

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
June 15, 2009
9:30 A.M.

To: Board of Supervisors
From: County Executive's Office
Subject: Report Back – Utility Taxes

Supervisory
District: All

Contact: Navdeep S. Gill, Chief Operations Officer, 874-5803
Linda Foster-Hall, County Budget Officer, 874-2453

BACKGROUND

During the recent Board hearings, the Board requested that the Office of Budget and Debt Management review the estimated collections for FY 09-10 in light of the recent increases in SMUD and other utility rates.

DISCUSSION

The existing utility tax projections were based on know information in January 2009. Since that time various utilities have announced rate increases which will have an affect of the overall collections of utility taxes since the County's collections are a percentage of the utilities total fillings. Staff had discussions with the Department of Finance regarding collection rates and further refinement of collections on Friday June 12, 2009. Based on those discussions, it does appear that the utility tax estimated collections can be increased by approximately \$2.0 million to \$16.5 million.

Respectfully submitted,

APPROVAL RECOMMENDED:

LINDA FOSTER-HALL
County Budget Officer

TERRY SCHUTTEN
County Executive

CONCUR:

NAVDEEP S. GILL
Chief Operations Officer