

EXHIBIT B



CHAMISE CUBBISON
AUDITOR-CONTROLLER/
TREASURER-TAX COLLECTOR

501 LOW GAP ROAD, RM. 1080
UKIAH, CALIFORNIA 95482
PHONE (707) 234-6860 FAX (707) 467-2503
www.mendocinocounty.gov

MEMORANDUM

Date: May 5, 2026
TO: Affected Districts and County of Mendocino
FROM: Chamise Cubbison, Auditor-Controller/Treasurer-Tax Collector
RE: LAFCO File A-2025-05-MCRRFC Annexation of the RVCWD

The Mendocino County Russian River Flood Control and Water Conservation Improvement District (RRFC) has proposed annexation of the Redwood Valley County Water District's Complete Service Area. (LAFCo File No. A-2025-05)

Per Revenue & Taxation Code 99(b)(3) the Auditor shall notify all the governing body of each local agency whose service area or service responsibility will be altered by the jurisdictional change of the amount of, and allocation factors with respect to property tax revenue estimated pursuant to paragraph (2) that is subject to negotiated exchange.

The Auditor-Controller's office has calculated estimated property tax base revenue used in the calculation of increment factors and resulting estimated tax revenue based on the preliminary 2025-26 assessed values for properties listed in the above referenced Application Referral. This information is preliminary and subject to change. Following on page 2 of this memo is a net estimated calculation of the property tax revenue potentially subject to negotiation based on 2025-26 Values and AB8 Factors.

Per R & T Code 99(b)(4) Upon receipt of the estimates pursuant to paragraph (3), the local agencies shall commence negotiations to determine the amount of property tax revenue to be exchanged between and among the local agencies. Except as otherwise provided, this negotiation period shall not exceed 60 days. If a local agency involved in these negotiations notifies the other local agencies, the County Auditor and the Local Agency Formation Commission in writing of its desire to extend the negotiating period, the negotiating period shall be 90 days.

If you have any questions regarding this process, please refer to Revenue & Taxation Code, Section 99 for procedures.

cc: Mendocino County Board of Supervisors
Mendocino County Counsel
Mendocino LAFCo

Auditor's Estimate of Property Tax Revenue		
LAFCo File A-2025-05 RRFC&WCID Annexation of RVCWD		
Tax Authority	Total Estimated Tax Revenue	Overall Factor All TRAs
County	1,533,060.56	0.2555512149
County-Road	174,768.89	0.0291328362
County-ACO	12,264.51	0.0020444140
County-Library	84,318.32	0.0140553150
County-Promotion	10,731.43	0.0017888595
County-Em Svc CDF	10,731.43	0.0017888595
Hopland Lighting	1,372.95	0.0002288618
Hopland Cemetery	34.15	0.0000056926
Russian River Cemetery	47,313.13	0.0078867908
Redwood Valley-Calpella Fire	215,879.47	0.0359857022
Ukiah Valley Fire	1,408.02	0.0002347078
Redwood Valley Water District	30,160.25	0.0050275173
Mendocino County FC & WC Improvement District	7,665.30	0.0012777556
Sanel Valley Fire (aka Hopland Fire)	976.78	0.0001628229
Mendocino County RRFC & WCID	140.38	0.0000234004
Ukiah Valley Sanitation	297.15	0.0000495330
*ERAF-Education Revenue Augmentation Fund	1,002,621.61	0.1671304952
*Mendocino County Office of Education	263,686.42	0.0439548096
*Mendocino Community College District	410,860.22	0.0684877239
*Ukiah Unified School District	2,190,743.55	0.3651826878
	<u>5,999,034.52</u>	<u>1.0000000000</u>
Based on corrected Legal Description and updated PIN list from County GIS as of April 02, 2026		

* Base revenue used in calculation of annual tax increment. County wide base revenue was \$153,532,476

** SCHOOL – Per Revenue & Taxation Code 99.02(f)(4) No local agency shall transfer property tax revenue unless the transfer will not result in a reduction to property tax revenue to school entities.