**Agenda Item Number:** 11

(This Section for use by Clerk of the Board Only.)

Clerk of the Board  
575 Administration Drive  
Santa Rosa, CA 95403

**To:** Board of Supervisors

<table>
<thead>
<tr>
<th><strong>Board Agenda Date:</strong></th>
<th>April 14, 2015</th>
<th><strong>Vote Requirement:</strong></th>
<th>Majority</th>
</tr>
</thead>
</table>

**Department or Agency Name(s):** Auditor-Controller Treasurer-Tax Collector

**Staff Name and Phone Number:** Dawn Calahan (707) 565-3279

**Supervisory District(s):** Countywide

**Title:** 2014-15 Property Tax Administration Charge

**Recommended Actions:**

Approve Resolution Authorizing Property Tax Administration Charge for 2014-15

**Executive Summary:**

During 1990-1991, the State Legislature gave Counties the authority, under SB2557, to collect Property Tax Administration Costs from local taxing agencies as reimbursement for processing their property taxes. This authorization was codified in Section 97 of the Revenue and Taxation Code (now Section 95 of the Revenue and Taxation Code).

The purpose of this action is for the county auditor to report the charges for Property Tax Administration Costs in 2014-15 to the legislative body and any other jurisdiction or person that requests the information.

In accordance with the code, jurisdictions will be charged in 2014-2015 based on actual costs for 2013-2014. A worksheet is attached (Attachment 1) that summarizes the actual Property Tax Administration Costs for 2014-2015. Also attached is a worksheet (Attachment 2) that shows the actual costs distributed to each taxing jurisdiction in 2014-2015 with a comparison to 2013-2014 charges. Costs are allocated based on each jurisdiction’s proportionate share of annual property taxes.

The 2014-2015 Property Tax Administration charge of $9,646,087 decreased by $889,101 or 8.44% compared to the 2013-2014 charge, and is equivalent to 1.3% of the total property tax levy. The decrease is attributable to a $553,389 or 4.4% decrease in property tax administration costs combined with a $335,712 or 15.6% increase in other revenue sources that provide reimbursement of property tax administration costs. The revenue increase is mainly attributable to an increase in Supplemental Collection Fees.
As with years past, in accordance with Revenue and Taxation 95.3, the county auditor will not charge county school districts, community college districts, Educational Revenue Augmentation Fund (ERAF), and county offices of education for their proportionate amounts of property tax administrative costs. During 1991-92, the State Legislature deleted schools from the list of agencies to be charged annually. Effective 1992-93, Revenue and Taxation 95.3 was amended authorizing counties to charge ERAF for the proportional share of costs for 1992-93 only. Attachment 2 includes school amounts for your information only. All other agencies (special districts, cities and redevelopment successor agencies) will be charged.

The net cost of $9,646,087 is paid by property tax administration charges totaling $2,312,553 from districts, cities and redevelopment successor agencies with the County General Fund paying $7,333,534. If schools were not exempted from these charges by State action, schools would pay $5,558,625 and the County General Fund cost would be $1,774,909.

Prior Board Actions:

October 23, 1990: First established a charge for Property Tax Administration. Each year thereafter annual approval of Property Tax Administration Charges.

Strategic Plan Alignment  
Goal 3: Invest in the Future

Approval of an annual Property Tax Administration Charge enables the County to recover, from local taxing agencies, the administrative costs related to processing their property taxes.

Fiscal Summary - FY 14-15

<table>
<thead>
<tr>
<th>Expenditures</th>
<th>Funding Source(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budgeted Amount</td>
<td>$</td>
</tr>
<tr>
<td>Add Appropriations Req'd.</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>$</td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td><strong>$</strong></td>
</tr>
</tbody>
</table>

Narrative Explanation of Fiscal Impacts (If Required):
<table>
<thead>
<tr>
<th>Position Title (Payroll Classification)</th>
<th>Monthly Salary Range (A – I Step)</th>
<th>Additions (Number)</th>
<th>Deletions (Number)</th>
</tr>
</thead>
</table>

**Staffing Impacts**

**Narrative Explanation of Staffing Impacts (If Required):**

**Attachments:**

- Resolution authorizing Property Tax Administrative Charge for 2014-15
- Attachment #2 – FY 2014-2015 SB2557 Property Tax Administration Fee Schedule

**Related Items “On File” with the Clerk of the Board:**