

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

815



FROM: COUNTY AUDITOR-CONTROLLER

SUBMITTAL DATE:
August 28, 2012


SUBJECT: Agreement for the collection of taxes and provision of financial services for the Western Riverside Council of Governments.

RECOMMENDED MOTION: That the Board of Supervisors approve the attached agreement between the County of Riverside and the Western Riverside Council of Governments and the Chairperson be authorized to sign all three copies of the agreements.

BACKGROUND: The attached agreement between the County of Riverside and the Western Riverside Council of Governments specifies the respective responsibilities of the parties regarding the collection of taxes and special assessments and the provision of accounts payable services by the Auditor-Controller.

Included are charges by the County for services involved.

The attached agreement is of standard format. It has been form-approved by County Counsel and signed by the authorized agent of the agency involved.




PAUL ANGULO, CPA, MA
Auditor-Controller

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	NA
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	NA
	Annual Net County Cost:	\$ 0	For Fiscal Year:	NA

SOURCE OF FUNDS:	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

BY: 
Karen L. Johnson

County Executive Office Signature

- Consent
- Policy
- Consent
- Policy

Dept's Recomm.:
Per Exec. Off.:

Prev. Agn. Ref.: ATTACHMENTS FILED WITH THE CLERK OF THE BOARD

District: ALL

Agenda Number: 3.22

FORM APPROVED COUNTY COUNSEL
BY: DALE A. GARDNER DATE: 8/16/12
Departmental Concurrence

AGREEMENT

This AGREEMENT, is made and entered into this ____ day of _____, 2012 , by and between the County of Riverside, hereinafter referred to as COUNTY and Western Riverside Council of Governments, a joint exercise of power authority of Riverside County, hereinafter referred to as AGENCY,

WITNESSETH:

WHEREAS, AGENCY is a city or district located in the County and as such desires to be the recipient of certain services from COUNTY; and

WHEREAS, AGENCY and COUNTY wish to enter into an agreement whereby the services to be provided, the conditions under which the services are to be provided, and the compensation, if any, to COUNTY for services provided shall be stipulated and binding upon the parties who do so agree; and

WHEREAS, services to the AGENCY may include provision of valuation statements for the purpose of computing tax rates for debt service, provision of roll information for the purpose of computing fixed charge amounts, computation of tax rates where fixed and levied by the Board of Supervisors, collection and distribution of ad valorem taxes and special assessments, maintenance of AGENCY funds in the County Treasury and maintenance of Accounts Payable function which may include Payroll; and

WHEREAS, statutory provisions including Section 29142, 27013 and 29304 of the Government Code, provide the COUNTY can collect the cost of collecting taxes and handling funds for public agencies;

NOW, THEREFORE, the parties hereto agree as follows:

I. PROPERTY TAX RELATED SERVICES

A. Collections

COUNTY will collect for AGENCY:

1. All ad valorem taxes or special assessments allowable under Section 1b, Article XIII A of the Constitution of the State of California.
2. All general purpose taxes due AGENCY through the 1% rate allowable under Section 1a, Article XIII A of the Constitution of the State of California.

3. All fixed charge special assessments based on benefit conferred to each parcel without regard to assessed valuation.

Said taxes and assessments shall be collected at the same time and in the same manner as COUNTY taxes are collected and all laws applicable to the levy, collection and enforcement of COUNTY taxes shall be and are hereby made applicable to such taxes and assessments. COUNTY will not collect for AGENCY any ad valorem taxes or assessments against publicly owned property nor any other property not appearing on the COUNTY assessment roll.

