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**County of San Mateo Controller's Office  
Property Tax Highlights  
Fiscal Year July 1, 2014 to June 30, 2015**

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## Controller's Message

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To the Citizens of San Mateo County

California schools, counties, cities and special districts depend on property tax as a primary source of revenue. In fiscal year 2014-15, \$1.7 billion was collected for local governments within the boundaries of San Mateo County from the 1% General Tax imposed on property owners. This was \$88 million more than the prior year. The property tax revenue outlook for fiscal year 2015-16 continues to increase for the fifth consecutive year. Approximately \$1.8 billion will be collected from the 1% General Tax countywide in fiscal year 2015-16. The increase is primarily due to a strong real estate market, ownership changes, and new construction.

Since the passage of Proposition 13 in 1978, the California legislature and the voters have continually altered property tax laws. This Property Tax Highlights publication is intended to help explain some of the complexities of Proposition 13 and subsequent statutes that govern the property tax process. It provides the general public with an easy-to-read overview on how property taxes are generated and distributed to local government agencies in the County of San Mateo as well as a financial snapshot for the fiscal year ended June 30, 2015.

Please visit our website located at <http://controller.smcgov.org> to view or download copies of the *Property Tax Highlights* and other publications. We welcome your comments and questions, which can be emailed to me at [controller@smcgov.org](mailto:controller@smcgov.org).

Sincerely,

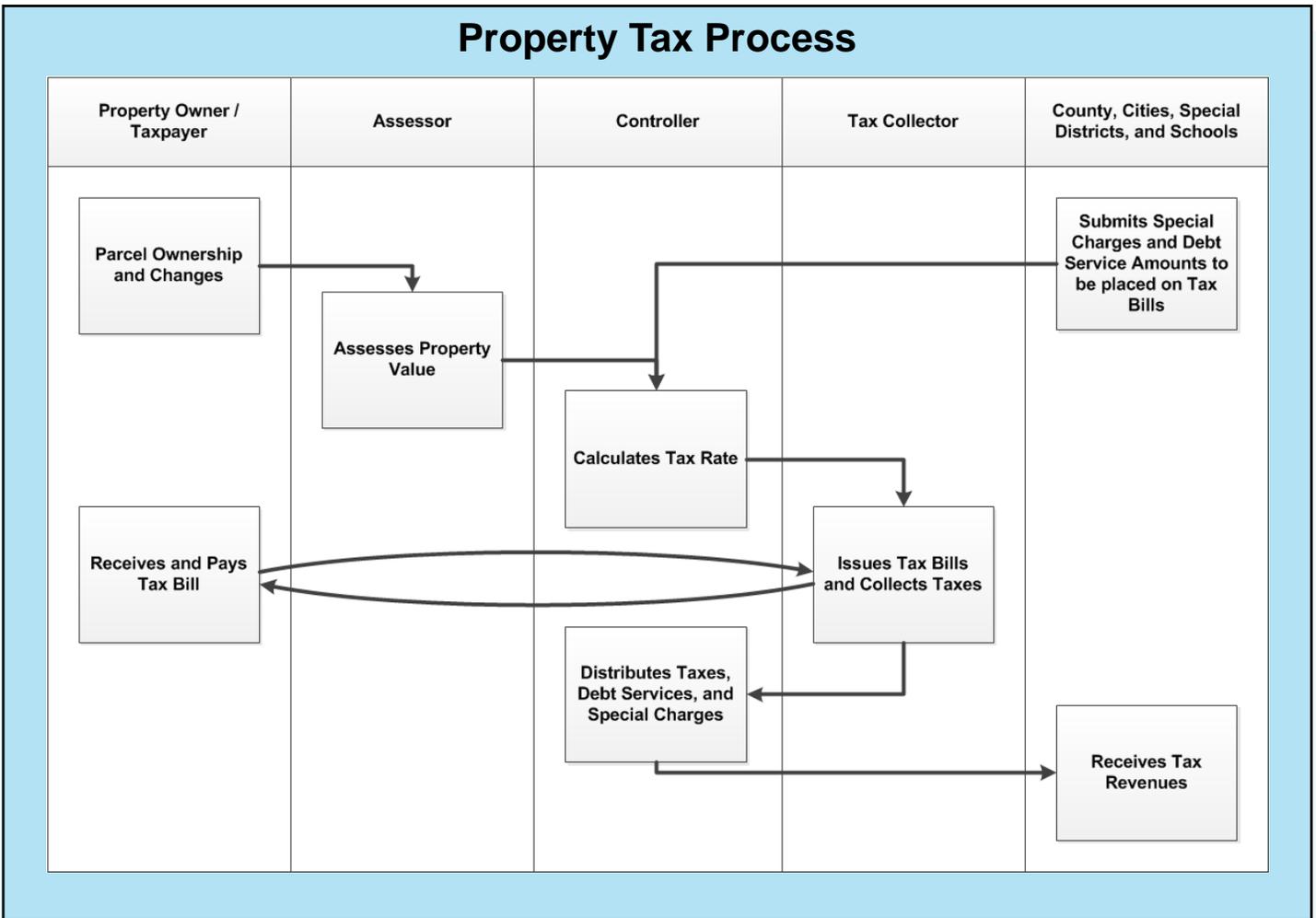


Juan Raigoza  
County of San Mateo Controller



# Introduction

The current property tax process is based on Proposition 13, which was passed by California voters in 1978 by an overwhelming majority. Proposition 13 limits the property tax rate to 1% of assessed value, plus the rate necessary to fund local voter-approved bonds. It limits assessed value increases up to 2% per year on properties that were not involved in a change of ownership or that did not undergo new construction. Newly acquired properties are assessed at fair market value (usually the purchase price) and the value of any new construction is added to the existing base value of a parcel. The table below illustrates the flow of the property tax process.



**THREE ELECTED COUNTY OFFICIALS ADMINISTER THE PROPERTY TAX PROCESS**

<p><b>Mark Church</b> Assessor—Clerk—Recorder—Elections <a href="http://www.smcare.org">http://www.smcare.org</a></p>	<p><b>Juan Raigoza</b> Controller <a href="http://controller.smcgov.org">http://controller.smcgov.org</a></p>	<p><b>Sandie Arnott</b> Treasurer—Tax Collector <a href="http://www.sanmateocountytaxcollector.org">http://www.sanmateocountytaxcollector.org</a></p>
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## Property Owner / Taxpayer

Each year, taxable property is assessed (valued) on January 1 (the lien date) and the owner becomes liable for property taxes based on the value of the property. The assessed value for most properties is the prior year's assessed value adjusted for inflation up to 2%. However, if there has been a change in ownership, the fair market value of the property will be its new assessed value. Additionally, any new construction value is added to the property's prior base value.

