

authorizes counties to recover property tax administrative costs attributable to incorporated cities and local jurisdictions within each county except schools and ERAF. The total allocable costs for property tax administration services for FY2017/18 are \$7,245,728 (Attachment A).

The schools are excluded by law from paying their share of the property tax administrative fee. The schools' share of the property tax administration costs represents approximately 43.81% of the total cost or \$3,174,151. In addition, the cost for the County's General Fund share is \$1,145,557 which represents 15.81% and is excluded from the amount recoverable (Attachment B).

The recoverable cost for each department who provides the property tax administration services are: Assessment Appeals Board \$31,885; Assessor \$2,177,589; Tax Collector \$648,678; and the Auditor-Controller \$67,868 for a total of \$2,926,020. The calculation includes all actual direct costs and countywide overhead charges for the respective departments for FY2016/17. Other revenues received for property tax related functions are subtracted from the total cost to arrive at the net property tax administration cost to be recovered. The net cost is distributed to all local agencies based on their proportionate share of the total property taxes apportioned for FY2017/18.

ALTERNATIVES:

The BOS may choose not to approve the Property Tax Administration Fee for FY2017/18 as recommended. However, failure to approve the Property Tax Administration Fee will result in the revenue loss of \$2,926,020 to the county departments who provide the property tax administrative support. Therefore, the ACO recommends the Board approve the Property Tax Administration Fee as calculated.

OTHER AGENCY INVOLVEMENT:

The staff from the Assessor-Recorder, Tax Collector/County Clerk/Treasurer and the Assessment Appeals Board provided and reviewed the data used to calculate the Property Tax Administration Fee for FY2017/18.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION