



Mary B. Bedard, CPA  
Auditor-Controller-County Clerk

KERN COUNTY AUDITOR-CONTROLLER-COUNTY CLERK  
1115 Truxtun Avenue, 1st and 2nd Floor • Bakersfield, CA 93301-4639

May 15, 2014

To All Cities and Districts

**Subject: 2014-2015 Tax Year Preparation**

**A. Budget**

Districts are hereby exempt from filing budgets with the County Auditor-Controller-County Clerk, unless the district intends to do borrowing under Article XVI Section 6 of the California Constitution.

**B. Setting Tax Rates**

If your district requires a separate tax rate on the County tax roll for 2014-15 to cover voter approved indebtedness, and the tax rate is calculated by the Auditor-Controller's office, please provide a statement showing the following:

- a) Total amount of debt and type of indebtedness instrument (bond, note, etc.); and
- b) Date approved by voters.

If your separate tax rate is set by your own agency, please file a copy of your tax rate resolution with this office by **August 15, 2014**. In addition to the information listed above, the resolution should include a statement of the current year tax levy. Tax rates should be expressed as a percentage of full value in accordance with Government Code § 29101.

**C. Allocation of the Countywide 1% Tax Rate**

Based on current State law, the formula by which the 1% Countywide tax rate is allocated to local agencies in 2014-15 will be in accordance with provisions of Revenue and Taxation (R&T) Code § 95 et seq.

In general, each agency will receive an allocation of the same amount of tax money as last year plus or minus a proportionate share of the tax monies related to assessed valuation increases or decreases within the agencies' boundaries.

The Assessor's Office is indicating that countywide assessed values are increasing by 2.8% for the 2014-15 tax year. The secured roll is increasing by 3.47%, the oil and gas property value (roll 2) is increasing by 1.33% and the unsecured roll will increase by 5.25%, primarily due to new wind energy.

**Special Note for School Districts**

School districts have been heavily impacted by the shortage of ERAF revenue to cover the Triple Flip and VLF in lieu payments to the County and Cities. The shortage, in accordance with Revenue and Taxation Code 97.3 is made up from the school districts that are later backfilled by the State. The shortage for 2014-15 is estimated to be **\$40.3 million**.

**D. Special Assessments**

Various local agencies annually file fixed-charge special assessments with the County Auditor-Controller for inclusion on the County property tax bill. Per Government Code § 26911, agencies are required to file appropriate resolutions **on or before August 10 of each year.**

Resolutions filed with the Auditor-Controller should include the following:

- a) Establishment of assesment;
- b) Authorization for County to include assessment on the tax bill and to collect along with taxes;
- c) Rate(s) and rate code(s) or a listing of parcels and amounts to be billed; and
- d) Certification that the assessment is Proposition 218 compliant.

Districts should submit to the Auditor-Controller **on or before July 3, 2014** final updates of per parcel assessments in order to be included on the 2014-15 tax bills.

Please be advised that the 2014-15 per parcel charge is \$.20. The special assessment e-mail address is [specassmt@co.kern.ca.us](mailto:specassmt@co.kern.ca.us).

**E. State Assessed Utility Property Tax Revenue**

R&T Code § 100 et seq. prescribes the methodology for distributing the major portion of State assessed utility property tax revenue. Revenue derived from State assessed unitary and operating non-unitary properties shall be distributed as follows:

General Tax Levy (1%)

- a) Agencies which received tax revenue from unitary and operating non-unitary properties in 2013-14 will receive up to 102% from this source in 2014-15 plus a prorated share of any unitary and operating non-unitary properties in excess of 102% (excess is allocated Countywide as required by law).
- b) Agencies that did not receive revenue in 2013-14 from this source will only be allocated property tax revenue from unitary and operating non-unitary if the total County tax levy from these sources exceeds 102%.

Voter Approved Debt

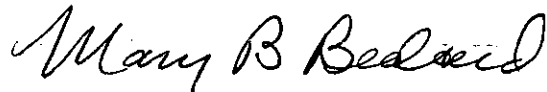
- a) R&T Code § 100 et seq. also prescribes a formula for determining the amount to be allocated for voter-approved debt. This formula is also based upon prior year information but includes the 2014-15 debt service requirements in the calculation of each debt's share of unitary and operating non-unitary property tax revenue. In order for us to calculate operating non-unitary tax revenue, we request **all** agencies with voter approved debt which will require a separate tax rate provide us with the debt service amount needed in 2014-15 by **July 11, 2014**. We will not be able to accurately estimate revenue without this information.

- b) For agencies that calculate their own tax rate, we will try to have a revenue estimate for property taxes derived from State assessed unitary and operating non-unitary properties by **August 8, 2014**.

We anticipate having preliminary Assessed Valuations (District Values) posted on our website ([www.co.kern.ca.us/auditor](http://www.co.kern.ca.us/auditor)) for all districts requiring such data **no later than July 11, 2014**. The **final** Assessed Valuations with the 2014-15 unitary roll values will be available by **August 15, 2014**.

If you have any questions or need additional information, please contact Janelle Austin, Senior Accountant at (661) 868-3513.

Sincerely,



Mary B. Bedard, CPA  
Auditor-Controller-County Clerk

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Enclosure

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