

Details

Reports

File #:

12-0158

Version: 1

Name:

FY2011/12 Property Tax Administration Fee

Type:

Report

Status:

Received and Filed

In control:

[Auditor-Controller](#)

On agenda:

3/13/2012

Final action:

3/13/2012

Title:

Approve the Property Tax Administration Fee for FY2011/12 to recover the cost to administer the property tax system to cities and local agencies in accordance with the Revenue and Taxation Code Section 95.3(f)

District:

[All](#)

Attachments:

[A - FY2011/12 Claimable Costs](#), [B - FY2011/12 Property Tax Administration Fees](#), [Minute Order.pdf](#)

| History (1) |       | Text                                 |          |        |                                |                                 |               |
|-------------|-------|--------------------------------------|----------|--------|--------------------------------|---------------------------------|---------------|
| 1 record    | Group | Export                               |          |        |                                |                                 |               |
| Date ▼      | Ver.  | Action By                            | Action   | Result | Action Details                 | Meeting Details                 | Video         |
| 3/13/2012   | 1     | <a href="#">Board of Supervisors</a> | Approved |        | <a href="#">Action details</a> | <a href="#">Meeting details</a> | Not available |



**Solano County**  
**Board of Supervisors**  
**Minute Order**  
**March 13, 2012**

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File Reference No. 12-0158

**RE:** Approve the Property Tax Administration Fee for FY2011/12 to recover the cost to administer the property tax system to cities and local agencies in accordance with the Revenue and Taxation Code Section 95.3(f)

**Approved**



# Solano County

675 Texas Street  
Fairfield, California 94533  
www.solanocounty.com

## Agenda Submittal

|                 |                                                                                                                                                                                                                   |               |                     |
|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------------|
| Agenda #:       | 6                                                                                                                                                                                                                 | Status:       | Consent Calendar    |
| Type:           | Report                                                                                                                                                                                                            | Department:   | Auditor-Controller  |
| File #:         | 12-0158                                                                                                                                                                                                           | Contact:      | Jun Adeva, 784-3418 |
| Agenda date:    | 3/13/2012                                                                                                                                                                                                         | Final action: |                     |
| Title:          | Approve the Property Tax Administration Fee for FY2011/12 to recover the cost to administer the property tax system to cities and local agencies in accordance with the Revenue and Taxation Code Section 95.3(f) |               |                     |
| Governing body: | Board of Supervisors                                                                                                                                                                                              |               |                     |
| District:       | All                                                                                                                                                                                                               |               |                     |
| Attachments:    | A - FY2011/12 Claimable Costs<br>B - FY2011/12 Property Tax Administration Fees                                                                                                                                   |               |                     |

| Date | Ver. | Action By | Action | Result |
|------|------|-----------|--------|--------|
|------|------|-----------|--------|--------|

Published Notice Required? Yes ☐ No ☒  
Public Hearing Required? Yes ☐ No ☒

### DEPARTMENTAL RECOMMENDATION:

The Auditor-Controller recommends that the Board approve the Property Tax Administration Fee for FY2011/12 to recover the cost to administer the property tax system to cities and local agencies in accordance with the Revenue and Taxation Code Section 95.3(f).

### SUMMARY:

The Property Tax Administration Fee represents the total costs of the County to administer the property tax system. Revenue and Taxation Code § 95.3(f) authorizes the County to recover the property tax administrative costs attributable to cities and local jurisdictions within the County, excluding schools and Education Revenue Augmentation Fund (ERAF). The Auditor-Controller, Assessor-Recorder, Tax Collector/County Clerk/Treasurer, County Counsel and County Administrator's Office (by providing staff support to the Assessment Appeals Board) provide property tax administrative support. Their respective costs are included in the administrative fee calculation to determine the amount eligible for recovery from cities and other local jurisdictions. The total allocable property tax administration cost for FY2011/12 is \$7,945,354. The allocation to schools (\$1,819,399) and General Fund (\$1,995,481) are excluded. Therefore, the FY2011/12 recoverable amount for the County is \$4,130,474.

### FINANCIAL IMPACT:

The \$4,130,474 in revenue to be received from the Property Tax Administration Fee is included in FY2011/12 budget of the respective departments who provide the property tax administrative support.

