

**BEFORE THE BOARD OF SUPERVISORS  
OF THE COUNTY OF MONTEREY**

**RESOLUTION XXXX-XX**

**RESOLUTION TO APPROVE A PROPERTY TAX TRANSFER AGREEMENT  
BETWEEN THE MONTEREY COUNTY REGIONAL FIRE DISTRICT AND  
THE COUNTY OF MONTEREY FOR THE PROPOSED “Spreckels Annexation”**

**WHEREAS**, the Revenue and Taxation Code Section 99 (Assembly Bill 8 Chapter 282) Statutes 1979, as amended by Senate Bill 180 (Chapter 801), provides for the Monterey County Board of Supervisors to determine an appropriate tax transfer for all jurisdictional changes of organization occurring within Monterey County and for the Fire District Board of Directors of any affected Fire District to concur on the transfer prior to the proposal being considered by the Local Agency Formation Commission (LAFCO); and

**WHEREAS**, the current distribution of property taxes with the affected tax rate areas (TRA) are as follows:

TRA	Monterey County’s Share	Non-affected District’s Share	Total
057-009	31.3184%	68.6816%	100%
057-028	30.8630%	69.1370%	100%
057-034	33.9840%	66.0160%	100%
057-052	33.4488%	66.0160%	100%
057-054	33.9840%	66.0160%	100%
057-011	33.4488%	66.5512%	100%

**WHEREAS**, Senate Bill 180 (Chapter 801) requires that non-affected local agencies percentage share will remain constant; and

**WHEREAS**, the Monterey County Regional Fire District and County of Monterey wish to agree to a fair share distribution of the remaining property tax increment revenues; and

**WHEREAS**, the County of Monterey has realized a 40% reduction in property tax revenue imposed by the State under Senate Bill 617 (Chapter 699) Statutes 1992; and

**WHEREAS**, each year thereafter the County continues to shift revenues to the Education Revenue Augmentation Fund;

**NOW, THEREFORE, BE IT RESOLVED** that “no base” property tax will be transferred for said jurisdictional changes and to the following formulas for property tax increment distribution with Tax Rate Areas, 057-009, 057-028, 057-034, 057-052, 057-054, and 057-011 shall apply after change of organization/annexation.

The processing of this action does not affect or expand any existing 201 rights (i.e., the right of a fire department who provided a level of EMS service to continue to provide

such service; Health and Safety Code Section 1797.201) of any party to the annexation that may or may not exist at this time.

**DISTRIBUTION OF PROPERTY TAX INCREMENT:**

Property tax increment is the property tax that is available after a change of organization/ annexation.

For purposes of this Agreement only, the County of Monterey agrees to use the average tax increment factor of all Tax Rate Areas affected by the annexation areas in particular.

**1. TRA 057-009**

Based on the existing Tax Rate Area(s) 057-009, County of Monterey share of property tax is 31.3184%, reduced by 40% is equal to 18.7910% (the adjustment for the reduction is 12.5274%) The total property tax available for distribution in the proposed area is equal to 18.7910%.

After Change of Organization/Annexation  
(New Tax Rate Area To Be Assigned)

18.7910%- Property Tax Available for Distribution

1. Monterey County Regional Fire Protection District's Share of Total Property Taxes Collected:

	18.7910%	-	Property Tax Available for Distribution
X	30.8593%	-	Monterey County Regional Fire Protection District's Current Ratio
=	5.7988%		

**plus**

2. County of Monterey Share of Total Property Taxes Collected

	18.7910%	-	Property Tax Available for Distribution
X	69.1407%	-	Monterey County's Current Ratio
=	12.9922%		

**plus**

	12.5274%	-	the adjustment for State Tax Shift
=	31.3184%		

Formula for property tax increment allocation to the Monterey County Regional Fire District from Tax Rate Area 057-009 after change of organization/ annexation.

Monterey County Regional Fire District's Property Tax Revenue=  
Total Property Taxes Collected X 5.7988% X  
Full Months Remaining in Tax Year divided by 12.

## 2. TRA 057-028

Based on the existing Tax Rate Area(s) 057-028, County of Monterey share of property tax is 30.8630%, reduced by 40% is equal to 18.5178% (the adjustment for the reduction is 12.3452%) The total property tax available for distribution in the proposed area is equal to 18.5178%.

### After Change of Organization/Annexation (New Tax Rate Area To Be Assigned)

18.5178%- Property Tax Available for Distribution

1. Monterey County Regional Fire District's Share of Total Property Taxes Collected:

	18.5178%	-	Property Tax Available for Distribution
X	30.8593%	-	Monterey County Regional Fire District's Current Ratio
=	5.7145%		

**plus**

2. County of Monterey Share of Total Property Taxes Collected

	18.5178%	-	Property Tax Available for Distribution
X	69.1407%	-	County of Monterey Current Ratio
=	12.8033%		

**plus**

	12.3452%	-	the adjustment for State Tax Shift
=	30.8630%		

Formula for property tax increment allocation to the Monterey County Regional Fire District from Tax Rate Area(s) 057-028 after change of organization/ annexation.

Monterey County Regional Fire Protection District's Property Tax Revenue=  
Total Property Taxes Collected X 5.7145% X  
Full Months Remaining in Tax Year divided by 12.

## 3. TRA 057-034

Based on the existing Tax Rate Area 057-034, County of Monterey share of property tax is 33.9840%, reduced by 40% is equal to 20.3904% (the adjustment for the reduction is 13.5936%) The total property tax available for distribution in the proposed area is equal to 20.3904%.

