

**REPORT TO THE  
CITY COUNCIL**  
*City of Salinas, California*

DATE: July 12, 2016

FROM: Matt N. Pressey, CPA, Finance Director

BY: Mona Colunga, Sr. Accounting Technician

SUBJECT: **RESOLUTION TRANSMITTING THE FY 2016-17 ASSESSMENT AND  
MAINTENANCE DISTRICT LEVIES TO THE MONTEREY COUNTY TAX  
COLLECTOR**

**RECOMMENDATION:**

It is recommended that the City Council adopt a Resolution transmitting the annual levies to Monterey County for the collection of the City's assessments and property related fees and charges and agreeing to indemnify and defend Monterey County with respect to challenges to the levy and collection of the assessments on the City's behalf.

**DISCUSSION:**

Annually, the City of Salinas transmits Assessment Bond and Maintenance District levies to Monterey County to be included on property tax bills for collection. A list of the levies for FY 2016-17 is attached to this report for reference. The assessments related to the bonds are fixed at the time the bonds were originally issued, unless there are subsequent parcel splits or a change in paying agent fees. No parcel splits occurred for this year's assessment. The Maintenance District levies, were determined by Public Works staff and approved by City Council on July 12, 2016.

Staff has reviewed the City Assessment and Maintenance District levies for Fiscal Year 2016-17 and has concluded that the City is in compliance with all applicable laws. The City's existing assessment districts are pledged to bond repayment. Existing maintenance districts are in compliance since there are no changes to the method of calculating assessments.

Before it will agree to collect the assessments on the City's behalf, the County requires the City Council to adopt a resolution holding the County harmless from any action brought against the County for collection of the City's levies.

**ISSUE:**

Should the City Council adopt the Resolution transmitting the levies to the Monterey County Tax Collector and agreeing to hold the County harmless from any action brought against the County for collection of the City's levies?

**ALTERNATIVE:**

The City Council may choose to not adopt the proposed resolution or to modify the proposed resolution. If the City Council chooses to not adopt the proposed resolution, Monterey County will not collect the City's assessments.

**FISCAL IMPACT:**

The levies for assessment bonds (\$1,348,550) and maintenance districts (\$1,648,606) must be transmitted to Monterey County by August 1, 2016 to be posted to the property tax rolls for collection. These funds must be collected to pay assessment district bondholders and the cost of maintenance in our six districts during FY 2016-17.

**CITY COUNCIL GOALS:**

Transmitting the annual levies to Monterey County promotes the City Council’s goal of Effective Sustainable Government.

**CONCLUSION:**

The City Council adopts this resolution annually as it is required by Monterey County before the City’s assessment and maintenance district charges are levied and collected on property tax bills.

Back Up Pages:

Exhibit A—FY 2016-17 Assessment and Maintenance District Levies  
Resolution