

December 1, 2016

Community Update by Tami Scott Administrative Services Director

You've may have heard City Staff and City Council often refer to the City of Cathedral City being a post-proposition 13 City. What exactly is Proposition 13 and how does it affect local finances?

In 1978, a simple majority of California voters approved Proposition 13, seeking property-taxpayer relief and uniformity, with far-reaching consequences, some unintended. Proposition 13 reduced property revenues by more than half and effectively abolished any local control with regard to the property tax. Local governments still have wide latitude on the spending of the remaining revenues they receive, but the allocation of the tax is controlled by the State Legislature.



Six Provisions of Proposition 13 Affecting Local Finance

1. **One percent rate cap.** Proposition 13 capped, with limited exceptions, property tax rates at 1 percent of full cash value at the time of acquisition. Prior to Proposition 13, local jurisdictions independently established their tax rates.
2. **Assessment Rollback.** Proposition 13 rolled back property values as determined for tax purposes to their Fiscal Year 1975-1976 level.
3. **Reassessment upon change of ownership.** Proposition 13 replaced the practice of annually reassessing property at full cash value with a system based on cost at acquisition. Under Proposition 13, property is assessed at market value for tax purposes only when it changes ownership. Subsequent annual values are limited to this "base year" amount plus an annual growth factor of 2 percent or CPI, whichever is less.
4. **Responsibility for allocating property tax transferred to the state.** Proposition 13 gave state lawmakers responsibility for allocating property tax revenues among local jurisdictions. Prior to Proposition 13, jurisdictions established their tax rates independently and their property tax revenues depended on the rate levied and the value of the property located within the boundaries of the jurisdiction.
5. **Voter approval for special taxes.** Proposition 13 requires two-thirds voter approval for property taxes raised by local governments for a designate "special" purpose.
6. **Taxes imposed by the State Legislature require a two-thirds vote of the Legislature.** In order the change any provision of Proposition 13, it would have to go back to the voters.

Finally, the amount of property taxes allocated to local governments depends on state property tax allocation laws, principally Assembly Bill 8 ("AB 8"). The AB 8 system was designed, in part, to allocate property tax revenue in proportion to the share of property taxes received by a local

government in the mid-1970s (**those cities that were incorporated prior to the implementation of Proposition 13 in 1978**). Under this system, local governments that received a large share of property taxes in the 1970s typically continue to receive a relatively large share of property taxes today. Although there have been changes to the original property tax allocation system contained in AB 8, the allocation system continues to be substantially based on the variation in property tax receipts in effect in the 1970s. This variation largely reflects service levels provided by local governments in the 1970s. Those Local governments providing many services generally collected more property taxes in the 1970s to pay for those services. As a result, those local governments received a larger share of property taxes under AB 8. For example, cities and counties that provided many government services, including police and fire protection, park and recreation programs, and water services, typically receive more property tax revenue than governments that relied on special districts to provide some or all of these services. Local governments not yet incorporated by 1978, which Cathedral City did not incorporate until 1981, essentially fell victim to Proposition 13 and AB 8 and thus receive on average 60% less in property tax revenue than those cities incorporated prior to 1978.

In practical terms all of this means that neighboring cities of a similar size (like Palm Springs and Cathedral City) may receive significantly different property tax allocations. For example, in Fiscal Year 2015-16 Palm Springs was allocated \$18.8 million dollars in property tax revenues while Cathedral City received only \$3.3 million. This makes it more difficult for Cathedral City as a post Prop 13 city to provide the same level of services as a similarly sized city that incorporated before Prop 13.

News



Cathedral City Honored with Photos from Peter Palladino's "Cathedral City - An American Town" Exhibit

At last night's City Council meeting, Simeon Den presented the City with four photos created and produced by celebrity photographer Peter Palladino as part of his special 35th Anniversary Exhibit entitled, "Cathedral City - An American Town: Cultural Contrasts & Community." The photographs were pictures ... [Read more.](#)

7th Annual Holiday Gift & Wreath Extravaganza Benefiting the Boys and Girls Club of Cathedral City happens December 5th



**BOYS & GIRLS CLUB
OF CATHEDRAL CITY**

Tickets are still available for this amazing experience... The Boys and Girls Club of Cathedral City is hosting its seventh annual holiday shopping spree created as a fundraiser for various programs at the Club. Location: Bontá Restaurant, East ...[Read more.](#)

The City of Cathedral City **FREE!**
Stop Identity Theft Program

To help STOP identity theft and as a service to its residents, the City of Cathedral City is hosting FREE Document Shredding Events. The Shredding Events are the first Saturday of the month October thru May each year.