### After Change of Organization/Annexation (New Tax Rate Area To Be Assigned)

20.3904%- Property Tax Available for Distribution

1. Monterey County Regional Fire Protection District's Share of Total Property Taxes Collected:

$$\begin{array}{rcll} & 20.3904\% & - & \text{Property Tax Available for Distribution} \\ \text{X} & 30.6413\% & - & \text{Monterey County Regional Fire District's Current Ratio} \\ = & 6.2479\% & & \\ \text{plus} & & & \end{array}$$

2. County of Monterey Share of Total Property Taxes Collected

$$\begin{array}{rcll} & 20.3904\% & - & \text{Property Tax Available for Distribution} \\ \text{X} & 69.3587\% & - & \text{County of Monterey Current Ratio} \\ = & 14.1425\% & & \\ \text{plus} & & & \end{array}$$

$$\begin{array}{rcll} & 13.5936\% & - & \text{the adjustment for State Tax Shift} \\ = & 33.9840\% & & \end{array}$$

Formula for property tax increment allocation to the Monterey County Regional Fire District from Tax Rate Area 057-034 after change of organization/ annexation.

Monterey County Regional Fire District's Property Tax Revenue=  
Total Property Taxes Collected X 6.2479% X  
Full Months Remaining in Tax Year divided by 12.

**4. TRA 057-052**

Based on the existing Tax Rate Area 057-052, County of Monterey share of property tax is 33.4488%, reduced by 40% is equal to 20.0693% (the adjustment for the reduction is 13.3795%) The total property tax available for distribution in the proposed area is equal to 20.0693%.

After Change of Organization/Annexation  
(New Tax Rate Area To Be Assigned)

20.0693%- Property Tax Available for Distribution

1. Monterey County Regional Fire District's Share of Total Property Taxes Collected:

$$\begin{array}{rcll} & 20.0693\% & - & \text{Property Tax Available for Distribution} \\ \text{X} & 30.6413\% & - & \text{Monterey County Regional Fire District's Current Ratio} \\ = & 6.1495\% & & \\ \text{plus} & & & \end{array}$$

2. County of Monterey Share of Total Property Taxes Collected

$$\begin{array}{rcll} & 20.0693\% & - & \text{Property Tax Available for Distribution} \\ \text{X} & 69.3587\% & - & \text{County of Monterey Current Ratio} \\ = & 13.9198\% & & \\ \text{plus} & & & \\ & 13.3795\% & - & \text{the adjustment for State Tax Shift} \\ = & 33.4488\% & & \end{array}$$

Formula for property tax increment allocation to the Monterey County Regional Fire District from Tax Rate Area 057-052 after change of organization/ annexation.

Monterey County Regional Fire District's Property Tax Revenue=  
Total Property Taxes Collected X 6.1495% X  
Full Months Remaining in Tax Year divided by 12.

**5. TRA 057-054**

Based on the existing Tax Rate Area 057-054, County of Monterey share of property tax is 31.3184%, reduced by 40% is equal to 18.7910% (the adjustment for the reduction is 12.5274%) The total property tax available for distribution in the proposed area is equal to 18.7910%.

After Change of Organization/Annexation  
(New Tax Rate Area To Be Assigned)

18.7910%- Property Tax Available for Distribution

1. Monterey County Regional Fire District's Share of Total Property Taxes Collected:

$$\begin{array}{rcll} & 18.7910\% & - & \text{Property Tax Available for Distribution} \\ \text{X} & 30.6413\% & - & \text{Monterey County Regional Fire District's Current Ratio} \\ = & 5.7578\% & & \\ \text{plus} & & & \end{array}$$

2. County of Monterey Share of Total Property Taxes Collected

$$\begin{array}{rcll} & 18.7910\% & - & \text{Property Tax Available for Distribution} \\ \text{X} & 69.3587\% & - & \text{County of Monterey Current Ratio} \\ = & 13.0332\% & & \\ \text{plus} & & & \\ & 12.5274\% & - & \text{the adjustment for State Tax Shift} \\ = & 31.3184\% & & \end{array}$$

Formula for property tax increment allocation to the Monterey County Regional Fire District from Tax Rate Area 057-054 after change of organization/ annexation.

Monterey County Regional Fire District's Property Tax Revenue=  
Total Property Taxes Collected X 5.7578% X  
Full Months Remaining in Tax Year divided by 12.

**6. TRA 057-011**

Based on the existing Tax Rate Area 057-011, County of Monterey share of property tax is 33.4488%, reduced by 40% is equal to 20.0693% (the adjustment for the reduction is 13.3795%) The total property tax available for distribution in the proposed area is equal to 20.0693%.

After Change of Organization/Annexation  
(New Tax Rate Area To Be Assigned)

20.0693%- Property Tax Available for Distribution

1. Monterey County Regional Fire District's Share of Total Property Taxes Collected:

	20.0693%	-	Property Tax Available for Distribution
X	30.6413%	-	Monterey County Regional Fire District's Current Ratio
=	6.1495%		

**plus**

2. County of Monterey Share of Total Property Taxes Collected

	20.0693%	-	Property Tax Available for Distribution
X	69.3587%	-	County of Monterey Current Ratio
=	13.9198%		

**plus**

	13.3795%	-	the adjustment for State Tax Shift
=	33.4488%		

Formula for property tax increment allocation to the Monterey County Regional Fire District from Tax Rate Area 057-011 after change of organization/ annexation.

Monterey County Regional Fire District's Property Tax Revenue=  
Total Property Taxes Collected X 6.1495% X  
Full Months Remaining in Tax Year divided by 12.

PASSED AND ADOPTED on this 17<sup>th</sup> day of November, 2015, by the following vote,  
to-wit:

AYES:

NOES:

ABSENT:

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book\_\_\_\_ for the meeting on \_\_\_\_\_.

Dated:  
Supervisors

Gail T. Borkowski, Clerk of the Board of

County of Monterey, State of California

By \_\_\_\_\_  
, Deputy