B. Fee for Collection Services Provided

COUNTY will collect fees as follows:

1. For collection of ad valorem taxes and special assessments by COUNTY in excess of the general purpose rate for AGENCY, excepting school districts and cities, the COUNTY shall collect 1/4 of 1% of the ad valorem tax amount collected and distributed.
2. For collection of all general purpose taxes under the 1% ad valorem rate for AGENCY, excepting school districts and cities, COUNTY shall collect 1/4 of 1% of the ad valorem tax amount collected and distributed.
3. For accounting services related to the processing of fixed charge special assessments, COUNTY shall collect \$103.67 per Enrollment/Correction batch and 12 cents per assessment per parcel on those funds on which charges are placed in the current tax year. In addition, COUNTY shall collect 38 cents per assessment per parcel for the Treasurer services.
4. For the correction of fixed charge special assessments requested by AGENCY after extension of the tax roll, COUNTY will collect \$41.69 per manual correction per parcel processed and \$125.07 per batch plus 12 cents per parcel for automated correction batch. A correction consists of a charge per parcel, per fund, per year.

5. For the correction of fixed charge special assessments requested by AGENCY the Tax Collector's office shall collect \$8.78 per assessment per parcel.
6. In addition, for any extended services requested by the AGENCY, COUNTY may charge a fee sufficient to recover actual costs.

COUNTY hereby certifies that the fees charged are for the purpose of recovering costs attributable to the service provided and that said fees do not exceed costs of providing said service.

C. Method of Collection

Ad Valorem Taxes and Special Assessments

1. Beginning July 1, of this fiscal year and for all tax distributions thereafter, the County Auditor will deduct 1/4 of 1% of the total ad valorem taxes and special assessments due AGENCY, and deposit that amount to the County General Fund.
2. Fixed Charge Benefit Assessments Enrollment
At the time fixed charge special assessments are entered on the tax roll, the County Auditor will calculate the amount due COUNTY from AGENCY as follows:
\$103.67 per batch + \$.12 per parcel per assessment + \$.39 per parcel per assessment for Treasurer services for which a charge is requested.

The total amount due COUNTY will be deducted from the amount due AGENCY for the settlement of the first installment of Current Secured Taxes.

3. Correction of Fixed Charges (After Extension)
The \$41.69 per parcel for each manual correction requested by AGENCY. The \$125.07 + \$.12 per parcel is for each batch correction requested by AGENCY. Corrections processed may be deducted from taxes due AGENCY.
4. Extended Services

COUNTY charges for extended services not included in the regular rates may be directly billed to AGENCY or deducted from taxes due AGENCY.

D. Transmission of Information

1. For Ad Valorem Taxes and Special Assessments

- a. Annually as soon as possible after August 1, the County Auditor shall transmit to the legislative body of AGENCY a written statement, showing separately the total value of all property within the AGENCY and the total value in each district or portion of the AGENCY for which a different rate of taxation is to be levied. The value shall be ascertained from the assessment books of COUNTY for the current fiscal year.
- b. Annually on or before September 1, AGENCY, if its legislative body fixes and levies its own tax rates, shall fix and transmit to the County Auditor the rates of ad valorem taxes and special assessments for the AGENCY by fund for each fund for which there is a separate rate. If the Board of Supervisors fixes and levies the tax rates for AGENCY, AGENCY shall transmit to the County Auditor the tax requirements by fund for each fund for which the ad valorem rate or rates must be computed by the Auditor and fixed by the Board of Supervisors.

The County Auditor shall compute and enter on the tax roll the ad valorem taxes and special assessments allowable under Section 1b, Article XIII A of the State Constitution, at the time and in the manner he computes and enters COUNTY taxes.

The taxes and special assessments so levied shall be collected at the same time and in the same manner as COUNTY taxes are collected. For AGENCIES for which the County Treasurer acts as the depository of AGENCY funds, the taxes and special assessments collected shall be paid into the County Treasury to the account

of that AGENCY; otherwise the taxes and special assessments collected shall be paid to AGENCY by County warrant.