### DISCUSSION:

SB 2557, Maddy, (Chapter 466 of 1990), codified in Section 95.3(f) of the Revenue and Taxation Code authorizes counties to recover property tax administrative costs attributable to incorporated cities and local

jurisdictions within each county except schools and ERAF. The total allocable costs for property tax administration services for FY2011/12 are \$7,945,354 (Attachment A).

The schools are excluded by law from paying their share of the property tax administrative fee. The schools' share of the property tax administration costs represents approximately 22.90% of the total cost or \$1,819,399. In addition, the cost for the County's General Fund share is excluded from the amount recoverable representing 25.11% of total cost or \$1,995,481.

The Property Tax Administration Cost to be recovered is determined as follows (Attachment B):

|                                            |                    |
|--------------------------------------------|--------------------|
| Allocable Property Tax Administration Cost | \$7,945,354        |
| Less: Allocation to Schools                | 1,819,399          |
| Allocation to General Fund                 | <u>1,995,481</u>   |
| General Fund Recoverable Cost              | <u>\$4,130,474</u> |

The recoverable cost for each department who provides the property tax administration services are: Assessment Appeals Board \$32,332; Assessor \$2,957,270; Tax Collector \$843,491; and the Auditor-Controller \$297,381 for a total of \$4,130,474. The calculation includes all actual direct costs and countywide overhead charges for the respective departments for FY2010/11. Other revenues received for property tax related functions are subtracted from the total cost to arrive at the net property tax administration cost to be recovered. The net cost is distributed to all local agencies based on their proportionate share of the total property taxes apportioned for FY2011/12.

Pending Litigation: The methodology used in the calculation of the fee is based on guidelines adopted by the State Association of County Auditors. However, the League of California Cities is challenging the methodology. The amount at risk is \$797,126. The Auditor-Controller is impounding this amount pending the Court's final resolution.

#### **ALTERNATIVES:**

The Board may choose not to approve the Property Tax Administration Fee for FY2011/12 as recommended. However, failure to approve the Property Tax Administration Fee will result in the revenue loss of \$4,130,474 to all the departments who provide property tax administrative support. Therefore, we recommend the Board approve the Property Tax Administration Fee as calculated.

#### **OTHER AGENCY INVOLVEMENT:**

The staff from the Assessor-Recorder, Tax Collector/County Clerk/Treasurer and the Assessment Appeals Board provided and reviewed the data used to calculate the Property Tax Administration Fee for FY2011/12.

#### **CAO RECOMMENDATION:**

**APPROVE DEPARTMENTAL RECOMMENDATION**

**SOLANO COUNTY  
PROPERTY TAX ADMINISTRATION COST  
SUMMARY  
FOR USE IN FISCAL YEAR 2011-12**

| ITEM/DESCRIPTION | COUNTY<br>ASSESSMENT<br>BOARD | ASSESSOR/<br>RECORDER | TAX<br>COLLECTOR/<br>CLERK | AUDITOR-<br>CONTROLLER |
|------------------|-------------------------------|-----------------------|----------------------------|------------------------|
|------------------|-------------------------------|-----------------------|----------------------------|------------------------|

**EXPENDITURES:**

|                       |        |           |           |           |
|-----------------------|--------|-----------|-----------|-----------|
| SALARIES & BENEFITS   | 45,751 | 3,629,929 | 847,129   | 556,073   |
| SERVICES AND SUPPLIES | 4,954  | 1,963,355 | 812,211   | 219,115   |
| COUNTY COUNSEL COSTS  | 11,491 |           |           |           |
| OTHER CHARGES         |        | -         |           |           |
| OVERHEAD              |        | 498,388   | 256,362   | 282,326   |
| DEPARTMENTAL COSTS:   | 62,196 | 6,091,672 | 1,915,702 | 1,057,514 |

