

TO: Honorable Mayor and City Council
Attention: Jeremy Craig, City Manager

FROM: Dawn Leonardini, Director of Administrative Services
(Staff Contact: Geoff Bunton (707) 449-5119)

SUBJECT: SPECIAL TAX ANNUAL REPORTING

DISCUSSION:

Senate Bill 165 (September, 2000) enacted the Local Agency Special Tax and Bond Accountability Act ("Act"). The Act, which applies to the City's Community Facility Districts ("CFD", or "special tax district") adopted on or after January 1, 2001, requires that an annual report be filed with the City Council summarizing the funds collected and expended. As noted on the attached report, the City has five such special tax districts at this time which fall under the Act's reporting requirements: CFD #8 North Village, CFD #9 Portofino, CFD #10 Cheyenne, CFD #11 Southtown, and CFD #12 In-Fill. All five special tax districts are used to generate funds to offset the costs of providing police and fire services to residential properties within the CFD boundaries. All funds collected from the levy of the special tax within the CFD's were used for such purpose. The amount collected for the five CFD's for fiscal year 2017-18 was \$3.38 million. Total expenditures for police and fire service in fiscal year 2017-18 totaled \$61.8 million.

FISCAL IMPACT:

None.

RECOMMENDATION:

No action required. This item is for informational purposes only.

ATTACHMENTS:

Attachment 1: Senate Bill 165

SENATE BILL 165

Senate Bill 165, filed with the Secretary of State on September 19, 2000, enacted the Local Agency Special Tax and Bond Accountability Act. This Act requires that any local special tax/local bond measure subject to voter approval contain a statement indicating the specific purposes of the special tax, require that the proceeds of the special tax be applied to those purposes, require the creation of an account into which the proceeds shall be deposited, and require an annual report containing specified information concerning the use of the proceeds. The Act only applies to any local special tax measure or local bond measure adopted on or after January 1, 2001 in accordance with Section 50075.1 or Section 53410 of the California Government Code.

Some of the requirements of the Act are handled at the formation of the Special Tax District and others are handled through annual reports. This report intends to comply with Section 50075.3 or Section 53411 of the California Government Code that states:

“The chief fiscal officer of the issuing local agency shall file a report with its governing body no later than January 1, 2002, and at least once a year thereafter. The annual report shall contain all of the following:

- (a) The amount of funds collected and expended.
- (b) The status of any project required or authorized to be funded as identified in subdivision (a) of Section 50075.1 or Section 53410.

Purpose of Special Tax

The Community Facilities Districts were formed to provide fire and law enforcement services within each of the districts.

Collections & Expenditures

The requirements of the Act apply to the Services Fund for the following Districts:

District	2017/18 Annual Levy	6/30/2018 Balance	Expended Amount	Service Status
CFD 8 North Village	\$306,261.32	\$0.00	\$306,261.32	Ongoing
CFD 9 Portofino	148,048.04	0.00	148,048.04	Ongoing
CFD 10 Cheyenne	481,836.48	0.00	481,836.48	Ongoing
CFD 11 Southtown	2,100,368.16	0.00	2,100,368.16	Ongoing
CFD 12 In-fill	347,592.00	0.00	347,592.00	Ongoing