MOTHER LODE UNION SCHOOL DISTRICT
ANNUAL & FIVE-YEAR REPORT
COLLECTION & ACCOUNTING OF DEVELOPER FEES

Background:

On January 1, 1987, school districts were authorized to levy statutory developer fees on new residential and commercial/industrial developments. Originally set forth in Government Code Sections 53080 and 65995, Assembly Bill 2926, known as the 1986 School Facilities Legislation, granted school districts the right to levy fees.

In 1987, statutory school fees were authorized to be levied in the amount of $1.50 per square foot of assessable space of new residential space and $0.25 per square foot of covered or enclosed space in any commercial or industrial development. Since 1987, these amounts have increased to $5.38 and $0.87, respectively and are currently found in Education Code Section 17620 and Government Code Section 65995.

In 1998, Proposition 1A was passed by the voters in California and Senate Bill 50 (SB50) which constituted significant school facility finance and developer fee reform legislation. SB50 created the authority for school districts to levy Alternative School Fees, which created what are commonly referred to as Level 2 and Level 3 School Fees. With the enactment of SB50 and the creation of Alternative School Fees, the original statutory school fees are now referred to as Level 1 Fees.

On the western slope, EDUHSD and elementary feeder districts have reached an agreement to allocate the fees 61% toward K-8 needs and 39% towards 9-12. If an elementary district has a fee justification study amount less than 61% of the current rate, the balance may be collected by the high school if their fee justification study justifies the higher amount.

On January 13, 2016, this Board adopted its December 15, 2015, Developer Fee Justification Study. As a result of its fee sharing agreement with the EDUHSD, the following are the current rates collected:

- Residential ($3.36 Sq. Ft): K-8 = $2.05 (61.0%)
9-12 = $1.31 (39.0%)
- Commercial ($0.56 Sq. Ft): K-8 = $0.33 (61.0%)
9-12 = $0.21 (39.0%)

The District prepared an updated Justification Study in 2022 but did not change rates.

Accounting for Developer Fees Collected in Prior Years:

Pursuant to Government Code §66006 all fees and charges, along with any interest income earned thereon, are deposited in a separate capital facilities fund in a manner to avoid any comingling with other revenues and funds of the District. Every year the District must account for the fees. Pursuant to Government Code §66001 every five years the District must make certain findings regarding the funds as described below. The most recent five-year report was certified by the Board of Trustees on November 12, 2025.

Pursuant to Government Code §66006, the District shall, within 180 days after the last day of each fiscal year, make available to the public an accounting for the fees in the capital facilities fund.

Not less than 15 days after it is made available to the public, the District shall review the accounting at the next regularly scheduled public meeting.

The District shall provide notice of the time and place of the meeting, including the address where the information may be reviewed, and the notice shall be mailed at least 15 days prior to the meeting to any interested party who files a written request with the District for mailed notice of the meeting.

Under Government Code §66006 the annual accounting must contain the following information:

a. **A brief description of the type of fee in the account**.
In this District, all of the fees in the account are Level I fees collected from developers under Government Code §65995 and Education Code §17620, plus any interest earned from the El Dorado County Treasury.

b. **The amount of the fee**.
The amount of the fee in this District is $2.05 per square foot on all residential construction and $0.33 per square foot on all commercial (except for mini-storage construction which is $.06 per square foot) and industrial construction. This amount is 61% of the total fee collected.

c. **The beginning and ending balance of the account**.
See Development Fee Collection Summary, Exhibit A.

d. **The amount of the fees collected, and the interest earned**.
See Development Fee Collection Summary, Exhibit A.

e. **An identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees.**
See Development Fee Collection Summary, Exhibit A.

f. **An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement, as identified in the facility plan of the District, and that the public improvement remains incomplete**.
Payments are made to Columbia Bank for a construction loan associated with the 2018 upgrade at Indian Creek Elementary.

g. **A description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned 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 fund will receive on the loan**.

h. **The amount of any developer fee refunds**.
The District refunded no developer fees as a result of untimely or improper allocation of developer fees as delineated in Government Code 66001(d) or 66001(e).

Recommendation:

The Superintendent recommends that the Board of Trustees approve this report, and the material provided for the annual and five-year accounting information.

MOTHER LODE UNION SCHOOL DISTRICT
El Dorado County, California
Developer Fee Annual Accounting Report
2025/26

Beginning Fund Balance, 07/01/25			**$ 387,951**
Revenue			
Developer Fees	$ 64,243		
Gain(Loss) on Investments	(840)		
Interest	11,767		
Total Revenue			**$ 75,170**
Developer Fee Expenditures			
Consultants/Administrative			
Financial Advisors	$ 6,880		
Demographic Study	4,000		
Developer Fee Collections	1,927		
		$ 12,807	
CB Roofing		**$ 88,811**	
Debt Service Payments		**$ 226,315**	
Total Developer Fee Expenditures			**$ 327,934**
Ending Fund Balance, 06/30/26			**$ 135,188**

MOTHER LODE UNION SCHOOL DISTRICT
Five Year Developer Fee Report

	2021-22	2022-23	2023-24	2024-25	2025-26
Beginning Balance	**$ 57,198**	**$ 71,923**	**$ 285,838**	**$ 258,548**	**$ 387,951**
Revenues					
Interest Earned	244	2,236	9,771	16,559	11,767
Developer Fees Collected	72,449	274,054	109,156	345,165	64,243
Gain(Loss) on Investment		(9,298)	-	9,399	(840)
Total Revenue	**$ 72,693**	**$ 266,992**	**$ 118,927**	**$ 371,123**	**$ 75,170**
Expenditures					
EDCOE, collection fees	2,173	8,222	3,275	10,355	1,927
Government Financial Strategies- Financial Advisor	3,550	6,310	13,400	5,050	6,880
SchoolWorks, Studies	8,000	-	4,500	-	4,000
Interfund Transfer Out	7				
CB Roofing					88,811
COP Payment	34,237	31,546	125,042	226,315	226,315
Audit Reports	10,000	7,000	-	-	-
Total Expenditures	**$ 57,968**	**$ 53,078**	**$ 146,216**	**$ 241,720**	**$ 327,934**
Ending Fund Balance	***$ 71,923***	***$ 285,838***	***$ 258,548***	***$ 387,951***	***$ 135,188***