

**REPORT/RECOMMENDATION TO THE BOARD OF DIRECTORS
OF SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT
AND RECORD OF ACTION**

July 27, 2021

FROM

DAN MUNSEY, Fire Chief/Fire Warden, San Bernardino County Fire Protection District

SUBJECT

Continuation of Special Taxes for Community Facilities District 1033 within the City of San Bernardino and Community Facilities District 94-01 within the City of Hesperia

RECOMMENDATION(S)

Acting as the governing body of the San Bernardino County Fire Protection District:

1. Adopt **Resolution No. 2021-143** authorizing the continuing levy of special taxes on commercial parcels within Community Facilities District 1033, as detailed in Exhibit "A", to help fund the cost of providing fire services within the Verdemont area of the City of San Bernardino.
2. Adopt **Resolution No. 2021-144** authorizing the continuing levy of special taxes on parcels within Community Facilities District 94-01, as detailed in Exhibit "1", to help fund the cost of providing fire services within the City of Hesperia.
3. Direct the Auditor-Controller/Treasurer/Tax Collector to place the special taxes for Community Facilities District 1033 and Community Facilities District 94-01, as detailed in Exhibits "A" and "1" respectively, on the 2021-22 Tax Roll.
4. Approve **Agreement No. 21-581** for Collection of Special Taxes, Fees, and Assessments Fiscal Year 2021-22 with San Bernardino County for the San Bernardino County Auditor-Controller/Treasurer/Tax Collector to collect special taxes, fees and assessments for the San Bernardino County Fire Protection District for Fiscal Year 2021-22.

(Presenter: Dan Munsey, Fire Chief/Fire Warden, 387-5779)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

Provide for the Safety, Health and Social Service Needs of County Residents.

FINANCIAL IMPACT

Approval of this item will not result in the use of additional Discretionary General Funding (Net County Cost). The special taxes for Community Facilities District 1033 (CFD 1033) and Community Facilities District 94-01 (CFD 94-01) will be placed on the 2021-22 property tax roll to help fund San Bernardino County Fire Protection District's (SBCFPD) cost of providing fire services. Projected revenue from these special taxes for 2021-22 is as follows:

- CFD 1033 - \$1,122,467.13 from 14 commercial parcels (Exhibit "A"), which includes \$22,009.16 from a recommended 2.0% increase.
- CFD 94-01 – \$727,451.82 from 3,269 parcels (Exhibit "1"), which includes \$40,528.47 from a recommended 5.9% increase, less \$3,061.65 due to the deletion of a duplicate parcel included in prior year.

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Revenue from these special taxes is included in SBCFPD's 2021-22 budget.

BACKGROUND INFORMATION

CFD 1033 was established in 2004 by the City of San Bernardino (City) to provide funding for fire services in the City's Verdemon area through the annual levy of special taxes assessed on commercial parcels within CFD 1033. The special tax can be levied for a period not to exceed 30 years and increased by up to 2.0% from the previous fiscal year. Administration of CFD 1033 transferred from the City to SBCFPD by the issuance of the Certificate of Completion for Local Agency Formation Commission (LAFCO) No. 3198 in June 2016.

In 1994, CFD 94-01 was established by the Hesperia Fire Protection District to pay for expenses associated with providing fire suppression and emergency medical services through the annual levy of special taxes assessed on parcels within CFD 94-01. Administration of CFD 94-01 transferred from the City of Hesperia to SBCFPD by the issuance of the Certificate of Completion for LAFCO No. 3218 effective November 1, 2018.

The special tax for CFD 94-01 can be increased annually based upon the increase during the preceding fiscal year in the Consumer Price Index (CPI) for All items, All Urban Consumers, as published by the U.S. Department of Labor, Bureau of Labor Statistics. Originally, the CPI for the Los Angeles/Anaheim/Riverside area was utilized in determining the annual increase. However, that area was discontinued and replaced by the formation of new areas. Because CFD 94-01 provides funding for fire services within the City of Hesperia, it is most appropriate to now use the CPI for the Riverside/San Bernardino/Ontario area in establishing this special tax's annual increase. The CPI for the Riverside/San Bernardino/Ontario area during the preceding fiscal year (May to May) was 5.9%.

Approval of this item will authorize continuation of special taxes for both CFD 1033 and CFD 94-01, as well as direct the placement of these special taxes on the 2021-22 Tax Roll.

There are currently 14 taxable parcels within the boundaries of CFD 1033. The 2021-22 amount of special taxes for each parcel is listed on Exhibit "A" to the resolution and includes a 2.0% increase from the prior year to support the costs of providing fire services in the Verdemon area of the City of San Bernardino.

There are currently 3,269 taxable parcels within the boundaries of CFD 94-01. The 2021-22 amount of special taxes for each parcel is listed on Exhibit "1" to the resolution and includes a 5.9% increase from prior year to support the costs of providing fire services in the City of Hesperia.

This item also recommends an Agreement for Collection of Special Taxes, Fees, and Assessments Fiscal Year 2021-22 (Agreement) with San Bernardino County (County) for the County's Auditor-Controller/Treasurer/Tax Collector to collect SBCFPD special taxes, fees and assessments for Fiscal Year 2021-22. The County will charge SBCFPD an amount per parcel (currently \$0.30 in accordance with the adopted Fee Ordinance) for each special tax, fee, or assessment that is to be collected, not to exceed the County's actual cost of collection. The Agreement requires SBCFPD to release, as well as indemnify, defend, and hold the County harmless of various claims, liabilities, etc., including any claim that may arise out of this contract. The Agreement may be terminated by either party with 30 days written notice.

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PROCUREMENT

N/A

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Scott Runyan, Supervising Deputy County Counsel, 387-5455) on July 9, 2021; Auditor-Controller/Treasurer/Tax Collector (Linda Santillano, Chief Deputy, 382-3189) on July 12, 2021; Finance (Tom Forster, Administrative Analyst, 387-4635) on July 9, 2021; and County Finance and Administration (Matthew Erickson, County Chief Financial Officer, 387-5423) on July 12, 2021.

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Record of Action of the Board of Directors
San Bernardino County Fire Protection District

APPROVED (CONSENT CALENDAR)

Moved: Dawn Rowe Seconded: Col. Paul Cook (Ret.)

Ayes: Col. Paul Cook (Ret.), Janice Rutherford, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, SECRETARY

BY



DATED: July 27, 2021



cc: W/RESOLUTION
SDD/SBCFPD- Munsey w/agree for sign
Contractor- SDD/SBCFPD w/agree
File- w/agree
LA 08/2/2021