



**BOARD OF SUPERVISORS
AGENDA LETTER**

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Auditor-Controller
Department No.: 061
For Agenda Of: 12/4/2007
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Director(s) Robert W. Geis, CPA (x2101)
Contact Info: Robilyn Eggertsen, CPA (x2134)

SUBJECT: Property Tax Administrative Cost Fee for 2007-08 (SB2557)

County Counsel Concurrence:

As to form: Yes No N/A

Auditor-Controller Concurrence:

As to form: Yes No N/A

Other Concurrence: N/A

As to form: Yes No N/A

Recommended Action(s):

1. Receive and file report prepared by the Santa Barbara County Auditor-Controller establishing the 2007-08 Property Tax Administrative Cost Fee (Exhibits I through III).
2. Adopt the Resolution to impose the fee pursuant to Revenue and Taxation Code sections 95.3 and 97.75.

Summary:

The County is allowed to recover a portion of its costs attributable to assessing, collecting and allocating property tax revenues from cities, special districts and redevelopment agencies; school districts and the Education Revenue Augmentation Fund (ERAF) are exempt from paying the costs. For 2007-08 the County's recoverable costs are \$1,726,675, which is approximately 25% of the total net costs.

Background:

Revenue and Taxation Code (RTC) section 95.3 establishes the method and authorizes the County Auditor to annually determine property tax administrative costs proportionately attributable to cities and special districts and to charge each such entity its proportionate share of costs by withholding same from each entity's property tax distribution. Senate Bill 2557 established the fee in 1990; several modifications to the methodology have been approved by the legislature in the years since.

Fiscal and Facilities Impacts:

Budgeted: Yes No

Property **Tax Administrative Cost Fee for 2007-08 (SB2557)**

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Fiscal Analysis:

<u>Entity</u>	<u>Administrative Cost</u>	<u>Not Recoverable</u>	<u>Recoverable (1/4 of 1% Fee)</u>	<u>Recoverable (SB2557)</u>
County of SB	\$ 1,833,405	\$ 1,833,405	\$ -	\$ -
Cities	784,131	-	-	784,131
Dependent Special Districts	432,551	-	89,934	342,617
Independent Special Districts	310,259	-	62,653	247,606
School Districts	3,128,624	3,128,624	-	-
ERAF	(52,387)	(52,387)	-	-
RDA	352,320	-	-	352,320
Total 07-08	\$ 6,788,903	\$ 4,909,642	\$ 152,587	\$ 1,726,674
Total 06-07	<u>7,829,741</u>	<u>5,679,982</u>	<u>139,168</u>	<u>2,010,591</u>
Difference	\$ (1,040,838)	\$ (770,340)	\$ 13,419	\$ (283,917)

Staffing Impact(s):

Legal Positions:

FTEs:

Special Instructions:

Attachments:

Exhibits I, II and III.
Resolution

Authored by:

Robilyn Eggertsen (x2134)

cc:

Anne Rierson, County Counsel