



Board Agenda Item 20

DATE: August 21, 2018

TO: Board of Supervisors

SUBMITTED BY: Oscar J. Garcia, CPA, Auditor-Controller/Treasurer-Tax Collector

SUBJECT: Approve Resolution to Establish Tax Rates and Levy Taxes for the Fiscal Year 2018-19

RECOMMENDED ACTION(S):

Adopt a resolution establishing tax rates, and levying taxes on the secured roll, for the Countywide rate of one percent, voter approved indebtedness, ad valorem taxes for revenue districts, and unitary taxes in Fresno County for the Fiscal Year 2018-19.

ALTERNATIVE ACTION(S):

There are no viable options available.

FISCAL IMPACT:

Failure to approve recommended rates would impact the County of Fresno's taxing agencies as there would be no revenue from property taxes and no revenue to make debt service payments.

DISCUSSION:

Under Government Code section 29100, the Board of Supervisors is required to adopt by resolution the tax rates on the Countywide secured roll on or before October 3 of each year. This tax rate is not to exceed the one-percent limitation as specified in Article XIII A of the State Constitution (Proposition 13).

Also, under Education Code, Section 15250, the board of supervisors of the county, the superintendent of schools of which has jurisdiction over any school or community college district, shall annually at the time of making the levy of taxes for county purposes, levy a tax for that year upon the property in the district for the interest and redemption of all outstanding bonds of the district. The tax shall not be less than sufficient to pay the interest on the bonds as it becomes due and to provide a sinking fund for the payment of the principal on or before maturity and may include an allowance for an annual reserve, established for the purpose of avoiding fluctuating tax levies.

Also certain special districts (listed on Schedule A to the recommended resolution) may levy an ad valorem tax rate in order to make annual payments on any bonded indebtedness. Water districts have elected to proceed under Water Code sections 36577-36579, in which the districts have elected to forego their property tax allocation and under Revenue and Taxation Code section 96.8, in which the affected jurisdiction will have a reduced rate. The Assessment Rates are used by pest control districts and are authorized by the Food and Agriculture Code sections 8601-8610. These rates are approved by each district's Board of Directors.

For school and community college districts whose boundaries lie in multiple counties, Education Code section 15260 states that each board of supervisors shall levy upon the property of the district that is within its own county the rate of tax that will be sufficient to raise not less than the amount needed to pay the interest and any portion of the principal of the bonds that is in proportion to the assessed value of district property within the county and to become due during the year.

Furthermore, under Revenue and taxation Code sections 100, 755, and 756, your Board is authorized to levy the unitary tax, which is assessed by the State Board of Equalization, within Fresno County.

Approval of recommended resolution will establish and levy the Countywide rate at one percent and establish and levy the rates, as set forth in that resolution (including its Ad Valorem Tax Rates for FY 2018-19, Schedule A, attached to the recommended resolution), for all school district and community college district bonds, for all voter-approved indebtedness including ad valorem taxes for bonded indebtedness for all revenue districts, and for the unitary taxes, within Fresno County for Fiscal Year 2018-19.

REFERENCE MATERIAL:

BAI #18, August 22, 2017
BAI #21, August 23, 2016
BAI #23, August 25, 2015

ATTACHMENTS INCLUDED AND/OR ON FILE:

Resolution - Establishing the Tax Rates and Levying Taxes for the Fiscal Year 2018-19

CAO ANALYST:

Juan Lopez