



FESIA A. DAVENPORT
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE OPERATIONS CLUSTER

DATE: April 21, 2021
TIME: 2:00 p.m. – 4:00 p.m.
LOCATION: **TELECONFERENCE CALL-IN NUMBER: 1(323)776-6996**
TELECONFERENCE ID: 605696861#

To join via phone, dial 1(323)776-6996, then press 605696861#.

YOU CAN ALSO JOIN THIS MEETING BY CLICKING ON THE FOLLOWING LINK:

[Click here to join the meeting](#)

DUE TO THE CLOSURE OF ALL COUNTY BUILDINGS, MEMBERS OF THE PUBLIC WILL NEED TO CALL IN TO PARTICIPATE IN THE MEETING.

AGENDA

Members of the Public may address the Operations Cluster on any agenda item after all Informational Items are presented.
Two (2) minutes are allowed for each item.

1. **Call to order – Tamela Omoto-Frias/Anthony Baker**
2. **INFORMATIONAL ITEM(S):**
(5 minutes)
 - A) Board Letter:
APPROVAL OF AN ORDINANCE TO AMEND LOS ANGELES COUNTY CODE TITLE 2 ADMINISTRATION TO IMPLEMENT A FILING FEE FOR ASSESSMENT APPEAL APPLICATIONS
EO – Kathy Markarian, Deputy Executive Officer, Board Operations
 - B) Board Letter:
ISSUANCE AND SALE OF 2021-22 TAX AND REVENUE ANTICIPATION NOTES
TTC – Keith Knox, Treasurer and Tax Collector;
Elizabeth Buenrostro Ginsberg, Chief Deputy Treasurer and Tax Collector; and Daniel Wiles, Assistant Treasurer and Tax Collector

CONTINUED ON PAGE 2

3. **PRESENTATION/DISCUSSION ITEMS:**

None available.

4. **Public Comment**
(2 minutes each speaker)

5. **Adjournment**

FUTURE AGENDA TOPICS

CALENDAR LOOKAHEAD:

RR/CC – REQUEST APPROVAL OF SOLE SOURCE CONTRACT #21-001 WITH DIGITAL FOUNDRY, INC.

ISD – AUTHORIZATION TO ACCEPT AND EXECUTE CONTRACTUAL DOCUMENTS ON BEHALF OF THE COUNTY IN SUPPORT OF THE LOS ANGELES DEPARTMENT OF WATER AND POWER'S COMMUNITY EMISSIONS REDUCTION GRANT PROGRAM

CEO/RE – CONVEYANCE OF SURPLUS PROPERTY FROM THE COUNTY OF LOS ANGELES TO GHEORGHE PINZARU FOR FAIR MARKET VALUE-ASSESSOR'S IDENTIFICATION NUMBERS: 2006-031-900 AND 901 UNINCORPORATED CHATSWORTH/CANOGA PARK AREA

BOARD LETTER/MEMO – FACT SHEET OPERATIONS CLUSTER

Board Letter

Board Memo

Other

| | | |
|---------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| OPS CLUSTER AGENDA REVIEW DATE | 4/21/2021 | |
| BOARD MEETING | 5/18/2021 | |
| DELEGATED AUTHORITY BOARD LETTER | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| SUPERVISORIAL DISTRICT AFFECTED | All Districts – 3 Votes | |
| DEPARTMENT | Board of Supervisors, Executive Office | |
| SUBJECT | Approve and adopt an ordinance amendment to implement a nonrefundable filing fee of \$46 for processing assessment appeal applications, with a fee waiver for applicants who would qualify based upon financial hardship pursuant to Government Code Section 68632. | |
| PROGRAM | Assessment Appeal Applications | |
| SOLE SOURCE CONTRACT | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| | If Yes, please explain why: | |
| DEADLINES/ TIME CONSTRAINTS | N/A | |
| COST & FUNDING | Total cost: Estimated cost is fully offset by the revenue generated by the fee. | Funding source: Funding for this request will be included in the Executive Office's FY 2021-22 Final Changes Budget request. |
| | TERMS (if applicable): Implement a nonrefundable filing fee of \$46 for assessment appeal applications, with a fee waiver for applicants who qualify for financial hardship. | |
| | Explanation: The filing fee was implemented to offset the administrative costs associated with processing assessment appeal applications and administering the filing fee and fee waiver. | |
| PURPOSE OF REQUEST | Implement a filing fee to offset administrative cost of processing applications and implement a fee waiver to allow all constituents the ability to file an assessment appeals application regardless of their ability to pay. | |
| BACKGROUND (include internal/external issues that may exist) | <ul style="list-style-type: none"> •The Assessment Appeals Board holds quasi-judicial hearings to equalize property valuations when a taxpayer disagrees with the Assessor's determination of value. •On August 4, 2020 the Board instructed the Department to consider implementing filing fees. •\$46 filing fee approved by A-C, includes the required staff and supplies to process assessment appeal applications (including fee/waiver), and comparable to other counties' fees (\$30 to \$86). •To minimize impact to low income constituents, a fee waiver will be offered for those who qualify under Government Code 68632 (financial hardship). Applicants must certify that they meet one of the following to qualify (1) Receives public benefit (e.g., Medi-Cal, Food Stamps, SSI, etc.); (2) Gross monthly household income is 125% or less of the current poverty guidelines; and (3) Does not have enough income to pay for household basic needs. | |
| DEPARTMENTAL AND OTHER CONTACTS | Name, Title, Phone # & Email: <ul style="list-style-type: none"> • Kathy Markarian, Deputy Executive Officer, Board Operations (213) 974-0935, kmarkarian@bos.lacounty.gov | |

