	33,074	47.07115	2003 - Q3	2004 - Q2	0.77 %
Sepulveda MS	31,293	Barrier Removal			
Shirley El	33,158	Lease of Portables			
South Gate New PC No. 6	140,802	47.08402	2003 - Q3	2004 - Q4	0.49 %
Stanford El	21,482	Lease of Portables			
Stanford New Primary Ctr	1,318	47.07402	2003 - Q2	2004 - Q3	0.01 %
State El	10,799	Lease of Portables			
State El	293	47.07513	2004 - Q1	2004 - Q4	0.01 %
State New PC	454,587	47.07502	2003 - Q4	2005 - Q1	1.64 %
Strathern El	1,605	Lease of Portables			
Tweedy El	7,390	Lease of Portables			
Union El	2,674	47.07715			5.24 %
Union El	4,000	Lease of Portables			
Valerio El	13,073	Barrier Removal			
Van Ness El	3,768	47.07815			8.86 %
Van Ness El	10,725	Lease of Portables			
Van Ness El	2,584	47.07813	2004 - Q3	2005 - Q2	0.10 %
Vaughn El	9,851	Lease of Portables			
Venice SH	25,987	Lease of Portables			
Verdugo Hills SH	466	Barrier Removal			
Victory El	56,701	47.02445	2004 - Q1	2004 - Q3	1.86 %
Vine El	956	47.08202	2004 - Q1	2005 - Q2	0.01 %
Vinedale El	3,244	Lease of Portables			
Washington New PC # 1	85	47.03002	2003 - Q4	2004 - Q4	0.00 %
Weemes El	840,393	47.08025	2003 - Q4	2004 - Q2	29.82 %
Western El	19,503	Lease of Portables			
White Point El	18,796	Barrier Removal			
Wilmington Pk El	32,431	Lease of Portables			
Wilson New ES # 1	7,676	47.07301	2003 - Q3	2004 - Q4	0.04 %
Wilson SH	52,013	Lease of Portables			
Wilton Pl El	3,378	47.04233	2002 - Q3	2003 - Q2	0.16 %
Wilton Place Eec	525	11.02412			
Woodland Hills El	4,000	Lease of Portables			
Woodlawn El	236,469	47.02635	2003 - Q4	2004 - Q2	9.74 %
Yorkdale El	2,083	Site Prep for Portables			

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**Capital Facilities Account Fund**

**Detail of Expenditures**

*year ended June 2003*

<u>Expenditures</u>	<u>Project Number <sup>@</sup> / or Description</u>	<u>Approx. Start Date</u>	<u>Approx. Comp. Date</u>	<u>% of Fees to Ttl Cost</u>
<b>Total Expenditures</b>				
<u><u>\$ 40,824,031</u></u>				

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