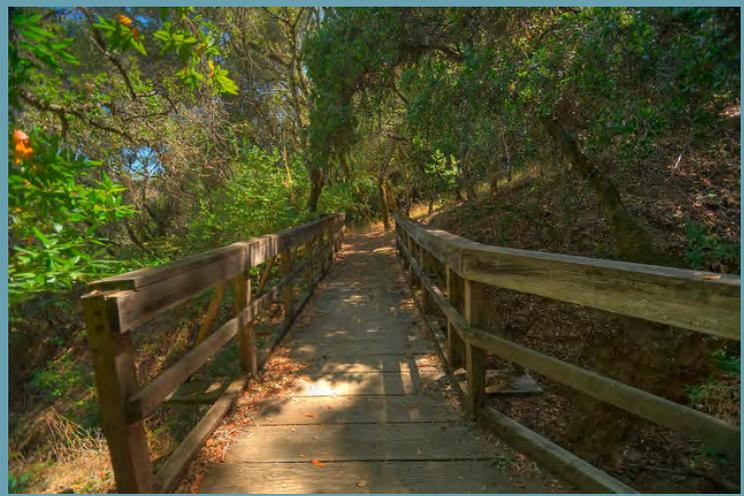
Once the property has been assessed, taxes are levied and become a lien on both real (secured) and personal property (unsecured). Property owners are responsible for the timely payments of taxes. Late payments are subject to significant penalties.

<b>Top 10 Taxpayers in FY 2014-15</b>	<b>Type of Business</b>	<b>Property Taxes Collected (millions)</b>	<b>% of Total Taxes Collected</b>
Genentech	Biotechnology	\$ 17.9	0.85%
United Airlines	Airline	17.4	0.82%
Pacific Gas & Electric	Utility	16.6	0.79%
Gilead Sciences Inc	Biopharmaceutical	9.4	0.44%
Slough BTC LLC	Lessor	6.1	0.29%
Slough SSF LLC DE	Lessor	5.2	0.25%
Oracle Corporation	Software	5.1	0.24%
Google, Inc.	Software	5.1	0.24%
Wells Real Estate Investment Trust II	Real Estate	3.6	0.17%
Virgin America	Airline	3.4	0.16%
<b>Total</b>		<b>\$ 89.8</b>	<b>4.25%</b>

\*Includes secured, unsecured, unitary, and railroad properties

As shown in the table to the left, the top ten taxpayers make up only 4.25% of the total taxes collected.

In fiscal year 2014-15, the County's secured roll included 20,642 parcels that consisted of both residential (homes, condos and apartments) and non-residential (businesses, hotels, retail, etc.) properties. The County has approximately 16,000 personal business properties (machinery and equipment), that are taxed where they have established "permanent status;" 2,836 vessels (boats), that are taxed where they are moored; and 536 utility, unitary, and railroad properties that are valued by the State Board of Equalization. Additionally, there are numerous aircraft in the County, the majority of which are taxed based on their flight activity in California.



# Assessor Values Property

## ***Locally Assessed Properties***

The primary responsibility of the County Assessor is to assess each property's value so that the owner pays the proper amount of property tax in accordance with State law. The assessed values are reported in the local property assessment roll. The main categories of taxable property include real property, business personal property, vessels, and aircraft. Real property, which is defined as land, mines, minerals, timber, and improvements, is considered **secured property**. Business personal property (e.g. machinery, equipment, office tools and supplies), vessels, and aircraft, is considered **unsecured property**. It is important to note that there are numerous full and partial exclusions and exemptions provided by the State Constitution and the legislature that exclude certain property from taxation. Eligibility for such exemptions depends on the characteristics of the owners and property (e.g. disabled, elderly, charitable organization, etc.).

*Under Proposition 13 similar properties can have substantially different assessed values based on the date of purchase.*

Taxable property was assessed as of January 1, 2014 (lien date), and the values were used to calculate property taxes due for fiscal year July 1, 2014 to June 30, 2015. Pursuant to Proposition 13, property is assessed at the purchase price and adjusted annually for inflation, not to exceed 2 percent per year. Proposition 8 amended Proposition 13 to recognize declines in market value for property tax purposes and allows for a temporary reduction to the assessed value when market value is less than the current assessed value.

The completion of new construction or a change in ownership that occurs after January 1 results in a re-assessment. These changes are placed on a **supplemental assessment roll** to capture the difference between the initial and new assessed value (based on the transfer or construction completion date). Changes in ownership or completed new construction result in supplemental tax bills that are in addition to the annual secured property tax bill.

The Assessment Appeals Board (AAB) allows taxpayers to dispute values through administrative processes. The Assessor can also make corrections to the assessed values throughout the year. When changes in assessed value modify the original tax levy amount it results in either a refund or corrected tax bill.

## ***State Assessed Properties***

In addition to the secured and unsecured properties assessed by the County Assessor, the State Board of Equalization maintains the assessed values for **utility** (e.g. AT&T), **unitary** (e.g. PG&E), and **railroad** properties. The State submits these assessed values to the County annually.