**REVENUE OFFSETS:**

|                             |        |           |           |         |
|-----------------------------|--------|-----------|-----------|---------|
| PENALTIES                   |        |           | 106,400   |         |
| LICENSES, PERMITS           |        |           |           |         |
| OTHER GOVERNMENTAL AGENCIES |        |           |           |         |
| STATE REIMB MANDATED COSTS  |        |           |           |         |
| PHOTO/MICROFICHE COPIES     |        | 5,104     |           |         |
| MEDIATION FEE               |        |           |           |         |
| ESTATE & PUBLIC ADMIN FEES  |        |           |           |         |
| RECORDING FEE               |        |           |           |         |
| AUTOMATION-MICROGRAPHICS    |        |           |           |         |
| ASSMT & TAX COLL FEES       |        | 105,177   | 47,120    | 420,223 |
| AUDITING & ACCTG FEES       |        |           |           |         |
| LAND DIVISION FEE           |        |           |           |         |
| REDEMPTION FEES             |        |           |           | 39,220  |
| OTHER PROF SERVICES         |        |           | 5,025     |         |
| CSMP SERVICES               |        |           |           |         |
| SB 813 COLL FEES            |        | 218,203   | 12,836    | 25,671  |
| LEGAL FEES                  |        |           |           |         |
| MEDICARE SERVICES           |        |           |           |         |
| OTHER CHARGES FOR SERVICES  |        | 73,763    | 79,825    |         |
| OTHER REVENUE               |        | 837       | 41,138    | 363     |
| INTERFUND SERVICES          |        |           | 825       |         |
| INSURANCE PROCEEDS          |        |           |           |         |
| TOTAL REVENUE OFFSETS:      | 0      | 403,084   | 293,169   | 485,477 |
| NET COSTS:                  | 62,196 | 5,688,588 | 1,622,533 | 572,037 |

|                                                |                  |  |  |  |
|------------------------------------------------|------------------|--|--|--|
| <b>TOTAL PROPERTY TAX ADMINISTRATION COST:</b> | <b>7,945,354</b> |  |  |  |
|------------------------------------------------|------------------|--|--|--|

Sources: Department reports on supporting costs  
IFAS Report (Monthly Status) ending June 30, 2011

**SOLANO COUNTY  
PROPERTY TAX ADMINISTRATION FEE DISTRIBUTION  
FOR USE IN FISCAL YEAR 2011-12**

| Fund #<br>Acct Key  | FUND                | TOTAL AMOUNT<br>APPORTIONED | ALLOCATION<br>PERCENT | PROPERTY TAX<br>ADMINISTRATIVE<br>FEE DISTRIBUTION |
|---------------------|---------------------|-----------------------------|-----------------------|----------------------------------------------------|
| <b>COUNTY</b>       |                     |                             |                       | <u>\$ 7,945,354</u>                                |
| 006/1701            | ACO CAP OUTLAY      | 1,590,361                   | 0.4055758%            | 32,224                                             |
| 047/9002            | AVIATION            | 233,967                     | 0.0596666%            | 4,741                                              |
| 004/6311            | COUNTY FREE LIBRARY | 4,633,248                   | 1.1815766%            | 93,880                                             |
| 001/1101            | GENERAL             | 98,482,295                  | 25.1150752%           | 1,995,481                                          |
| 036/6150            | LIB SPEC TAX ZONE 1 | 691,189                     | 0.1762679%            | 14,005                                             |
| 037/6180            | LIB SPEC TAX ZONE 2 | 28,048                      | 0.0071528%            | 568                                                |
| 066/6166            | LIB SPEC TAX ZONE 6 | 13,911                      | 0.0035476%            | 282                                                |
| 067/6167            | LIB SPEC TAX ZONE 7 | 298,842                     | 0.0762111%            | 6,055                                              |
| 016/7001            | RECREATION          | 399,124                     | 0.1017851%            | 8,087                                              |
| 108/3017            | SPECIAL ROAD        | 769,489                     | 0.1962360%            | 15,592                                             |
| <b>TOTAL COUNTY</b> |                     | <b>107,140,474</b>          | <b>27.3230946%</b>    | <b>2,170,915</b>                                   |

**SPECIAL DISTRICTS GOVERNED BY  
COUNTY BOARD OF SUPERVISORS:**

|                                  |                          |               |                   |              |
|----------------------------------|--------------------------|---------------|-------------------|--------------|
| 046/9746                         | CO CONSOLIDATED SVC AREA | 79,270        | 0.0202155%        | 1,606        |
| <b>TOTAL DEPENDENT DISTRICTS</b> |                          | <b>79,270</b> | <b>0.0202155%</b> | <b>1,606</b> |