COUNTY OF LOS ANGELES
EXECUTIVE OFFICE
BOARD OF SUPERVISORS

MEMBERS OF THE BOARD

HILDA L. SOLIS

HOLLY J. MITCHELL

SHEILA KUEHL

JANICE HAHN

KATHRYN BARGER

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 383
LOS ANGELES, CALIFORNIA 90012
(213) 974-1411 • www.bos.lacounty.gov

CELIA ZAVALA
EXECUTIVE OFFICER

May 18, 2021 (DRAFT)

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AN ORDINANCE TO AMEND LOS ANGELES COUNTY CODE
TITLE 2 ADMINISTRATION TO IMPLEMENT A FILING FEE FOR ASSESSMENT
APPEAL APPLICATIONS
(ALL DISTRICTS - 3 VOTES)**

SUBJECT

Recommendation to approve and adopt an ordinance amendment to implement a nonrefundable filing fee of \$46 for assessment appeal applications, with a fee waiver for applicants who would qualify based upon financial hardship pursuant to Government Code Section 68632.

IT IS RECOMMENDED THAT THE BOARD AFTER THE PUBLIC HEARING,

Introduce, waive reading and adopt the attached ordinance amending the Los Angeles County Code Title 2 – Administration relating to the Assessment Appeals Board to:

1. Implement a nonrefundable filing fee in the amount of \$46 for assessment appeal applications;
2. Adopt a fee waiver for applicants who would qualify based upon financial hardship pursuant to California Government Code Section 68632; and
3. Authorize the Executive Office to adjust the fee annually based on the Consumer Price Index (CPI).

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Assessment Appeals Board holds quasi-judicial hearings to equalize property valuations when a taxpayer disagrees with the Assessor's determination of value. The taxpayer, or their agent, may file the prescribed Assessment Appeal Application form (Form AAB 100) with the clerk of the Assessment Appeals Board to request a hearing.

Assessment appeal applications are filed with the clerk of the Assessment Appeals Board who is responsible for validating the timeliness and completeness of all applications in accordance with specific guidelines established by your Board and the State Board of Equalization. Once an application is determined to be valid, the clerk of the Assessment Appeals Board schedules it for hearing and sends notice to the parties. At this time, Los Angeles County does not charge a fee for filing and processing of assessment appeal applications.

On August 4, 2020, your Board instructed my office, in consultation with County Counsel, to report back regarding, among other subjects, the implementation of filing fees to offset administrative costs. On September 18, 2020, we reported back to your Board with a cost analysis and comparison of application filing fees charged by other counties. We now plan to implement a \$46 filing fee, effective July 2, 2021. This fee is based on the estimated cost to process assessment appeal applications and is comparable to other counties' filing fee which range from \$30.00 to \$86.00. To minimize the impact to low income constituents, a fee waiver will be offered for applications filed by the taxpayers who would qualify for a fee waiver under Government Code Section 68632 based upon financial hardship.

The proposed \$46 filing fee has been reviewed and approved by the Auditor-Controller.

The proposed fee ordinance also includes discretionary authority to adjust the filing fee from year to year as necessary based on the CPI to ensure that the administrative costs over time are covered by the fee. Such a fee adjustment feature is currently present in a number of existing county fee ordinances.