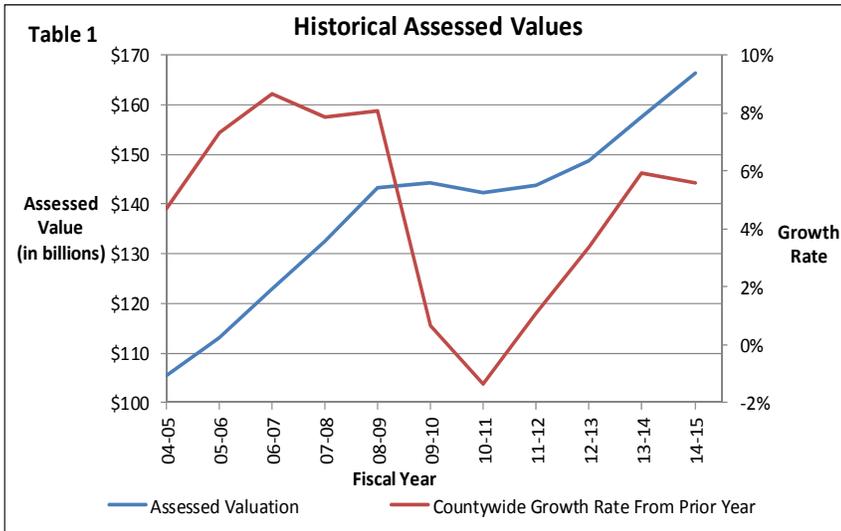
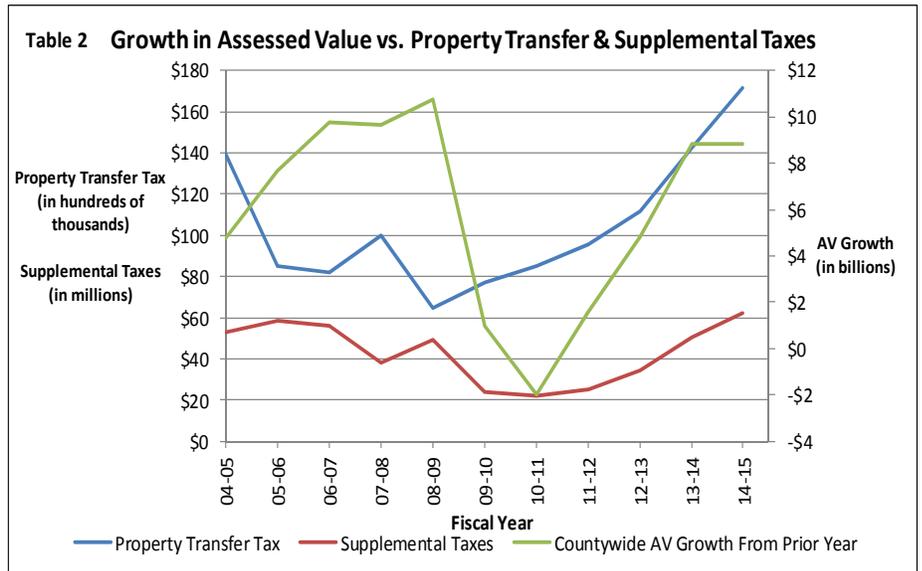


Table 1 illustrates a 10 year historical trend on the County's assessed values. Over the past 10 years the County's assessed values have steadily increased from \$105 billion to \$166 billion. The annual growth rates for assessed values have been more volatile, a reflection of the local real estate economy.

\*Assessed values for secured, unsecured, utility, unitary, and railroad properties net of exemptions.

The leading indicators of property tax growth are increases in property transfer taxes and supplemental property taxes. As illustrated in Table 2, these indicators are trending upward in fiscal year 2014-15 and the countywide assessed value increased by \$8.8 billion or 5.6%.



\*Assessed values for secured, unsecured, utility, unitary, and railroad properties net of exemptions.



*Based on the January 1, 2015 lien date, the growth in assessed value in fiscal year 2015-16 is \$12.8 billion or 7.7%.*

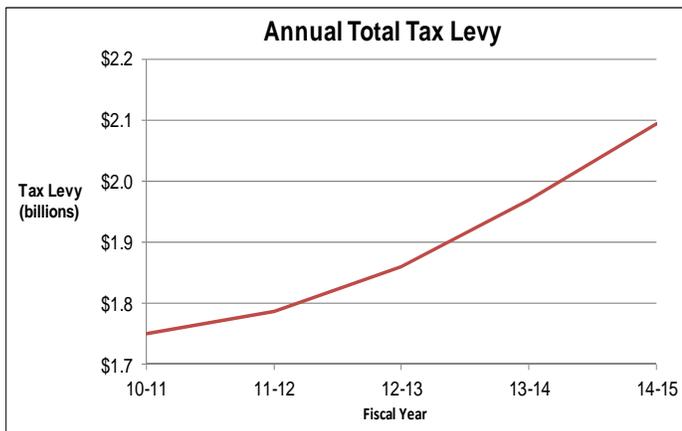
# Controller Calculates the Taxes Due

2014-15 Tax Calculation Based on January 1, 2014 (Lien Date)	
Secured Value	\$ 156,088,386,167
Unsecured Value	8,765,873,474
Unitary, Railroad, and State Utility <sup>1</sup>	1,549,077,134
<b>Taxable Value (Before exemption)</b>	<b>\$ 166,403,336,775</b>
Homeowners' Exemptions	878,430,473
<b>Total Taxable Value</b>	<b>\$ 167,281,767,248</b>
1% General Tax Rate	x 1%
Property Tax	\$ 1,672,817,672
Voter Approved Debt (Bonds) <sup>2</sup>	186,231,407
Special Charges	234,092,212
<b>Total Tax Levy</b>	<b>\$ 2,093,141,291</b>

<sup>1</sup>Unitary, Railroad, and State Utility properties are assessed annually by the State Board of Equalization.  
<sup>2</sup>Includes debt service for cities, schools, and special districts.

The Assessor delivers the assessed values to the Controller's Office by July 1. The Controller's Office then calculates, by parcel, the 1% General Tax amount (by multiplying the assessed values by 1%) and the amount necessary to make annual payments on voter approved debt. As described on page 5 re-assessments after the January 1 lien date may result in additional taxes owed or refunds due to the taxpayer.

The majority of outstanding bonds in the County are for schools. Since 1978, all bonds require a two-thirds majority vote, but effective January 1, 2001 certain bonds for schools can be approved by 55% of the voters.



\* Based on the January 1 assessed values.

In addition, numerous special charges approved by voters or permitted by legislation are included in the taxes to be collected (examples include sewer, flood control and lighting charges).

The 1% General Tax, debt service payments for bonds, and special charges for each parcel is the liability to the property owner. These amounts are passed to the Tax Collector by September 30 and placed on the tax bills.

*Secured taxes are approximately 93% of the total 1% General Taxes collected.*

School District Bonds		
District	2014-15 Secured Debt Service Levy	Taxes Per \$100K Assessed Value
<b>Elementary</b>		
Bayshore	\$ 216,609	\$ 27.70
Belmont	4,815,587	69.30
Brisbane	562,836	27.10
Burlingame	6,379,646	74.40
Hillsborough	2,120,042	27.10
Jefferson	5,405,164	66.20
Las Lomitas	4,033,530	62.10
Pacifica	1,853,437	39.20
Menlo Park	6,039,741	48.60
Millbrae	2,112,699	46.50
Portola Valley	1,327,926	30.40
Ravenswood	1,174,611	36.00
Redwood City	4,306,779	23.00
San Bruno	1,705,449	31.80
San Carlos	5,411,363	76.80
San Mateo/Foster City	10,352,449	38.80
Woodside	1,650,603	55.50
<b>High Schools</b>		
Jefferson	8,348,521	53.00
San Mateo	25,168,291	47.50
Sequoia Union	28,726,411	43.30
<b>Unified Schools</b>		
Cabrillo	3,720,616	70.40
La Honda-Pescadero	384,754	54.50
South San Francisco	7,716,346	51.30
<b>College District</b>		
SMC Community College	29,661,489	19.00
<b>Total</b>	<b>\$ 163,194,899</b>	

# Treasurer-Tax Collector Issues Bills and Collects Taxes

The Tax Collector sends annual secured tax statements (bills) each year by November 1. The bill can be paid in two installments, with the first due November 1 and delinquent after December 10, and the second due February 1 and delinquent after April 10. Supplemental taxes may be billed when there is a change in ownership or when new construction is completed throughout the fiscal year.

