



## Protecting Essential Services and Quality of Life in Novato

### Survey Says! Life is Good in Novato

In a recent survey, almost 80% of Novato residents rated the quality of life as excellent or good. Nearly two-thirds of residents indicated they are satisfied with the job the City is doing providing services. While these are strong marks, the City is proactively working to ensure that the ongoing budget deficit does not impact vital services, community safety and quality of life.

### Ongoing Budget Challenges

For several years, the City has experienced a growing budget deficit. The ongoing projected budget deficit, exceeding \$2 million per year, will continue to grow without service reductions or enhanced revenue. While Novato has cut city staffing by over 30 positions to reduce operating costs, one-time COVID recovery and stimulus funding helped protect essential services like police patrols and 9-1-1 response, street repair, and park maintenance from cuts. With one-time funding now expended and depleted, Novato is evaluating sustainable budget solutions to protect these services going forward.






### Limited Locally Controlled Funding

Several root causes of Novato's funding challenges exist. Nearly 40% of the City's funding comes from local property taxes and Novato receives the smallest share of local property tax revenue of all Marin County cities. While cities like Mill Valley, Larkspur, San Anselmo and Belvedere receive over 20% of the property tax revenue generated locally, out of every dollar Novato residents pay in property tax, only 7¢ returns to the City. Similarly, Novato's sales tax rate is the second lowest in Marin County, and of the 8.5% sales tax collected in Novato, only 1.25% comes back to the City.



### Protecting Essential Services

Nearly 70% of the City Budget funds the city workers who deliver services to local residents, with the largest portions being:

-  Police officers and emergency services personnel focused on maintaining public safety
-  Public works employees who fix potholes, repair streets and sidewalks, maintain parks and repair city facilities
-  Parks, recreation and community services workers who run programs for children, youth, families and seniors

To protect these services that the community values, the City is evaluating options for ensuring that more of the funding generated in Novato, stays in Novato. In a recent independent study of Novato's budget, the Marin County Civil Grand Jury recommended that Novato increase the portion of the sales tax rate that is locally controlled, so that those funds stay in Novato and cannot be taken away by the County or regional agencies.

### Share Your Thoughts and Ideas

As the City evaluates options for protecting essential services and enhancing locally controlled revenue, please share your thoughts by emailing [AssistantCityManager@novato.org](mailto:AssistantCityManager@novato.org) or call 415.899.8903.