Implementation of Strategic Plan Goals

This ordinance is consistent with the principles of County Strategic Plan Strategy III.3 – Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability.

FISCAL IMPACT/FINANCING

Implementation of the filing fee and waiver will require the Assessment Appeals Board to hire two additional staff to maintain the increased workload. The cost for the two additional staff is included in the Auditor-Controller's approved rate of \$46. We anticipate that the estimated cost to process assessment appeal applications and administer the filing fee will be offset by the revenue generated and would therefore be cost neutral for the County. This request will be included in the Executive Office's Fiscal Year 2021-22 Final Changes Budget submission.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Section 16 of Article XIII provides that a county's board of supervisors may promulgate rules for the conduct of appeals boards. In relevant part, that section provides: County boards of supervisors shall fix the compensation for members of assessment appeals boards, furnish clerical and other assistance for those boards, adopt rules of notice and procedures for those boards as may be required to facilitate their work and to insure uniformity in the processing and decision of equalization petitions, and may provide for their discontinuance.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There is no anticipated impact on current services as a result of these actions.

Respectfully submitted,

CELIA ZAVALA
Executive Officer, Board of Supervisors

CZ:JG:KM:JT

Enclosures

c: Chief Executive Officer
County Counsel

DRAFT ORDINANCE NO. _____

An ordinance amends Title 2 – Administration, of the Los Angeles County Code to implement a filing fee of \$46 for assessment appeal applications, with a fee waiver for applications filed by applicants who would qualify for a waiver of court fees and costs based upon financial hardship pursuant to Government Code section 68632.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Section 2.44.130 is hereby added to read as follows:

2.44.130 **Fees for Filing Assessment Appeal Application and Fee**

Waiver Request.

A. Filing Fee. Effective July 2, 2021, applicants filing a property tax appeal application must pay a filing fee of \$46 per application. This fee is nonrefundable and shall be charged and collected for each application filed with the clerk of the assessment appeals board.

Beginning on July 2, 2022, and thereafter on each succeeding July 1, the amount of each fee in this section may be adjusted by the lesser of (1) the increase, if any, in the Consumer Price Index ("CPI") for all urban consumers in the Los Angeles area, as published by the United States Government Bureau of Labor Statistics, from the previous calendar year to the current calendar year, or (2) the increase, if any, in the cost of providing the service for which the fee is collected, as confirmed by the auditor-controller; the adjusted fee shall be rounded to the nearest dollar; provided, however, notwithstanding the above, no fee shall exceed the cost of providing the service for which the fee is collected.

B. Fee Waiver. Applicants meeting the requirements of California Government Code section 68632 may request and receive a waiver of the appeal application fee from the clerk of the assessment appeals board. A fee waiver request must be in writing, signed under penalty of perjury, and submitted to the clerk of the assessment appeals board on the form provided for that purpose. Documentation verifying eligibility may be requested by the clerk of the assessment appeals board at the time of application or thereafter.

244130TPCC

AAB - Cost Analysis

Fiscal Year 2020-21

| | | FY 2020-21 Estimate | Comments |
|--------------------------------------------|-------------------------------------|------------------------|------------------------------------------|
| FTE | | 5.0 | 2.0 FTEs new |
| Salaries | | | |
| 1.0 | 1099A Intermediate Board Specialist | \$ 70,291 | New |
| 1.0 | 1100A Senior Board Specialist | \$ 78,344 | New |
| 1.0 | 1100A Senior Board Specialist | \$ 78,344 | AAB Staff - 100% |
| 1.0 | 1099A Intermediate Board Specialist | \$ 70,291 | AAB Staff - 100% |
| 1.0 | 1099A Intermediate Board Specialist | \$ 70,291 | AAB Staff - 100% |
| 5.0 | Total Salaries | \$ 367,560 | |
| | Top Step Variance Factor | 99.9037% | Top step variance 99.9037% for 20-21 BOS |
| | Adjusted Total Salaries | \$ 367,206 | |
| S&S (Ongoing) (Recurring Costs) | | | |
| | Office Supplies | \$ 30,000 | |
| | Filing Fees Support | \$ 57,600 | Temporary Staff |
| | Total S&S (Ongoing) | \$ 87,600 | |
| | Total Salaries and S&S | \$ 454,806 | |