Number of Tax Bills Issued				
Fiscal Year	Secured	Unsecured	Supplemental	Total
2012-13	220,901	16,580	13,058	250,539
2013-14	220,979	16,553	16,330	253,862
2014-15	221,216	16,084	14,107	251,407

Delinquent Secured Tax Payment History		
Fiscal Year	Amount	Rate
2010-11	\$ 21,345,989	1.41%
2011-12	17,670,170	1.15%
2012-13	13,041,922	0.81%
2013-14	11,461,727	0.66%
2014-15	11,208,136	0.61%

Penalties for late payments are 10% for the first installment delinquency, 10% plus \$40 for the second installment delinquency, and an additional 1.5% per month beginning the following July 1. After 5 years of taxes being delinquent, the property can be sold at a tax sale to pay the past due balances. The delinquency rate in San Mateo County is among the lowest in the State.



2014 - 2015

## SAN MATEO COUNTY SECURED TAX BILL

2014 - 2015

FOR FISCAL YEAR BEGINNING JULY 1, 2014 AND ENDING JUNE 30, 2015

PARCEL NUMBER	TAX RATE AREA	PIN NUMBER
028-292-990	12-001	987654

ASSESSMENT INFORMATION	VALUES
Land	277,297
Improvements	291,166
Fixtures	
Personal Property	
Full Cash	568,463
Exemption	
Value after Exemption	568,463

LEGAL DESCRIPTION  
LOT 99 BLOCK 1 REDWOOD CITY NO 12 RSM B/83

SITUS: 900 BRIGHTSIDE AVE SAN MATEO



ASSESSED TO: TAXPAYER JOE  
TAXPAYER JANE  
123 SAN MATEO COUNTY DR  
REDWOOD CITY, CA 55555-1234

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TAXING AGENCY	RATE	AMOUNT
GENERAL TAX RATE	1.0000	5,684.63
S M CTY DEBT-LIB.	0.0105	59.70
SM FOSTER CITY 20	0.0388	220.56
SAN MATEO HIGH BD	0.0475	270.01
SM JR COLL BOND S	0.0190	108.00
GENERAL TAX TOT	1.1158	6,342.90
NPDES Storm Drain Fee	(650)363-4100	3.44
SMC Mosq Abmnt Dist	(650)344-8592	3.74
SMFCSD Measure A 2010	(650)312-7269	198.06
SMFCSD Measure B 1991	(650)312-7269	98.52
City of SM Sewer	(800)676-7516	220.56
Tax Payable		6,867.22

<b>1</b>	<b>DUE NOVEMBER 1, 2014</b> AFTER DECEMBER 10, 2014 ADD 10% PENALTY TO YOUR PAYMENT <b>\$3,433.61</b>	<b>2</b>	<b>DUE FEBRUARY 1, 2015</b> AFTER APRIL 10, 2015 ADD 10% PENALTY + \$40.00 COST TO YOUR PAYMENT <b>\$3,433.61</b>
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\* FOR HOME BANKING: USE YOUR PARCEL NUMBER ( 029-311-030) AND PAY THE FULL INSTALLMENT DUE. PARTIAL PAYMENTS WILL BE RETURNED. FAILURE TO PAY THE FULL AMOUNT DUE ON TIME WILL RESULT IN PENALTIES AND COSTS.  
 \* 65 or older may qualify for a school parcel tax exemption on a primary residence in FY 2015-16. Contact the District Office at (650)312-7777 X-7936. The deadline to apply is June 12, 2015.  
 \* Pay Online at [www.sanmateocountytaxcollector.org](http://www.sanmateocountytaxcollector.org)  
 \* Please do not fold, staple, tape or otherwise mutilate the attached payment coupons.

STATEMENT PORTION FOR YOUR RECORDS

# Controller Distributes Property Taxes

The Tax Collector forwards the taxes collected to the County Controller for distribution to taxing agencies within the County. California law requires the County Controller's Office to distribute property tax revenues in accordance with specified formulas and procedures. The tables on pages 9 through 12 show the amounts that were distributed during fiscal year 2014-15.

## Summary of Property Taxes July 1, 2014 through June 30, 2015

Taxing Agency	Current Year Taxes	Triple Flip	Vehicle Licensing Fee Swap	Excess ERAF and Non-Basic Aid School Deficits	Redevelopment Property Tax Trust Fund Distributions	Total Taxes	Percent to Total
<b>County of San Mateo</b>	<b>\$ 202,359,948</b>	<b>\$ 6,124,661</b>	<b>\$ 85,484,518</b>	<b>\$ 117,935,895</b>	<b>\$ 25,214,064</b>	<b>\$ 437,119,086</b>	<b>26.10%</b>
<b>Dependent Districts (County)</b>							
County Free Library	17,975,460	-	-	3,600,428	994,558	22,570,446	1.35%
County Fire Protection	5,601,533	-	-	-	-	5,601,533	0.33%
County Service Area #1	2,523,558	-	-	-	-	2,523,558	0.15%
County Service Area #6	61,667	-	-	5,423	-	67,090	0.00%
County Service Area #8	808,602	-	-	-	-	808,602	0.05%
Burlingame Hills Sewer	63,374	-	-	31,243	-	94,617	0.01%
Emerald Lake Heights Sewer	16,388	-	-	8,099	-	24,487	0.00%
Fair Oaks Sewer	430,282	-	-	210,849	7,971	649,102	0.04%
Harbor Industrial Sewer	8,539	-	-	4,405	430	13,374	0.00%
Kensington Square Sewer	11,427	-	-	5,579	-	17,006	0.00%
Oak Knoll Sewer	3,926	-	-	1,920	-	5,846	0.00%
Crystal Springs Sanitary	58,847	-	-	28,821	-	87,668	0.01%
Devonshire County Sanitary	28,379	-	-	13,888	-	42,267	0.00%
Scenic Heights Sanitary	1,303	-	-	659	-	1,962	0.00%
Campo Bello University Park Drive	3,333	-	-	836	-	4,169	0.00%
Colma Creek Flood Control	542,332	-	-	78,924	82,582	703,838	0.04%
Colma Creek Flood Control Zone 3	1,357,206	-	-	103,320	29,025	1,489,551	0.09%
Colma Creek Flood Control Zone 2	557,076	-	-	49,096	414,165	1,020,337	0.06%
Colma Creek Flood Control Zone 1	113,224	-	-	14,878	25,364	153,466	0.01%
San Bruno Creek Zone 2	206,548	-	-	17,733	48,098	272,379	0.02%
San Francisquito Zone 2	262,766	-	-	37,193	1	299,960	0.02%
Ravenswood Slough Flood Zone	5,035	-	-	2,271	1,785	9,091	0.00%
Enchanted Hills Drainage	1,865	-	-	268	-	2,133	0.00%
Highlands Drainage	506	-	-	252	-	758	0.00%
Sequoia Drainage	1,881	-	-	1,615	-	3,496	0.00%
University Heights Drainage	17,872	-	-	2,965	-	20,837	0.00%
Bel Aire Lighting	47,698	-	-	33,697	-	81,395	0.00%
Belmont Lighting	5,959	-	-	3,797	-	9,756	0.00%
Colma Lighting	100,109	-	-	56,711	-	156,820	0.01%
El Granada Lighting	55,702	-	-	7,425	-	63,127	0.00%
Emerald Lake Lighting	189,455	-	-	112,567	-	302,022	0.02%
Enchanted Hills Lighting	9,424	-	-	5,495	-	14,919	0.00%
La Honda Lighting	9,430	-	-	6,690	-	16,120	0.00%
Menlo Park Lighting	236,707	-	-	164,533	-	401,240	0.02%
Montara Lighting	81,396	-	-	62,731	-	144,127	0.01%
Pescadero Lighting	8,887	-	-	6,976	-	15,863	0.00%
Highlands Landscape	8,609	-	-	631	-	9,240	0.00%
<b>Total County Dependent Districts</b>	<b>\$ 31,416,305</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,681,918</b>	<b>\$ 1,603,979</b>	<b>\$ 37,702,202</b>	<b>2.24%</b>

