



## AGENDA REPORT

**Meeting Date:** August 17, 2010

**Item Number:** E-2

**To:** Honorable Mayor & City Council

**From:** Noel Marquis, Assistant Director of Administrative Services

**Subject:** RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS FIXING THE RATE OF TAXES TO PAY THE BONDED AND OTHER VOTER-APPROVED INDEBTEDNESS OF THE CITY FOR THE FISCAL YEAR 2010/2011

**Attachments:**

1. Resolution
2. Exhibits

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### RECOMMENDATION

Staff recommends adoption of the resolution fixing the rate of taxes for the Fiscal Year 2010/2011 to 0.015449 per \$100 of assessed valuation.

### INTRODUCTION

This report seeks City Council approval and adoption of the resolution fixing the rate of taxes for Fiscal Year 2010/2011 at 0.015449 per \$100 of assessed valuation. The City is required to submit a copy of the resolution fixing the rate of property taxes to the County of Los Angeles by the end of August each year so that the rate may be included in the current year's assessments.

**DISCUSSION**

In accordance with the provisions of Article XIII A of the Constitution of the State of California, the City may levy an annual tax rate for the repayment of interest and principal on general obligation bonds and other voter-approved indebtedness. This rate is in addition to the general rate of 1% of full market value authorized in the above-noted Constitution article. Expenditures recoverable under this provision reflect the costs of improved retirement benefits for public safety personnel as approved by voters in an election in 1974. For Fiscal Year 2010/2011, the expenditures for public safety retirement benefits which can be recovered by the property tax override equal \$3,172,331.

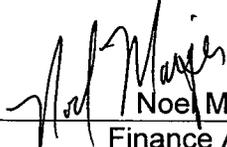
With total secured assessed valuation of \$20,534,364,962 for fiscal year 2010/2011 a levy of \$0.015449 per \$100 of assessed valuation is required to recover the cost of the above expenditures. This compares with a rate of \$0.014700 in the previous year. The following table is a comparison of the current tax levy and the levy for last fiscal year.

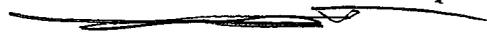
	Prior Fiscal Year	Current Fiscal Year	Difference
Assessed Value	21,055,787,380	20,534,364,962	(521,422,418)
Levy Per \$100 of AV	0.014700	0.015449	0.000749
Total Levy	3,095,201	3,172,331	77,130

The slight increase in the rate of tax override is due to increased payroll costs and decreased property valuation upon which the contribution rate is calculated. The methodology is consistent with prior years.

**FISCAL IMPACT**

This tax override will recover \$3,172,331 of City expenditures for this year's public safety personnel retirement payments.

  
\_\_\_\_\_  
Noel Marquis  
Finance Approval

  
\_\_\_\_\_  
Scott G. Miller  
Approved By

# **Attachment 1**

Resolution

RESOLUTION NO. \_\_\_\_\_

RESOLUTION OF THE COUNCIL OF THE CITY OF  
BEVERLY HILLS FIXING THE RATE OF TAXES TO PAY  
THE BONDED AND OTHER VOTER-APPROVED  
INDEBTEDNESS OF THE CITY FOR THE FISCAL YEAR  
2010/2011

The Council of the City of Beverly Hills does resolve  
as follows:

**Section 1.** Pursuant to law, there hereby is fixed and levied the rate of taxes, designated in the number of cents upon each One Hundred Dollars (\$100.00) of the assessed value to be taxed as assessed by the County Assessor and equalized by the Board of Supervisors of the County of Los Angeles, as set forth in Section 2 hereof.

**Section 2.** Upon all of the taxable property in each of the taxing districts within the City of Beverly Hills, there hereby is fixed and levied the rate of taxes as follows:

All Districts \$0.015449

The rate so fixed is needed to raise the amount necessary to make annual payments for other indebtedness of the City approved by the voters prior to July 1, 1978.

