"Sooner or Later It Always Comes Down to Money" 10 August 2011

Where does my money go?

Soon, Sausalito residents will be getting their property tax bill. This article will help you understand your tax bill. The information should explain to readers how the City uses their portion of the tax payment to provide services.

Here is a sample Property Tax Bill from last year – Tax Roll Year 2010. The tax bill is for a real single family residence in Sausalito that has land valued at \$609,241 and improvements valued at \$253,318 for a total of \$862,559.

Property Tax Information						
Tax Ro	oll Year	: 2010 Bill to: Sausalito Citizen	Bill No: 10-0046796			
Fund ID	Tax Rate	Fund Title	Contact Information	Amount		
		Basic Tax		8,561.14		
109163		CITY OF SAUSALITO-RUNOFF CHARGE	NBS (800) 676-7516 DEPT OF FINANCE TAX DIVISION	15.00		
108934	0.0060	MARIN COM COLLEGE2004-1 C-11/04	(415) 499-6168	51.36		
108945	0.0076	6 MARIN COM COLLEGE2004-2 C-11/04	DEPT OF FINANCE TAX DIVISION (415) 499-6168	65.06		
109192		MMWD-FIREFLOW	OREEN DELGADO (415) 945- 1404	75.00		
105110		MS MOSQUITO #1	MARIA GARCIA-ADARVE-SCI CONSUL (800) 273-5167	10.72		
109253	0.0186	SAUS GO BOND 2006 A&B SERIES	AUDITORCONTROLLER TAX DIVISION (415) 499-6168	159.22		
105475		SAUS-MARIN CITY SANITARY	BOB SIMMONS (415) 332-0244	469.00		
108942	0.0090	SAUS-MARINCITY SCHBNDS-2006A&B	DEPT OF FINANCE TAX DIVISION (415) 499-6168	77.04		
109009		SAUSALITO CITY-SEWER CHARGE	NBS (800) 676-7516	422.00		
108936	0.0165	SAUSALITO SCH BND'05 I-11/2000	DEPT OF FINANCE TAX DIVISION (415) 499-6168	141.24		
108948	0.0078	TAM HIGH-2010 REFUNDING BONDS	DEPT OF FINANCE TAX DIVISION (415) 499-6168	66.76		
108922	0.0078	TAM UNION H SCH BD'02 A-3/2001	DEPT OF FINANCE TAX DIVISION (415) 499-6168	66.76		
108914	0.0035	TAM UNION HIGH BD'01 A-03/2001	DEPT OF FINANCE TAX DIVISION (415) 499-6168	29.96		
108932	0.0117	TAM UNION HIGH BD'04 A-03/2001	DEPT OF FINANCE TAX DIVISION (415) 499-6168	100.16		
108938	0.0174	TAM UNION HIGH BND'06 A-6/2006	DEPT OF FINANCE TAX DIVISION (415) 499-6168	148.96		
107761		TAM UNION HIGH SCHOOL DIST	KALEY CLONEY (415) 945-3709	231.82		
		Total Bill Charges		10,691.20		

The amounts highlighted in blue with arrows are the amounts assessed by the City of Sausalito and included on your County property tax bill. They are for specific uses as allowed by California law.

The CITY OF
SAUSALITO
RUNOFF CHARGE
in the amount of
\$15.00 collectively
accumulates to
approximately
\$75,000 city-wide.
This money is
dedicated for storm
drain capital
improvements in the
City and to pay the
City's membership in

the State of California's Water Resource Control Board SRCB and MCSTOPP. MCSTOPPP is an acronym for the Marin County Stormwater Pollution Prevention Program.

¹ City financial news from Charlie Francis, Director of Administrative Services, Treasurer, City of Sausalito

The property tax assessment for *SAUS GO BOND 2006 A&B SERIES* in the amount of *\$159.22* collectively accumulates approximately \$500,000. The amount collected by the County is distributed directly to the paying agent for the City of Sausalito's to pay for the principal and interest on the 2006 General Obligation Bonds. The bond proceeds provided the funding for the demolition and replacement of the new Public Safety (Police and Fire) Facilities located at the corner of Caledonia and Johnson streets.

(Parenthetically, the Public Safety Facilities were successfully constructed approximately \$2.1 million UNDER budget. As promised during the GO Bond election campaign, the savings will be returned to taxpayers through lower debt service on future tax bills. In this example, the tax amount would be approximately \$20 less.)