### GLOSSARY

**Current Year Taxes** - Includes actual collections of current unsecured and homeowner exemption taxes, and the estimated secured levy amounts.

**Educational Revenue Augmentation Fund (ERAF)** - Since fiscal year 1992-93, cities, special districts, and the County are mandated to shift a portion of their property tax dollars to the ERAF and use these monies to reduce the State's obligation to fund non-basic aid schools up to the State guaranteed funding level. The difference between a school's State guaranteed funding level and the local property tax revenues it receives is the maximum amount the school can receive from ERAF. Only Non-Basic Aid Schools can receive ERAF monies.

**Non-Basic Aid Schools** - A school whose property tax revenues are less than the minimum State guaranteed funding level.

**Excess ERAF** - Monies remaining in ERAF after distributing the required funds to schools is Excess ERAF. Excess ERAF monies are refunded back to local taxing agencies in the same proportion as their contributions.

*continued on page 12*

**Summary of Property Taxes**  
**July 1, 2014 through June 30, 2015 *continued***

<b>Taxing Agency</b>	<b>Current Year Taxes</b>	<b>Triple Flip</b>	<b>Vehicle Licensing Fee Swap</b>	<b>Excess ERAF and Non-Basic Aid School Deficits</b>	<b>Redevelopment Property Tax Trust Fund Distributions</b>	<b>Total Taxes</b>	<b>Percent to Total</b>
<b>Cities</b>							
Town of Atherton	\$ 6,724,795	\$ 47,943	\$ 866,016	\$ 1,125,257	\$ -	\$ 8,764,011	0.52%
City of Belmont	3,213,393	692,881	2,275,421	772,410	656,129	7,610,234	0.45%
City of Brisbane	1,942,929	805,689	265,672	279,715	514,819	3,808,824	0.23%
City of Burlingame	12,023,339	2,669,253	2,668,277	1,564,072	-	18,924,941	1.13%
Town of Colma	420,487	2,522,969	116,320	7,088	-	3,066,864	0.18%
City of Daly City	16,941,870	2,618,926	8,624,640	3,370,734	1,737,389	33,293,559	1.98%
City of East Palo Alto	4,382,449	903,632	2,798,654	370,642	1,811,325	10,266,702	0.61%
City of Half Moon Bay	1,453,092	565,153	1,026,046	219,309	-	3,263,600	0.19%
Town of Hillsborough	12,361,892	(14,650)	1,016,525	1,532,837	-	14,896,604	0.89%
City of Menlo Park	10,308,495	1,797,044	2,893,978	1,750,592	580,535	17,330,644	1.03%
City of Millbrae	4,549,613	598,284	2,087,207	735,321	1,080,169	9,050,594	0.54%
City of Pacifica	9,472,243	493,407	3,302,812	1,780,028	47,500	15,095,990	0.90%
Town of Portola Valley	1,749,301	37,039	434,224	159,289	-	2,379,853	0.14%
Redwood City Area #1	19,872,027	5,348,536	6,632,254	4,454,087	2,494,712	38,801,616	2.31%
Redwood City Area #3	8,892,421	-	-	660,635	543,334	10,096,390	0.60%
Redwood City Parking #1	24,104	-	-	1,366	89,930	115,400	0.01%
Redwood City Improvement District	737,345	-	-	43,084	-	780,429	0.05%
City of San Bruno	5,812,574	1,958,793	3,746,838	879,424	1,544,403	13,942,032	0.83%
City of San Carlos	7,936,993	2,317,213	2,515,600	1,349,146	397,188	14,516,140	0.87%
City of San Mateo	27,377,991	4,267,738	8,333,896	3,414,156	3,222,951	46,616,732	2.78%
City of South San Francisco	14,976,483	3,449,752	5,551,651	2,433,729	4,837,627	31,249,242	1.86%
Town of Woodside	3,067,231	143,257	535,430	313,498	-	4,059,416	0.24%
<b>Total Cities</b>	<b>\$ 174,241,067</b>	<b>\$ 31,222,859</b>	<b>\$ 55,691,461</b>	<b>\$ 27,216,419</b>	<b>\$ 19,558,011</b>	<b>\$ 307,929,817</b>	<b>18.34%</b>
<b>Dependent Districts (Cities)</b>							
East Palo Alto Drainage Maintenance	58,080	-	-	5,390	6,545	70,015	0.00%
Ravenswood Lighting	161,594	-	-	112,530	133,890	408,014	0.02%
Daly City Sanitary District	1,543,019	-	-	-	60,350	1,603,369	0.10%
Portola Valley Ranch Road	564	-	-	-	-	564	0.00%
Woodside Highland Road Maintenance	30,382	-	-	-	-	30,382	0.00%
Town Center Sewer Maintenance	37,379	-	-	2,053	-	39,432	0.00%
Guadalupe Valley Improvement	28,681	-	-	123	202	29,006	0.00%
Estero Municipal Improvement	18,006,824	956,330	2,820,680	1,463,262	90,598	23,337,694	1.39%
Belmont Fire	7,299,197	-	-	-	1,093,879	8,393,076	0.50%
Belmont Special Fire Zone-1	49,308	-	-	-	57,365	106,673	0.01%
Belmont Special Fire Zone-2	2,747	-	-	-	-	2,747	0.00%
Belmont Special Fire Zone-3	58,551	-	-	-	-	58,551	0.00%
Atherton Channel Drainage	93,146	-	-	8,212	-	101,358	0.01%
West Park Parks and Parkways	446,799	-	-	18,286	-	465,085	0.03%
Stonegate Park and Parkways	227,366	-	-	26,299	-	253,665	0.02%
West Park 3 Park and Parkway	712,729	-	-	18,203	-	730,932	0.04%
Willow Gardens Park and Parkways	36,580	-	-	4,626	36,947	78,153	0.00%
Wayside Road Maintenance Zone 2	18,132	-	-	2,065	-	20,197	0.00%
Crescent Ave Maintenance Zone A	1,745	-	-	-	-	1,745	0.00%
Crescent Ave Maintenance Zone B	6,787	-	-	-	-	6,787	0.00%
Crescent Ave Maintenance Zone C	780	-	-	-	-	780	0.00%
Crescent Ave Maintenance Zone D	237	-	-	-	-	237	0.00%
<b>Total City Dependent Districts</b>	<b>\$ 28,820,627</b>	<b>\$ 956,330</b>	<b>\$ 2,820,680</b>	<b>\$ 1,661,049</b>	<b>\$ 1,479,776</b>	<b>\$ 35,738,462</b>	<b>2.12%</b>