- c. Rates submitted by AGENCIES which are fixed by their Legislative Bodies and Tax Requirements submitted by AGENCIES whose rates are fixed by the Board of Supervisors must be accompanied by a resolution certifying the following:
 - 1. That all legal requirements involving the establishment of the tax rates have been met.
 - 2. The purpose of the levy, such as the bond issue being paid and the general use of the bond proceeds.
 - 3. That the imposition of the levy complies with the limitations imposed by Section 1b, Article XIII A of the State Constitution.
- d. Rates submitted by AGENCIES which are fixed by their Legislative Bodies and Tax Requirements submitted by AGENCIES whose rates are fixed by the Board of Supervisors shall include the County Auditor's Tax Apportionment Fund Number opposite the AGENCY name.

2. For Fixed Charge Special Assessments

- a. If AGENCY makes a request for a certified copy of a portion of the County Secured assessment roll on or before January 1, the Assessor shall comply with such request on or before July 1, as provided under Section 647 of the Revenue and Taxation Code.
- b. On or before August 10, AGENCY shall certify and deliver to the County Auditor an assessment roll showing the amount of the assessment against each parcel which shall be designated by assessment number, (i.e., parcel number appearing on the County Secured Assessment Roll) to be collected by the COUNTY for AGENCY.

- c. In cases where AGENCY levies a fixed charge special assessment which is to be collected in installments over a period of years, AGENCY shall compute annually the amount due as to each parcel shown on the County Secured Assessment Roll for the year in which it is to be collected and shall deliver to the County Auditor, annually on or before August 10, the assessment roll showing the installment against each such parcel to be collected by COUNTY for AGENCY.
- d. It shall be the obligation of AGENCY prior to the time of delivery to the COUNTY of fixed charge special assessment roll to check the County Secured Assessment Roll after it is filed by the County Assessor with the County Auditor (July 1, Revenue and Taxation code, Section 617) to verify that the parcel numbers on the assessment roll for fixed charge special assessments certified by AGENCY correspond with the assessment (i.e., parcel) numbers shown on the County Secured Assessment Roll. Any changes in special assessment data previously certified to the County Auditor by AGENCY shall be certified by AGENCY to the County Auditor no later than August 20.
- e. The collection of fixed charge special assessments by COUNTY is conditioned upon the delivery by AGENCY to the County Auditor the required data and information for the collection in such "machine readable form" as may be acceptable to the County Auditor for use in the County's electronic data processing equipment. In the event the information is not submitted in such machine readable form, the COUNTY may charge in accordance with Section I.B.6. of this Agreement. Annually, prior to July 1, the County Auditor will furnish AGENCY with the format requirements.

- f. Requests for the levy of fixed charge special assessments shall be accompanied by a resolution of AGENCY stating the following:
 - 1. That AGENCY has complied with all laws pertaining to the levy of the particular assessment.
 - 2. That the charge being levied is in accordance with benefit conferred to each parcel without regard to assessed valuation.
 - 3. The purpose of the fixed charge special assessment.
- g. Requests for the levy of fixed charge special assessments shall be accompanied by a summary statement of the total number of assessments and the total charges by the County Auditor's fund number.
- h. The City [District] shall be solely liable and responsible, and will defend, indemnify and hold the County and this office harmless from any liability as a result of claims or claims for refunds and related interest due filed by taxpayers against any assessments, fees charges or taxes placed on the roll for the City [District] by the County.

II Accounting Services

- A. For AGENCIES which maintain funds in the County Treasury, COUNTY will provide the following services:
 - 1. Upon order of the County Auditor, COUNTY will deposit all funds due AGENCY to AGENCY'S account.
 - 2. The County Treasurer will credit AGENCY with interest earned, net of the Treasurer's administrative charge made pursuant to Section 27013 of the Government Code, on AGENCY funds deposited with the County Treasurer based on the AGENCY, funds average daily balance on a quarterly basis beginning July 1 of each year.
 - 3. COUNTY shall issue warrants for AGENCY as required.

4. Under arrangement with County Auditor, COUNTY may issue payroll warrants for AGENCY on a bi-weekly or a monthly basis.

