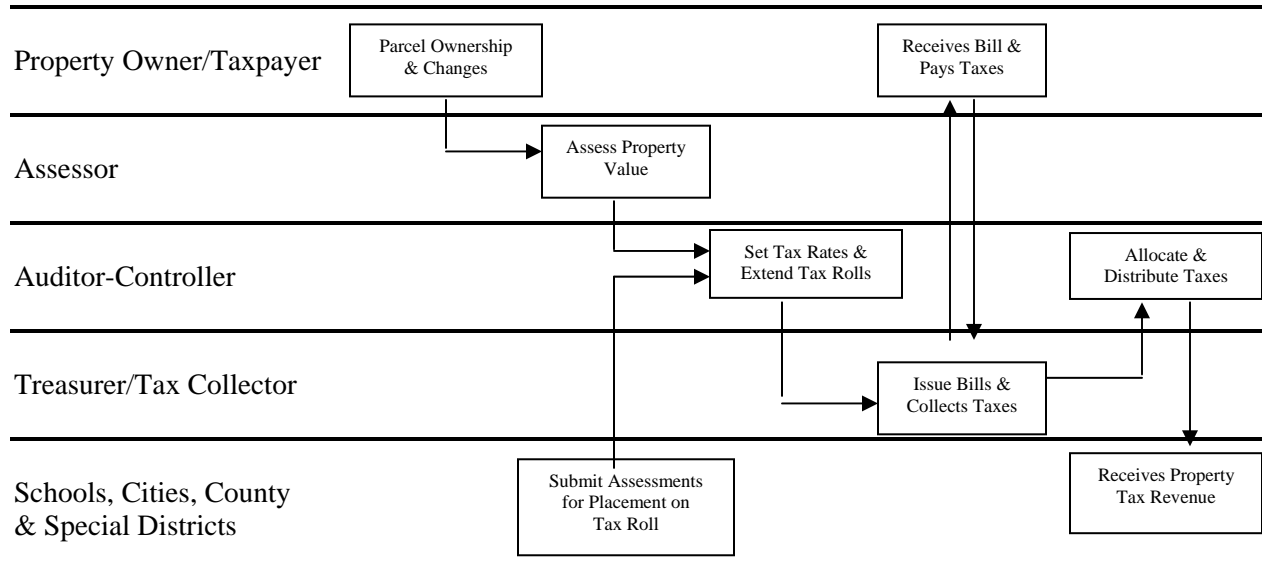


PROPERTY TAX INFORMATION
SUSAN RANOCHAK, Assessor / County Clerk Recorder
SHARI SCHAPMIRE, Treasurer – Tax Collector
MEREDITH FORD, Auditor - Controller

PROPERTY TAX PROCESS

This information is intended to provide an overview of the property tax process in Mendocino County. Included here is a broad description of the functions of various county departments from the generation of property taxes through the distribution to local government agencies.

DIAGRAM DEPICTING THE FLOW OF THE PROPERTY TAX PROCESS



Proposition 13 - approved by California voters in 1978 - is the law that governs most property taxes. Proposition 13 limits the property tax rate to 1% of assessed value, plus any local tax rate to fund voter-approved bonds such as school bonds or other municipal type bonds. It limits property tax increases to 2% per year by limiting assessed value increases to a maximum of 2% each year, except for properties that had a change in ownership or new construction. Changes in ownership are assessed at the new market value (usually the purchase price) and the value of any new construction is added to the existing base value of the property.

Since the passage of Proposition 13, special districts in California have found revenue from taxes to be more and more limited bringing about the advent of benefit assessments and special taxes on parcels within their district boundaries for the benefit of property owners in the districts. Most of those services in Mendocino County include fire, water, sewer, hospital, ambulance, and several types of abatement charges for weeds or abandoned vehicles. These charges are set by each individual district and are not based on value or subject to the tax rate but do become a lien on the property along with the property tax.

PARCEL OWNERSHIP AND CHANGES BY TAXPAYER

The recorded property owner as of the lien date (January 1) each year is liable for property tax based on the value of the property. Changes in ownership recorded with the County Recorder are automatically transmitted to the Assessor for the purpose of maintaining ownership records as well as values. New construction information is received by the Assessor from building permits.

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ASSESSOR VALUES PROPERTY

The responsibility of the County Assessor is to determine the taxable value of all properties. The assessed value for most property is the prior year's assessed value adjusted for inflation to a maximum of 2%. For those properties that had a change in ownership, the purchase price information is the basis for the new assessed value. New construction is valued via information from the building permit and/or a field visit to the property.