**Section 3.** The City Clerk shall cause this resolution to be published and circulated in the City within fifteen (15) days after its passage, in accordance with Section 36936.1 of the Government Code; shall certify to the adoption and publishing of this resolution and shall cause this resolution and his certification, together with proof of publication, to be entered in the Book of Resolutions of the Council of this City.

**Adopted:**

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**JIMMY DELSHAD**  
Mayor of the City of  
Beverly Hills, California

**ATTEST:**

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(SEAL)  
**BYRON POPE**  
City Clerk

**Approved as to form:**



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**LAURENCE S. WIENER**  
City Attorney

**Approved as to content:**

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**JEFFREY C. KOLIN**  
City Manager



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**SCOTT G. MILLER**  
Director of Administrative  
Services/CFO

# **Attachment 2**

## Exhibits

**CITY OF BEVERLY HILLS  
FINANCE ADMINISTRATION  
Fiscal Year 2010/2011  
Sworn Personnel - Salaries Subject to PERS  
minus CHP floor**

**Exhibit 1**

	<b>Salaries Subject to PERS</b>
Fire Department	\$ <u>9,926,297.00</u>
Police Department	\$ <u>14,910,901.31</u>
Total Public Safety Salaries	\$ <u><u>24,837,198.31</u></u>
PERS Rate	25.545%
PERS Cost	\$ 6,344,662.31
Less CHP Element	<u>(3,172,331.15)</u>
Net PERS after CHP Element	\$ <u><u>3,172,331.15</u></u>
Assessed Valuation	
Total Locally Assessed	\$ <u><u>20,534,364,962.00</u></u>
Property Tax at \$1 per \$100 of AV	\$ <u><u>205,343,649.62</u></u>
Tax rate to recover PERS cost for Fiscal Year 10/11	\$ 0.015449
Fiscal Year 09/10 Assessed Valuation	\$ 21,055,787,380.00
Fiscal Year 09/10 Tax Rate	\$ 0.014700

Los Angeles Time ranked listing of Los Angeles County cities 1% general property tax, along with special or direct assessments levied by municipalities.

City	Rank	Median Income	Population	Property tax percentage
Agoura Hills	67	\$117,608	23,387	1.081784
Alhambra	60	\$53,224	89,501	1.092625
Arcadia	47	\$75,808	56,719	1.108212
Artesia	84	\$60,538	17,608	1.049796
Avalon	46	\$53,200	3,559	1.110551
Azusa	71	\$53,299	49,207	1.081067
Baldwin Park	14	\$56,585	81,604	1.191021
Bell	2	\$40,556	38,867	1.553634
Bell Gardens	32	\$41,532	47,002	1.124141
Bellflower	88	\$53,325	77,312	1.022843
Beverly Hills	63	\$96,312	36,224	1.087422
Bradbury	56	\$123,773	963	1.100839
Burbank	77	\$64,416	108,469	1.071625
Calabasas	68	\$126,178	23,788	1.081784
Carson	17	\$70,645	98,047	1.179221
Cerritos	85	\$98,212	54,946	1.049796
Claremont	35	\$89,804	37,608	1.122970
Commerce	33	\$46,245	13,581	1.124141
Compton	3	\$43,157	99,769	1.531274
Covina	38	\$66,438	49,622	1.115932
Cudahy	34	\$39,048	26,029	1.124141
Culver City	78	\$70,774	40,722	1.061782
Diamond Bar	26	\$92,414	61,019	1.146754
Downey	62	\$61,839	113,715	1.087909
Duarte	57	\$68,539	23,124	1.100839
El Monte	5	\$44,415	126,464	1.397056
El Segundo	73	\$83,925	17,049	1.075655
Gardena	18	\$52,897	61,927	1.179221
Glendale	76	\$57,112	207,902	1.073990
Glendora	53	\$81,336	52,830	1.102878
Hawaiian Gardens	41	\$46,853	15,884	1.114851
Hawthorne	36	\$43,602	90,145	1.122403
Hermosa Beach	86	\$109,509	19,599	1.036418
Hidden Hills	69	\$203,199	2,025	1.081784
Huntington Park	6	\$39,185	64,219	1.389221
Industry	1	\$66,616	803	1.926277
Inglewood	10	\$46,574	119,053	1.279126
Irwindale	39	\$60,959	1,717	1.115932
La Cañada Flintridge	58	\$148,996	21,261	1.097732
La Habra Heights	87	\$137,034	6,161	1.036080
La Mirada	64	\$83,514	50,015	1.083945
La Puente	61	\$55,902	43,355	1.089743
La Verne	49	\$83,352	34,051	1.106154
Lakewood	42	\$78,764	83,636	1.114851
Lancaster	28	\$56,069	145,875	1.142119
Lawndale	59	\$53,150	33,641	1.095951

