AGENDA REPORT

Meeting Date: August 20, 2013

Item Number: E-1

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 2013/2014**

Attachments:
1. Resolution
2. Exhibits

RECOMMENDATION

Staff recommends adoption of the resolution fixing the rate of taxes for the Fiscal Year 2013/2014 to $0.017328 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 2013/2014 at $0.017328 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 XIIIA 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 2013/2014, the expenditures for public safety retirement benefits which can be recovered by the property tax override equal $4,042,148.91.

With total secured assessed valuation of $23,327,835,419 for fiscal year 2013/2014 a levy of $0.017358 per $100 of assessed valuation is required to recover the cost of the above expenditures. This compares with a rate of $0.017509 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	22,192,984,986	23,327,835,419	1,134,850,433
Levy Per $100 of AV	0.017509	0.017328	(0.000181)
Total Levy	3,885,764	4,042,149	156,384

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

FISCAL IMPACT

This tax override will recover $4,042,148.91 of City expenditures for this year's public safety personnel retirement payments.

Noel Marquis
Finance Approval

Don Rhoads
Approved By

Attachment 1

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 2013/2014

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 $0.017328

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:

John Mirisch
Mayor of the City of
Beverly Hills, California

ATTEST:

(SEAL)

BYRON POPE
City Clerk

Approved as to form:

LAURENCE S. WIENER
City Attorney

Approved as to content:

JEFFREY C. KOLIN
City Manager

Don Rhoads
Director of Administrative
Services/CFO

Attachment 2

CITY OF BEVERLY HILLS

Exhibit 1

FINANCE ADMINISTRATION

Fiscal Year 2013/2014

Sworn Personnel - Salaries Subject to PERS minus CHP floor

		Salaries Subject to PERS
Fire Department	$	10,082,633.03
Police Department	$	14,296,299.50
Total Public Safety Salaries	$	24,378,932.53
PERS Rate		33.161%
PERS Cost	$	8,084,297.82
Less CHP Element		(4,042,148.91)
Net PERS after CHP Element	$	4,042,148.91
Assessed Valuation		
Total Locally Assessed	$	23,327,835,419.00
Property Tax at $1 per $100 of AV	$	233,278,354.19
Tax rate to recover PERS cost for Fiscal Year 13/14	$	0.017328
Fiscal Year 12/13 Assessed Valuation	$	22,192,984,986.00
Fiscal Year 12/13 Tax Rate	$	0.017509

CR52RPTA

COUNTY OF LOS ANGELES
AUDITOR-CONTROLER, TAX DIVISION

2013-14 SECURED TAX RATES

ACCT #	AGENCY NAME	TAX RATE
120.01	CITY-BEV HILLS TD #1	0.017328
120.02	CITY-BEV HILLS TD #2	0.017328
120.03	CITY-BEV HILLS TD #3	0.017328
120.04	CITY-BEV HILLS TD #4	0.017328
120.05	CITY-BEV HILLS TD #5	0.017328

I, Don Rhodes, am the Director of Administrative Services and Chief Financial Officer of the City of Beverly Hills and I hereby certify that the tax rates levied herein are exempt from the application of Article XIII A, Section 1(A) or the Constitution of the State of California.

	Director Admin Svcs/CFO	
AUTHORIZED SIGNATURE	**TITLE**	**DATE**