



BUDGET COMMITTEE MEMO

MEETING DATE April 29, 2025
STAFF CONTACT Adam Hanks, City Administrator
TOPIC Meeting #1 Follow-up Items

A number of questions arose as part of the presentation of the FY26 Proposed Budget at the April 15th, 2025 Budget Committee meeting. The following is a summary response to the questions raised along with some additional information as supporting documents for the April 29th Meeting #2 presentation and discussion.

1) Citywide Debt Service

The City's current debt service is displayed in the FY26 proposed budget in each of the four funds where the debt service payments reside. Debt service payments are as follows:

- General Fund – City Hall purchase, \$28,800
- Street Fund – Roberts Road Re-construction, \$114,405
- Water Fund – Water Infrastructure Projects, \$82,400
- Wastewater Fund – Wastewater Collection and Treatment System \$904,206

Attached is a debt summary table from the FY23-24 Audit that is a useful display of the City's overall debt scenario.

2) Fulltime Equivalent Employee (FTE) Count

Employee allocation costs, like debt service, are spread throughout each of the four funds. Attached is a table that provides an FTE count for each of the funds and for several of the Departments within the General Fund.

3) Line-Item Detail

It was noticed in the first meeting that the line-item detail budget sheets only included the General Fund. That has been rectified, and the proposed budget (version 2) includes the complete line-item detail for each fund and department.

4) Wastewater Fund – URA Debt Service Contribution

The debt service contribution from the Urban Renewal Agency to the Wastewater Fund is proposed to be adjusted in the FY26 Proposed Budget from \$400,000 as indicated in the draft presented at meeting one to \$500,000 to reflect the planned increase in annual contributions to maximize the contribution level with the growth in URA property tax revenues.

5) Property Tax Legislation History

The League of Oregon Cities (LOC) has published several documents that may be helpful in understanding revenue challenges from property tax legislation (Measures 5 and 50) that have created general fund shortfalls in cities throughout Oregon, including Coburg. Two LOC documents are attached for committee reference.

CITY OF COBURG

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2024

LONG-TERM DEBT:

Long-term debt information, presented separately concerning governmental and business-type activities, is as follows.

Governmental Activities:

Full Faith & Credit Refunding Obligation Bonds, Series 2020, held by US Bank for refinancing and consolidation of debt. The bonds are \$6,565,000 and carry an interest rate between 3.0 and 4.0 %. The bonds are dated November 19, 2020. Liability and repayment of the debt are allocated between governmental activities, water activities, and sewer activities. The original balance of \$520,000 is the governmental activities portion. This portion will be fully retired in 2045. This bond is reported on the schedule as three separate amounts because it is reported by three different activities: governmental, water, and sewer.

On August 23, 2022, the City entered into a promissory note payable agreement with the Oregon Department of Transportation for financing street repair and maintenance projects. The promissory note amount is \$999,500 and carries an interest rate of 2.52 %. The first payment of \$114,400 is due September 1, 2024. Annual payments of \$114,400 are due every September. The final payment is due September 1, 2032.

Business-Type Activities:

Full Faith & Credit Refunding Obligation Bonds, Series 2020, held by US Bank for refinancing and consolidation of debt. The bonds are \$6,565,000 and carry an interest rate between 3.0 and 4.0 %. The bonds are dated November 19, 2020. Liability and repayment of the debt are allocated between governmental activities, water activities, and sewer activities. The original balance of \$5,135,000 is the sewer activities portion. This portion will be fully retired in 2055. This bond is reported on the schedule as three separate amounts because it is reported by three different activities: governmental, water, and sewer.

Full Faith & Credit Refunding Obligation Bonds, Series 2020, held by US Bank for refinancing and consolidation of debt. The bonds are \$6,565,000 and carry an interest rate between 3.0 and 4.0 %. The bonds are dated November 19, 2020. Liability and repayment of the debt are allocated between governmental activities, water activities, and sewer activities. The original balance of \$555,000 is the water activities portion. This portion will be fully retired in 2026. This bond is reported on the schedule as three separate amounts because it is reported by three different activities: governmental, water, and sewer.

Note payable to Department of Environmental Quality to refinance outstanding debt with DEQ. Note is dated December 1, 2020, for a total amount of \$8,805,123 and carries an interest rate of .86%. Principal and interest payments are due the first day of August and February until paid off with payment of February 1, 2036.

IFA Loan with Oregon Business Development Department loan #S19007 Safe Drinking Water Revolving Loan Fund for Water System Improvements. Original balance \$6,530,000 with forgivable amount of \$780,000. Interest rate 1.00%. Dated December 27, 2018. As of June 30, 2024, the loan is in drawdown and therefore not included in the future debt service requirements tables below.

CITY OF COBURG

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2024

LONG-TERM DEBT (Cont.):

The following tables present the current year changes in those debt obligations and the current portions due for each debt.

Governmental Long-Term Debt	Outstanding Balance July 1, 2023	New Issues	Principal Reductions	Interest Paid	Outstanding Balance June 30, 2024	Due Within One Year
Bonds Payable:						
US Bank Global Corp. Trust Services - Govnmtl. Portion	\$ 490,000	\$ -	\$ 15,000	\$ 14,700	\$ 475,000	\$ 15,000
Total Bonds Payable	<u>490,000</u>	<u>-</u>	<u>15,000</u>	<u>14,700</u>	<u>475,000</u>	<u>15,000</u>
Notes from Direct Borrowing:						
Oregon Department of Transportation	\$ 999,500	\$ -	\$ 92,060	\$ 22,340	\$ 907,440	\$ 92,523
Total Notes Payable	<u>999,500</u>	<u>-</u>	<u>92,060</u>	<u>22,340</u>	<u>907,440</u>	<u>92,523</u>
	Unamortized Beginning	New Premiums		Current Amortization	Unamortized Ending	
Bond Premium	2,971	-		(229)	2,742	
Total Governmental Long-Term Debt, Net	<u>\$ 1,492,471</u>	<u>\$ -</u>	<u>\$ 107,060</u>	<u>\$ 36,811</u>	<u>\$ 1,385,182</u>	<u>\$ 107,523</u>
Business-Type Long-Term Debt	Outstanding Balance July 1, 2023	New Issues	Principal Reductions	Interest Paid	Outstanding Balance June 30, 2024	Due Within One Year
Bonds Payable:						
US Bank Global Corp. Trust Services - Sewer Portion	\$ 4,960,000	\$ -	95,000	\$ 170,200	\$ 4,865,000	\$ 95,000
US Bank Global Corp. Trust Services - Water Portion	235,000	-	75,000	7,050	160,000	80,000
Total Bonds Payable	<u>5,195,000</u>	<u>-</u>	<u>170,000</u>	<u>177,250</u>	<u>5,025,000</u>	<u>175,000</u>
Notes from Direct Borrowing :						
IFA Business Oregon #S19007 - In Drawdown	2,104,262	2,009,621	768,433	-	3,345,450	107,585
DEQ #R23045 Refinance Note	7,437,523	-	545,201	62,793	6,892,322	549,900
Total Notes from Direct Borrowing	<u>9,541,785</u>	<u>2,009,621</u>	<u>1,313,634</u>	<u>62,793</u>	<u>10,237,772</u>	<u>657,485</u>
	Unamortized Beginning	New Premiums		Current Amortization	Unamortized Ending	
Bond Premium	640,225	-		(23,830)	616,395	
Total Business-Type Long-Term Debt, Net	<u>\$ 15,377,010</u>	<u>\$ 2,009,621</u>	<u>\$ 1,483,634</u>	<u>\$ 216,213</u>	<u>\$ 15,879,167</u>	<u>\$ 832,485</u>