The types of taxable property are real property and personal property. Real property includes land, and improvements such as buildings, structures, trees and vines. Real property is billed on the "Secured" tax roll. Personal property includes machinery, equipment, and office tools and is usually billed on the "Unsecured" tax roll.

In 1983 California law was changed to require a reappraisal of property at the time of the change in ownership or new construction and a subsequent billing for that portion of the tax year affected rather than enrolling the new value as of the next lien date. These assessments are referred to as supplemental assessments.

However, not all events that trigger a reappraisal result in an increase in value. Any supplemental assessment or refund is in addition to the regular secured assessment made as of the lien date. For example, a purchase of property at a lower value will result in a refund for the portion of the fiscal year affected while the secured bill for the same time period remains at the higher value. The new value on the secured roll is reflected the following tax year. The same is true for an increase in value.

In addition, there are "restricted" types of real property that are assessed under special formulas quite different from most properties. These include those under Agricultural Preserve contracts, Timber Preserve zoning, and some government owned properties.

The Assessor also administers numerous exemptions and exclusions allowed by State law that affect the net assessed value of property relieving some taxpayers from paying higher taxes.

Homeowners, who occupy the home as the principal place of residence as of 12:01 am on January 1, may apply for a "Homeowner's Exemption" of up to \$7,000 off the assessment value. New property owners will automatically receive an exemption application in the mail. Homeowner's Exemptions may also be claimed on a supplemental assessment if the property was not receiving a Homeowner's Exemption on the prior regular assessment roll.

Properties used exclusively for a church, college, cemetery, museum, school, or library, or owned and used exclusively by a non-profit religious, charitable, scientific, or hospital corporation may also be eligible for exemption.

Veterans may also qualify for one of two Veteran's Exemptions. In order to be eligible for a Veterans' Exemption, a single veteran must not have assets valued over \$5,000. A married veteran (or a veteran's widow who has not remarried) must not have assets valued over \$10,000. A veteran with a service-connected disability (or unmarried widow of such a veteran), may be eligible for an exemption of \$114,634 or higher off assessed value of the home, depending upon the annual house income.

Applications for any of these exemptions must be filed with the Assessor's Office. For more information contact the Exemption Department of the Assessor's Office at (707) 463-4311.

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EXTENSION OF TAX ROLL BY AUDITOR-CONTROLLER

The Auditor sets the annual tax rates applicable to properties in Mendocino County. An explanation of Mendocino County tax rates and a list of the current local bonds are listed below in the *Tax Rates & Descriptions* section.

Annual secured and unsecured assessment rolls are completed by the Assessor and delivered to the Auditor-Controller. The Auditor-Controller “extends” the tax roll by applying the tax rate applicable to each parcel or account. Taxes are computed by multiplying the tax rate by each \$100 of assessed value. (See *How to Calculate Your Taxes* section below for a demonstration of this computation.) Once the extended taxes are determined for all assessments, the tax roll is forwarded to the Tax Collector for billing.

In addition to determining the tax due, the Auditor-Controller adds any “direct” charges submitted by special districts such as fire, water, sewer, etc. In Mendocino County there are around 59,000 direct charges from 38 different districts that are posted each year to the secured tax roll. These charges become part of the total tax due.

Supplemental assessment rolls are extended on a monthly basis with the exception of the months of December and April. Because the tax roll affected by the change triggering reappraisal may encompass more than one fiscal year, each separate assessment must have the appropriate year’s tax rate applied. In addition, supplemental taxes are calculated for a portion of the fiscal year for which the change in value applies. A factor based on the date of event is set by state law and this factor is applied to the tax rate calculation. The Auditor issues refunds when supplemental assessments result in a decreased value.

TAX COLLECTOR ISSUES TAX BILLS AND COLLECTS TAXES

The Tax Collector mails secured tax bills on or before October 31 each year. The bill may be paid in two installments. The first installment of taxes is due November 1 and delinquent after **December 10**. A 10% penalty attaches thereafter. The second installment is due February 1 of the following year and is delinquent after **April 10**. An additional 10% penalty and \$20.00 cost charge attaches thereafter. Additional penalties accrue after June 30 of every year.

Supplemental tax bills are mailed whenever there is a change in ownership or when new construction is completed. Supplemental tax bills are billed regularly during the year and due at different times during the year depending on the month the bill is mailed. They are also payable in two installments.

