You pay fees and taxes to government …
How much goes to cities and to counties?
How do they spend it?

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A Field Guide to Local Governments

Cities
✓ general purpose
✓ essential frontline services tailored to needs of their communities
✓ are funded mostly by locally enacted revenues
✓ provide land use planning & control

 Counties
✓ Hybrid local/state
  ▪ state/federal health & social srvcs
    (CalWORKS, foster care, IHSS, etc.)
  ▪ countywide local services (jails, courts, elections, indigent aid, etc.)
  ▪ “city” services to unincorp. areas
  ▪ More mandates, less discretionary $

Special Districts
✓ “dependent” / “independent”
✓ Enterprise: water, irrigation, sanitation
✓ & not: parks & rec, mosquito abtmt, fire
✓ many get a cut of the property tax
Where Your Property Tax Goes

Shares Vary!

- Non-Full service cities: portion of city shares go to special districts (e.g. fire)
- Pre-prop13 tax rates

Typical homeowner in a full service city not in a redevelopment area.

Includes Property Tax in-lieu of VLF.

Where Your Sales Tax Goes

* For taxable sales in unincorporated areas, the local 1% rate goes to the county.
** Does not include the temporary ¼% Prop 30 state sales tax which expires 12/31/2016
State General Revenues
including state income tax, state sales tax
How much goes to your city?

To cities: less than 1/5 of 1%

Major programs supported by state general funds include schools, colleges, health & human services, prisons, tax relief, courts.

California City Revenues

Property Tax 14%
Sales Tax 7%

Not Restricted 36%

Other 6%
Utility Fees (Water, Sewer, Refuse, Electr, Gas, etc.) 29%
Other Fees 12%
Federal Grants 5%
State Grants 4%
Benefit Assessments 2%
Special Taxes 3%
Fines & Forfeitures 1%
Investments, Rents, Royalties 1%
Licenses & Permits <1%
Devpt Fees & Permits 2%

Source: Author’s computations from data from California State Controller.
The Value of City Services

The average city resident pays $53.25 per month for city services. (not including fee-funded public utilities such as water, sewer, flood control and garbage collection provided by many cities)

$53.25 pays for one of these:
- One month of cable TV service
- Two or three hardback books
- One month at the gym
- Three compact disks
- Dinner for two
- Movie and snacks for a family of four

$53.25 pays for all of these:
- 24 hour police and fire protection
- Well-groomed parks and trees
- Safety lighting for streets
- Community events
- Community economic development
- Paved and maintained city streets
- Community library system
- A well-planned, zoned community
- Professional management of a citizen’s tax investment in the community