The reduction in principal for the IFA Business Oregon #s19007 note payable in drawdown is the portion of the loan proceeds over that last three years that have been identified as qualifying for the debt forgiveness portion of the proceeds, that are recognized during the current fiscal year as likely to be forgiven.

CITY OF COBURG
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2024

LONG-TERM DEBT (Cont.):

The debt service requirements on the above debt are as follows:

Bonds Payable:

Due Fiscal Year Ending June 30,	Principal	Interest	Total
2025	\$ 190,000	\$ 186,400	\$ 376,400
2026	195,000	180,700	375,700
2027	115,000	174,850	289,850
2028	125,000	171,400	296,400
2029	130,000	167,650	297,650
2030 - 2034	685,000	778,700	1,463,700
2035 - 2039	795,000	669,950	1,464,950
2040 - 2044	925,000	542,900	1,467,900
2045 - 2049	955,000	390,000	1,345,000
2050 - 2054	1,130,000	190,200	1,320,200
2055 - 2059	255,000	10,200	265,200
Total	<u>\$ 5,500,000</u>	<u>\$ 3,462,950</u>	<u>\$ 8,962,950</u>

Notes from Direct Borrowing:

Due Fiscal Year Ending June 30,	Principal	Interest	Total
2025	\$ 750,008	\$ 94,562	\$ 844,570
2026	757,167	87,403	844,570
2027	765,402	79,168	844,570
2028	773,749	70,821	844,570
2029	782,209	62,361	844,570
2030 - 2034	3,921,859	180,922	4,102,781
2035 - 2039	1,535,268	18,806	1,554,074
Total	<u>\$ 9,285,662</u>	<u>\$ 594,043</u>	<u>\$ 9,879,705</u>

*IFA OBDD Loan #S19007 in drawdown is not included in the above debt service requirements.

The City has no unused lines of credit.

The City has no assets that are specifically pledged as collateral for any of the debt.

For further detail on debt service, see the 'Schedule of Long-Term Debt Transactions' in this report's Other Supplementary Data section.

City of Coburg				
General Fund	FTE	Parks Admin	GF FTE	PS Expense
Administration	1.60	-0.20	1.40	\$ 238,190
Court	1.00		1.00	\$ 144,650
Planning	0.80		0.80	\$ 92,890
Police	3.50		3.50	\$ 636,150
Public Works (Parks)	0.80	0.20	1.00	\$ 82,580
	7.70		7.70	\$ 1,194,460
Street Fund				
Administration	0.90			\$ 125,070
Public Works	1.00			\$ 155,380
	1.90			\$ 280,450
Water Fund				
Administration	1.15			\$ 154,480
Public Works	1.30			\$ 151,280
	2.45			\$ 305,760
Wastewater Fund				
Administration	1.15			\$ 154,480
Public Works	1.90			\$ 219,940
	3.05			\$ 374,420
Total by Divisions by Funds	15.10			\$ 2,155,090

Account	Description	2025 Budget	2025 EOY Est	2026 Budget	Category
001-000-400100	Beginning Fund Balance-Budget	512,034.00			Carryover
001-000-400200	Current Taxes	951,000.00	945,000.00	984,603.00	Taxes and Assessment
001-000-400300	Delinquent Taxes	15,000.00	15,000.00	15,000.00	Taxes and Assessment
001-000-401000	State Pool Interest	15,000.00	2,000.00	5,000.00	Investment Revenue
001-000-402010	State Shared Revenue	25,000.00	25,000.00	25,000.00	Intergovernmental
001-000-402200	State Cigarette Taxes	1,000.00	1,000.00	1,000.00	Intergovernmental
001-000-402250	State Liquor Taxes	28,000.00	25,000.00	25,000.00	Intergovernmental
001-000-402500	Transient Room Tax	0.00			Taxes and Assessment
001-000-402600	Tourism Funds - Lane County	0.00			Taxes and Assessment
001-000-403100	Power Company Franchise Fee	165,000.00	150,000.00	165,000.00	Franchises
001-000-403150	Power Company Franchise Licens	65,000.00	65,000.00	65,000.00	Franchises
001-000-403200	Gas Company Franchise Fee	36,000.00	36,000.00	38,000.00	Franchises
001-000-403300	Cable TV Franchise Fee	8,500.00	14,000.00	15,000.00	Franchises
001-000-403400	Telephone Franchise	2,800.00	2,500.00	2,500.00	Franchises
001-000-403450	DFN Fibert Internet Franchise	0.00			Franchises
001-000-403500	Garbage Franchise Fee	2,000.00	2,000.00	2,000.00	Franchises
001-000-404040	Inpound Fees	0.00			Charges for Service
001-000-404042	Business License	4,500.00	4,000.00	4,500.00	Charges for Service
001-000-404400	Land Use Filing Fees	2,500.00	1,000.00	2,500.00	Charges for Service
001-000-401710	Federal Grants	0.00			Grants and Donations
001-000-401720	State Grants	0.00			Grants and Donations
001-000-401730	Local and Other Grants	0.00			Grants and Donations
001-000-404490	Planning Scenario Contract	0.00			Charges for Service
001-000-404493	Broadband Consortium Grant	15,000.00	15,000.00	-	Grants and Donations
001-000-404495	Lease Revenue	12,000.00	12,000.00	12,000.00	Charges for Service
001-000-404500	Sign Application Fee	500.00	-	500.00	Charges for Service
001-000-404600	SDC Admin. Fees	25,000.00	20,000.00	20,000.00	Charges for Service
001-000-405000	Fines and Bails	0.00			Charges for Service
001-000-406050	Technology Fee	0.00			Charges for Service
001-000-406700	Asset Forfeiture	0.00			Other Revenue
001-000-410910	Dog License Fees	0.00			Charges for Service
001-000-410920	Dog Impound Fees	0.00			Charges for Service
001-000-498100	Lien Search Fee	1,000.00	750.00	1,000.00	Charges for Service
001-000-498200	Police Confiscation Forfeiture	500.00	-	-	Charges for Service
001-000-498900	Sale of Surplus Property	0.00			Other Revenue

