# **Olivehurst Public Utility District**

Agenda Item Staff Report



#### Meeting Date: September 17, 2020

#### Item description/summary:

Yuba County and its political subdivisions operate under the provisions of Sections 4701-4717 of the California Revenue and Taxations Code. This provision is known as the "Teeter Plan". Under this method, the accounts of political subdivisions that adopted the Teeter Plan and levy taxes on the County tax roll are credited with 100% of their respective secured tax levy, regardless of the actual payments and delinquencies. Yuba County's Teeter Plan includes secured taxes, not direct assessments (with a few exceptions). OPUD Weed Abatement (Yuba County Tax Code 81200) was/is a non-teeter direct assessment. Direct charges disbursed to the District are based on actual collections.

Olivehurst Fire Department performed weed abatement on non-compliant properties from 2009-10 to 2011-12. The actual abatement was handled by Yuba Sutter Community Conservation Corps. Property owners were billed for the costs. Only a few property owners paid the costs when billed and most unpaid assessments were placed on the County's Property Tax Roll for collection. The program was discontinued after 2012 due to the financial burden caused by the slowness of cost recovery.

### **Fiscal Analysis:**

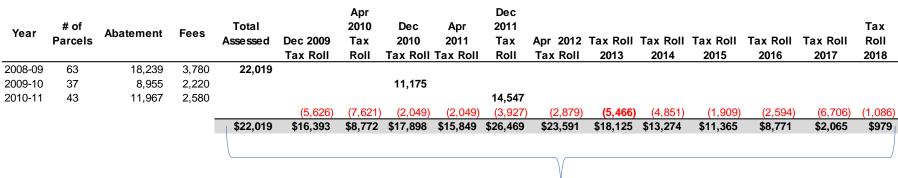
The payback period for the 3 years' assessment was approximately 10 years. A 6 year projection of an annual weed abatement of \$25,000 with historic collection ratios could result in a \$50,000 Weed Abatement Receivable balance of \$50,000 in year 6. (See page 2).

# **Employee Feedback**

Sample Motion:

Prepared by:

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## Actual Weed Abatement Cost and Collections

Amount carried by Fire Department with annual Weed Abatment

#### 6-YEAR WEED ABATEMENT ESTIMATE FOR COSTS AND COLLECTIONS

Tax Roll 2021	Tax Roll 2022	Tax Roll 2023	Tax Roll 2024	Tax Roll 2025	Tax Roll 2026
25,000	25,000	25,000	25,000	25,000	25,000
(12,500)	(12,500)	(12,500)	(12,500)	(12,500)	(12,500)
	(2,500)	(3,750)	(5,000)	(6,250)	(7,500)
\$12,500	\$22,500	\$31,250	\$38,750	\$45,000	\$50,000
	2021 25,000 (12,500)	2021 2022 25,000 25,000 (12,500) (12,500) (2,500)	2021 2022 2023   25,000 25,000 25,000   (12,500) (12,500) (12,500)   (2,500) (3,750)	2021 2022 2023 2024   25,000 25,000 25,000 25,000 (12,500)	2021 2022 2023 2024 2025   25,000 25,000 25,000 25,000 25,000 (12,500) (12,50

Amount carried by Fire Department with annual Weed Abatment