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Special District Member

Larry Farr
City Member

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Larry Russell
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Katharine Ann Campbell
Public Member Alternate

Joe Chimenti
County Member

George Williamson
Executive Officer

Patricia A. Clarke
Special District Alternate

James M. Underwood
General Counsel

Kathy Bull
Manager

Date: May 4, 2020

To Brian Muir, Shasta County Auditor
Leslie Morgan Shasta County Assessor

From: George Williamson, Executive Officer & Kathy Bull, Office Manager

Subject: Application for Consolidation of Anderson and Cottonwood Cemetery Districts

Shasta LAFCo has received an application for Consolidation of Anderson and Cottonwood Cemetery Districts, and Dissolution of the Anderson Cemetery Districts. In reviewing the existing District boundaries, several gaps were noted that would have resulted in islands being created. These gap parcels are being added as annexations. Map showing proposed consolidated boundary and annex areas attached.

The applicants propose applying applicable Anderson Cemetery District parcel assessments to the taxable areas of the Cottonwood Cemetery District and annexed territory. Parcel lists for the existing Cemetery District boundaries and proposed annexations are attached.

A key part of LAFCO's review of this proposal is to work with the applicants to project property based revenues for the consolidated area. We're seeking Shasta County Auditor and Assessor assistance for this for territory. The Cemetery Districts will be requesting a property tax revenue sharing agreement with the County.

Shasta LAFCo is requesting a determination of the property tax allocation between the affected Shasta County agencies, in accordance with the Revenue and Taxation Code Section 99 (b). Shasta LAFCo is providing an electronic database of Assessor's Parcels included in the proposed consolidation and annexation areas in the attached spreadsheet, including:

Area – Shasta County	# of Assessor Parcels	Acreage
Anderson Cemetery District	6,787 parcels,	21,780
Cottonwood Cemetery Districts	3,376 parcels,	30,189
Shasta County annexation area	29 parcels,	207.5
Totals	10,192	52,176

To determine potential revenues of this proposal, the Revenue and Taxation Code Section 99 (b), states:

(1) (A) The county assessor shall provide to the county auditor, within 30 days of the notice of filing, a report which identifies the assessed valuations for the territory subject to the jurisdictional change and the tax rate area or areas in which the territory exists.

(B) The auditor shall estimate the amount of property tax revenue generated within the territory that is the subject of the jurisdictional change during the current fiscal year.

- (2) The auditor shall estimate what proportion of the property tax revenue determined pursuant to paragraph (1) is attributable to each local agency pursuant to Code Section 96.1 and 96.5.
- (3) The auditor shall notify the governing body of each local agency whose service area or service responsibility will be altered by the jurisdictional change of the amount of, and allocation factors with respect to, property tax revenue estimated pursuant to paragraph (2) subject to a negotiated exchange.
- (4) Upon receipt of the estimates pursuant to paragraph (3), the local agencies shall commence negotiations to determine the amount of property tax revenues to be exchanged between and among the local agencies. Except as otherwise provided, this negotiation period shall not exceed 60 days. If a local agency involved in these negotiations notifies the other local agencies, the county auditor, and the local agency formation commission in writing of its desire to extend the negotiation period, the negotiation period shall be 90 days.

The exchange may be limited to an exchange of property tax revenues from the annual tax increment generated in the area subject to the jurisdictional change and attributable to the local agencies whose service area or service responsibilities will be altered by the proposed jurisdictional change. The final exchange resolution shall specify how the annual tax increment shall be allocated in future years.

- (5) In the event that a jurisdictional change would affect the service area or service responsibility of one or more special districts, the board of supervisors of the county or counties in which the districts are located shall, on behalf of the district or districts, negotiate any exchange of property tax revenues. Prior to entering into negotiation on behalf of a district for the exchange of property tax revenue, the board shall consult with the affected district. The consultation shall include, at minimum, notification to each member and executive officer of the district board of the pending consultation and provision of adequate opportunity to comment on the negotiation.

Thank you for your assistance. For questions or further information, please contact either:
George Williamson, Executive Officer (707) 496-0861 exec@shasta.LAFCO.ca.gov or
Kathy Bull, Office Manager (530) 242-1112 manager@shasta.LAFCO.ca.gov

Attachments Exhibit A: Parcel database
Exhibit B: Map of proposed consolidated boundary and annex areas

CC: Arne Brinton, Cottonwood Cemetery District Manager
Eric Kapaska, Anderson Cemetery District Manager
Les Baugh, Shasta County Supervisor
Stan Neutze, City of Anderson Mayor