

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

157



FROM: Executive Office

SUBMITTAL DATE:
June 5, 2013

SUBJECT: Resolution No. 2013-129: A Resolution of the Board of Supervisors of the County of Riverside Revising the Amount of Property Tax to be Exchanged with the City of Eastvale.

RECOMMENDED MOTION: That the Board of Supervisors:

1. Adopt Resolution No. 2013-129, revising the amount of property tax to be exchanged with the City of Eastvale; and
2. Direct the Auditor-Controller to make the necessary adjustments to the next secured property tax apportionment for the retroactive payment to the city, and ensure future payments are based on the new base year allocation factor.

BACKGROUND: On May 21, 2013 (Item 3-23), the Board of Supervisors approved an amendment to the revenue neutrality agreement between the County of Riverside and the City of Eastvale. The amendment was a result of an error in the base year calculation related to Proposition 172.

Continued on the next page


TINA GRANDE
Principal Management Analyst

FINANCIAL
DATA

Current F.Y. Total Cost: \$ 483,427
Current F.Y. Net County Cost: \$ 483,427
Annual Net County Cost: \$ 136,116

In Current Year Budget: No
Budget Adjustment: No
For Fiscal Year: FY 11/12-13/14

SOURCE OF FUNDS: Property Tax and General Fund (Contributions to other Funds)

Positions To Be Deleted Per A-30 ☐
Requires 4/5 Vote ☐

C.E.O. RECOMMENDATION:

APPROVE

BY: 
George A. Johnson

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL

BY:  DATE: 6/26/13

Departmental Concurrence

Consent ☐ Policy ☒
Consent ☐ Policy ☒

Dep't Recomm.:
Per Exec. Ofc.:

Prev. Agn. Ref.: 3/21/13 3-23

District: 2/2

Agenda Number:

3-4

RE: Resolution No. 2013-129: A Resolution of the Board of Supervisors of the County of Riverside Revising the Amount of Property Tax to be Exchanged with the City of Eastvale.

Date: June 5, 2013

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BACKGROUND continued: The Board also directed the Executive Office and County Counsel to return to the Board with a resolution to revise the property tax allocation factor for the City of Eastvale, as the base year calculation is used by the Auditor Controller's Property Tax Division to determine the amount of property tax for the city. The previous projected property tax allocation factor in the Comprehensive Fiscal Analysis (CFA) adopted by the Local Agency Formation Commission (LAFCO) should have been 3.13% instead of 2.56%.

The total amount owed to the city is \$619,542.86. Payment to the city will be split between two fiscal year budgets (12/13 and 13/14). The Auditor-Controller has provided an adjusted amount of \$483,426.86, which is the total retroactive payment owed to the city for two years (July 1, 2011 to July 1, 2013). This adjusted amount will be paid to the city by adjusting the secured property tax payment the city will be receiving in July. This will come out of FY 12/13. The County's general fund portion will have a corresponding negative adjustment. All property tax payments after July 2, 2013, will now be based on the corrected base year. The remaining amount of \$136,116 is for the transition period/year from October 1, 2010 through June 30, 2011. This amount will be paid out of the general fund fiscal year 13/14 non-property tax budget unit. This is due to the complexities of government code covering the transition year. No budget adjustment is needed at this time; however, if one is needed in the future, it will be done in a quarterly report.

The resolution has been approved as to form by County Counsel.

RESOLUTION NO. 2013-129

**A RESOLUTION OF THE BOARD OF SUPERVISORS
OF THE COUNTY OF RIVERSIDE REVISING THE AMOUNT OF PROPERTY TAX
TO BE EXCHANGED WITH THE CITY OF EASTVALE**

WHEREAS, California Government Code Section 56810 provides an algorithm to determine the proper amount of property tax to be exchanged between the County and a newly incorporated City; and,

WHEREAS, on January 21, 2010, the Local Agency Formation Commission of Riverside County ("LAFCO") adopted its Resolution No. 01-10 and determined the amount of property tax to be transferred from the County to the City of Eastvale (the "City") upon its incorporation; and,

WHEREAS, the City incorporated on October 1, 2010; and,

WHEREAS, subsequent to the City's incorporation an error was found in the way that LAFCO's consultant calculated the amount of the property tax to be exchanged between the County and the City; and,

WHEREAS, the County and the City desire to correct that error and have agreed that the amount of the property tax that should have been exchanged in the base year between the County and the City should have been \$1,911,584, instead of \$1,620,345, which is the amount LAFCO's consultant calculated; and,

WHEREAS, the previous projected property tax allocation factor in the Comprehensive Fiscal Analysis (CFA) adopted by the Local Agency Formation Commission (LAFCO) should have been 3.13% instead of 2.56%.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Riverside assembled in regular session on July 2, 2013 that:

SECTION 1. Recitals True and Correct. The Board of Supervisors hereby finds that the foregoing recitals are true and correct.

1 SECTION 2. Revised Base Year Property Tax Exchange. Pursuant to Government Code
2 Section 56810, the revised base year property tax to be transferred from the County to the City is
3 \$1,911,584. This retroactively corrects the previously determined base year property tax exchange
4 amount of \$1,620,345 from the date of October 1, 2010.

5 SECTION 3. Official Actions. The officers of the County are hereby authorized and directed, for
6 and in the name and on behalf of the County, to do any and all things and take any and all actions,
7 which they, or any of them, may deem necessary or advisable in order to consummate the purpose of
8 this resolution.

9 SECTION 4. Effective Date. This resolution shall take effect from and after the date of its
10 passage and adoption.