The *SAUSALITO CITY SEWER CHARGE* in the amount of *\$422* is the funding source for the operating, maintenance and capital improvements for the City's Wastewater collection system. From all taxpayers, this charge aggregates approximately \$1.4 million. The City sewers are operated under a United State of America – Environmental Protective Agency (EPA) "Administrative Order" due to accidental spills and discharges into Richardson Bay. In addition, the management of the sewers is regulated by State Water Discharge Requirements (WDRs) mandating pipeline cleaning and repair. These fees on your property tax bills are compliant with state law, and are sufficient to fund programs mandated by these new state regulations and with EPA orders. The fees are also consistent in order to provide significant expansion of the historical level of sewer maintenance and repairs.

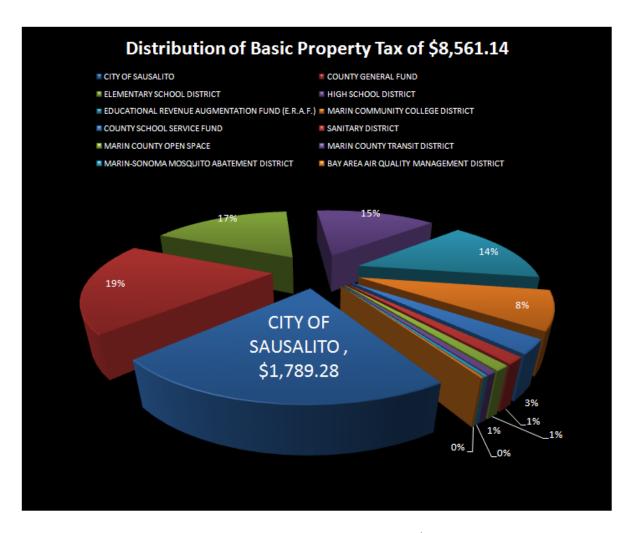
"But wait a minute," you may be asking – "is that all?" "I thought my property tax payments funded city government!"

And you're right! The City receives a portion of the *BASIC TAX* on the very first line.

The circled amount of tax in the example, the amount of \$8,561.14, is actually divided among a number of taxing entities in accordance with the provisions of Proposition XIII.

The accompanying pie chart displays that of the \$8,561.14 collected by the County, only \$1,789.28, or 20.3% actually comes back to the City of Sausalito's General Fund.

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In aggregate, the City's General Fund receives approximately \$6.6 million dollars from distributions of the County's basic tax. That is almost **50% of the General Fund revenues** for the City of Sausalito. **50% of General Fund expenditures are about equally divided between net Police and net Fire services.** In other words, approximately 50% of the City's property tax pays for net Police services, and the other 50% pays for net Fire Services.

Now, let's come back to your property tax bill... In the example that calculated that \$1,789.28 is distributed to the City from the County's Basic Tax, about ½ of that amount, or \$894.60 pays for the Fire Department, and \$894.60 pays for the Police Department.

(Parenthetically, The City is considering annexation by the Southern Marin Fire Protection District (SMFPD) to continue the excellent Fire Department services to the citizens and structures of Sausalito. In order to pay for Fire Services, the City would only transfer approximately 30% of its property tax, or \$536.78 of the example bill, and the SMFPD would assess an additional \$90. In other words, a taxpayer in Sausalito with a property tax bill similar to the example would be paying \$626.78 (\$536.78 + \$90) for Fire Services. This amount is \$267.82 less than the taxpayer is currently paying for Fire Services.)

In summary, from the example bill, the City of Sausalito only receives \$2,385.50 of the \$10,691.20 that was paid to the County:

	City of Sausalito	Other Taxing Entities
BASIC TAX CITY OF SAUSALITO-RUNOFF CHARGE SAUS GO BOND 2006 A&B SERIES SAUSALITO CITY-SEWER CHARGE	1,789.28 15.00 159.22 422.00	6,771.86
ALL OTHER TAXES		1,533.84
	2,385.50	8,305.70

Please call Charlie Francis, Director of Administrative Services, Treasurer at (415) 289-4105 with your follow-up questions, or for more information. He can be reached by email as well cfrancis@ci.sausalito.ca.us.