001-000-499000	Other Receipts	6,000.00	10,000.00	8,000.00	Other Revenue
001-000-499100	Loan Proceed	0.00			Loan Proceeds
001-006-403050	Electrical Inspection Fees	8,000.00	8,000.00	7,000.00	License, Permits & Fees
001-006-404300	Building Inspection Fees	75,000.00	60,000.00	60,000.00	License, Permits & Fees
001-006-404450	Planning Service Fees	12,000.00	10,000.00	10,000.00	License, Permits & Fees
001-006-404460	Permit Surcharge	8,000.00	500.00	-	License, Permits & Fees
001-006-404470	Technology Fee	10,000.00	11,000.00	10,000.00	License, Permits & Fees
001-006-405000	Historic Preservation Grant	8,000.00	8,880.00	-	Grants and Donations
001-006-408500	Fed MPO Reimb Planning	7,000.00	4,000.00	5,000.00	License, Permits & Fees
001-015-406375	PD Grant - Vest	1,000.00	-	1,000.00	Grants and Donations
001-015-406600	PD Chett Program	2,000.00	-	1,500.00	Charges for Service
001-015-410800	Shop with a Cop	2,000.00	750.00	1,500.00	Charges for Service
001-015-485200	Police Reserve Officer Revenue	500.00	-	-	Charges for Service
001-015-486000	Partner Agency Reimbursements	2,500.00	9,000.00	2,000.00	Charges for Service
001-015-486100	Harrisburg Patrol	35,000.00	40,000.00	50,000.00	Charges for Service
001-015-486200	USMS- Sex Offenders	4,000.00	-	-	Charges for Service
001-015-486300	ODOT Truck Inspection	6,000.00	4,000.00	2,500.00	Charges for Service
001-015-486350	ODOT Truck Inspection	10,000.00	-	6,000.00	Charges for Service
001-015-498000	Fingerprinting Fees	100.00	-		Charges for Service
001-020-405000	Fines and Bails	65,000.00	55,000.00	65,000.00	Fines and Forfeitures
001-020-405010	Fines & Bail - Agency Collect.	35,000.00	30,000.00	35,000.00	Fines and Forfeitures
001-020-405100	Fines Transfer from Other	500.00	500.00	1,000.00	Fines and Forfeitures
001-020-406000	Court Fees	0.00	-		Fines and Forfeitures
001-025-402500	Transient Room Tax	30,000.00	32,000.00	33,000.00	Taxes and Assessment
001-025-402600	Tourism Funds	38,000.00	38,000.00	40,000.00	Taxes and Assessment
001-050-401060	Park Donations	5,000.00	1,000.00	5,000.00	Other Revenue
001-050-402050	Park User Fees (\$2,500) + Park and Open Space Fee (\$40k)	1,000.00	1,000.00	42,500.00	Charges for Service
001-051-401010	Interest Income SDC	3,000.00	8,000.00	5,000.00	Charges for Service SDC
001-051-404000	Park Improvement SDC Fee	80,000.00	75,000.00	60,000.00	Charges for Service SDC
001-051-404500	Oregon Small Cities Grant	325,000.00	180,000.00	-	Grants and Donations
001-500-500010	Overhead Allocation	125,000.00	140,000.00		Transfer In
001-001-501100	Regular Employees	170,390.00	198,229.23	138,670.00	Personal Services
001-001-501150	Temporary Employees	0.00			Personal Services
001-001-501200	Overtime Pay	0.00			Personal Services
001-001-502100	FICA/Medicare	13,050.00	15,064.44	10,690.00	Personal Services

001-001-502210	PERS Retirement - ER	33,650.00	22,325.08	34,780.00	Personal Services
001-001-502215	PERS Retirement UAL	0.00	19,396.01		Personal Services
001-001-502220	PERS Retirement - EE	6,130.00	8,416.72	5,530.00	Personal Services
001-001-502225	HRAVEBA	90.00	2,037.89	960.00	Personal Services
001-001-502230	Deferred Comp	0.00	74.24	960.00	Personal Services
001-001-502300	Health Insurance	54,420.00	50,425.48	43,730.00	Personal Services
001-001-502400	Workers Comp	1,860.00	13,006.42	1,610.00	Personal Services
001-001-502450	SUTA Tax			1,260.00	Personal Services
001-001-601100	Office Supplies	6,000.00	6,000.00	7,000.00	Material and Services
001-001-601200	Technical Supplies	2,200.00	1,000.00	2,000.00	Material and Services
001-001-602100	Repair & Maintenance	0.00			Material and Services
001-001-602300	Equipment Rental	0.00			Material and Services
001-001-603200	Communication	0.00			Material and Services
001-001-604100	Professional Services	125,500.00	120,000.00	100,000.00	Material and Services
001-001-604200	Technical Services	0.00			Material and Services
001-001-604300	Contract Services	0.00			Material and Services
001-001-604400	Insurance Services	102,000.00	100,000.00	110,000.00	Material and Services
001-001-605100	Travel and Training	8,500.00	1,500.00	5,000.00	Material and Services
001-001-605200	Community Engagement	1,000.00	100.00	1,000.00	Material and Services
001-001-605300	Mbrships/Dues/Subscriptions	6,000.00	4,000.00	5,000.00	Material and Services
001-001-605400	Miscellaneous	1,000.00	-	1,000.00	Material and Services
001-002-601200	Technical Supplies	8,500.00	5,000.00	7,500.00	Material and Services
001-002-603100	Utilities	16,500.00	15,000.00	18,000.00	Material and Services
001-002-603200	Communication	11,000.00	9,000.00	10,000.00	Material and Services
001-002-604100	Professional Services	26,000.00	60,000.00	40,000.00	Material and Services
001-002-604200	Technical Services	10,000.00	15,000.00	12,000.00	Material and Services
001-002-604300	Contract Servcies	12,500.00	12,000.00	12,000.00	Material and Services
001-002-703200	Equipment - Technology	15,000.00	-	5,000.00	Capital Outlay
001-004-501100	Regular Employees	64,120.00	61,656.10	49,510.00	Personal Services
001-004-501150	Temporary Employees	0.00		-	Personal Services
001-004-501200	Overtime Pay	3,000.00	160.72	1,000.00	Personal Services
001-004-502100	FICA/Medicare	5,150.00	5,042.28	3,920.00	Personal Services
001-004-502210	PERS Retirement - ER	12,880.00	7,068.28	12,450.00	Personal Services
001-004-502215	PERS Retirement UAL	0.00	6,381.43		Personal Services
001-004-502220	PERS Retirement - EE	4,030.00	4,216.46	3,060.00	Personal Services
001-004-502225	HRAVEBA	60.00	632.65	480.00	Personal Services