Supplemental tax bills are due on the date mailed and shall become delinquent as follows:

- (a) If the bill is mailed within the months of July through October, the first installment shall become delinquent after December 10 the same year. The second installment shall become delinquent after April 10 of the following year.
- (b) If the bill is mailed within the months of November through June, the first installment shall become delinquent after the last day of the month following the month in which the bill is mailed. The second installment shall become delinquent after the last day of the fourth month following the date the first installment is delinquent.

NOTE: The Supplemental Tax Bill (Or Refund) Is In Addition To The Regular Property Tax Bill And Any Other Property Taxes Due On The Property.

Unsecured tax bills are mailed in July of each year, payable in one installment, and shall become delinquent if not paid by August 31. If unpaid, interest will start to accrue on November 1 at a rate of 1½% per month on the original tax amount until paid in full.

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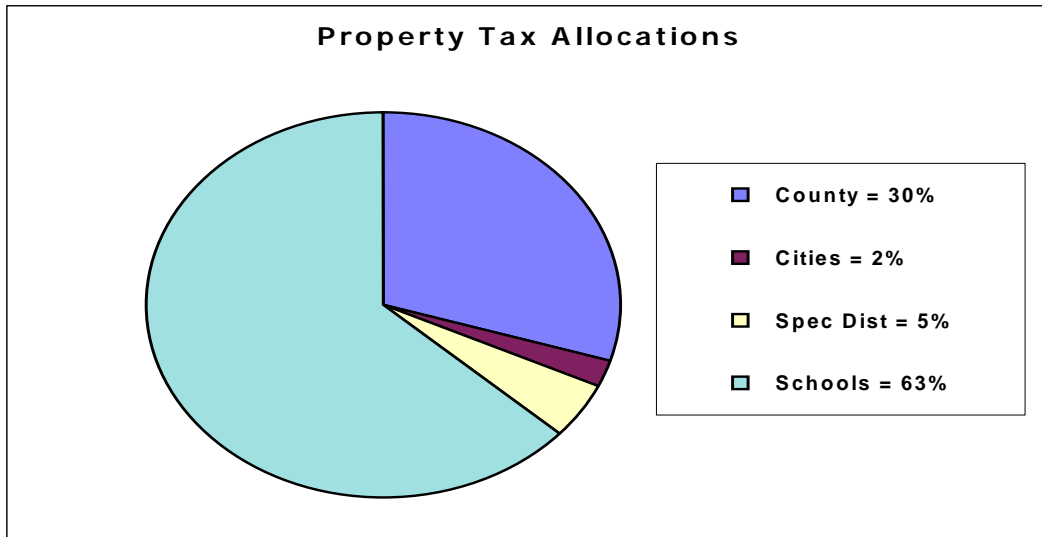
If secured or supplemental taxes remain unpaid as of July 1 of the following year, interest will accrue at a rate of 1½% per month on the original tax amount until paid in full. In addition, a \$15 State fee is also assessed. If taxes remain unpaid after a period of five years from the first year of delinquency, the Tax Collector must record a “Notice of Power to Sell Tax-Defaulted Property”. Unless the property is redeemed, it will be offered on the next public auction.

AUDITOR-CONTROLLER DISTRIBUTES PROPERTY TAXES

Taxes are apportioned and distributed to all eligible County, cities, schools and special district jurisdictions according to specific formulas and procedures provided by law. Each eligible tax jurisdiction receives a base amount of property tax that is increased or decreased depending on the growth of that district.

Mendocino County apportions secured and supplemental taxes under the “Teeter Plan” of apportioning property taxes. Basically, this means that the County, schools and districts receive 100% of the amount charged on the original tax roll, less any corrections made during the year. Under the Teeter Plan, all special assessments and taxes placed on the secured tax roll are also apportioned in the same manner. At the end of the fiscal year, any unpaid taxes and assessments are owned by the County and are subject to the County’s collection efforts and remedies.

Schools receive the highest percentage of taxes collected in Mendocino County as seen by the following chart:



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HOW TO CALCULATE YOUR TAXES

The following example is a single-family home with a Homeowner’s Exemption:

Property Value.....	\$	375,000	
Homeowner’s Exemption		<u>(7,000)</u>	
Net Assessed Value	\$	368,000	
Applicable Tax Rate	\$	1.139	(per \$100 assessed value)
Tax Due = \$368,000 x .01139 =.....	\$	4,191.52	(\$1.139 divided by 100)
Add special taxes or assessments	\$	<u>120.00</u>	(Example is a fire charge - varies by district)
Net Tax Due.....	\$	4,311.52	

Applicable Tax Rate

The applicable tax rate will vary by the location of the property: primarily the school district in which the property is located. In addition to the basic tax rate of 1%, any voter-approved debt, which would be school and/or municipal bonds, is included in the rate.

