



County of San Diego

TRACY DRAGER
AUDITOR AND CONTROLLER
(858) 694-2176
FAX: (858) 694-2296

FINANCE & GENERAL GOVERNMENT GROUP
5530 OVERLAND AVE, SUITE 410, SAN DIEGO, CA 92123-1261

June 29, 2020

Jack Bebee, General Manager
Fallbrook Public Utility District
990 E. Mission Road
Fallbrook, CA 92028

Dear Mr. Bebee:

PROPERTY TAX REVENUE GENERATED WITHIN A JURISDICTIONAL CHANGE

Section 99 of the Revenue and Taxation code states that before jurisdictional changes can occur, a determination must be made concerning the amount of property tax revenues to be exchanged between the affected local governments. Section 99B(4) states that upon receipt of the Auditor's estimates, the local agencies shall commence negotiations to determine the amount of property tax revenue to be exchanged between the affected local agencies and that these negotiations shall not exceed sixty 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 resolutions shall specify how the annual tax increment shall be allocated in future years.

The negotiated revenue exchanges shall be on an individual jurisdictional change basis, unless a master agreement has been adopted pursuant to Section 99(d), with specific agreements being made for each change. In order for this proposed jurisdictional change to be considered by LAFCO, these negotiations must be completed no later than August 31, 2020. We are submitting to you per Section 99 of the Revenue and Taxation Code and Board of Supervisors Policy B-45, information for the following jurisdictional change:

| | |
|--------------------------------|--|
| Name of Jurisdictional Change: | <u>Fallbrook Public Utility District and Eastern Municipal Water District Wholesale Water Reorganization</u> |
| LAFCO Number: | <u>RO20-05</u> |
| Assessed Value: | <u>4,119,846,849</u> |

| Local Agencies | 2019-2020 *Annual Tax Increment Ratios | 2019-2020 Property Tax Revenue |
|--|---|--------------------------------------|
| Fallbrook Public Utility District | 0.03046274 | 1,105,747.46 |
| San Diego County Water Authority – Fallbrook PUD | 0.00396408 | 160,492.74 |
| Total: | | 1,266,240.20 |

*Annual Tax Increment Ratios are a weighted average.

If property tax negotiations have been completed prior to receipt of this letter, those negotiations are valid and this letter is for informational purposes only.

If you need additional information on jurisdictional change, please contact Jon Baker or Jill Romero of Property Tax Services at (858) 694-2901.

Sincerely,



TRACY DRAGER
Auditor and Controller

PTS:JR:koa

- c: Keene Simonds, Executive Officer, LAFCO
- Timothy Vertino, Land Use/Environmental Planner II, Planning and Development Services
- Sandy Kerl, General Manager, San Diego County Water Authority
- Nick Kanetis, Assistant General Manager, Eastern Municipal Water District