Proposed Filing Fees

| | | | |
|------------------------------------------------------|----------|--------------|------------------------------------------------------|
| Adjusted Total Salaries | \$ | 367,206 | All based on adjusted total salaries, excluding S&S. |
| Total S&S (Ongoing) | \$ | 87,600 | |
| Overhead Rate (AAB), including direct EBs (1) | 101.204% | \$ 371,627 | Adjusted total salaries x 101.204% (Group III) |
| Total Cost (Direct & Indirect) | \$ | 826,433 | |
| E-Filed & Mailed Filings | | 17,823 | Used Average from 2018 & 2019 |
| Filing Cost / Fee | \$ | 46.37 | |
| Final fee (rounded down): | \$ | 46.00 | |

(1) **OH Rates include:**

- EMPLOYEE BENEFITS (direct)
- ADMINISTRATIVE OVERHEAD (includes indirect EBs)
- AEO OVERHEAD (includes indirect EBs)
- DEO OVERHEAD (includes indirect EBs)
- DIVISION OVERHEAD (includes indirect EBs)

**BOARD LETTER/MEMO – FACT SHEET
OPERATIONS CLUSTER**

Board Letter

Board Memo

Other

| | | |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|
| OPS CLUSTER AGENDA REVIEW DATE | 4/21/2021 | |
| BOARD MEETING | 5/18/2021 | |
| DELEGATED AUTHORITY BOARD LETTER | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| SUPERVISORIAL DISTRICT AFFECTED | All Districts | |
| DEPARTMENT | Treasurer and Tax Collector | |
| SUBJECT | Issuance and Sale of 2021-22 Tax and Revenue Anticipation Notes (TRANS) | |
| PROGRAM | N/A | |
| SOLE SOURCE CONTRACT | <input type="checkbox"/> Yes <input type="checkbox"/> No N/A | |
| | If Yes, please explain why: | |
| DEADLINES/ TIME CONSTRAINTS | May 18, 2021 | |
| COST & FUNDING | Total cost: TBD | Funding source: County General Fund |
| | TERMS (if applicable): Negotiated sale of the 2021-22 TRANS | |
| | Explanation: The borrowing cost of the 2021-22 TRANS will depend on market conditions on the date of the sale. Based on current market conditions, the estimated borrowing cost of the 2021-22 TRANS is approximately [.50%]. | |
| PURPOSE OF REQUEST | The Treasurer and Tax Collector is requesting authorization to issue Tax and Revenue Anticipation Notes (TRANS) to meet the Fiscal Year 2021-22 cash flow needs of the County General Fund. This short-term borrowing program enables the County to manage the funding of its expenditures and to reduce the need for internal borrowing. We are requesting a maximum authorization for the 2021-22 TRANS in a maximum principal amount not to exceed [\$1,000,000,000]. | |
| BACKGROUND (include internal/external issues that may exist) | Each year since 1977, the County has issued tax-exempt TRANS in connection with its cash management program for the upcoming fiscal year. This short-term borrowing program is necessary given that the County receives certain revenues, such as property taxes, on an uneven basis throughout the fiscal year. For Fiscal Year 2020-21, the County issued \$1,200,000,000 of TRANS, which will mature on June 30, 2021. Although COVID-19 has caused significant damage and disruption to the national economy, increased Federal funding to state and local governments and recent improvements in the economic outlook have resulted in a reduction of the County's TRANS issuance from 2020-21 to a maximum principal amount not to exceed [\$1,000,000,000]. The lower borrowing amount is expected to provide sufficient cash resources to meet the County's cash flow requirements in Fiscal Year 2021-22. | |
| DEPARTMENTAL AND OTHER CONTACTS | Name, Title, Phone # & Email: <ul style="list-style-type: none"> • Keith Knox, Treasurer and Tax Collector, (213) 974-2101, kknox@ttc.lacounty.gov • Elizabeth Buenrostro Ginsberg, Chief Deputy Treasurer and Tax Collector, (213) 974-0703, eginsberg@ttc.lacounty.gov • Daniel Wiles, Assistant Treasurer and Tax Collector, (213) 974-7175, dwiles@ttc.lacounty.gov | |



KEITH KNOX
TREASURER AND TAX COLLECTOR

COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 437, Los Angeles, California 90012
Telephone: (213) 974-2101 Fax: (213) 626-1812
ttc.lacounty.gov and lacountypropertytax.com

Board of Supervisors
HILDA L. SOLIS
First District
HOLLY J. MITCHELL
Second District
SHEILA KUEHL
Third District
JANICE HAHN
Fourth District
KATHRYN BARGER
Fifth District