**Summary of Property Taxes**  
**July 1, 2014 through June 30, 2015 *continued***

<b>Taxing Agency</b>	<b>Current Year Taxes</b>	<b>Triple Flip</b>	<b>Vehicle Licensing Fee Swap</b>	<b>Excess ERAF and Non-Basic Aid School Deficits*</b>	<b>Redevelopment Property Tax Trust Fund Distributions</b>	<b>Total Taxes</b>	<b>Percent to Total</b>
<b>School Districts</b>							
Bayshore Elementary	\$ 735,441	\$ -	\$ -	\$ -	\$ 1,174,036	\$ 1,909,477	0.11%
Belmont Elementary	22,209,402	-	-	-	1,792,415	24,001,817	1.43%
Brisbane Elementary	4,007,884	-	-	-	318,247	4,326,131	0.26%
Burlingame Elementary	15,133,721	-	-	(8,722,623)	-	6,411,098	0.38%
Hillsborough Elementary	15,383,096	-	-	-	-	15,383,096	0.92%
Jefferson Elementary	21,721,793	-	-	(13,097,122)	957,787	9,582,458	0.57%
Pacifica	12,565,002	-	-	(7,302,022)	51,099	5,314,079	0.32%
Las Lomas Elementary	14,044,393	-	-	-	-	14,044,393	0.84%
Menlo Park Elementary	23,355,834	-	-	-	310,488	23,666,322	1.41%
Millbrae Elementary	10,928,264	-	-	(7,158,721)	1,361,809	5,131,352	0.31%
Portola Valley Elementary	9,217,042	-	-	-	-	9,217,042	0.55%
Ravenswood Elementary	5,918,782	-	-	(6,271,611)	2,852,840	2,500,011	0.15%
Redwood City Elementary	42,326,807	-	-	(26,710,414)	3,027,014	18,643,407	1.11%
San Bruno Elementary	14,232,235	-	-	-	2,530,995	16,763,230	1.00%
San Carlos Elementary	14,132,457	-	-	(8,918,307)	756,309	5,970,459	0.36%
San Mateo-Foster City Elementary	64,963,898	-	-	(39,374,704)	1,899,848	27,489,042	1.64%
Woodside Elementary	5,815,699	-	-	-	-	5,815,699	0.35%
Jefferson High	32,107,313	-	-	-	2,184,201	34,291,514	2.04%
San Mateo High	102,663,354	-	-	-	4,926,890	107,590,244	6.41%
Sequoia High	100,193,546	-	-	-	5,480,047	105,673,593	6.30%
Cabrillo Unified	20,058,824	-	-	(11,561,303)	-	8,497,521	0.51%
La Honda-Pescadero	3,327,329	-	-	-	-	3,327,329	0.20%
South San Francisco Unified	53,680,539	-	-	-	12,698,903	66,379,442	3.96%
San Mateo Community College	105,577,131	-	-	-	7,005,915	112,583,046	6.71%
County Office of Education	54,943,370	-	-	22,452,957	3,694,428	81,090,755	4.83%
Educational Revenue Augmentation Fund	217,679,721	(38,303,850)	(143,996,659)	(35,379,212)	-	-	-0.00%
<b>Total School Districts</b>	<b>\$ 986,922,877</b>	<b>\$ (38,303,850)</b>	<b>\$ (143,996,659)</b>	<b>\$ (142,043,082)</b>	<b>\$ 53,023,271</b>	<b>\$ 715,602,557</b>	<b>42.67%</b>
<b>Independent Districts</b>							
Coastside Fire Protection	7,914,013	-	-	870,335	-	8,784,348	0.52%
Bayshore Sanitary	67,489	-	-	34,725	182,181	284,395	0.02%
Granada Sanitary	534,787	-	-	266,816	-	801,603	0.05%
Montara Sanitary	418,376	-	-	210,231	-	628,607	0.04%
Mid-Peninsula Water	156,878	-	-	78,487	27,266	262,631	0.02%
Canada County Water	30,973	-	-	-	-	30,973	0.00%
Coastside County Water	714,743	-	-	356,277	-	1,071,020	0.06%
Los Trancos County Water	245,671	-	-	66,728	-	312,399	0.02%
North Coast County Water	508,814	-	-	253,268	3,450	765,532	0.05%
Westborough County Water	261,956	-	-	128,387	-	390,343	0.02%
Midpeninsula Regional Open Space	10,888,380	-	-	-	444,559	11,332,939	0.68%
Bay Area Air Quality Management	3,253,064	-	-	-	206,047	3,459,111	0.21%
San Mateo County Harbor	4,130,690	-	-	997,961	347,433	5,476,084	0.33%
Peninsula Hospital	5,015,958	-	-	-	249,601	5,265,559	0.31%
Sequoia Hospital	9,474,563	-	-	-	337,835	9,812,398	0.58%
Resource Conservation	49,538	-	-	4,616	1,235	55,389	0.00%
Broadmoor Police	1,088,700	-	-	292,312	-	1,381,012	0.08%
Colma Fire	701,085	-	-	-	-	701,085	0.04%
Menlo Park Fire	32,363,303	-	-	3,173,619	1,414,281	36,951,203	2.20%
Woodside Fire	14,248,480	-	-	1,526,035	-	15,774,515	0.94%
East Palot Alto Sanitary	332,156	-	-	167,212	212,799	712,167	0.04%
Highlands Recreation	359,728	-	-	86,495	-	446,223	0.03%
Ladera Recreation	139,977	-	-	42,986	-	182,963	0.01%
San Mateo County Mosquito Abatement	1,879,438	-	-	286,017	97,164	2,262,619	0.13%
<b>Total Independent Districts</b>	<b>\$ 94,778,760</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,842,507</b>	<b>\$ 3,523,851</b>	<b>\$ 107,145,118</b>	<b>6.38%</b>