For example, the basic tax rate in the Ukiah Valley for 2009-10 is \$1.139. This rate is broken down as follows:

\$1.000	Countywide 1%
.116	Ukiah Lease Purchase (Ukiah Unified Bond)
<u>.023</u>	Mendocino College Bond
\$1.139	Total Rate

MENDOCINO COUNTY TAX RATES AND DESCRIPTIONS

The basic countywide tax rate in Mendocino County is \$1.00 per \$100 of assessed value, or 1% of assessed value. This is the basic tax rate prescribed by Article XIII-A of the California Constitution, more commonly known as Proposition 13. In addition to the 1% tax applicable debt service of one or more of several governing bodies is added to the rate. Those debt service taxes include Special Districts, Cities, School Districts and School District Bonds.

Mendocino County is divided into 253 tax rate areas, each with its own individual funding requirements. Tax rate area codes are designated by a specific numbering system. The primary part of the tax area code (the first 3 digits) designates the school district the parcel is located in. Below is a listing of these school district primary tax area code designations, as well as the college district:

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TAX AREA CODE PREFIX	SCHOOL DISTRICT	COLLEGE DISTRICT
001-	Fort Bragg Unified – within city limits	College of the Redwoods
002-	Arena Union – within city limits	Sonoma Junior College
003-	Ukiah Unified – within city limits	Mendocino College
004-	Willits Unified – within city limits	Mendocino College
052-	Arena Union	Sonoma Junior College
053-	Anderson Valley Unified	Mendocino College
076-	Fort Bragg Unified	College of the Redwoods
103-	Manchester Union	Sonoma Junior College
104-	Mendocino Unified	College of the Redwoods
105-	Leggett Valley Unified	College of the Redwoods
112-	Potter Valley Unified	Mendocino College
121-	Piercy Unified	College of the Redwoods
131-	Round Valley Unified	Mendocino College
153-	Willits Unified	Mendocino College
154-	Ukiah Unified	Mendocino College
155-	Laytonville Unified	Mendocino College

The remaining part of the tax area code (the last 3 digits) designates the other debt service areas that make-up the rest of the tax rate. These debt service entities are specifically listed on the tax bill along with their rate. Below are all the debt service entities, tax bill abbreviations, 2009-10 rates, and bond expiration dates:

DEBT SERVICE ENTITY	TAX BILL ABBREVIATION	09-10 RATE	BOND EXPIRATION DATE
Arena Union Elementary School Bond	ARENA UNION ELEM	\$.022	2029
City of Willits Bond	WLTS 75 SWR BOND	\$.006	2016
Fort Bragg Unified Bond	FB UNIF BOND	\$.065	2028
Hopland Public Utility Bond	HOPLAND PUD	\$.014	2014
Laytonville Unified Bond	LYTNVILL BOND	\$.063	2025
Mendocino Coast Hospital Bond	MENDO CST HOSP	\$.011	2030
Mendocino Community Services Bond	MENDOCINO CSD	\$.012	2014
Mendocino Unified Bond	MENDO UNIF BOND	\$.064	2023
Point Arena Joint Union High School Bond	PA HIGH BOND	\$.020	2025
Redwoods Junior College Bond	RDWDS JC BOND	\$.012	2028
Sonoma County Junior College Bond	SONOMA BOND	\$.025	2027
Ukiah Unified Bond	UKIAH UNIF BD	\$.116	2032
Westport Water Bond	WESTPORT WATER BIR	\$.024	2016
Willits Unified Bond	WILLITS UNIF BD	\$.008	2024
Mendocino College Bond	MENDO COLLEGE	\$.023	2011

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SPECIAL AND DIRECT ASSESSMENTS AND LEVIES

In addition to the tax rate applied to the assessed value of property, a number of special districts add charges per agreement with the County Auditor. These assessments are of a specific dollar amount determined by the charging district and are not based on the assessed value of the property. These districts generally include fire, water, and sewer, as well as other districts or direct charges.

Mendocino County is merely the collection agent for these charges. The district is responsible for the establishment and amount of the charge. Corrections or changes to these assessments must be requested by the particular district. Below is a listing of the special and direct assessments currently found on Mendocino County tax bills along with contact information.