May 18, 2021

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

ISSUANCE AND SALE OF 2021-22 TAX AND REVENUE ANTICIPATION NOTES (ALL DISTRICTS) (3 VOTES)

SUBJECT

The Treasurer and Tax Collector is requesting authorization to issue Tax and Revenue Anticipation Notes (TRANS) to meet the Fiscal Year (FY) 2021-22 cash flow needs of the County General Fund. This short-term borrowing program enables the County to manage the funding of its expenditures and to reduce the need for internal borrowing. We are requesting a maximum authorization for the 2021-22 TRANS in a principal amount not to exceed [\$1,000,000,000].

IT IS RECOMMENDED THAT YOUR BOARD:

Adopt the Resolution authorizing the issuance and sale of the 2021-22 Tax and Revenue Anticipation Notes in an aggregate principal amount not to exceed [\$1,000,000,000].

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Adoption of the attached Resolution will authorize the issuance of the 2021-22 TRANS and the execution and delivery of all related financing documents. Each year since 1977, the County has issued tax-exempt TRANS in connection with its cash management program for the upcoming fiscal year. This borrowing program is necessary given that the County receives certain revenues, such as property taxes, on an uneven basis throughout the fiscal year. The proceeds generated from the issuance of TRANS are maintained in a separate fund by the Auditor-Controller and

utilized on a periodic basis to meet the cash flow needs of the County General Fund. Issuance of the 2021-22 TRANs will reduce the County's need for internal borrowing during the upcoming fiscal year.

For FY 2020-21, the County issued \$1.2 billion of TRANs, which will mature on June 30, 2021. Although COVID-19 has caused significant damage and disruption to the national economy, increased Federal funding to state and local governments and recent improvements in the economic outlook have resulted in a reduction of the County's TRANs issuance from 2020-21 to a maximum principal amount not to exceed [\$1,000,000,000]. The lower borrowing amount is expected to provide sufficient cash resources to meet the County's cash flow requirements in FY 2021-22.

Implementation of Strategic Plan Goals

The recommended action supports County Strategic Plan Strategy III.3 – Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability.

FISCAL IMPACT/FINANCING

The borrowing cost of the 2021-22 TRANs will depend on market conditions on the date of the sale. The Resolution provides that the true interest cost of the TRANs shall not exceed [five percent (5%)]. However, based on current market conditions, the actual cost of borrowing is expected to be significantly lower and may result in a true interest cost of approximately [0.50%].

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The County traditionally issues the TRANs as a single series of fixed-rate notes with a one-year final maturity. However, in order to provide the County with maximum flexibility to respond to changing market conditions, the attached resolution provides the County the flexibility to issue the 2021-22 TRANs in multiple series with different maturity dates that will not exceed 15 months. The 2021-22 TRANs will be structured to achieve the lowest cost of borrowing available to the County in the municipal note market on the day of pricing, which is currently scheduled for early June 2021. Proceeds from the sale of the 2021-22 TRANs are expected to be available to the County on July 1, 2021.

Consistent with the County's historical practice, the Treasurer and Tax Collector is recommending a negotiated sale of the 2021-22 TRANs. Based on the results of a competitive solicitation process, UBS Financial Services Inc. was selected as the lead senior managing underwriter, with Morgan Stanley appointed to serve as the co-senior

manager. Up to four co-managers will be added to the underwriting syndicate for the 2021-22 TRANS prior to the pricing date. County Counsel has selected Orrick Herrington & Sutcliffe and Hawkins, Delafield & Wood to serve as note counsel and disclosure counsel, respectively, for this transaction.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The 2021-22 TRANS are issued as part of a cash management program, which has no direct impact on current services.

CONCLUSION

Upon approval of this Resolution, it is requested that the Executive Officer-Clerk of the Board of Supervisors return two originally executed copies of the adopted Resolution to the Treasurer and Tax Collector (Office of Public Finance).

Respectfully submitted,

KEITH KNOX
Treasurer and Tax Collector

KK:EBG:DW:TG:JP:AM:ad
doc/2021-22 TRANS_051821

Attachments

c: Chief Executive Officer
Executive Officer, Board of Supervisors
Auditor-Controller
County Counsel
Orrick Herrington & Sutcliffe
Hawkins, Delafield & Wood
UBS Financial Services Inc.
Morgan Stanley