001-004-502230	Deferred Comp	0.00	13.68	480.00	Personal Services
001-004-502300	Health Insurance	15,860.00	11,359.87	9,880.00	Personal Services
001-004-502400	Workers Comp	1,880.00	771.82	1,360.00	Personal Services
001-004-502450	SUTA Tax	0.00		440.00	Personal Services
001-004-601100	Office Supplies	0.00			Material and Services
001-004-601200	Technical Supplies	0.00			Material and Services
001-004-602100	Repair & Maintenance	0.00			Material and Services
001-004-602300	Equipment Rental	0.00			Material and Services
001-004-602400	Vehicle Maintenance	0.00			Material and Services
001-004-602500	Fuel	0.00			Material and Services
001-004-604100	Professional Services	0.00			Material and Services
001-004-604200	Technical Services	0.00			Material and Services
001-004-604300	Contract Services	0.00			Material and Services
001-004-605100	Travel and Training	0.00			Material and Services
001-004-605300	Mbrships/Dues/Subscriptions	0.00			Material and Services
001-006-501100	Regular Employees	55,070.00	52,569.97	57,980.00	Personal Services
001-006-501150	Temporary Employees	0.00			Personal Services
001-006-501200	Overtime Pay	0.00			Personal Services
001-006-502100	FICA/Medicare	4,220.00	4,023.02	4,450.00	Personal Services
001-006-502210	PERS Retirement - ER	10,090.00	4,887.86	13,870.00	Personal Services
001-006-502215	PERS Retirement UAL	0.00	4,803.25		Personal Services
001-006-502220	PERS Retirement - EE	3,310.00	3,173.90	3,480.00	Personal Services
001-006-502225	HRAVEBA	50.00	786.84	600.00	Personal Services
001-006-502230	Deferred Comp	0.00	34.21		Personal Services
001-006-502300	Health Insurance	10,600.00	8,686.94	10,950.00	Personal Services
001-006-502400	Workers Comp	1,030.00	624.99	1,030.00	Personal Services
001-006-502450	SUTA Tax			530.00	Personal Services
001-006-601100	Office Supplies	1,000.00	150.00	750.00	Material and Services
001-006-601200	Technical Supplies	0.00	3,750.00	500.00	Material and Services
001-006-602100	Repair & Maintenance	0.00			Material and Services
001-006-602300	Equipment Rental	0.00			Material and Services
001-006-603200	Communication	500.00	300.00	500.00	Material and Services
001-006-604100	Professional Services	126,500.00	95,000.00	100,000.00	Material and Services
001-006-604200	Technical Services	0.00			Material and Services
001-006-604300	Contract Services	0.00			Material and Services
001-006-605100	Travel and Training	1,500.00	300.00	1,000.00	Material and Services

001-006-605300	Mbrships/Dues/Subscriptions	0.00			Material and Services
001-015-501100	Regular Employees	379,960.00	426,355.25	306,290.00	Personal Services
001-015-501150	Temporary Employees	0.00			Personal Services
001-015-501200	Overtime Pay	50,000.00	3,002.43	50,000.00	Personal Services
001-015-502100	FICA/Medicare	32,900.00	32,540.03	27,500.00	Personal Services
001-015-502210	PERS Retirement - ER	94,990.00	60,197.46	98,560.00	Personal Services
001-015-502215	PERS Retirement UAL	0.00	41,162.46		Personal Services
001-015-502220	PERS Retirement - EE	19,310.00	19,821.69	14,120.00	Personal Services
001-015-502225	HRAVEBA	250.00	3,010.53	3,000.00	Personal Services
001-015-502230	Deferred Comp	0.00	68.42	2,100.00	Personal Services
001-015-502300	Health Insurance	114,890.00	83,259.16	118,720.00	Personal Services
001-015-502400	Workers Comp	13,850.00	2,391.29	12,170.00	Personal Services
001-015-502450	SUTA Tax			2,790.00	Personal Services
001-015-601100	Office Supplies	1,500.00	800.00	1,000.00	Material and Services
001-015-601200	Technical Supplies	27,000.00	23,000.00	24,000.00	Material and Services
001-015-602100	Repair & Maintenance	6,000.00	5,000.00	7,000.00	Material and Services
001-015-602300	Equipment Rental	0.00			Material and Services
001-015-602400	Vehicle Maintenance	6,500.00	6,000.00	6,500.00	Material and Services
001-015-602500	Fuel	16,500.00	14,000.00	17,000.00	Material and Services
001-015-603200	Communication	0.00			Material and Services
001-015-604100	Professional Services	79,000.00	79,000.00	85,000.00	Material and Services
001-015-604200	Technical Services	2,000.00	2,000.00	2,000.00	Material and Services
001-015-604300	Contract Services	0.00			Material and Services
001-015-605100	Travel and Training	6,500.00	5,000.00	7,000.00	Material and Services
001-015-605200	Community Engagement	8,500.00	5,000.00	6,500.00	Material and Services
001-015-605300	Mbrships/Dues/Subscriptions	0.00			Material and Services
001-015-605400	Miscellaneous	1,000.00	500.00	1,000.00	Material and Services
001-015-703100	Equipment - Vehicles	6,000.00			Capital Outlay
001-020-501100	Regular Employees	73,620.00	75,492.27	79,150.00	Personal Services
001-020-501150	Temporary Employees	0.00	-		Personal Services
001-020-501200	Overtime Pay	0.00			Personal Services
001-020-502100	FICA/Medicare	5,640.00	5,449.08	6,110.00	Personal Services
001-020-502210	PERS Retirement - ER	14,980.00	8,994.17	20,380.00	Personal Services
001-020-502215	PERS Retirement UAL	0.00	7,252.86		Personal Services
001-020-502220	PERS Retirement - EE	4,420.00	4,792.59	4,790.00	Personal Services
001-020-502225	HRAVEBA	50.00	786.84	600.00	Personal Services