WHEN: 2016 **Saturday, October 1, November 5 and December 3**
2017 **Saturday, January 7, February 4, March 4, April 1 and May 6**

TIME: 8:00 a.m. – 9:00 a.m.
Arrive early – once the shredding truck is filled to capacity the event will end.

LOCATION: 68-510 East Palm Canyon Drive

EXAMPLES OF DOCUMENTS:

- Legal documents
- Medical records
- Financial statements
- Accounting files/records
- Personnel files
- Payroll records
- Bank statements
- Tax records
- Contracts
- Receipts/invoices
- Cancelled checks
- Photographs
- Credit card documents

TIPS:

- > You do not need to remove paper clips, staples, file folders, report covers, envelopes or binder clips from your documents.
- > You can bring your documents in boxes or plastic bags.

RESTRICTIONS:

- > Limited to Cathedral City RESIDENTS only.
- > Be prepared to show proof of residency or bring this postcard to the event.
- > Limit 5 banker sized boxes per resident or household.
- > **No businesses allowed.**
- > Remove all trash items from your boxes or bags!
- > Items like pens, pencils or regular household trash cannot be shredded.

MORE:

- > Your documents will be shredded on site – you will be able to witness the entire process.
- > Arrive early – once the shredding truck is filled to capacity the event will end.
- > This is a free event – there is no charge to shred your documents.

FOR MORE INFORMATION
Call (760) 770-0369
Email dpm@ccgove.com

OR VISIT THE CITY'S WEBSITE AT
www.cathedralcity.gov
(UNDER DOCUMENTS SELECT THE
RECYCLING, TRASH & ENERGY PAGE)

Cathedral City

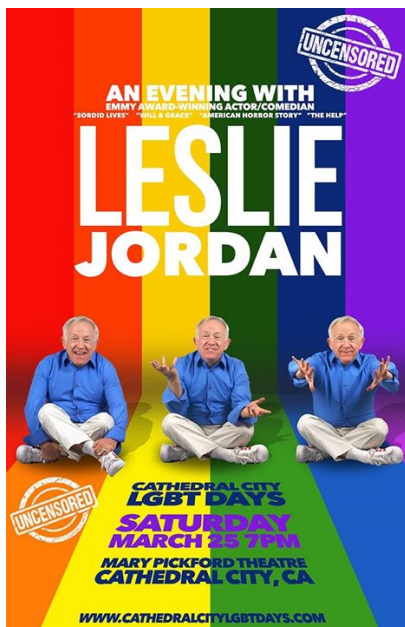
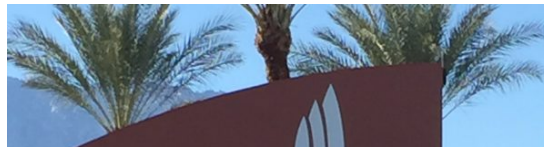
Free Shredding Event - Saturday Morning

To help stop identity theft and as a service to its residents, the City of Cathedral City is hosting a free document shredding event this Saturday, December 3rd from 8 am to 9 am. The shredding events are the first Saturday of each month, now thru May 2017. [Read more.](#)

It's LIVE! The New Electronic Special Events Billboard at the Festival Lawn

Although we are still making adjustments to brightness, our new Special Events electronic billboard along East Palm Canyon Drive at the Festival Lawn is now LIVE! The billboard will be used to advertise Special Events that are produced or sponsored by the City and to thank our sponsors. ...

[Read more.](#)



Looking for a Holiday Present? Get Tickets to "Leslie Jordan - Uncensored" during Cathedral City's LGBT Days

Leslie Jordan is one of the most consistently recognizable faces in popular entertainment. The Emmy Award winner in 2006 for "WILL & GRACE," Leslie Jordan has also received rapturous reviews for his original stage plays ("MY TRIP DOWN THE PINK CARPET" STORIES ... [Read more.](#)

Upcoming Events



Santa & Seasonal Lights

Join friends and neighbors for a Special Holiday Celebration featuring "Santa & Seasonal Lights" on Thursday, December 1, 2016 from 6:00 pm to 8:00 pm. Free event. 6:00 pm: Tree Lighting Ceremony at Cathedral City Civic Center Plaza
Lighting of City Hall Light
Refreshments Santa Claus Arrival
Kids Art Project For Sponsorship

Opportunities ... [Read more.](#)

Shred Event - Stop Identity Theft

To help stop identity theft and as a service to its residents, the City of Cathedral City is hosting free document

shredding events. The shredding events are the first Saturday of each month, October thru May of each year.

