RESOLUTION - ACTION REQUESTED 2017-662

MEETING: October 3, 2017

TO: The Board of Supervisors

FROM: Debbie Isaacs, Auditor

RE: County of Mariposa Property Tax Rate Approval

RECOMMENDATION AND JUSTIFICATION:
Adopt a resolution establishing property tax rates for the County of Mariposa 2017/18 fiscal year Secured tax roll.

Beginning in fiscal year 2017/18, an additional tax rate will be applied to properties belonging to the Mariposa Unified School District. This additional tax is for the purpose of raising adequate debt service funds to make principal and interest payments on general obligation bonds issued by the Mariposa Unified School District, approved by the voters of Mariposa County during the November 2016 Election. According to Article XIII A, Section 1(b) of the California Constitution, debt service tax rates can be levied to provide taxing jurisdictions with the necessary revenue to pay annual principal and interest charges on any bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds (2/3) of the voting public. The amount to be raised includes a reserve equal to the next six months of principal and interest payments due after the end of fiscal year 2017/18 as well as a 2% increase to account for delinquency. These additions are to ensure there are adequate funds to make principal and interest payments on the bond in a timely manner.

In fiscal year 2017/18, the debt service rate for the Mariposa Unified School District General Obligation Bond Election of 2016, Series A is 0.035558% ($35.558 per $100,000 assessed valuation). This tax rate will be applied to the Unitary/State Board Roll as well. According to Revenue and Taxation Code Section 100, debt service rates are to be calculated for Unitary and operating nonunitary property based on the previous year's debt service rate. Since there is no established debt service rate for the County of Mariposa, in the first year of implementation the debt service rate is the same for Unitary as it is for Secured. In future years, a calculation will have to be done by the Auditor's office to establish a debt service rate for Unitary property separate from Secured.

The Auditor's Office anticipates that applying this tax rate will generate approximately $721,712 in debt service funds for the school bond.
BACKGROUND AND HISTORY OF BOARD ACTIONS:
Each year, pursuant to Government Code Sections 29100 - 29106 inclusive, the Board of Supervisors has adopted a resolution establishing the tax rate of 1% of the cash value of the secured property within the county. As stated above, beginning in fiscal year 2017/18 there will be an additional tax rate percentage for tax rate areas subject to the Mariposa Unified School District General Obligation Bonds approved during the November 2016 Election.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:
Not approving this resolution would mean that Mariposa County is out of compliance with Government Code Sections 29100 - 29106.

ATTACHMENTS:
Tax rate adoption for secured taxes 2017-18 [DOCX]

CAO RECOMMENDATION
Requested Action Recommended

Dallin Kimble
Dallin Kimble, County Administrative Officer 9/28/2017

RESULT: ADOPTED BY CONSENT VOTE [UNANIMOUS]
MOVER: Merlin Jones, District II Supervisor
SECONDER: Rosemarie Smallcombe, District I Supervisor
AYES: Smallcombe, Jones, Long, Cann, Menetrey
MARIPOSA COUNTY RESOLUTION NO. 17-662

A RESOLUTION ADOPTING THE BASIC TAX RATE FOR THE COUNTY OF MARIPOSA AND THE RATES FOR THE MARIPOSA UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION BONDS FOR FISCAL YEAR 2017/18

WHEREAS, Government Code §§29100 – 29106 require that tax rates be set and approved by the Board of Supervisors of Mariposa County, a political subdivision of the State of California.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Mariposa County, State of California, that the tax rates be adopted as follows:

The ad valorem property tax rate for the County of Mariposa is 1% of the assessed value ($1,000 per $100,000 assessed valuation) for the 2017/18 fiscal year, tax year 2017, with bond rates to be ADDED to the 1% rate as follows:

The additional tax rate for the Mariposa Unified School District General Obligation Bond Election of 2016, Series A is fixed at 0.035558% of the Secured assessed value ($35.558 per $100,000 assessed valuation) for the 2017/18 fiscal year, tax year 2017.

The additional tax rate for the Mariposa Unified School District General Obligation Bond Election of 2016, Series A is fixed at 0.035558% of the Unitary/State Board Roll ($35.558 per $100,000 assessed valuation) for the 2017/18 fiscal year, tax year 2017.

PASSED AND ADOPTED by the Board of Supervisors of the County of Mariposa on this 3rd day of October 2017 by the following vote:

AYES: SMALLCOMBE, JONES, LONG, CANN, MENETREY
NOES: NONE
ABSENT: NONE
ABSTAINED: NONE

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Marshall Long, Chair
Mariposa County Board of Supervisors

ATTEST: APPROVED AS TO FORM:

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Rene LaRoche, Clerk of the Board

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Steven Dahlem, County Counsel