



# AGENDA REPORT

**Department:** Finance  
**Prepared by:** Rachelle Barrera, Finance Manager  
**Meeting Date:** Tuesday, August 19, 2025  
**Approved by:** Scott W. Huth, Interim City Manager

---

**SUBJECT:**

Setting the FY 2026 Property Tax Rate for Library General Obligation Bonds

**RECOMMENDATION:**

Adopt a Resolution Entitled, "Resolution of the City Council of the City of National City, California, Setting the Fiscal Year 2026 Secured Property Tax Rate for the Library General Obligation Bonds at 0.00266 cent (0.00266%) per \$100 of Assessed Valuation."

**BOARD/COMMISSION/COMMITTEE PRIOR ACTION:**

Not Applicable.

**EXPLANATION:**

In the Special Municipal Election held on March 5, 2002, more than two-thirds of National City's eligible voters approved the issuance of general obligation bonds to fund the construction of the new National City Library. In April 2003, the City issued the general obligation bonds (GO Bonds) in the aggregate principal amount of \$6 million. Those bonds mature on August 1<sup>st</sup> of each of the years 2004 through 2028. Debt service payments on general obligation bonds are satisfied through a special property tax levy. In 2012, the City refinanced the bonds to lower the interest rate on the bonds and to decrease the tax burden required for repayment.

Each year, the City must establish the tax rate to be applied to the assessed value of secured property, which generates the primary portion of the property tax revenue needed to be raised in order to service its annual bonded indebtedness. For fiscal year 2026, staff has calculated a secured property tax rate of 0.00266 cent per \$100 of assessed value. Property tax revenues are also received based on the value of unsecured property, but at the rate set for secured property in the prior year. Also contributing to property tax revenues are assessments on mid-year changes in values (known as supplemental assessments) and State unitary tax allocations. Exhibit A provides a summary and certification of the secured and unsecured property tax requirements for the Library general obligation bonds debt service that will be provided to the County of San Diego Auditor & Controller for applying to the fiscal year 2026 property tax roll.

**FINANCIAL STATEMENT:**

Debt service payments for the GO Bonds for FY26 total \$396,425. The Library Bonds Debt Service Fund has a fund balance of over \$796,000. Fund balance in the Debt Service Fund will be the source of funding for the difference between property taxes raised and the amount of the debt service payment due. The recommended FY26 secured property tax rate of 0.00266 cent per \$100 of assessed valuation is estimated to generate approximately \$147,306 in property tax revenue. The rate for unsecured property, automatically set at the secured rate from FY 2026, will be 0.00284 cent per \$100 of assessed valuation, which will generate approximately \$8,358 in revenue. The combined total is \$155,663.

**RELATED CITY COUNCIL 2020-2025 STRATEGIC PLAN GOAL:**

Not Applicable

**ENVIRONMENTAL REVIEW:**

This is not a project under CEQA, and is therefore, not subject to environmental review. CCR15378; PRC 21065.

**PUBLIC NOTIFICATION:**

The Agenda Report was posted at least 72 hours before the Regular Meeting date and time, and 24 hours before a Special Meeting in accordance with the Ralph M. Brown Act

**ORDINANCE:**

Not Applicable

**EXHIBITS:**

Exhibit A – GO Bond Rate Calculation 2025-2026 Tax Roll

Exhibit B - Resolution