\*Non Basic Aid School Deficits - Pursuant to California law, Triple Flip and VLF Swap amounts are funded by the ERAF. If there are insufficient funds in ERAF to pay the VLF Swap amounts, the law requires these amounts to be funded by Non-Basic Aid Schools. This has no net fiscal impact to the schools since any monies taken from Non-Basic Aid Schools to fund the VLF Swap are paid back to the schools by the State.

**Summary of Property Taxes**  
**July 1, 2014 through June 30, 2015 *continued***

Taxing Agency	Current Year Taxes	Triple Flip	Vehicle Licensing Fee Swap	Excess ERAF and Non-Basic Aid School Deficits	Redevelopment Property Tax Trust Fund Distributions	Total Taxes	Percent to Total
<b><u>RPTTFs and Successor Agencies</u></b>							
Belmont RPTTF	\$ 10,409,261	-	-	-	\$ (10,409,261)	\$ -	0.00%
Brisbane RPTTF	4,387,638	-	-	-	(4,387,638)	-	0.00%
Daly City RPTTF	7,928,225	-	-	-	(7,928,225)	-	0.00%
East Palo Alto RPTTF	7,635,260	-	-	-	(7,635,260)	-	0.00%
Foster City RPTTF	1,010,323	-	-	-	(1,010,323)	-	0.00%
Menlo Park RPTTF	11,699,984	-	-	-	(11,699,984)	-	0.00%
Millbrae RPTTF	8,085,121	-	-	-	(8,085,121)	-	0.00%
Pacifica RPTTF	452,331	-	-	-	(452,331)	-	0.00%
Redwood City RPTTF	16,903,364	-	-	-	(16,903,364)	-	0.00%
San Bruno RPTTF	11,811,380	-	-	-	(11,811,380)	-	0.00%
San Carlos RPTTF	6,621,959	-	-	-	(6,621,959)	-	0.00%
San Mateo RPTTF	15,791,323	-	-	-	(15,791,323)	-	0.00%
South San Francisco RPTTF	37,910,569	-	-	-	(37,910,569)	-	0.00%
Belmont Successor Agency	-	-	-	-	1,851,667	1,851,667	0.11%
Brisbane Successor Agency	-	-	-	-	1,741,934	1,741,934	0.10%
Daly City Successor Agency	-	-	-	-	372,423	372,423	0.02%
East Palo Alto Successor Agency	-	-	-	-	2,070,723	2,070,723	0.12%
Foster City Successor Agency	-	-	-	-	572,200	572,200	0.03%
Menlo Park Successor Agency	-	-	-	-	5,588,808	5,588,808	0.33%
Millbrae Successor Agency	-	-	-	-	857,983	857,983	0.05%
Pacifica Successor Agency	-	-	-	-	251,619	251,619	0.01%
Redwood City Successor Agency	-	-	-	-	4,157,188	4,157,188	0.25%
San Bruno Successor Agency	-	-	-	-	1,319,321	1,319,321	0.08%
San Carlos Successor Agency	-	-	-	-	1,801,844	1,801,844	0.11%
San Mateo Successor Agency	-	-	-	-	6,677,467	6,677,467	0.40%
South San Francisco Successor Agency	-	-	-	-	8,980,609	8,980,609	0.54%
<b>Total RPPTFs and Successor Agencies</b>	<b>\$ 140,646,738</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-\$ (104,402,952)</b>	<b>\$ 36,243,786</b>	<b>2.15%</b>
<b>Countywide Totals</b>	<b>\$ 1,659,186,322*</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 18,294,706**</b>	<b>\$ -</b>	<b>\$ 1,677,481,028</b>	<b>100.00%</b>

**GLOSSARY**

**Triple Flip** - In 2004, the Legislature adopted a mechanism to fund the State's economic recovery bond program, under which the State Economic Recovery Bonds would be secured by a 1/4 cent sales tax (Flip 1). The mechanism then reduced the local Bradley Burns sales and use tax by 1/4 cent (Flip 2) reducing the revenues to cities and counties. Cities and counties were then given an amount from the Educational Revenue Augmentation Fund (ERAF) equal to their loss (Flip 3) in order to make them whole.

**Vehicle License Fee (VLF) Swap** - In 2004, there was a permanent reduction to the VLF rate, which reduced revenues to cities and counties. The cities and counties were then made whole by a transfer from ERAF in an amount equal to their loss. The amount transferred from ERAF is adjusted for the annual growth in assessed value within the County/city boundaries.

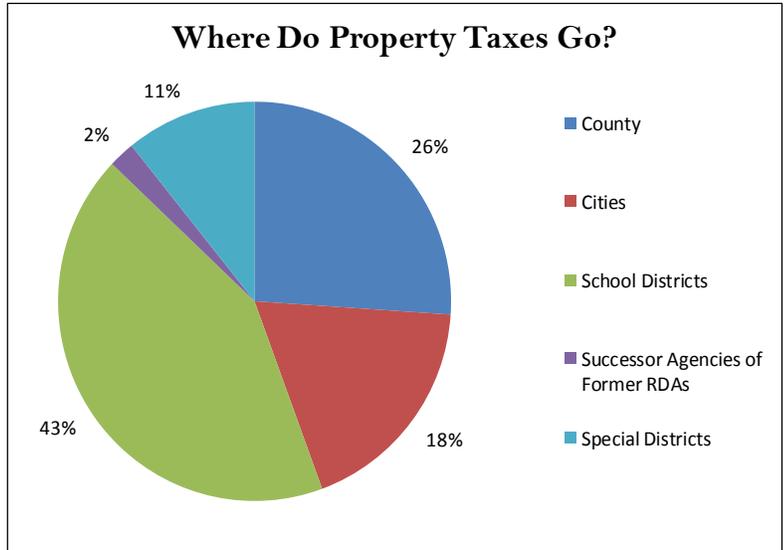
**Redevelopment Agency (RDA)** - A legislative mechanism that allowed a County or city to revitalize blighted areas using a portion of the general property taxes allocated to taxing agencies providing services in the redevelopment project area. RDAs were dissolved on February 1, 2012, and upon the dissolution, **Successor Agencies (SAs)** were established to wind down the affairs of the former RDAs. Furthermore upon dissolution, all property tax revenues that were normally distributed to RDAs are now transferred to trust funds (called **Redevelopment Property Tax Trust Funds** - "RPTTF"). Monies are allocated from RPTTFs to taxing agencies for pass-through payments, to SAs for outstanding liabilities/obligations, and any remaining residual balances to taxing agencies as property tax revenues.



