

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
BOARD ACTION SUMMARY

DEPT: Auditor-Controller

BOARD AGENDA #: \*B-2

AGENDA DATE: September 20, 2016

**SUBJECT:**

Approval to Adopt the Fiscal Year 2016/2017 Property Tax Rates

**BOARD ACTION AS FOLLOWS:**

No. 2016-472

On motion of Supervisor Withrow, Seconded by Supervisor O'Brien  
and approved by the following vote.

Ayes: Supervisors: O'Brien, Chiesa, Withrow, DeMartini, and Chairman Monteith

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1)  Approved as recommended

2)  Denied

3)  Approved as amended

4)  Other:

MOTION:

ATTEST: Elizabeth A. King  
ELIZABETH A. KING, Clerk of the Board of Supervisors

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
AGENDA ITEM**

DEPT: Auditor-Controller

BOARD AGENDA #: \*B-2

Urgent

Routine

AGENDA DATE: September 20, 2016

CEO CONCURRENCE: *pkc*

4/5 Vote Required: Yes  No

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**SUBJECT:**

Approval to Adopt the Fiscal Year 2016/2017 Property Tax Rates

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**STAFF RECOMMENDATIONS:**

1. Adopt the 1% Ad Valorem Tax rate authorized by Sections 93(b) and 135 of the Revenue and Taxation Code.
2. Adopt tax rates that are "...needed to make annual payments for the interest and principal on general obligation bonds or other indebtedness approved by the voters" to be levied pursuant to Revenue and Taxation Code 93(a) and 93(c).
3. Adopt the Countywide Unitary Tax rate authorized by Section 100 of the Revenue and Taxation Code.
4. Adopt the .8714% tax rate for the territory formerly served by the Lower San Joaquin Levee District.

**DISCUSSION:**

Each year the Board of Supervisors adopts a budget that will fund the community services and programs for citizens of Stanislaus County. Part of the funding identified in that document is property tax revenue.

In addition, other agencies such as cities, school districts, special districts, and redevelopment successor agencies (former redevelopment agencies) also, in part or in full, rely on property tax revenue to fund their services and programs.

Further, many school districts in the County have relied on debt issuance to acquire land and finance construction of school facilities to meet the educational needs of the people of Stanislaus County. General obligation bonds and loans from the State of California have financed this debt. These bonds and loans are retired by property taxes from the taxpayers in each respective school district.

Each fiscal year, the Board of Supervisors adopts tax rates that are applied to secured assessed valuations for the purpose of calculating and issuing secured tax bills. The prior fiscal year's secured rates become the current fiscal year's unsecured rates. Unsecured

## Approval to Adopt the Fiscal Year 2016/2017 Property Tax Rates

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property tax is an ad-valorem or value-based property tax that is not secured by real property (such as land), whereas secured property tax applies to secured property that serves as an asset that has sufficient value to guarantee payment of taxes levied.

Prior to the passage of the Jarvis-Gann Proposition 13 initiative in 1978, tax rates were calculated for every taxing agency and revenue district on the County tax roll. After Proposition 13, the rate was limited to a maximum of 1% of assessable value, plus rates needed to redeem indebtedness approved by the voters prior to passage of the proposition. Distribution of the tax proceeds generated by the 1% rate is detailed in Sections 95 through 100 of the Revenue and Taxation Code.

In addition to the 1% rate, individual tax rates are needed to redeem bonded indebtedness. Adoption of bond rates is necessary so that taxing agencies and districts can derive needed funds for the redemption of indebtedness approved by voters. These actions are authorized under Section 93 of the Revenue and Taxation Code.

In 1988, Assembly Bill (AB) 454 and AB 2890 created a countywide tax rate area and provided a means of calculating tax rates for all unitary and operating non-unitary utility values in the County. Unitary property is defined as a group of properties that operate as a unit as part of the primary function of the assessee. Examples of unitary property are pipelines, telephone lines, etc. Operating non-unitary property is considered to be a group of properties that operate as a unit, but are not part of the primary function of the assessee. In 2003, a new countywide tax rate area was created to segregate the right of ways for pipelines from the original countywide tax rate area created in 1988 and charge the local Assessor's Office with their valuation under the provisions of Proposition 13. In 2007, another countywide tax rate area was established for the assessment of regulated railways. Previously these properties had been assessed as a single unit then allocated to tax rate areas based upon track mileage within individual tax rate areas.

