



NEVADA COUNTY CALIFORNIA

BOARD OF SUPERVISORS

Lisa Swarthout

District 3 Supervisor
lisa.swarthout@nevadacountyca.gov
530.265.1480

Susan Hoek

Supervisor, 4th District
Email: sue.hoek@nevadacountyca.gov
Office Location: 950 Maidu Avenue, Suite 200
Nevada City, California 95959
530.265.1480 | FAX: 530.265.9836

NEVADA COUNTY BOARD OF SUPERVISORS

BOARD AGENDA MEMO

MEETING DATE: October 14, 2025

TO: Board of Supervisors

FROM: Supervisor Lisa Swarthout, District III
Supervisor Susan Hoek, District IV

SUBJECT: Resolution approving the determination to not open the County Master Property Tax Allocation Agreement

RECOMMENDATION: Approve the attached Resolution approving the determination to not open the County Master Property Tax Allocation Agreement

FUNDING: There is no funding impact associated with this Resolution.

BACKGROUND: Property tax revenues in Nevada County are distributed to local taxing entities each year, including independent special districts such as Resource Conservation District, Cemetery District, and various Fire Districts, among others. Board of Supervisor's Resolution No. 81-316, as amended by Resolution No. 06-162 established a basis by which special districts receive their apportionment. Under this Agreement, Nevada County fire districts receive annual share of property tax revenue.

Over the last several years fire districts in Nevada County have been struggling to maintain fiscal solvency due to antiquated structural challenges within the State's Revenue and Taxation Code, property tax allocation factors, and varied support for additional assessments from the voting public. In 2023, a Fire Service Consolidation ad hoc committee was established to work with our fire districts in support of maintaining operational response services to Nevada County residents.

In addition to annual property tax revenue, over the last five years the County has supported local fire districts through legislative advocacy for sustainable district funding, and specific funding allocations for various projects, grants, and operational expenses. Funding sources for

this support include homeland security program funding, Proposition 172 funding allocations, property partnerships, Title III Forest Reserve Funding, and other partnership opportunities. Total County financial support in addition to property tax monies in support of delivering emergency services to the community is over \$5.8 million.

Since 2023, a concerted effort to consolidate some fire districts has been underway through the Local Area Formation Committee (LAFCo) application process, which, among other requirements, must include a five-year financial plan and a property tax negotiation process between the County and the requesting special district(s). On August 28, 2025, the County received a formal request from Nevada County Consolidated Fire and Ophir Hill Fire Protection Districts to open the County Master Property Tax Allocation Agreement. In addition, on September 10, 2025, the County received a formal request from the Penn Valley Fire Protection and Rough and Ready Fire Protection Districts to open the County Master Property Tax Allocation Agreement.

The Fire Services Consolidation Ad-Hoc Subcommittee met to review these requests and recommends not opening the County Master Property Tax Allocation Agreement as it would negatively impact other special districts. This has been communicated to district representatives for all requesting districts. The Fire Service Consolidation Ad-Hoc Subcommittee is continuing conversations with fire districts on supportive structures that will allow their reorganization efforts to move forward successfully.

Therefore, we recommend, as the Fire Service Consolidation Ad-Hoc Subcommittee, the Board reject the aforementioned requests and approve the Resolution to not open the Master Property Tax Allocation Agreement.

Sincerely,

Lisa Swarthout
Supervisor, District 3

Susan Hoek
Supervisor, District 4