001-020-502230	Deferred Comp	0.00	34.21	600.00	Personal Services
001-020-502300	Health Insurance	30,230.00	24,983.17	31,240.00	Personal Services
001-020-502400	Workers Comp	1,050.00	555.20	1,060.00	Personal Services
001-020-502450	SUTA Tax	0.00		720.00	Personal Services
001-020-601100	Office Supplies	1,000.00	1,000.00	1,300.00	Material and Services
001-020-601200	Technical Supplies	0.00			Material and Services
001-020-602100	Repair & Maintenance	0.00			Material and Services
001-020-602300	Equipment Rental	0.00			Material and Services
001-020-604100	Professional Services	30,500.00	25,000.00	29,000.00	Material and Services
001-020-604200	Technical Services	800.00	800.00	800.00	Material and Services
001-020-604300	Contract Services	4,600.00	4,600.00	5,400.00	Material and Services
001-020-605100	Travel and Training	4,000.00	4,000.00	2,000.00	Material and Services
001-020-605300	Mbrships/Dues/Subscriptions	400.00	400.00	400.00	Material and Services
001-025-604100	Professional Services	5,000.00	13,500.00	13,500.00	Material and Services
001-025-604300	Contract Services	42,000.00	30,000.00	30,000.00	Material and Services
001-050-601200	Technical Supplies	11,000.00	8,000.00	11,000.00	Material and Services
001-050-602100	Repair & Maintenance	2,000.00	1,500.00	2,000.00	Material and Services
001-050-602300	Equipment Rental	500.00	1,100.00	1,000.00	Material and Services
001-050-602400	Vehicle Maintenance	2,500.00	2,500.00	2,500.00	Material and Services
001-050-602500	Fuel	2,200.00	2,200.00	2,300.00	Material and Services
001-050-603100	Utilities	2,200.00	2,200.00	2,400.00	Material and Services
001-050-603200	Communication	0.00			Material and Services
001-050-604300	Contract Services	12,000.00	12,000.00	5,000.00	Material and Services
001-050-704101	Pavilion Park Plaza	205,000.00	205,000.00	10,000.00	Capital Outlay
001-051-704101	Pavilion Park Plaza	0.00			Capital Outlay
001-999-801100	2020 US Bank- Prin	15,000.00	15,000.00	15,000.00	Debt
001-999-802100	2020 US Bank- Int	14,250.00	14,250.00	13,800.00	Debt
001-999-905000	Contingency	50,000.00			Contingency
003-000-400100	Beginning Fund Balance	1,441,367.00			Carryover
003-000-401000	State Pool Interest	10,000.00	7,000.00	8,000.00	Investment Revenue
003-000-402445	City Fuel Taxes	150,000.00	160,000.00	160,000.00	Taxes and Assessment
003-000-402450	State Street Taxes	110,000.00	110,000.00	112,000.00	Intergovernmental
003-000-406500	Street Tree Utility Fees	13,500.00	14,000.00	30,000.00	Charges for Service
003-000-407000	Transportation Utility Fee	150,000.00	150,000.00	160,000.00	Charges for Service
003-000-407500	Right of Way Permit Fees	0.00	-	1,500.00	Charges for Service
003-000-401710	Federal Grants	0.00			Grants and Donations

003-000-401720	State Grants	0.00	250,000.00	250,000.00	Grants and Donations
003-000-401730	Local and Other Grants	0.00			Grants and Donations
003-000-499000	Other Receipts	15,000.00	1,000.00	-	Other Revenue
003-000-499100	Loan Proceed	0.00			Loan Proceeds
003-023-401010	Interest Income SDC	0.00	25,000.00	15,000.00	Charges for Service SDC
003-023-404002	Trans Improvement SDC	80,000.00	75,000.00	70,000.00	Charges for Service SDC
003-001-501100	Regular Employees	42,600.00	54,465.36	73,460.00	Personal Services
003-001-501150	Temporary Employees	0.00			Personal Services
003-001-501200	Overtime Pay	0.00			Personal Services
003-001-502100	FICA/Medicare	3,270.00	4,063.24	5,670.00	Personal Services
003-001-502210	PERS Retirement - ER	8,420.00	5,921.77	18,390.00	Personal Services
003-001-502215	PERS Retirement UAL	0.00	5,183.55		Personal Services
003-001-502220	PERS Retirement - EE	1,540.00	2,325.15	3,020.00	Personal Services
003-001-502225	HRAVEBA	0.00	801.22	540.00	Personal Services
003-001-502230	Deferred Comp	0.00	24.62	540.00	Personal Services
003-001-502300	Health Insurance	13,650.00	14,067.94	21,890.00	Personal Services
003-001-502400	Workers Comp	450.00	215.32	890.00	Personal Services
003-001-502450	SUTA Tax	0.00		670.00	Personal Services
003-001-601100	Office Supplies	0.00			Material and Services
003-001-601200	Technical Supplies	9,500.00	-	5,000.00	Material and Services
003-001-604100	Professional Services	0.00			Material and Services
003-004-501100	Regular Employees	78,570.00	73,859.35	70,020.00	Personal Services
003-004-501150	Temporary Employees	0.00		28,690.00	Personal Services
003-004-501200	Overtime Pay	4,000.00	160.75	15,260.00	Personal Services
003-004-502100	FICA/Medicare	6,330.00	5,616.47	7,610.00	Personal Services
003-004-502210	PERS Retirement - ER	15,730.00	7,867.59	24,790.00	Personal Services
003-004-502215	PERS Retirement UAL	0.00	7,166.71		Personal Services
003-004-502220	PERS Retirement - EE	4,960.00	4,735.65	5,970.00	Personal Services
003-004-502225	HRAVEBA	0.00	673.91	600.00	Personal Services
003-004-502230	Deferred Comp	0.00	13.65	600.00	Personal Services
003-004-502300	Health Insurance	21,950.00	13,177.31	14,410.00	Personal Services
003-004-502400	Workers Comp	2,390.00	773.10	2,050.00	Personal Services
003-004-502450	SUTA Tax			640.00	Personal Services
003-004-601100	Office Supplies	0.00			Material and Services
003-004-601200	Technical Supplies	0.00	11,500.00	12,000.00	Material and Services
003-004-602100	Repair & Maintenance	16,000.00	12,500.00	16,500.00	Material and Services

