



## AGENDA REPORT

**Meeting Date:** August 30, 2016

**Item Number:** D-7

**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 2016/2017

**Attachments:**

1. Resolution
2. Exhibit 1

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### RECOMMENDATION

Staff recommends adoption of the resolution fixing the rate of taxes for the Fiscal Year 2016/2017 to \$0.021960 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 2016/2017 at \$0.021960 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 2016/2017, the expenditures for public safety retirement benefits which can be recovered by the property tax override equal \$6,303,371.75.

With total secured assessed valuation of \$28,704,085,363 for fiscal year 2016/2017 a levy of \$0.021960 per \$100 of assessed valuation is required to recover the cost of the above expenditures. This compares with a rate of \$0.020099 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       | 27,203,443,969    | 28,704,085,363      | 1,500,641,394 |
| Levy Per \$100 of AV | 0.020099          | 0.021960            | 0.001861      |
| Total Levy           | 5,467,620         | 6,303,372           | 835,752       |

The slight increase in the rate of tax override is due to the increase in the PERS Employer Rate and salary increases upon which the contribution rate is calculated. The methodology is consistent with prior years.

**FISCAL IMPACT**

This tax override will recover \$6,303,371.75 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  
2016/2017

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 \$0.021960

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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**JOHN A. MIRISCH**  
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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**MAHDI ALUZRI**  
City Manager



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**DON RHOADS**  
Director of Administrative  
Services/CFO

# **Attachment 2**

**CITY OF BEVERLY HILLS  
FINANCE ADMINISTRATION  
Fiscal Year 2013/2014  
Sworn Personnel - Salaries Subject to PERS  
minus CHP floor**

**Exhibit 1**

|   | <b>Salaries Subject<br/>to PERS</b> |
|---|-------------------------------------|
| Fire Department                                     | \$ <u>10,688,330.73</u>             |
| Police Department                                   | \$ <u>14,788,907.36</u>             |
| Total Public Safety Salaries                        | \$ <u><u>25,477,238.09</u></u>      |
| PERS Rate   | 37.230%                             |
| PERS Cost   | \$ 9,485,175.74                     |
| Less CHP Element                                    | <u>(4,742,587.87)</u>               |
| Net PERS after CHP Element                          | \$ <u><u>4,742,587.87</u></u>       |
| Assessed Valuation                                  |                                     |
| Total Locally Assessed                              | \$ <u><u>24,927,472,431.00</u></u>  |
| Property Tax at \$1 per \$100 of AV                 | \$ <u><u>249,274,724.31</u></u>     |
| Tax rate to recover PERS cost for Fiscal Year 14/15 | \$ 0.019026                         |
| Fiscal Year 13/14 Assessed Valuation                | \$ 23,327,835,419.00                |
| Fiscal Year 13/14 Tax Rate                          | \$ 0.017328                         |