The State Board of Equalization now reports a single value for these properties that are placed in the countywide tax rate area. The rate for indebtedness in these countywide tax rate areas is modified each year by the percentage change in bond requirements in the preceding two fiscal years. Unitary and operating non-unitary properties are assessed (with the exception for pipeline right of ways) on the Utility Roll by the State Board of Equalization and taxed locally using rates calculated under the provisions of Revenue and Taxation Code Section 100 (b)(2)(A).

Certain areas of the County are taxed at a rate of less than the 1% Proposition 13 rate. Several years after the passage of Proposition 13, legislation was passed that changed the method of financing for the Lower San Joaquin Levee District. At the same time, the District boundary lines were redrawn to exclude territory within Stanislaus County. The tax rate has been reduced from 1% to .8714% under the authority of then Section 100 of the Revenue and Taxation Code and the Attorney General's opinion. The reduced rate reflects the fact that taxpayers in the former Lower San Joaquin Levy District territory are receiving reduced services.

Attachment A lists the County general secured tax rate, bond and interest redemption tax rates, the countywide unitary tax rate and the Lower San Joaquin Levee District tax rate.

## Approval to Adopt the Fiscal Year 2016/2017 Property Tax Rates

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The Fiscal Year 2016/2017 property tax bills will be produced and mailed to property tax owners in September subsequent to the approval of this agenda item. Revenue derived from the payment of those tax bills will assure that services and programs dependent upon this revenue will continue uninterrupted for Fiscal Year 2016/2017. Additionally, debt obligations of the school districts will be met.

### **POLICY ISSUE:**

Section 93 of the Revenue and Taxation Code requires the County to adopt property tax rates.

### **FISCAL IMPACT:**

Local agencies depend on property tax revenue to fund certain operating costs associated with their annual budgets. Countywide, the total secured tax charge for Fiscal Year 2016/2017, exclusive of tax levies for bonded indebtedness approved by voters, is \$414,023,916. General calculations reflect that Stanislaus County will receive an estimated 13.15% of the total tax charge, which is approximately \$54.4 million.

The tax rates for bond and interest redemption will provide for the redemption of voter-approved indebtedness that becomes due and payable during Fiscal Year 2016/2017.

### **BOARD OF SUPERVISORS' PRIORITY:**

Adoption of the Fiscal Year 2016/2017 Property Tax Rates will provide needed revenues to help fund the Board of Supervisors' priorities of a Safe Community, A Healthy Community, Effective Partnerships and the Efficient Delivery of Public Services.

### **STAFFING IMPACT:**

The staffing level in the Property Tax Division of the Auditor-Controller's Office is sufficient to perform the duties associated with adoption of the Fiscal Year 2016/2017 Property Tax Rates.

### **CONTACT PERSON:**

Todd Filgas                                  Property Tax Manager                                  (209) 525-6597