City	Rank	Median Income	Population	Property tax percentage
Lomita	19	\$59,059	21,015	1.179221
Long Beach	43	\$50,985	494,709	1.114851
Los Angeles	13	\$48,610	4,094,764	1.220441
Lynwood	15	\$48,518	73,295	1.185855
Malibu	55	\$138,215	13,765	1.102020
Manhattan Beach	79	\$136,481	36,773	1.059263
Maywood	8	\$41,203	30,034	1.350846
Monrovia	12	\$61,504	39,984	1.222003
Montebello	9	\$52,623	65,781	1.322016
Monterey Park	16	\$55,210	65,027	1.183800
Norwalk	65	\$62,412	109,817	1.083945
Palmdale	7	\$63,317	152,622	1.386055
Palos Verdes Estates	80	\$167,344	14,085	1.055672
Paramount	30	\$49,815	57,989	1.130620
Pasadena	29	\$62,825	151,576	1.135666
Pico Rivera	37	\$56,683	66,967	1.116714
Pomona	23	\$54,242	163,683	1.175465
Rancho Palos Verdes	81	\$128,321	42,893	1.055672
Redondo Beach	75	\$92,263	68,105	1.074358
Rolling Hills	82	\$184,777	1,974	1.055672
Rolling Hills Estates	83	\$145,628	8,157	1.055672
Rosemead	51	\$49,387	57,756	1.105771
San Dimas	50	\$84,953	36,946	1.106154
San Fernando	4	\$54,068	25,366	1.463421
San Gabriel	11	\$56,687	42,984	1.268112
San Marino	52	\$158,855	13,415	1.105547
Santa Clarita	24	\$88,987	177,641	1.150565
Santa Fe Springs	54	\$60,445	17,929	1.102532
Santa Monica	45	\$69,013	92,703	1.113924
Sierra Madre	25	\$88,008	11,099	1.149366
Signal Hill	44	\$66,283	11,465	1.114851
South El Monte	31	\$46,912	22,627	1.127983
South Gate	20	\$48,312	101,914	1.179221
South Pasadena	40	\$76,229	25,881	1.115736
Temple City	72	\$65,965	35,892	1.076403
Torrance	74	\$76,866	149,717	1.075651
Vernon	21	\$81,279	96	1.179221
Walnut	27	\$106,893	32,659	1.146754
West Covina	66	\$71,898	112,890	1.082586
West Hollywood	22	\$52,855	37,805	1.179221
Westlake Village	70	\$126,550	8,872	1.081784
Whittier	48	\$66,891	87,128	1.108113

According to the Los Angeles Time article “This chart uses the highest tax rate for the assessed value of homes in each city. It does not account for direct assessments for services such as lighting, sewage, refuse and others charged by cities.”

**The reference in the Los Angeles Times indicated the following sources:**

**Source:** Property tax rates, County of Los Angeles Auditor-Controller Tax Division, Fiscal Year 2009-2010; | Household income, U.S. Census 2000 [data for city of Los Angeles is based on 2008 estimates.] | Population, Department of Finance 2010 estimate