



# TAX WISE NEWSLETTER

Assessor  
Auditor-Controller  
Treasurer Tax Collector

*Coordinated by Ray Rasmussen*

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## INTRODUCTION

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*--By Ray Rasmussen, Auditor-Controller's Office*

This is the first edition of what we hope will become an annual newsletter sent to taxing agencies in Stanislaus County. Our goal is to produce a newsletter that will keep you abreast of developments in property tax administration in the State and locally, within the County. The newsletter is a result of input we received from taxing agencies at the focus group session meeting held on October 25, 2001.

We trust the information provided will be useful. We'll also try to make it as interesting as possible and encourage your feedback as to how we can improve it to meet your needs. There is an electronic version containing links to further information, available by contacting Crystal Church at 525-6596 or by e-mail at [churchc@mail.co.stanislaus.ca.us](mailto:churchc@mail.co.stanislaus.ca.us).

We want to meet your needs and are determined to give you the best customer service that we can possibly provide.

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### PROPERTY TAX ADMINISTRATION DEVELOPMENTS

[AB589](#) has been chaptered into law. This bill provides for a grant to local government to continue funding property tax administration activities whose funding was scheduled to sunset at the end of the current fiscal

year. The practical result of this bill is that you should see no change in the level of services provided by the offices of the Tax Collector, Auditor, and Assessor through the 2006/2007 fiscal year.

The County is also acquiring a new property tax system. The system currently running on the County's mainframe computer will be retired in July of 2003. Bids for a new system were solicited and [Megabyte Systems, Inc.](#) was tentatively selected. They have been in business since 1980, and currently provide property tax systems in seventeen other California counties. Pending successful contract negotiations, work on the new system will begin in January 2002, with data assessment and conversion completed by September 2002. Data testing and user training will be completed by December 2002, and we will parallel process from January through June of 2003, switching fully to the new system in July of 2003. We expect increased functionality in terms of better tracking and timelier processing. There also may be some format changes in requested reports and in the way direct assessment processing is done. We will, of course, give you plenty of warning and provide training needed because of any changes.

In April 2001, the Revenue Recovery Division of the Stanislaus County Treasurer/Tax Collector's Office began to convert its 1990 collections system to the new Revenue Plus Collector System designed and maintained by Columbia Ultimate Business Systems ([CUBS](#)). The new collection system is currently utilized by over 30 California counties to help collect county departmental overdue accounts and installment payments of court fines. The transition to the CUBS Revenue Plus system, which we often shorten to just "CUBS," is projected to provide us with a more modern system that has many more capabilities than the current system, while saving "hard dollars" in excess of \$100,000 per year. Upgrades and enhancements to the system will also cost less because of the cost sharing with the other California counties using the same system. The new system will be put into full operation by February 2002, and will have the added feature of an automatic dialer that will boost our Collectors' productivity by eliminating many fruitless phone calls. Revenue Recovery staff are excited that the new system will mean increased collections in areas such as **delinquent unsecured taxes**, court fines, aged medical bills and a host of other "bad debt" that the Revenue Recovery Division collects on behalf of County departments and contracting public agencies.

The Property Tax Division of the Auditor's Office has a new employee. Dee Tate transferred from the County Library accounting staff to fill the position vacated by Jim Kwartz who transferred to the General Ledger Division of the Auditor's Office. Dee has worked eleven years for the County. She started in the Property Tax Division on November 27, 2001, and has been on a mission to learn quickly in order to be of assistance to you. She may be reached by telephone at 525-7919 or by email at [tated@mail.co.stanislaus.ca.us](mailto:tated@mail.co.stanislaus.ca.us).

### **PROGRESS REPORT**

We have been busy since our focus group session last October focusing on the expressed needs of the taxing agencies that were in attendance. This newsletter is an outgrowth of that meeting. We have also made arrangements for a series of property tax related workshops during the last half of the fiscal year. The first is scheduled for January 23, 2002, in the basement training room of 10<sup>th</sup> Street Place. Terri Rubalcava will give a workshop on how to read your monthly financial reports. Jack Doering of County Counsel will make a presentation on Proposition 218 and its impact on taxing agencies in March 2002. Finally, on May 15, 2002, in the County Board Chambers, Jim Duval of the Stanislaus County Redevelopment Agency will talk about redevelopment. Specific dates and times are being finalized and we will forward that information to you as soon as possible.

On several occasions in the past and at the October focus group session, there has been a stated interest in having an interactive web site available. We are pleased to report that such a web site is part of the new property tax system mentioned above. At this point we don't know when the site will go online, but we believe it should be available at least by July of 2003.

### **ASSESSED VALUATION REPORT**

The Mission of the Stanislaus County Assessor's Office is to produce a fair, accurate and timely assessment roll, while providing excellent service to our customers.

The 2001-2002 Stanislaus County Assessment Roll totaled \$22,283,500,081 and included over 155,000 assessments. The roll value represents an increase of 8.04% over last year, the result of a strong real estate market during calendar year 2000. The strong performance was directly related to consumer confidence in the economy, combined with low interest rates and Bay Area buyers seeking affordable housing. This resulted in increases of new housing starts, commercial construction and sales of existing homes.

Values on the 2001-2002 Assessment Roll were determined under the provisions of Proposition 13 (Prop. 13) and Proposition 8 (Prop. 8), which were approved by the voters and passed by the Legislature. Under Proposition 13, the base year value of individual properties is changed only when there is a change in ownership or when new construction takes place. For properties that have not had any change in ownership or any new construction, additions, or alterations, a 2.0% inflation factor has been added for 2001-2002. The Proposition 13 inflation factor is based on the California Consumer Price Index and limited to a 2% maximum increase as provided by law. Proposition 8 requires the Assessor to annually enroll either a property's Proposition 13 value or its current market value on the lien date (January 1), whichever is less. When the current market value replaces the higher Prop. 13 value on the tax roll, that lower value is commonly referred to as a "Prop. 8" value.

Once a property is assessed under "Prop. 8," its value may go up or down each year in tandem with market value and is not limited to the 2% Proposition 13 increase. When it is discovered that the market value of a Prop. 8 property exceeds its Proposition 13 factored value, the Assessor must reinstate the original Proposition 13 factored value.

Based upon the work processed by the Assessor's staff through 12/3/01, it appears that the assessment roll is still increasing; however, it's too early to accurately project what the final value increase will be, if any, for calendar year 2001.

#### **Assessment Roll Increases Over the Last Ten Years**

1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
9.68%	5.58%	5.56%	1.74%	2.23%	1.58%	2.28%	2.38%	4.44%	6.42%

The Assessor's Office is available to answers all inquiries pertaining to taxation and valuation assessments. The Assessor's office is located in Modesto at 1010 Tenth Street, 2<sup>nd</sup> Floor, Suite 2400, phone number (209) 525-6461. Office hours are 7:30 a.m. to 5:00 p.m., Monday through Friday.

**CONTACT INFORMATION**

Do you have a question for the County about property taxes, but you're not quite sure whom to ask? Maybe we can help. Here are three people who are very knowledgeable about their respective departments and are anxious to be of assistance to you:



**Doug Harms**  
Assessor's Office  
(209) 525-6516  
[harmsd@mail.co.stanislaus.ca.us](mailto:harmsd@mail.co.stanislaus.ca.us)



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