003-004-602300	Equipment Rental	1,000.00	-	1,200.00	Material and Services
003-004-602400	Vehicle Maintenance	3,500.00	2,200.00	3,200.00	Material and Services
003-004-602500	Fuel	3,500.00	3,500.00	3,500.00	Material and Services
003-004-603100	Utilities	15,000.00	14,000.00	16,000.00	Material and Services
003-004-603200	Communication	500.00	500.00	500.00	Material and Services
003-004-604100	Professional Services	32,500.00	32,500.00	20,000.00	Material and Services
003-004-604200	Technical Services	0.00			Material and Services
003-004-604300	Contract Services	40,000.00	10,000.00	25,000.00	Material and Services
003-004-605100	Travel and Training	1,000.00	-	1,000.00	Material and Services
003-004-605300	Mbrships/Dues/Subscriptions	0.00			Material and Services
003-004-702100	Buildings	100,000.00	75,000.00	-	Capital Outlay
003-004-703100	Equipment - Vehicles	0.00			Capital Outlay
003-004-704201	Colman St + SCA + Patches	250,000.00	75,000.00	900,000.00	Capital Outlay
003-004-704202	Willamette/Macy/Harrison Recon	700,000.00	700,000.00		Capital Outlay
003-999-801300	2022 Street OIFT - Prin	92,530.00	92,523.00	93,865.00	Debt
003-999-802300	2022 Street OIFT - Int	21,900.00	21,877.20	20,540.00	Debt
003-999-901100	Transfer Out	25,000.00	40,000.00	30,000.00	Transfer Out
003-999-905000	Contingency	50,000.00			Contingency
004-000-400100	Beginning Fund Balance	2,110,020.00			Carryover
004-000-401000	State Pool Interest	65,000.00	70,000.00	50,000.00	Investment Revenue
004-000-402100	Water Meter Installation Fee	5,000.00	7,000.00	5,000.00	Charges for Service
004-000-402300	Water User Fees	890,000.00	1,000,000.00	1,100,000.00	Charges for Service
004-000-403250	Water Deposits	1,000.00	-	1,000.00	Charges for Service
004-000-401710	Federal Grants	0.00			Grants and Donations
004-000-401720	State Grants	0.00			Grants and Donations
004-000-401730	Local and Other Grants	0.00			Grants and Donations
004-000-498100	Lien Search Fees	0.00			Charges for Service
004-000-498200	Stallings Lane Lease Revenue	0.00			Charges for Service
004-000-499000	Other Receipts	0.00			Other Revenue
004-000-499100	Loan Proceed	0.00			Loan Proceeds
004-024-401010	Interest Income SDC	1,500.00	3,000.00	2,000.00	Charges for Service SDC
004-024-404004	Water Improv. SDC	75,000.00	80,000.00	70,000.00	Charges for Service SDC
004-024-405050	Regional Solutions Funding	1,200,000.00	100,000.00	1,300,000.00	Loan Proceeds
004-001-501100	Regular Employees	42,600.00	65,235.55	88,630.00	Personal Services
004-001-501150	Temporary Employees	0.00		-	Personal Services
004-001-501200	Overtime Pay	0.00			Personal Services

004-001-502100	FICA/Medicare	3,270.00	4,857.25	6,840.00	Personal Services
004-001-502210	PERS Retirement - ER	8,420.00	6,932.65	22,060.00	Personal Services
004-001-502215	PERS Retirement UAL	0.00	6,176.90		Personal Services
004-001-502220	PERS Retirement - EE	1,540.00	2,981.63	3,940.00	Personal Services
004-001-502225	HRAVEBA	0.00	989.81	690.00	Personal Services
004-001-502230	Deferred Comp	0.00	38.67	690.00	Personal Services
004-001-502300	Health Insurance	13,650.00	17,857.54	29,680.00	Personal Services
004-001-502400	Workers Comp	450.00	219.30	1,140.00	Personal Services
004-001-502450	SUTA Tax			810.00	Personal Services
004-001-601100	Office Supplies	3,000.00			Material and Services
004-001-601200	Technical Supplies	0.00			Material and Services
004-001-604100	Professional Services	0.00			Material and Services
004-004-501100	Regular Employees	93,500.00	91,426.32	88,230.00	Personal Services
004-004-501150	Temporary Employees	0.00			Personal Services
004-004-501200	Overtime Pay	4,000.00	82.53	4,000.00	Personal Services
004-004-502100	FICA/Medicare	7,470.00	6,932.75	7,130.00	Personal Services
004-004-502210	PERS Retirement - ER	18,460.00	9,575.87	22,890.00	Personal Services
004-004-502215	PERS Retirement UAL	0.00	8,845.21		Personal Services
004-004-502220	PERS Retirement - EE	5,850.00	5,844.81	5,590.00	Personal Services
004-004-502225	HRAVEBA	0.00	807.44	780.00	Personal Services
004-004-502230	Deferred Comp	0.00	3.42	780.00	Personal Services
004-004-502300	Health Insurance	25,120.00	18,196.55	17,670.00	Personal Services
004-004-502400	Workers Comp	3,570.00	779.23	3,400.00	Personal Services
004-004-502450	SUTA Tax			810.00	Personal Services
004-004-601100	Office Supplies	0.00			Material and Services
004-004-601200	Technical Supplies	23,500.00	27,000.00	25,000.00	Material and Services
004-004-602100	Repair & Maintenance	20,000.00	25,000.00	25,000.00	Material and Services
004-004-602300	Equipment Rental	1,000.00	-	1,000.00	Material and Services
004-004-602400	Vehicle Maintenance	3,000.00	4,000.00	3,000.00	Material and Services
004-004-602500	Fuel	6,600.00	6,000.00	6,500.00	Material and Services
004-004-603100	Utilities	50,000.00	35,000.00	42,000.00	Material and Services
004-004-603200	Communication	1,000.00	1,000.00	1,000.00	Material and Services
004-004-604100	Professional Services	23,200.00	40,000.00	20,000.00	Material and Services
004-004-604200	Technical Services	0.00			Material and Services
004-004-604300	Contract Services	5,000.00	3,500.00	5,000.00	Material and Services
004-004-605100	Travel and Training	500.00	500.00	500.00	Material and Services

004-004-605300	Mbrships/Dues/Subscriptions	5,000.00	2,000.00	2,500.00	Material and Services
004-004-702100	Buildings	290,000.00	230,000.00	-	Capital Outlay
004-004-703100	Equipment - Vehicles	0.00			Capital Outlay
004-004-704301	Well #3 Project	250,000.00	-		Capital Outlay
004-004-704302	2018 #S19007	1,200,000.00	100,000.00	1,200,000.00	Capital Outlay
004-004-704304	Well #1 & #2 Rehab	400,000.00	.	100,000.00	Capital Outlay
004-999-801100	2020 US Bank- Prin	80,000.00	80,000.00	80,000.00	Debt
004-999-802100	2020 US Bank- Int	4,800.00	4,800.00	2,400.00	Debt
004-999-901100	Transfer Out	50,000.00	50,000.00	60,000.00	Transfer Out
004-999-905000	Contingency	200,000.00			Contingency
005-000-400100	Beginning Fund Balance	1,670,833.00			Carryover
005-000-401000	State Pool Interest	0.00			Investment Revenue
005-000-402030	Urban Renewal Agency Reimburse	375,000.00	400,000.00	400,000.00	Intergovernmental
005-000-402100	Sewer Installation Fee	0.00			Charges for Service
005-000-402301	Wastewater User Fee	0.00			Charges for Service
005-000-401710	Federal Grants	0.00			Grants and Donations
005-000-401720	State Grants	0.00			Grants and Donations
005-000-401730	Local and Other Grants	0.00			Grants and Donations
005-000-480000	Wastewater Fee	850,000.00	890,000.00	920,000.00	Charges for Service
005-000-480500	Sewer Easement Fee	1,000.00	-	-	Charges for Service
005-000-499000	Other Receipts	1,000.00	9,000.00	9,000.00	Other Revenue
005-000-499100	Loan Proceed	0.00			Loan Proceeds
005-027-401000	Wastewater SDC Revenue	100,000.00	65,000.00	50,000.00	Charges for Service SDC
005-027-401010	Wastewater SDC Interest	30,000.00	55,000.00	40,000.00	Charges for Service SDC
005-028-401000	SP Interest Income	3,000.00	5,000.00	3,000.00	Investment Revenue
005-028-401050	LID Assessment Revenue	14,000.00	15,000.00	3,000.00	Taxes and Assessment
005-001-501100	Regular Employees	28,400.00	49,178.51	88,630.00	Personal Services
005-001-501150	Temporary Employees	0.00			Personal Services
005-001-501200	Overtime Pay	0.00			Personal Services
005-001-502100	FICA/Medicare	2,190.00	3,659.13	6,840.00	Personal Services
005-001-502210	PERS Retirement - ER	5,620.00	5,144.37	22,060.00	Personal Services
005-001-502215	PERS Retirement UAL	0.00	4,631.50		Personal Services
005-001-502220	PERS Retirement - EE	1,030.00	2,327.10	3,940.00	Personal Services
005-001-502225	HRAVEBA	0.00	857.92	690.00	Personal Services
005-001-502230	Deferred Comp	0.00	33.53	690.00	Personal Services
005-001-502300	Health Insurance	9,100.00	13,673.88	29,680.00	Personal Services

