

REVIEWED

LEGAL COUNSEL

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BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON
AS THE GOVERNING BODY OF THE BLACK BUTTE RANCH SERVICE DISTRICT

A Resolution Submitting to the Electors in the
Black Butte Ranch Service District an Election on
a Five-Year Local Option Levy to Fund Law
Enforcement Services

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RESOLUTION NO. 2025-002

WHEREAS, the Governing Body of the Black Butte Ranch Service District ("Governing Body"), has determined that a five-year levy should be submitted to the qualified electors of the Black Butte Ranch Service District ("District") as established by Section 11, Article XI of the Oregon Constitution in order to permit the proper operation of the District; and

WHEREAS, the Governing Body considers adequate funding to maintain law enforcement services in the District as necessary and in the public interest; and

WHEREAS, the Governing Body finds that anticipated revenues are insufficient to provide adequate services without the funds generated by a special tax levy; and

WHEREAS, the Governing Body determines that a levy with \$0.78 per \$1,000 of assessed value levied within the District is necessary to maintain current service levels; and

WHEREAS, it is necessary to submit the question of authorizing a five-year levy to the registered electors of the District, now, therefore,

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON, as the GOVERNING BODY OF THE BLACK BUTTE RANCH SERVICE DISTRICT, as follows:

Section 1. *Findings.* The Governing Body makes the findings set forth in Exhibit "A," attached hereto and by this reference incorporated herein.

Section 2. *Form of Question.* The County Clerk shall submit to the registered electors of Black Butte Ranch Service District, Deschutes County, Oregon, for their approval or rejection, the measure set forth in Exhibit "B," attached hereto and by this reference incorporated herein.

Section 3. *Date of Election.* The measure set forth in Exhibit "B" shall be submitted in the manner prescribed herein to the qualified electors of the District, at the election to be held May 20, 2025.

Section 4. *Ballots.* The County Clerk shall clearly and boldly print the words "CONTAINS VOTE ON PROPOSED TAX INCREASE" in red ink on the outer envelope of ballots to be mailed to registered electors.

Dated this _____ of February, 2025

BOARD OF COUNTY COMMISSIONERS
OF DESCHUTES COUNTY, OREGON, as the
GOVERNING BODY OF THE BLACK BUTTE
RANCH SERVICE DISTRICT

ANTHONY DeBONE, Chair

PATTI ADAIR, Vice Chair

ATTEST:

Recording Secretary

PHIL CHANG, Commissioner

EXHIBIT "A"

ARGUMENT

The current assessed value of Black Butte Ranch is \$781,675,246. The District's current tax levy has a cap of \$1.0499 per \$1,000 assessed value. In 2010 the electors approved a local option levy of \$.55 per \$1000 of assessed value. The electors renewed the five-year levy in 2015, and in 2020 approved a five-year levy at \$.65 per \$1000 assessed value. The five-year levy approved in 2020 expires June 30, 2025. State law limits increases in assessed valuation to 3% per year. In addition, the assessed value of houses that are upgraded by remodeling may go up more than 3% and newly constructed houses are added to the tax base. Since Black Butte Ranch is nearly built out, assessed values are limited to 3% plus an amount based on remodels and new construction. The expected increase in assessed value is anticipated to be approximately 3.40% per year. Once the current local option levy expires this year, revenues would no longer cover operating expenses at current service levels.

In addition, the District is currently negotiating a two year contract with the police officer's union and is operating under the status quo from the 5 year contract that expires on June 30, 2025. By state law, police are not allowed to strike, but in return, they must be compensated commensurate with other departments of similar size located in similarly populated communities. A new contract based upon an increase in compensation levels would increase the cost of operations. It can be reasonably assumed that officer compensation costs will increase for many reasons including recruitment, retention, and collective bargaining. Increasing tax revenues through a local option levy at \$0.78 per \$1000 of assessed value is necessary in order for the department to provide 20-hour police patrols, 7 days a week.

Approximately 200 of the 1251 home sites are occupied year round. That leaves 1050 vacant homes during much of the year. Vacant homes are vulnerable to theft, burglary or persons who unlawfully take up residence and occupy them. The police department is responsible for monitoring and enforcing the Ranch Rules and other quality of life issues that may arise throughout the year including access control.

The District's population is aging and its patrol officers are usually first on the scene in the event of a medical emergency. They are equipped with, and are trained to use, defibrillators which may be needed by a resident placing an emergency call. During the busy months, Black Butte Ranch also has many children using its recreational facilities and a police presence is necessary to discourage those who may harm these children.

Since approximately 75% of the District budget relates to payroll items, if revenues are not increased, a reduction in personnel may be necessary. Currently the District provides 20-hour patrols, 7-days per week, but if this levy does not pass, there may be additional periods of time when no officer is on duty. A reduction of police presence on The Ranch might result in unacceptable delays in response time and increased risk of injury to persons and property.

Passage of the tax measure would enable the District to maintain current patrol levels, and current levels of security service on behalf of Black Butte Ranch homeowners, guests and their property.

Submitted by
Black Butte Ranch Service District Managing Board

Notice Of District Measure Election

Date of Election - May 20, 2025

Caption - Black Butte Ranch Service District Five-Year Local Option Levy

Question - Shall the District levy a five-year local option tax at \$0.78 per \$1,000 for operations starting in 2025-2026?

This measure may cause property taxes to increase more than three percent.

Summary - The Black Butte Ranch Service District will use revenue from this five-year local option tax to maintain current service levels. The Black Butte Service District's current yearly revenue increases are approximately 3-3.5% per year. Approving the proposed rate will generate approximately \$651,872 in 2025-2026, approximately \$674,035 in 2026-2027, approximately \$696,952 in 2027-2028, approximately \$720,649 in 2028-2029, and approximately \$745,151 in 2029-2030. The total amount of tax to be raised by this measure is approximately \$3,488,659. On a \$500,000 home, the assessment will be \$32.50 per month or \$390 per year. The estimated tax cost for this measure is an ESTIMATE ONLY based on the best information available from the county assessor at the time of the estimate.