August 21, 2020

Herman Reddick, Director
Fire Authority
5510 Overland Avenue, Suite 250
San Diego, CA 92123

Dear Mr. Reddick:

PROPERTY TAX REVENUE GENERATED WITHIN A JURISDICTIONAL CHANGE

Section 99 of the Revenue and Taxation code states that before jurisdictional changes can occur, a determination must be made concerning the amount of property tax revenues to be exchanged between the affected local governments. Section 99B(4) states that upon receipt of the Auditor’s estimates, the local agencies shall commence negotiations to determine the amount of property tax revenue to be exchanged between the affected local agencies and that these negotiations shall not exceed sixty days. The exchange may be limited to an exchange of property tax revenues from the annual tax increment generated in the area subject to the jurisdictional change and attributable to the local agencies whose service area or service responsibilities will be altered by the proposed jurisdictional change. The final exchange resolutions shall specify how the annual tax increment shall be allocated in future years.

The negotiated revenue exchanges shall be on an individual jurisdictional change basis, unless a master agreement has been adopted pursuant to Section 99(d), with specific agreements being made for each change. In order for this proposed jurisdictional change to be considered by LAFCO, these negotiations must be completed no later than October 21, 2020. We are submitting to you per Section 99 of the Revenue and Taxation Code and Board of Supervisors Policy B-45, information for the following jurisdictional change:

Name of Jurisdictional Change: San Diego County Fire Protection District Reorganization

LAFCO Number: RO20-14

Assessed Value: 6,094,369,073
Property Tax Revenue Generated Within a Jurisdictional Change
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<table>
<thead>
<tr>
<th>Local Agencies</th>
<th>2019-2020 Annual Tax Increment Ratios</th>
<th>2019-2020 Property Tax Revenue</th>
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</thead>
<tbody>
<tr>
<td>County General</td>
<td>0.15743345</td>
<td>9,288,945.87</td>
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<tr>
<td>County Service Area 135 Fire and EMS</td>
<td>0.01545920</td>
<td>1,300,971.69</td>
</tr>
</tbody>
</table>

*Annual Tax Increment Ratios are a weighted average.

If property tax negotiations have been completed prior to receipt of this letter, those negotiations are valid, and this letter is for informational purposes only.

If you need additional information on this jurisdictional change, please contact Jon Baker or Jill Romero of Property Tax Services at (858) 694-2901.

Sincerely,

[Signature]

TRACY DRAGER
Auditor and Controller

PTS: RG: mel

c: Keene Simonds, Executive Officer, LAFCO
   Timothy Vertino, Land Use/Environmental Planner II, Planning and Development Services