DISTRICT	ADDRESS	CITY STATE ZIP	TELEPHONE
Albion-Little River Fire	P.O. Box 634	Albion, CA 95410	
Anchor Bay Capital Reserve	35501 So. Hwy 1, Unit 4	Gualala, CA 95445	884-9641
Anderson Valley CSD	P.O. Box 398	Boonville, CA 95415	895-2075
Brooktrails Fire	24860 Birch Street	Willits, CA 95490	459-2494
Brooktrails Sewer	24860 Birch Street	Willits, CA 95490	459-2494
Brooktrails Water	24860 Birch Street	Willits, CA 95490	459-2494
Coast Life Support	NBS, Local Gov't Solutions	Property Owner Services	800-676-7516
Comptche CSD	P.O. Box 359	Comptche, CA 95427	
Covelo CSD Delinquent Sewer	P.O. Box 65	Covelo, CA 95428	983-6888
Elk CSD	P.O. Box 1	Elk, CA 95432	877-1800
Fort Bragg City Fire	416 N. Franklin St.	Fort Bragg, CA 95437	961-2823
Fort Bragg Rural Fire	141 N. Main St.	Fort Bragg, CA 95437	961-2831
Gualala CSD Standby & Usage Fees	P.O. Box 124	Gualala, CA 95445	884-1715
<i>Gualala Sewer *</i>	Contact County Auditor		463-4382
Hopland Fire (See Sanel Vly Fire)			
Irish Beach Water	P.O. Box 67	Manchester, CA	877-3275
Little Lake Fire	74 E. Commercial St.	Willits, CA 95490	459-6271
Long Valley Fire	P.O. Box 89	Laytonville, CA 95454	984-6055
Mendocino County Waterworks	35501 So. Hwy 1, Unit 4	Gualala, CA 95445	884-9641
Mendocino Fire Protection District	P.O. Box 944	Mendocino, CA 95460	964-9347
Mendocino Unified Maintenance	P.O. Box 1154	Mendocino, CA 95460	937-5868
Pacific Reefs Water	P.O. Box 314	Albion, CA 95410	
Point Arena Sewer	P. O. Box 67	Point Arena, CA 95468	882-2122
Redwood Coast Fire	P.O. Box 245	Point Arena, CA 95468	882-1833
Redwood Valley-Calpella Fire	P.O. Box 385	Redwood Valley, CA 95470	485-8121
Sanel Valley Fire (Hopland Fire)	P.O. Box 463	Hopland, CA 95449	744-1222
Secured Escaped Assmts by Year	Contact County Auditor		463-4382
South Coast Fire	P.O. Box 334	Gualala, CA 95445	884-4700
Southern Humboldt Hospital	733 Cedar St.	Garberville, CA 95440	923-3921
Ukiah Valley Fire	1500 So State St.	Ukiah, CA 95482	462-7921
Ukiah Valley Fire Measure B	1500 So State St.	Ukiah, CA 95482	462-7921
Willits Meadowbrook Manor			
Sanitation District	111 E. Commercial St.	Willits, CA 95490	459-7121
Willits Sewer	111 E. Commercial St.	Willits, CA 95490	459-7121

** Per Improvement Bond Act of 1915*

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IMPROVEMENT BOND ACT OF 1915 AND MELLO-ROOS

Senate Bill 1122 took effect on January 1, 2002. The bill requires sellers of real property to disclose certain information pertaining to any known special assessment being paid as part of the property taxes that have been imposed pursuant to the Improvement Bond Act of 1915.

Mendocino County now has only one such district, which is Gualala Sewer as noted above. If there are charges on the tax bill for this assessment, please note the specific legal requirements in Government Code Section 53754 or consult with a real estate agent.

This bill also requires the disclosure of special taxes pursuant to the Mello-Roos Community Facilities Act. There are no Mello-Roos bonds in Mendocino County.

PROPERTY TAX RELIEF

The State of California administers two property tax assistance programs for Senior Citizens or Blind or Disabled Persons:

- **Property Tax Assistance for Senior Citizens or Blind or Disabled Persons**

The 2009/2010 State budget suspended funding for the Gonsalves-Deukmejian-Petris Senior Citizens Property Tax Assistance Law, which provides direct cash assistance. The Franchise Tax Board (FTB) will not be issuing Homeowner and Renter Assistance (HRA) Program Instruction booklets and will not accept HRA claims for the 2009 claim year. For the most current information on the HRA program, go to www.ftb.ca.gov and search for HRA.