005-001-502400	Workers Comp	300.00	148.36	1,140.00	Personal Services
005-001-502450	SUTA Tax			810.00	Personal Services
005-001-601100	Office Supplies	2,500.00			Material and Services
005-001-601200	Technical Supplies	0.00			Material and Services
005-001-604100	Professional Services	0.00			Material and Services
005-004-501100	Regular Employees	127,050.00	117,792.71	130,710.00	Personal Services
005-004-501200	Overtime Pay	4,000.00	819.71	4,000.00	Personal Services
005-004-502100	FICA/Medicare	10,040.00	9,008.53	10,410.00	Personal Services
005-004-502210	PERS Retirement - ER	24,610.00	11,385.14	33,130.00	Personal Services
005-004-502215	PERS Retirement UAL	0.00	10,624.17		Personal Services
005-004-502220	PERS Retirement - EE	7,870.00	7,020.37	8,160.00	Personal Services
005-004-502225	HRAVEBA	0.00	930.75	1,140.00	Personal Services
005-004-502230	Deferred Comp	0.00	3.42	1,140.00	Personal Services
005-004-502300	Health Insurance	31,440.00	17,674.81	24,170.00	Personal Services
005-004-502400	Workers Comp	5,610.00	787.16	5,890.00	Personal Services
005-004-502450	SUTA Tax			1,190.00	Personal Services
005-004-601100	Office Supplies	0.00			Material and Services
005-004-601200	Technical Supplies	80,800.00	65,000.00	85,000.00	Material and Services
005-004-602100	Repair & Maintenance	45,000.00	38,000.00	45,000.00	Material and Services
005-004-602300	Equipment Rental	1,000.00	500.00	1,000.00	Material and Services
005-004-602400	Vehicle Maintenance	4,500.00	2,500.00	4,500.00	Material and Services
005-004-602500	Fuel	6,000.00	5,000.00	6,000.00	Material and Services
005-004-603100	Utilities	45,000.00	40,000.00	45,000.00	Material and Services
005-004-603200	Communication	1,500.00	1,300.00	1,500.00	Material and Services
005-004-604100	Professional Services	27,500.00	8,000.00	-	Material and Services
005-004-604200	Technical Services	25,000.00	30,000.00	26,000.00	Material and Services
005-004-604300	Contract Services	64,000.00	50,000.00	60,000.00	Material and Services
005-004-605100	Travel and Training	0.00			Material and Services
005-004-605300	Mbrships/Dues/Subscriptions	4,500.00	2,000.00	3,500.00	Material and Services
005-004-702100	Buildings	205,000.00	200,000.00	-	Material and Services
005-004-703100	Equipment - Vehicles + Fuel station + Membrane + Premier	0.00			Capital Outlay
005-999-801100	2020 US Bank- Prin	95,000.00	95,000.00	100,000.00	Debt
005-999-801200	2020 DEQ - Prin	549,900.00	549,900.00	554,640.00	Debt
005-999-802100	2020 US Bank- Int	167,350.00	167,350.00	164,500.00	Debt
005-999-802200	2020 DEQ - Int	58,100.00	58,094.00	53,354.00	Debt

005-999-803200	2020 DEQ - Fees	34,500.00	34,462.00	31,712.00	Debt
005-999-901100	Transfer Out	50,000.00	50,000.00	60,000.00	Transfer Out
005-999-905000	Contingency	200,000.00			Contingency

Property Tax 101

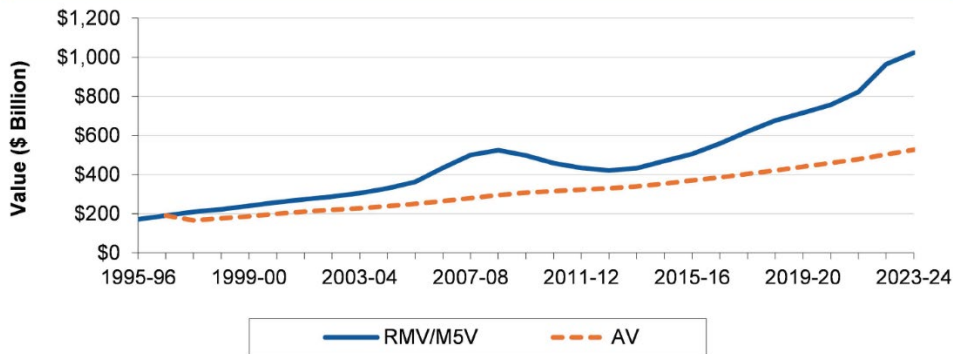
Measure 5

- Passed in 1990
- Limits \$5 per \$1,000 real market value (RMV) for schools
- Limits \$10 per \$1,000 RMV for general government taxes
- Applies only to operating levies, not bonds

Measure 50

- Passed in 1997
- Repealed M47
- Created permanent rates
- Assessed value (AV) was set at 90% of 1995-96 RMV for each property
- AV limited to 3% annual growth
- Change property ratio (For new property, $AV = (RMV) \times (AV/RMV \text{ of similar property})$)

Exhibit 7—Assessed and Real Market Value of Taxable Property in Oregon, FY 1995-96 to FY 2023-24



Compression by Type of Government in FY 23-24

District	Total #	# in Compression	% in Compression	Total Compression
City	241	182	76%	\$ 48.5 M
County	36	35	97%	\$ 20.8M
School	205	185	90%	\$ 71.3M
Other	765	387	51%	\$ 14.2M
Total	1247	789	63%	\$ 154,988,722

Property Tax 101

Oregon's property tax system operates within constitutional limitations voters approved through Measures 5 and 50. They created a framework that limits tax growth while introducing complexities like compression and tax disparities tied to assessed values for individual properties.