**SPECIAL DISTRICTS GOVERNED BY  
LOCAL BOARDS:**

|                             |                       |                  |                   |               |
|-----------------------------|-----------------------|------------------|-------------------|---------------|
| <b>FIRE DISTRICTS</b>       |                       |                  |                   |               |
| 127/9807                    | CORDELIA FIRE         | 229,766          | 0.0585952%        | 4,656         |
| 128/0128                    | DIXON FIRE            | 462,581          | 0.1179680%        | 9,373         |
| 134/9814                    | EAST VALLEJO FIRE     | 364,885          | 0.0930534%        | 7,393         |
| 130/9810                    | MONTEZUMA FIRE        | 522,254          | 0.1331859%        | 10,582        |
| 131/9810                    | RYER FIRE             | 79,786           | 0.0203471%        | 1,617         |
| 132/9812                    | SUISUN FIRE           | 245,957          | 0.0627243%        | 4,984         |
| 133/9813                    | VACAVILLE-ELMIRA FIRE | 965,817          | 0.2463038%        | 19,570        |
| <b>TOTAL FIRE DISTRICTS</b> |                       | <b>2,871,046</b> | <b>0.7321777%</b> | <b>58,175</b> |

**SOLANO COUNTY  
PROPERTY TAX ADMINISTRATION FEE DISTRIBUTION  
FOR USE IN FISCAL YEAR 2011-12**

| Fund #<br>Acct Key          | FUND                       | TOTAL AMOUNT<br>APPORTIONED | ALLOCATION<br>PERCENT | PROPERTY TAX<br>ADMINISTRATIVE<br>FEE DISTRIBUTION |
|-----------------------------|----------------------------|-----------------------------|-----------------------|----------------------------------------------------|
|                             |                            |                             |                       | \$ 7,945,354                                       |
| <b>CEMETERY DISTRICTS</b>   |                            |                             |                       |                                                    |
| 180/9866                    | F-S CEMETERY               | 190,374                     | 0.0485494%            | 3,857                                              |
| 177/9855                    | RIO VISTA CEMETERY         | 444,300                     | 0.1133059%            | 9,003                                              |
| 178/9866                    | ROCKVILLE CEMETERY         | 470,227                     | 0.1199179%            | 9,528                                              |
| 179/9857                    | SILVEYVILLE CEMETERY       | 376,149                     | 0.0959260%            | 7,622                                              |
| 181/9859                    | VAC-ELMIRA CEMETERY        | 323,858                     | 0.0825907%            | 6,562                                              |
| 182/0182                    | WINTERS JOINT CEMETERY     | 45,900                      | 0.0117055%            | 930                                                |
| TOTAL CEMETERY DISTRICTS    |                            | 1,850,808                   | 0.4719953%            | 37,502                                             |
| <b>ALL OTHER</b>            |                            |                             |                       |                                                    |
| 048/0048                    | BAAQMD                     | 500,012                     | 0.1275137%            | 10,131                                             |
| 019/9821                    | COLLINSVILLE LEVEE         | 9,662                       | 0.0024640%            | 196                                                |
| 024/9823                    | DIXON RESOURCE CONS        | 81,340                      | 0.0207434%            | 1,648                                              |
| 426/9886                    | DIXON UNIF LIBRARY         | 314,296                     | 0.0801522%            | 6,368                                              |
| 018/0018                    | GVRD                       | 2,914,704                   | 0.7433114%            | 59,059                                             |
| 009/0009                    | MAINE PRAIRIE              | 33,378                      | 0.0085121%            | 676                                                |
| 007/0007                    | MOSQUITO ABATE             | 1,499,561                   | 0.3824199%            | 30,385                                             |
| 159/0159                    | NAPA JT RES CON            | 11                          | 0.0000028%            | -                                                  |
| 201/8201                    | REC DIST 2098              | 5,486                       | 0.0013991%            | 111                                                |
| 027/0027                    | SOL CO WATER CON DIS       | 5,415,164                   | 1.3809817%            | 109,724                                            |
| 030/0030                    | ZONE OF BENEFIT 1          | 685,499                     | 0.1748168%            | 13,890                                             |
| 032/0032                    | ZONE OF BENEFIT 2          | 58,661                      | 0.0149598%            | 1,189                                              |
| 102/0102                    | SOLANO IRRIG DIST          | 509,800                     | 0.1300098%            | 10,330                                             |
| 023/9822                    | SUISUN RESOURCE CONS       | 3,397                       | 0.0008663%            | 69                                                 |
| 025/9824                    | SOLANO RESOURCE CONS. DIST | 108,130                     | 0.0275754%            | 2,191                                              |
| 427/9887                    | VACA UNIF LIBRARY          | 1,434,327                   | 0.3657838%            | 29,063                                             |
| 022/0022                    | VSFCD OPERATING            | 738,278                     | 0.1882766%            | 14,959                                             |
| 049/0049                    | Y/S AIR QUALITY MGMT DIST  | 250,942                     | 0.0639955%            | 5,085                                              |
| TOTAL ALL OTHER             |                            | 14,562,648                  | 3.7137843%            | 295,074                                            |
| TOTAL INDEPENDENT DISTRICTS |                            | 19,284,502                  | 4.9179573%            | 390,751                                            |

