



CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS ANGELES COUNTY (aka Los Angeles County Fire Department)

PROPERTY TAX & SPECIAL TAX REVENUES

The Consolidated Fire Protection District of Los Angeles County (Fire District) is a dependent special district formed under California law. The Los Angeles County Board of Supervisors acts as its board of directors. The duties of the Forester & Fire Warden (County Charter Article IV, Section 24 1/3) were assigned to the Fire Chief of the Fire District in 1992 (County Code Chapter 2.20.080). Following is a brief history of the Fire District's property tax and special tax revenues.

PROPERTY TAX

Proposition 13

Prior to the passage of Prop 13 in the late 70's, the Fire District had the ability to levy a property tax rate to fund services. When unincorporated areas were annexed or a city contracted with the Fire District, the Fire District levied its tax rate to generate funding to pay for services.

This changed when the passage of Prop 13 restricted the total property tax levy to 1% of a property's assessed value. As with all existing taxing agencies, the Fire District was proportionally allocated a share of the 1% property tax in existing district areas. The nexus of cost to revenues was lost. Today, the Fire District collects and expends revenues on a district-wide basis, providing a consistent level of service regardless of revenues derived.

The Fire District served 40 cities at the time Prop 13 became law:

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| 1. ARTESIA | 15. HUNTINGTON PARK | 28. PARAMOUNT |
| 2. BALDWIN PARK | 16. INDUSTRY | 29. PICO RIVERA |
| 3. BELL | 17. IRWINDALE | 30. RANCHO PALOS VERDES |
| 4. BELLFLOWER | 18. LA CANADA FLINTRIDGE | 31. ROLLING HILLS |
| 5. BELL GARDENS | 19. LAKEWOOD | 32. ROLLING HILLS ESTATES |
| 6. BRADBURY | 20. LA MIRADA | 33. ROSEMEAD |
| 7. CARSON | 21. LANCASTER | 34. SAN DIMAS |
| 8. CERRITOS | 22. LA PUENTE | 35. SIGNAL HILL |
| 9. CLAREMONT | 23. LAWNSDALE | 36. SOUTH EL MONTE |
| 10. CUDAHY | 24. LOMITA | 37. SOUTH GATE |
| 11. DUARTE | 25. MAYWOOD | 38. TEMPLE CITY |
| 12. GLEN DORA | 26. NORWALK | 39. WALNUT |
| 13. HAWAIIAN GARDENS | 27. PALMDALE | 40. WHITTIER |
| 14. HIDDEN HILLS | | |

Post Proposition 13

Unincorporated: The Fire District continued to annex unincorporated areas into its boundaries as tracts were developed until 1991, when all remaining unincorporated area in Los Angeles County was annexed to the Fire District.

Newly Incorporated Cities: The Fire District serves seven cities that incorporated after the passage of Prop 13:

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| 1. AGOURA HILLS (1982) | 5. SANTA CLARITA (1987) |
| 2. CALABASAS (1991) | 6. WEST HOLLYWOOD (1984) |
| 3. DIAMOND BAR (1989) | 7. WESTLAKE VILLAGE (1981) |
| 4. MALIBU (1991) | |

Since the Fire District had continued to annex developed areas after the passage of Prop 13, most of the areas being incorporated were already in the Fire District. Those areas of a newly incorporated city that were not in the Fire District were concurrently annexed at the time of incorporation. As a side note, these cities could have detached from the Fire District and formed their own fire departments at the time of incorporation, but opted to stay in the Fire District. There is no difference in funding from these 7 cities and the other 40 pre-Prop 13 property tax cities we serve.

In areas where the Fire District receives property tax, the Fire District receives an average of 17% of the 1% property tax. In 2013-14, estimated property tax revenues equate to 58% of the Fire District’s revenue.

Fee-for-Service Contracts: With the passage of Prop 13, the Fire District lost its ability to levy taxes to fund fire protection in incorporated cities. Therefore, in the early 1980’s, a concept was developed to charge annual fees to all cities that desired to contract for services from that point forward.

Today, eleven cities have “fee-for-service” contracts with the Fire District. These are cities that contracted with the Fire District via an annexation or service agreement after the passage of Prop 13. The Fire District bills the city an annual fee for the cost of services. Annual fees are based upon the positions and cost-shares established at the time the contracts were approved by the respective city councils, using current salary & employee benefits and overhead costs. Annual fees have been revised by time-to-time as agreed to by the Fire District and the respective city. Each fee-for-service city is obligated to pay the Fire District’s annual fee from any City fund sources available in monthly installments. The 11 fee-for-service cities are:

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| 1. AZUSA | 7. INGLEWOOD |
| 2. COMMERCE | 8. LA HABRA (ORANGE COUNTY) |
| 3. COVINA | 9. LYNWOOD |
| 4. EL MONTE | 10. PALOS VERDES ESTATES |
| 5. GARDENA | 11. POMONA |
| 6. HAWTHORNE | |

SPECIAL TAX

In 1991, the Board of Supervisors adopted a “benefit assessment” to generate additional revenue due to the instability of growth in property taxes, the Fire District’s primary revenue source. In 1996, voters passed the Right to Vote of Taxes Act, which required approval of the benefit assessment by affected property owners. At that time it was decided to seek approval of a replacement special tax rather than approval of the benefit assessment. In a June 1997 election, over 77% of those voting approved the special tax. The tax is assessed on all taxable real property in our Fire District, except for ten of our fee-for-service cities. The City of Azusa is the only fee-for-service city where our special tax is assessed; the special taxes collected in the City of Azusa are credited against Azusa’s annual fee.

Special tax rates are based upon the use of the property. For 2016-17, single family homes are assessed at \$66.06 per home. Commercial and industrial properties are assessed various other flat rates, plus an additional charge based upon square footage of buildings. The special tax generated \$79 million in 2016-17 for Fire District emergency operations, equating to 7% of the Fire District’s revenue.

This summary describes only property tax and special tax revenues; it is not all inclusive of the Fire District’s revenues. See the Los Angeles County Fire Department’s adopted budget for a description of all revenues, such as grants, State or Federal reimbursements, and many other various charges/revenues reflected in the Fire District’s budget.