### **ATTACHMENT(S):**

- A. Stanislaus County Fiscal Year 2016/17 Property Tax Rates

FISCAL YEAR 2016/2017  
PROPERTY TAX RATES

ATTACHMENT A

**STANISLAUS COUNTY**  
**FY 2016/17 PROPERTY TAX RATES**

1.	COUNTY GENERAL TAX RATE	1.000000
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2.	BOND AND INTEREST REDEMPTION RATES	
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TAX CODE	NAME OF FUND	TAX RATE PERCENTAGES	UNITARY PERCENTAGES
40910	OAK VALLEY HOSPITAL 2014 REFUNDING	0.0435550	0.000000000
41250	CHATOM ELEM 2006 A	0.0163010	0.0014453461
41260	CHATOM ELEM BOND 2006, SERIES 2007 B	0.0042400	0.0002620313
41610	HART RANSOM BOND 2007, SERIES 2008 A	0.0306200	0.0004553985
41620	HART RANSOM BOND 2007, SERIES 2008 B	0.0078140	0.0001269406
41700	HICKMAN	0.0416120	0.0000192841
42000	KEYES 1996	0.0157110	0.0164353311
42050	KEYES UNION BOND 2005 SERIES 2005	0.0034430	0.0003491500
42075	KEYES UNION BOND 2005 SERIES 2007 B	0.0455340	0.0011529022
42080	KEYES UNION BOND 2005, SERIES 2008 C	0.0378700	0.0025351113
42340	MODESTO 2001	0.0269510	0.0112769427
43100	PARADISE 2003	0.0337650	0.0003625323
43300	RIVERBANK 1993 SER A	0.1070670	0.0039474989
43400	RIVERBANK 1993 SER B	0.0021660	0.0003293865
43600	SALIDA 1988	0.0058740	0.0002917110
44350	STANISLAUS ELECTION OF 2008 SERIES A	0.0233330	0.0016595238
44365	STANISLAUS 2014 GOB REFUNDING	0.0065630	0.0004662432
44810	SYLVAN 2011 REFUNDING	0.0111820	0.0019049326
44950	SYLVAN ELECTION OF 2006, SERIES 2007	0.0231950	0.0034138454
44960	SYLVAN ELECTION OF 2006, SERIES 2010	0.0005990	0.0000850550
45060	TURLOCK GO BOND REFUNDING 2013	0.0113110	0.0028935355
45075	VALLEY HOME 2004 A	0.0144990	0.0007157077
45080	VALLEY HOME 2004 B	0.0070870	0.0005261758
45475	HUGHSON UNIFIED 2004 A	0.0314010	0.0038956999
45485	HUGHSON UNIFIED 2004 B	0.0184750	0.0052764268
45490	HUGHSON UNIFIED 2007 C	0.0005340	0.0000178348
46030	TURLOCK 2015 GO REFUNDING BOND	0.0332150	0.0096116273
46035	TURLOCK SFID - 2015 GO REFUNDING BOND	0.0078170	0.0022620866
46260	CERES UNIFIED 2008, SERIES 2009 A	0.0278500	0.0031944326
46270	CERES UNIFIED 2008, SERIES 2009 B	0.0234360	0.0026881085
46275	CERES UNIFIED 2008, SERIES 2010 A	0.0130030	0.0019422747
46280	CERES UNIFIED 2010 GO REFUNDING BONDS	0.0415180	0.0078376360
46285	CERES UNIFIED 2013 GO REFUNDING BONDS	0.0037530	0.0006703753
46290	CERES UNIFIED 2015 GO REEUNDING BONDS	0.0040770	0.0005698798
46450	DENAIR UNIFIED 2001 B	0.0203080	0.0016480289
46470	DENAIR UNIFIED BOND 2007, SERIES 2008	0.0463490	0.0012031086
46480	DENAIR UNIFIED BOND 2007, SERIES 2011	0.0051860	0.0001803900
46490	DENAIR UNIFIED BOND 2012 REFUNDED	0.0563320	0.0018662349
46950	NEWMAN\CROWSLNDG 2007 REFUNDING	0.0462020	0.0091529666
46955	NEWMAN\CROWSLNDG 2008 REFUNDING	0.0298980	0.0033124378
46960	NEWMAN\CROWSLNDG ELECTION 2008, SERIES 2009 A	0.0008660	0.0001021900
46970	NEWMAN\CROWSLNDG ELECTION 2008, SERIES 2010 B	0.0107380	0.0018692354
46975	NEWMAN\CROWSLNDG 2016 GOB REF	0.0476330	0.0049755711
47050	OAKDALE 2002 A	0.0166720	0.0093236111
47060	OAKDALE 2002 B	0.0080030	0.0051287032
47070	OAKDALE 2002 C	0.0082700	0.0027444757
47100	PATTERSON 1996 A	0.0104150	0.0104070118
47200	PATTERSON 2001 A	0.0439520	0.0567833922
47250	PATTERSON 2001 B	0.0078500	0.0055504572
47255	PATTERSON 2008 A	0.0104560	0.0023045370
47270	RIVERBANK ELECTION 2005 SERIES 2008 A	0.0060800	0.0003510979
47275	RIVERBANK USD 2015 GOB REFUNDING	0.0449930	0.0015595463
47400	WATERFORD 1998	0.0882190	0.0067656256
47725	MODESTO 2001	0.0355780	0.0025256222
47860	YOSEMITE 2004, SERIES 2008 C	0.0091900	0.0267157688
47870	YOSEMITE 2004, SERIES 2010 D	0.0004590	0.0013825784
47880	YOSEMITE 2012 REFUNDING	0.0085000	0.0254873062
47890	YOSEMITE 2015 REFUNDING	0.0048850	0.0121513317
			<b>0.2821122</b>

3.	LEVIED TAX RATE FOR COUNTY WIDE UNITARY TAX RATE AREA	1.282098
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4.	LOWER SAN JOAQUIN LEVEE DISTRICT TAX RATE	0.871400
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