\*The Total Current Year Taxes reported differ from the total current year 1% General Tax amount reported on page 7, which is based on the January 1 lien date assessed values.

\*\*The Excess ERAF distributions for fiscal year 2014-15 were funded by current year revenues and prior year revenues held in ERAF.

Assembly Bill 8, effective in fiscal year 1979-80, and many subsequent amendments govern the complicated tax allocation process. Each taxing agency was assigned a base amount of property tax determined by fiscal year 1978-79 revenue. Each year the taxing agency is then allocated an amount equal to the total received in the previous year plus a percentage of tax growth within the area in which the agency provides services. The law also allows jurisdictional changes, which are transfers of properties and their corresponding property tax revenues, when boundary changes or transfer of service responsibilities occur. In October of each year, the County Controller provides each taxing agency an estimate of its property tax revenues. These estimates are based on the assessed values provided by the Assessor. During the year, the Assessor and the Assessment Appeals Board make changes in assessed values that change the original levy, which sometimes result in refunds to taxpayers. Due to changing economic conditions, as well as misfortunes and calamities, total refunds fluctuate substantially from year to year. Therefore, taxing agencies should budget conservatively and maintain an appropriate amount of reserves.



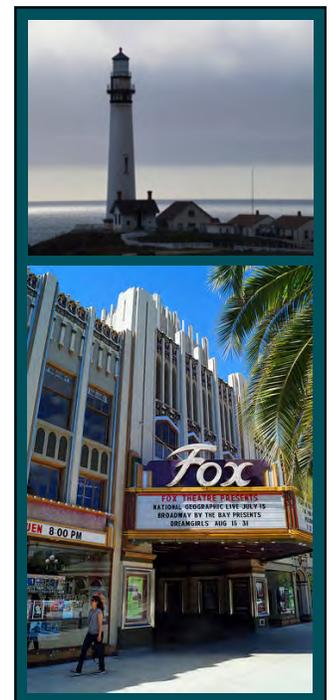
Refunds	
Revenue Reductions to Tax Agencies	
Fiscal Year	Amount
2010-11	\$ 22,333,531
2011-12	41,645,347
2012-13	28,074,068
2013-14	33,160,749
2014-15	22,892,133

Adding to the complex tax allocation process, legislation (SB1096) was enacted in fiscal year 2004-05 to secure a revenue source for State Deficit Bonds. This legislation required cities and counties to permanently swap Vehicle License Fee revenue for property taxes (the "VLF Swap")

and temporarily exchange sales tax revenues ("Triple Flip") for property taxes. Triple Flip expires in fiscal year 2015-16 as the State Deficit Bonds will be retired, but the County expects to see adjustments (true-ups) through fiscal year 2016-17. The legislation specifies that the property tax revenues necessary for the VLF Swap and Triple Flip are to be taken from the County Education Revenue Augmentation Fund (ERAF). If there are insufficient funds in ERAF to fund the VLF Swap, legislation requires them to be funded by Non-Basic Aid Schools. This has no net fiscal impact to the schools since any monies taken from Non-Basic Aid Schools to fund the VLF Swap are paid back to the schools by the State. For fiscal year 2014-15 the total VLF Swap was \$144 million and Triple Flip was \$38.3 million.

For fiscal year 2014-15, the countywide locally assessed property taxes increased by \$87.5 million (or 5.61%) compared to the prior year. Property tax revenue growth rates between taxing agencies will vary because of differences in growth percentages in different regions within the County. For fiscal year 2014-15, these differences ranged from 3.76% in San Carlos to 7.63% in Colma.

In fiscal year 2014-15, \$2.1 billion was collected from the 1% General Tax (\$1.67 billion), debt service payments for bonds (\$186.2 million), and special charges (\$234.1 million). In total, this is \$123.8 million (6.29%) more compared to the prior year.



In 2011, a State law was passed that required Redevelopment Agencies (RDAs) to dissolve. According to this legislation, monies previously transferred to RDAs are now transferred to trust funds (called Redevelopment Property Tax Trust Funds - "RPTTF"). Monies from RPTTFs are required to be allocated to taxing agencies for pass-through payments, and to Successor Agencies for outstanding liabilities/obligations incurred by the former RDAs. Any residual monies remaining in the RPTTF are distributed to local taxing agencies. During fiscal year 2014-15, \$140.6 million of property tax revenues were deposited into the RPTTFs and distributed as follows: \$36.2 million to successor agencies for outstanding liabilities/obligations, and \$104.4 million to taxing agencies for pass-through payments and remaining residual balances.



Distribution of Former RDA Assets Unencumbered Cash on Hand				
	FY 2012-13	FY 2013-14	FY 2014-15	Total
County	\$ 17,241,240	\$ 2,650,282	\$ 1,190,230	\$ 21,081,752
Cities	12,375,528	1,697,962	1,346,415	15,419,905
Schools <sup>1</sup>	41,327,115	6,308,225	3,240,431	50,875,771
Special Districts	8,430,524	1,227,249	229,634	9,887,407
	<u>\$ 79,374,407</u>	<u>\$ 11,883,718</u>	<u>\$ 6,006,710</u>	<u>\$ 97,264,835</u>

1) Includes k-12, community college district, and county office of education

Starting in fiscal year 2012-13, the former RDAs began to turn over any unencumbered cash, which is distributed directly to the taxing agencies that financed the former RDAs. During fiscal year 2014-15 \$6 million of unencumbered cash was distributed to taxing agencies. Since the dissolution of the RDAs, \$97.3 million of unencumbered cash has been distributed (see table on left).

## Property Taxes to the County

Property tax is the largest source of discretionary revenue for the County. For fiscal year 2014-15, property taxes accounted for \$455 million (or 34%) of the \$1.33 billion in total revenue for the County's governmental activities.



We welcome your comments, questions, and suggestions, which can be emailed to us at [controller@smcgov.org](mailto:controller@smcgov.org).