The issuance of warrants by COUNTY for AGENCY is contingent upon the availability of sufficient funds in AGENCY'S account in the County Treasury.

B. Fees for Accounting Services

1. For each regular warrant issued by COUNTY on request of AGENCY, COUNTY shall collect a fee of \$ 6.42.
2. For each payroll warrant issued by COUNTY on request of AGENCY, COUNTY shall collect a fee of \$ 4.81.
3. For Special District Payroll Warrant (non-County) (each) issued by COUNTY on request of AGENCY, COUNTY shall collect \$ 12.48.
4. For any extended services which may be provided, COUNTY shall collect a fee to cover the actual cost of the service. Any such fee shall be set by COUNTY with concurrence of AGENCY in advance of the provision of said service.
5. COUNTY shall collect the fees included in this section for all processing beginning with execution of said agreement.

C. Method of Collection

Semi-annually, in January and in July, COUNTY shall account for all services provided AGENCY under Section II B for the preceding six-month period. COUNTY shall calculate the amount due COUNTY from AGENCY and transfer the dollar amount due from AGENCY'S General Fund to the County General Fund.

COUNTY shall provide AGENCY with a statement of the services provided and the amount collected.

D. Transmission of Information

1. For each regular warrant and "manual warrant" requested, AGENCY shall provide COUNTY with a valid "Payment Voucher" in the format prescribed by the County Auditor-Controller and signed by an authorized designee of the Board of AGENCY.
2. Monthly, COUNTY shall provide AGENCY a statement of all activities in AGENCY'S cash account. In addition, COUNTY

shall provide AGENCY with a statement of appropriations and expenditures and a statement of revenue, where applicable. Statement shall include year-to-date balances.

3. The provision of payroll warrants by COUNTY is conditioned upon the delivery by AGENCY to the County Auditor-Controller of the completed pay schedule for each employee, including hours worked, rate of pay and benefits and miscellaneous deductions applicable. This information shall be provided timely and in accordance with the specifications of the County Auditor-Controller. Annually, prior to July 1, COUNTY shall provide AGENCY with a statement of specifications for payroll processing which shall include dates for submission of timely payroll information.
4. For AGENCIES receiving payroll services, COUNTY shall provide a monthly statement of earnings, benefits and miscellaneous deductions by employee, summarized by fund and including year-to-date balances by fund. COUNTY shall provide necessary statements and settlements with outside AGENCIES where applicable, including W-2 forms, payment of employee and employer shares of Social Security Contributions from AGENCY funds, etc.

III. Modification of Collection Fees and Charges

COUNTY reserves the right to increase or decrease any charges herein provided in proportion to any changes in costs incurred by COUNTY in providing the services described herein, provided that written notice of any increase or decrease in charges shall be given by COUNTY to AGENCY on or before July 1 of any year during the term of the agreement.

IV. No Change in Liability

It is the purpose and intent of the parties not to change their existing legal responsibilities and relationships by virtue of this agreement. The purpose of this agreement is to establish the fees herein set forth together with description and scheduling of the tasks to be accomplished by each party which are in accordance with existing provisions of law.

V. Terms of Agreement

All existing agreements between COUNTY and AGENCY pertaining to collection of taxes and special assessments and accounting services by COUNTY for AGENCY shall be terminated upon the execution of this agreement. This agreement shall continue from year to year and shall be subject to cancellation by either party by giving written notice to the other party of cancellation on or before January 1 of any year during the term of this agreement.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed the first day above written.

COUNTY OF RIVERSIDE

By: _____
Chairman, Board of Supervisors

Attest:
Kecia Harper-Ihem, Clerk

By: _____
DEPUTY
(Seal)

WESTERN RIVERSIDE COUNCIL OF
GOVERNMENTS

By:  _____
Executive Director

Approved as to form:



Best Best & Krieger LLP
By: Kelly J. Salt

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