May 2, 2023
TODAY’S AGENDA

• Introductions

• School Funding & Property Tax
  ✓ Roles & Interdependencies
  ✓ Local Control Funding Formula
  ✓ Basic Aid & Non-Basic Aid
  ✓ Property Taxes
  ✓ ERAF, ERAF Need & Excess ERAF

• Supplemental Cycle

• Websites & Resources

• Q&A
WELCOME!

County of Marin, Department of Finance
(Auditor-Controller-Treasurer-Tax Collector-Public Administrator)
- Mina Martinovich, Director of Finance
- Sandra Kacharos, Assistant Director

DEPARTMENT OF FINANCE

ACCOUNTING, AUDIT AND PAYROLL
REVENUE AND TAX
TREASURER & PUBLIC ADMINISTRATOR
BUDGET AND COST ACCOUNTING

- Aisha Ismail, Accounting Unit Manager
- Dana Proctor, Sr. Accountant
- Mathilda Leow, Accountant II
- Vanessa Riedel, Accountant I
PROPERTY TAX & SCHOOL FUNDING
OVERVIEW
Note: The Total Tax levy is comprised of Secured and Unsecured general property taxes, plus voter approved bond indebtedness, parcel taxes and special assessments. Educational Revenue Augmentation Funds (ERAF) have been allocated to Schools and Excess ERAF has been allocated to the County, Cities, and Special Districts. Distribution does not include allocation of residual from Redevelopment Successor Agencies.
### LEGISLATIVE HISTORY

<table>
<thead>
<tr>
<th>Year</th>
<th>Legislation</th>
<th>Article/Section</th>
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<tbody>
<tr>
<td>1978</td>
<td>Prop 13 - Property Taxation</td>
<td>Article XIII Section 1</td>
</tr>
<tr>
<td>1988</td>
<td>Prop 98 - Minimum Guarantee</td>
<td>Article XVI Section 8</td>
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<tr>
<td>1990</td>
<td>Prop 111 – Minimum Guarantee Changes</td>
<td>Article XVI Section 8</td>
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<tr>
<td>1992 – 1994</td>
<td>ERAF Shifts</td>
<td>RTC 97.2(d)</td>
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<tr>
<td>1998</td>
<td>Prop 218 Right to Vote on Taxes Act</td>
<td>Article XIII A Section 3</td>
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<tr>
<td>2000 ≈</td>
<td>Excess ERAF</td>
<td>RTC 97.3(d)(4)(C)</td>
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<tr>
<td>2004</td>
<td>Prop 1A Local Revenue &amp; VLF Swap</td>
<td>Articles XI, XIIIA</td>
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<td>2011</td>
<td>ABx126 Redevelopment Agency Dissolution</td>
<td>HSC 34183</td>
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<tr>
<td>2013</td>
<td>Local Control Funding Formula</td>
<td>Ed Code 42238</td>
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SCHOOL FUNDING INTERDEPENDENCIES

**MCOE & MDOF**

**MCOE**
- Education & Fiscal Oversight
- Average Daily Attendance (ADA)
- Local Control Funding Formula
- Charter School In-Lieu

**INTERDEPENDENCIES MCOE & MDOF**
- Basic Aid/Non-Basic Aid
- Charter School In-Lieu
- ERAF Need/Capacity
- State Certification
- Cashflow

**MDOF**
- Property Tax Levy & Collection
- Allocation & Apportionment
- ERAF Contributions
- Excess ERAF
- Reverse ERAF - VLF
**STEP 1: BASIC AID OR NON-BASIC AID?**

**MCOE & MDOF**

- **Basic Aid?**
- **Non-Basic Aid?**

**MCOE & MDOF**

**MCOE**

- **ADA**
- **LCFF**

**MDOF**

- **Property Tax**
  - 1%

**BASIC AID:**

- PROPERTY TAX > LCFF REVENUE LIMIT

**NON-BASIC AID:**

- LCFF REVENUE LIMIT > PROPERTY TAX
LOCAL CONTROL FUNDING FORMULA (LCFF)