**SOLANO COUNTY  
PROPERTY TAX ADMINISTRATION FEE DISTRIBUTION  
FOR USE IN FISCAL YEAR 2011-12**

| Fund #<br>Acct Key | FUND | TOTAL AMOUNT<br>APPORTIONED | ALLOCATION<br>PERCENT | PROPERTY TAX<br>ADMINISTRATIVE<br>FEE DISTRIBUTION |
|--------------------|------|-----------------------------|-----------------------|----------------------------------------------------|
|                    |      |                             |                       | \$ 7,945,354                                       |

**SCHOOLS:**

|               |                           |             |             |           |
|---------------|---------------------------|-------------|-------------|-----------|
| 601/0601      | BEN UNIF SCHL DIST M&O    | 12,052,503  | 3.0736440%  | 244,212   |
| 500/0500      | CO SCH SERV FUND SUP      | 3,342,665   | 0.8524505%  | 67,730    |
| 998/0998      | CO SCH SER FUND SUPP      | 386,355     | 0.0985287%  | 7,828     |
| 999/0999      | CO SUP-BD OF EDUC         | 1,067,946   | 0.2723489%  | 21,639    |
| 614/0614      | DAVIS JT UNIF ED          | 6,330       | 0.0016143%  | 128       |
| 607/0607      | DAVIS UNI SCHL DIST M&O   | 71,974      | 0.0183549%  | 1,458     |
| 503/0503      | DEVELOPMENT CENTER        | 706,500     | 0.1801725%  | 14,315    |
| 602/0602      | DIX UNIF SCHL DIST M&O    | 5,911,769   | 1.5076266%  | 119,786   |
| 83/0083       | E.R.A.F                   | (5,429,699) | -1.3846885% | (110,018) |
| 611/0611      | F-S UNIF SCHL DIST M&O    | 20,123,399  | 5.1318938%  | 407,747   |
| 526/0526      | LOS RIOS CC M&O           | 8,143       | 0.0020766%  | 165       |
| 610/0610      | RIVER DELT JT UNI M&O     | 5,223,658   | 1.3321436%  | 105,844   |
| 613/0613      | RIVER DELT UNI-ED         | 271,799     | 0.0693145%  | 5,507     |
| 528/0528      | SAN JOAQUIN CC M&O        | 929,148     | 0.2369525%  | 18,827    |
| 527/0527      | SOLANO COMM COL M&O       | 9,019,826   | 2.3002471%  | 182,763   |
| 606/0606      | TRAVIS UNI SCHL DIST M&O  | 2,955,221   | 0.7536441%  | 59,880    |
| 608/0608      | VACA UNI SCHL DIST M&O    | 14,615,629  | 3.7272956%  | 296,147   |
| 603/0603      | VJO UNI SHCL DIST M&O     | 18,023,499  | 4.5963747%  | 365,198   |
| 612/0612      | WINTERS JT UNIFIED ED     | 41,922      | 0.0106910%  | 849       |
| 609/0609      | WINTERS UNI SCHL DIST M&O | 463,598     | 0.1182273%  | 9,394     |
| TOTAL SCHOOLS |                           | 89,792,185  | 22.8989127% | 1,819,399 |