Measure 5, passed in 1990, introduced constraints on property tax levies. It capped property taxes at \$10 per \$1,000 of real market value for general government services and \$5 per \$1,000 for education services.

In 1997, Measure 50 created:

- ◆ **A permanent tax rate limit** for each taxing district that cannot be changed by the district or its voters. Voters can approve temporary levies (i.e., local option levies) to exceed the permanent tax rate.
- ◆ **An assessed value** for each property, which (a) is distinct from the **real market value**, (b) is used to calculate property taxes for each property, and (c) cannot grow more than 3 percent each year, though exceptions apply for new constructions and major improvements. (Measure 5 limits still apply to the real market value.)

Assessed values were smaller than real market values in 1997, and for most properties the gap between the two values widened over time as property prices grew faster than three percent per year. Depending on when properties were built and how the local market changed since 1997, similarly priced properties can have very different assessed values. For example, a house built in 1995 may have an assessed value significantly lower than a similar house built in 2005 has, even if their real market values are similar today. This can create inequities in how much property taxes people pay for similar properties.

When the calculated property taxes exceed these limits, a process called **compression** reduces the final tax bill. Compression proportionately reduces levy rates until the taxes are within the Measure 5 limits. Local option levies and special district assessments are compressed first, and they must be reduced to zero before any compression is applied to permanent rate levies. General obligation bond levies are not subject to compression.

In communities where compression loss is more significant, it can be difficult for overlapping taxing districts to secure adequate revenue. New levies can trigger compression and proportionately reduce property tax levies of overlapping districts. Compression forces taxing jurisdictions to compete for a limited pool of funds, compounding the challenges faced by local governments.

While Oregon's property tax system provides predictable tax bills for taxpayers, it restricts local governments' ability to respond to inflation, growth, and rising service demands. The reliance on assessed values rather than real market values and the limitations imposed by compression hinder local governments' ability to meet growing needs, resulting in funding gaps for critical public services.



Exhibit 1. Overview of Revenue Tools in the Guidebook

Taxes on Goods and Services (“what you buy”)				
Revenue Tool	Who Primarily Pays?	What Does It Pay For?	What is Taxed?	Top Considerations
General Sales Tax (page 29)	Residents Visitors Businesses	Both: Services and capital improvements	Most goods and services (e.g., clothes, events, landscaping, repairs)	Large and stable revenue source for broad use. But little public support and concerns about disproportionate impacts on lower-income individuals.
Targeted Sales Tax (page 32)	Residents Visitors Businesses	Both: Services and capital improvements	Specific goods and services (e.g., prepared food, rental car)	Requires coordination with retailers, can unintentionally drive away economic activity, and useful for targeting goods or services.
Fuel Tax (page 34)	Residents Visitors Businesses	Both: Transportation infrastructure maintenance and investments	Gas consumption	Limited to transportation related improvements. Strong nexus between tax and benefit. Eroding tax base due to fuel-efficient and electric vehicles.
Transient Lodging Tax (TLT) (page 36)	Visitors	Services mostly: 70% related to tourism; 30% is discretionary	Lodging bookings based on cost of lodging	Limited tax base (lodging activities) and revenue use (promotion of tourism and tourism related facilities). Likely supported by the public.
Construction Excise Tax (CET) (page 39)	Developers	Capital: Affordable housing or school facilities	Value of construction permits	Clear nexus between tax and benefit, though revenues can fluctuate with development activity.
Taxes on Income (“what you earn”)				
Revenue Tool	Who Primarily Pays?	What Does It Pay For?	What is Taxed?	Top Considerations
Personal Income Tax (page 43)	Workers	Both: Services and capital improvements	Workers’ wages and salaries	A substantial and versatile revenue source. Strong administrative and political challenges.
Business Income Tax (page 45)	Businesses	Both: Services and capital improvements	Businesses’ net incomes	Can generate substantial revenue, but risks to economic activity.
Payroll Tax (page 47)	Workers and businesses	Both: Services and capital improvements	Workers’ wages and salaries	Can generate substantial revenue for a predefined funding objective but can have adverse effects on lower-income workers.
Taxes on Property (“what you own”)				
Revenue Tool	Who Primarily Pays?	What Does It Pay For?	What is Taxed?	Top Considerations
Local Option Levies (page 51)	Property owners	Both: Services and programs mostly but can fund capital expenses.	Assessed value of property	Generates moderate to high revenues in five-year timespans. Limited duration reassures voters but can be risky for some cities.



Taxes on Property (“what you own”)				
Special Districts (page 53)	Property owners	Services: Targeted or new municipal services	Assessed value of property	Can effectively fund singular or specialized service needs. Usually supported by the public.
Local Improvement District (LID) (page 55)	Property owners	Capital: Infrastructure improvements	Assessed value of property	Clear nexus and sufficient revenue to fund identified projects. Costs shared among participating property owners.
Economic Improvement District (EID) / Enhanced Service District (ESD) / Business Improvement District (BID) (page 57)	Business owners and/or property owners in a commercial district	Capital (EID): Commercial district capital improvements Services (ESD/ BID): Commercial district services	Assessed value of property, or business location in a commercial district	Versatile funding solutions to shared problems. Effective and well-managed districts have the potential for long-term stability and growth.
General Obligation (GO) Bonds (page 61)	Property owners	Capital: Capital investments	Assessed value of property	Potential for substantial funding for capital investment. Passing a GO Bond requires careful campaigning.
Tax Increment Financing (TIF) (page 63)	Property owners	Capital: Improvements for economic development or housing	Increases to assessed value of property	Funds capital projects related to economic development and housing. Generates revenues without raising taxes.
Fees and Charges (“what you do”) – Unlike taxes, fees are typically tied to specific uses, like building permits, utility services, or park entry fees.				
Revenue Tool	Who Primarily Pays?	What Does It Pay For?	What is Charged?	Top Considerations
Franchise Fees and Utility License Fees (ULFs) (page 67)	Utility providers	Both: Services and capital improvements	Fees on utility service providers, who then pass on the costs to customers	Stable and broad revenue source with unrestricted uses, but there are uncertainties about future revenue growth with changing regulations.
Municipal Services Fees (page 70)	Utility customers	Both: Services and capital improvements	Municipal services (through utility bills)	Easy to generate revenue, but with political challenges and disproportionate impacts.
Fees for Specific Services (page 74)	Residents Visitors Businesses	Services mostly: services related to fee	Specific services (e.g., copies, permits, rentals)	Nexus between fee and benefit. Highly variable considerations city to city.
Fines and Penalties (page 76)	Residents Visitors Businesses	Services mostly: services related to the violation	Violations	Not a reliable funding source. But can promote compliance.
System Development Charges (SDCs) (page 79)	Developers	Capital: infrastructure improvements	New development	Recovers a portion of costs associated with new development. Revenue is development-driven, likely fluctuating over time.

