Attachment A

Proposed Revenue & Taxation Code 99.02 (f) Findings

The Board of Supervisors finds that:

1. Revenues are available for this purpose because:
   a) There are existing unencumbered reserves and designations of approximately $21 million currently available.
   b) The proposed tax transfer base exchange payment ($5.9M) from the County to the Fire District is equal to the County Executive Officer proposed allocation to the Fire Department in FY2012-13.

2. Transfer will not result in any increase in the ratio between the amount of revenues of the transferring agency that are generated by regulatory licenses, use charges, user fees, or assessments and the amount of revenues of the transferring agency used to finance services provided by the transferring agency because:
   a) State law requires that regulatory licenses, use charges, user fees and assessments are limited to the cost of delivering the service.
   b) Board policy states that regulatory licenses, use charges, user fees and assessments are updated and approved by the Board, to the extent feasible, on an annual or bi-annual schedule as the cost of service delivery increases.
   c) There are no new planned or anticipated regulatory licenses, use charges, user fees or assessments resulting from this transfer.

3. The transfer will not impair the ability of the transferring agency to provide existing services because:
   a) The base tax transfer is only 0.7% of total County revenues.
   b) All departments would have the same available funding for services that would have been available if there was not a proposed tax transfer.
   c) The County retains 75-80% of the incremental growth in property tax to the General Fund from the base year (FY2011-12) as discretionary funds over which the Board will have spending authority.
   d) Future property tax dollars to the General Fund have not been allocated and do not impact current available funding.

4. The transfer will not result in a reduction of property tax revenues to school entities.