- **Property Tax Postponement (PTP) for Senior Citizens or Blind or Disabled Persons**

On February 20, 2009, the Governor signed Chapter 4, Statutes of 2009, which immediately suspends the Senior Citizens' Property Tax Deferral Program. This legislation prohibits the filing of claims for property tax postponement and prohibits the Controller from accepting claims filed after February 20, 2009. As a result of the program suspension, the Controller will no longer accept claims for property tax postponement pending modification or repeal of this new law. However, the Controller's Office will continue processing claims postmarked prior to February 20, 2009. For the most current information on the PTP program please visit our website at www.sco.ca.gov.

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CONTACT INFORMATION

Mendocino County Assessor's Office

501 Low Gap Rd, Room 1020

Ukiah, CA 95482

(707) 463-4311

Website: <http://www.co.mendocino.ca.us/acr/index.html>

E-mail: acr@co.mendocino.ca.us

Mendocino County Auditor's Office

501 Low Gap Rd, Room 1080

Ukiah, CA 95482

(707) 463-4388

Website: <http://www.co.mendocino.ca.us/auditor/index.htm>

E-mail: auditor@co.mendocino.ca.us

Mendocino County Clerk of the Board of Supervisors

501 Low Gap Rd, Room 1090

Ukiah, CA 95482

(707) 463-4221

Website: <http://www.co.mendocino.ca.us/bos/index.html>

E-mail: bos@co.mendocino.ca.us

Mendocino County Tax Collector's Office

501 Low Gap Rd, Room 1060

Ukiah, CA 95482

(707) 463-4321

Website: <http://www.co.mendocino.ca.us/tax/>

E-mail: ttc@co.mendocino.ca.us

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COUNTY TAX RATES AND VALUATION

1980-2009

YEAR	FULL CASH VALUATION SECURED AND UNSECURED	ANNUAL PERCENTAGE INCREASE
1980	1,615,210,372	11.94%
1981	1,801,809,336	11.55%
1982	1,973,790,833	9.54%
1983	2,148,563,993	8.85%
1984	2,399,536,508	11.68%
1985	2,536,014,661	5.69%
1986	2,680,470,090	5.70%
1987	2,823,885,454	5.35%
1988	2,980,899,995	5.56%
1989	3,001,181,052	0.68%
1990	3,304,402,147	10.10%
1991	3,579,600,012	8.33%
1992	3,812,838,593	6.52%
1993	4,015,563,880	5.32%
1994	4,238,104,523	5.54%
1995	4,439,932,473	4.76%
1996	4,649,791,807	4.72%
1997	4,871,533,782	4.77%
1998	5,107,261,513	4.84%
1999	5,356,153,852	4.87%
2000	5,647,595,923	5.44%
2001	5,990,573,803	6.07%
2002	6,323,294,655	5.55%
2003	6,734,853,638	6.51%
2004	7,172,262,058	6.49%
2005	7,778,299,153	8.45%
2006	8,456,763,254	8.72%
2007	9,201,768,045	8.81%
2008	9,790,938,989	6.40%
2009	10,127,781,874	3.44%

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**TAX RATES ESTABLISHED BY
THE BOARD OF SUPERVISORS OF MENDOCINO COUNTY
FOR FISCAL YEAR 2009/10**

Basic Tax Rate.....\$1.00

Unitary Debt Service.....\$0.199

OTHER VOTER APPROVED INDEBTEDNESS RATES

UNIFIED SCHOOL DISTRICT RATES

Ukiah Unified Bond.....	\$.116
Laytonville Unified Bond.....	\$.061
Mendocino Unified Bond.....	\$.061
Willits Unified Bond.....	\$.023
Fort Bragg Unified Bond.....	\$.059

HIGH SCHOOL DISTRICT RATE

Point Arena Joint Union High School Bond.....	\$.006
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ELEMENTARY SCHOOL DISTRICT RATE

Arena Union Elementary School Bond.....	\$.023
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JUNIOR COLLEGE DISTRICT RATE

Sonoma County Junior College Bond.....	\$.025
Redwoods Junior College Bond.....	\$.013
Mendocino-Lake Community College Bond.....	\$.023

SPECIAL DISTRICTS

Hopland Public Utility Bond.....	\$.011
Westport Water Bond.....	\$.007
Mendocino Community Services Bond.....	\$.010
Mendocino Coast Hospital Bond.....	\$.010

INCORPORATED CITIES

City of Willits Bond.....	\$.006
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County of Mendocino
2009-10
FINAL BUDGET

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