**CITIES**

|              |           |            |             |           |
|--------------|-----------|------------|-------------|-----------|
| 075/0075     | BENICIA   | 15,812,828 | 4.0326067%  | 320,405   |
| 076/0076     | DIXON     | 4,920,599  | 1.2548572%  | 99,703    |
| 077/0077     | FAIRFIELD | 19,789,753 | 5.0468070%  | 400,987   |
| 078/0078     | RIO VISTA | 1,766,444  | 0.4504807%  | 35,792    |
| 079/0079     | SUISUN    | 2,523,787  | 0.6436192%  | 51,138    |
| 080/0080     | VACAVILLE | 20,684,463 | 5.2749770%  | 419,116   |
| 081/0081     | VALLEJO   | 23,292,163 | 5.9399959%  | 471,954   |
| TOTAL CITIES |           | 88,790,037 | 22.6433437% | 1,799,095 |



**SOLANO COUNTY  
PROPERTY TAX ADMINISTRATION FEE DISTRIBUTION  
FOR USE IN FISCAL YEAR 2011-12**

| Fund #<br>Acct Key                  | FUND                       | TOTAL AMOUNT<br>APPORTIONED | ALLOCATION<br>PERCENT | PROPERTY TAX<br>ADMINISTRATIVE<br>FEE DISTRIBUTION |
|-------------------------------------|----------------------------|-----------------------------|-----------------------|----------------------------------------------------|
|                                     |                            |                             |                       | \$ 7,945,354                                       |
| <b>REDEVELOPMENT AGENCIES:</b>      |                            |                             |                       |                                                    |
| 090/0090                            | CORDELIA                   | 11,752,513                  | 2.9971402%            | 238,133                                            |
| 146/0146                            | DIXON                      | 2,022,455                   | 0.5157689%            | 40,980                                             |
| 095/0095                            | FAIRFIELD RGNL CTR         | 6,276,632                   | 1.6006744%            | 127,179                                            |
| 149/0149                            | FAIRFIELD RGNL CTR-AMND*   | 0                           | 0.0000000%            | -                                                  |
| 097/0097                            | FELD CENTER                | 2,832,713                   | 0.7224019%            | 57,397                                             |
| 148/0148                            | N TEXAS ST CORRIDOR RDA    | 1,696,785                   | 0.4327162%            | 34,381                                             |
| 092/0092                            | FLOSDEN                    | 542,502                     | 0.1383495%            | 10,992                                             |
| 098/0098                            | FLOSDEN ANNEX              | 105,452                     | 0.0268925%            | 2,137                                              |
| 143/0143                            | FLOSDEN #3 M/W             | 889,318                     | 0.2267950%            | 18,020                                             |
| 096/0096                            | HIGHWAY 12                 | 11,268,586                  | 2.8737286%            | 228,328                                            |
| 100/0100                            | I 505/80                   | 29,228,201                  | 7.4538116%            | 592,232                                            |
| 091/0091                            | MARINA VISTA               | 447,108                     | 0.1140220%            | 9,059                                              |
| 088/0088                            | RIO VISTA                  | 752,447                     | 0.1918900%            | 15,246                                             |
| 129/0129                            | RIO VISTA-ARMY RESERVE CTR | 5,405                       | 0.0013784%            | 110                                                |
| 089/0089                            | SUISUN CITY                | 1,266,805                   | 0.3230622%            | 25,668                                             |
| 147/0147                            | SUISUN CITY-AS AMENDED     | 9,859,072                   | 2.5142726%            | 199,768                                            |
| 141/0141                            | VACA PROJECT               | 6,846,404                   | 1.7459783%            | 138,724                                            |
| 087/0087                            | VJO CENTRAL                | 597,647                     | 0.1524127%            | 12,110                                             |
| 093/0093                            | WATERFRONT DEV PROJ        | 647,716                     | 0.1651813%            | 13,124                                             |
| TOTAL REDEVELOPMENT                 |                            | 87,037,761                  | 22.1964762%           | 1,763,588                                          |
| TOTAL ALL JURISDICTIONS             |                            | 392,124,229                 | 100.00%               | 7,945,354                                          |
| LESS: COUNTY'S GENERAL FUND/SCHOOLS |                            |                             |                       | 3,814,880                                          |
| COSTS SUBJECT TO RECOVERY           |                            |                             |                       | 4,130,474                                          |

0

Source: FY 2011-12 Schedule of Admin Cost Factors

\* Combined with Fund 095