Time: 8:00 am to 9:00 am, please arrive early – once the shredding truck is filled to capacity the event will end.

Location: 68510 East Palm Canyon Drive (adjacent to the Festival Lawn) ... [Read more.](#)

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Personnel files
Payroll records
Bank statements
Tax records
Contracts
Receipts/invoices
Cancelled checks
Photographs

You're not limited to the items listed - bring all your sensitive



BOYS & GIRLS CLUB OF CATHEDRAL CITY

City is hosting its seventh annual holiday shopping spree created as a fundraiser for various programs at the Club. Location: Bontá Restaurant, East Palm Canyon and ... [Read more.](#)

7th Annual Holiday Gift and Wreath Extravaganza

ANNOUNCING THE ANNUAL HOLIDAY GIFT AND WREATH EXTRAVAGANZA The 7th Annual Holiday Gift and Wreath Extravaganza will be held Monday, December 5, 2016, 6:00 pm – 9:00 pm. The Boys and Girls Club of Cathedral

Childrens
Artes para Los Niños
Art Party!
y adultos mayores



FREE

every 2nd Saturday
Cathedral City Art Gallery
CC City Hall
info: 760-459-3564
sponsored by
Agnes Pelton Society & SCRAP Gallery

Cathedral City Cove Art Party for Children & Elders

NEW TIME THIS MONTH: Cathedral City Art Gallery (City Hall) The SCRAP Gallery and the Agnes Pelton Society hosts the Children and Elders monthly Art Party at the Cathedral City Art Gallery, 68700 Avenida Lalo Guerrero (adjacent to City Hall), on the Second Saturday of each month from 1-3 PM. Admission is free. Participants create ... [Read more.](#)

Movies in the Park

Gather the family, blankets and/or chairs for "Movies in the Park" located this season at Ocotillo Park, 33300 Moreno Road in Cathedral City. The free event every month at

7:00 pm, except for the month of May, which begins at 8:30 pm due to daylight savings time.

You are welcome to bring snacks or non-alcoholic drinks, but you can also purchase them from the movie organizers at the park's concession stand. Great Family FUN!

[Read more.](#)



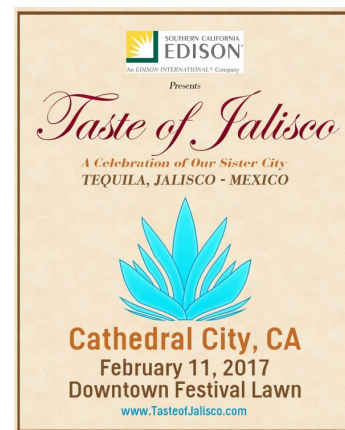
Town Square Art Affaire- Art Show

"Town Square Art Affaire" presented by West Coasts Artists comes to Cathedral City on January 21 and 22, 2017 from 10 am to 5 pm. This event showcases high quality art from more than 70 artists. It will also be located on the new Festival Lawn along East Palm Canyon Drive. [Read more.](#)

2nd Annual Taste of Jalisco Festival


Taste of Jalisco celebrates the relationship between Cathedral City and its sister city, Tequila, Jalisco (Mexico) through music, fashion, spirits, culture and cuisine. It is a time to recognize the strength in our diversity, appreciate our similarities, and stand united as one community for the betterment of our great city.

For Sponsorship or Booth Rental Opportunities, contact: Eric Davis, City of Cathedral City (760) 770-0340, Ext. 134 SponsorshipSpecialist@cathedralcity.gov [Read more.](#)



Antiques Appraisal Day at the Cathedral City Senior Center


Have you always wanted to go to an Antiques Roadshow event? Are you ready to discover the value of your family heirloom? Join us on Saturday, March 18th, 2017 where certified dealers and appraisers will be on



Treasures from the Attic: Antiques Appraisal Day

Hosted by the Cathedral City Historical Society and Cathedral City Senior Center

Saturday, March 18, 2017



Have you always wanted to go to an antiques road show event? Are you ready to discover the value of your family heirloom? Join us **Saturday, March 18th 9 am - 2 pm.** Certified appraisers will be on hand to offer their expertise, road show style.

hand to offer their expertise, *Roadshow style*, at the Cathedral City Senior Center, 37-171 West Buddy Rogers Avenue. Appraisals on your items from 9am to 2pm ...[Read more.](#)

3rd Annual Cathedral City LGBT Days

For all information, [CLICK HERE](#)

[Read more.](#)