M C O E

Simplified for Illustrative purposes

# ADA x $ Funding Guarantee = Revenue Limit

2,500 ADA x $6,000 per pupil = $15,000,000

FUNDING SOURCES:

1. Property Tax up to LCFF including pro-rata Charter In-Lieu
2. ERAF up to LCFF excluding Charter Schools
3. State funding to full LCFF including Charter Schools
### BASIC AID

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<table>
<thead>
<tr>
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<tbody>
<tr>
<td>PROPERTY TAX</td>
<td>$16,000,000</td>
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<tr>
<td>LCFF REVENUE LIMIT</td>
<td>($15,000,000)</td>
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<tr>
<td>EXCESS TAX</td>
<td>$1,000,000</td>
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### NON-BASIC AID

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<td>REVENUE LIMIT</td>
<td>PROPERTY TAX</td>
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<td>LCFF REVENUE LIMIT</td>
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<tr>
<td>ERAF NEED</td>
<td>($2,000,000)</td>
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Simplified for Illustrative purposes
PROPERTY TAX & ERAF

1% Basic Tax
- Ad Valorem 1% of Assessed Value
- AB8 allocation factors – annual
- ERAF Shifts
- Tax Rolls: Secured, Unsecured, Unitary/Utility

Other Property Taxes:
- Supplemental: Depends on district funding status
- RDA: Pass-Through Obligations
- RDA: Residual Property Taxes
- Misc In-Lieu: Cal Trans/Fish & Game
- Bonds: Voter Approved
- Parcel Taxes: Voter Approved
STEP 3: ERAF & EXCESS ERAF

ERAF CONTRIBUTIONS

⇒ COUNTY
⇒ CITIES
⇒ SPECIAL DISTRICTS

ERAF CONTRIBUTIONS $135,000,000

Less: ERAF NEED ($ 35,000,000)

Excess ERAF (Gross) $100,000,000

Less: Special Ed Categoricals ($ 15,000,000)

Less: Community Colleges ($ 0)

Excess ERAF to Contributing Agencies $ 85,000,000
SUPPLEMENTAL TAXES

TIMING OF ENROLLMENT ON SECURED TAX ROLL
**SUPPLEMENTAL TAXES**

**ASK THIS QUESTION:**
? When is the EVENT DATE in relation to the SECURED LIEN DATE?

**ANSWER:**
Value on SECURED roll is determined by LIEN DATE in relation to EVENT DATE. (Event before Lien Date)

<table>
<thead>
<tr>
<th>SECURED LIEN DATE</th>
<th>EVENT DATE</th>
<th>TAX YEAR</th>
<th>Period Start</th>
<th>Period End</th>
<th>TAX ROLL</th>
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<tbody>
<tr>
<td>January 1, 2022</td>
<td>January 1, 2022</td>
<td>2022/23</td>
<td>July 1, 2022</td>
<td>June 30, 2023</td>
<td>SECURED</td>
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<td>2023/24</td>
<td>July 1, 2023</td>
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<td>March 22, 2023</td>
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<td>June 30, 2023</td>
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<td>July 1, 2024</td>
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WEBSITES & RESOURCES

• County of Marin (home page)
  https://www.marincounty.org/

• Marin – Assessor-Recorder-County Clerk
  https://www.marincounty.org/depts/ar

• Marin - Department of Finance
  https://www.marincounty.org/depts/df

• Marin - Parcel Tax Exemptions
  https://apps.marincounty.org/propertytaxexemptions

• Marin - Registrar of Voters
  https://www.marincounty.org/depts/rv/election-info/past-elections
COUNTY CONTACT INFORMATION

- **ASSESSOR**
  (415) 473-7215 (public)
  assessor@marincounty.org

- **PROPERTY TAX**
  DOF-proptax@marincounty.org
  (415) 473-6168 (districts)

- **TAX COLLECTOR**
  taxcollector@marincounty.org
  (415) 473-6133 (public)

Sandy Kacharos, Assistant Director/Property Tax Chief
skacharos@marincounty.org
(415) 473-6177

Ashia Ismail, Property Tax Accounting Unit Manager
asismail@marincounty.org
415-473-7105
May 2, 2023

THANK YOU!

Photo Credit: Jeff Wong