

## FY11 ASSESSED VALUATION Levy and Tax Revenue Information

The City has historically levied a local property tax each year to fund that portion of its operating budget not supported by other revenue sources. Since the General Fund is the general operating fund of the City, all property taxes collected for general governmental operating purposes are accounted for in the City's General Fund. As with other jurisdictions throughout Oregon, the City of Springfield's property tax is a primary source of revenue for City general operations. Current property taxes provide 54% of the funding for the City's General Fund operating activities.

General Operations include the following:

- ◆ City Council and City Administration
- ◆ Legal services, Municipal Court and Judicial services
- ◆ Basic Police services
- ◆ Fire First Response, Suppression and Fire Marshal services
- ◆ Development and Land Use Planning services
- ◆ Building and Structure Maintenance services
- ◆ Finance, Information Technology, and Human Resource services

### ***Two Local Option Levies to Provide Dedicated Funding for Fire and Police Enhanced Services***

In November, 2002, City of Springfield voters passed two public safety measures – one for Fire Services and one for Police and Court Services. In 2006, the Fire Services Levy was renewed for four years (FY08-FY11). The Police Services Levy was renewed for five years (FY09-FY13) with added staff for the new Justice Center. For the Police Levy there was a one-year break (FY08) between the expiration of the old levy and the beginning of the new levy. In FY09, the new levy went into effect. The taxation information on the two levies is provided in this section of the budget document. For more detail on specific funding, see the Fire & Life Safety, Police, and Legal/Judicial Services pages in this budget document. Overall, funding from the two levies provided the following:

Local Option Levies	Amount	FTE
Fire Services operating costs	\$ 1,455,576	9.0 FTE
Fire levy dedicated reserve	<u>867,321</u>	
<b>Fire Services Local Option Levy Funding</b>	<b>\$ 2,322,897</b>	
Police Services operating costs	\$ 2,145,128	20.0 FTE
Police levy dedicated reserve	1,403,823	
Transfer to Jail Operations Fund	1,184,975	
Legal and Judicial services operating costs	<u>247,067</u>	2.01 FTE
<b>Police Services Local Option Levy Funding</b>	<b>\$ 4,980,993</b>	
<b>Total Funding Provided by Levies</b>	<b>\$ 7,047,152</b>	<b>31.01 FTE</b>
<b>Detail by Type of Costs Funded:</b>		
Departmental Operating costs	\$ 3,847,771	31.0 FTE
Interfund Transfers	1,184,975	
Dedicated Reserves	<u>2,271,144</u>	
<b>Total Funding Provided by Levies</b>	<b>\$ 7,303,890</b>	<b>31.01 FTE</b>

## Property Tax History

Effective July 1, 1997 Springfield began operating on a rate based system for its operating levies. From 1997 (FY98) through FY00 the rate essentially remained within the same values. In response to Measure 50, in FY99 the state assigned the City a new permanent rate of \$4.7403

## Overall City Levy Information: Historical and Current

The following are the actual levies (all funds) by the City of Springfield over the past five years, the FY10 revised estimate, and the estimated levy for FY11 (figures do not include allowances for discounts and delinquencies):

	Fiscal Year						
	Actual FY05	Actual FY06	Actual FY07	Actual FY08	Actual FY09	Projected FY10	Adopted FY11
Tax Base/Rate Levy*	\$ 12,611,879	\$ 13,408,460	\$ 14,216,261	\$ 15,233,858	\$ 16,457,469	\$ 17,505,794	\$ 18,171,505
Fire Local Option	957,804	1,020,474	1,083,635	1,293,389	1,400,918	1,490,653	1,550,279
Police Local Option	<u>1,755,973</u>	<u>1,870,869</u>	<u>1,988,507</u>	<u>N/A</u>	<u>3,817,502</u>	<u>4,062,029</u>	<u>4,224,510</u>
Subtotal	\$ 15,325,656	\$ 16,299,803	\$ 17,288,403	\$ 16,527,247	\$ 21,675,889	\$ 23,058,476	\$ 23,946,294
Bonds	<u>1,036,822</u>	<u>983,056</u>	<u>1,140,766</u>	<u>3,295,555</u>	<u>3,494,915</u>	<u>3,517,621</u>	<u>3,231,596</u>
<b>Total</b>	<b>\$ 16,362,478</b>	<b>\$ 17,282,859</b>	<b>\$ 18,429,169</b>	<b>\$ 19,822,802</b>	<b>\$ 25,170,804</b>	<b>\$ 26,576,097</b>	<b>\$ 27,177,890</b>
Assessed Value**	\$2,805,856,167	\$2,976,869,105	\$3,149,357,159	\$3,436,084,339	\$3,502,295,304	\$3,726,631,985	\$3,875,697,264
Rate for Operations	\$ 5.7603	\$ 5.7603	\$ 5.7603	\$ 5.1403	\$ 6.2303	\$ 6.2303	\$ 6.2303
Bonds	<u>0.3870</u>	<u>0.3475</u>	<u>0.3799</u>	<u>1.0645</u>	<u>1.0005</u>	<u>0.9465</u>	<u>0.8430</u>
<b>Total Rate</b>	<b>\$ 6.1473</b>	<b>\$ 6.1078</b>	<b>\$ 6.1402</b>	<b>\$ 6.2048</b>	<b>\$ 7.2308</b>	<b>\$ 7.1768</b>	<b>\$ 7.0733</b>

\* tax rate levy is for general operations in the General Fund

\*\* not adjusted to remove Urban Renewal

A Fire Local Option Levy and a Police Local Option Levy were passed by the voters in November, 2002 for an effective date of July 1, 2003 (FY04). In 2006, the Fire Services Levy was renewed for four years (FY08-FY11). The Police Services Levy was renewed for five years (FY09-FY13). There was a one-year break (FY08) between the expiration of the old levy and the beginning of the new levy. In FY09, the new Police Services levy went into effect. The Fire Levy is in effect for four years only—FY08 through FY011. The Police Levy is in effect for five years only (FY09-FY13). The levy funds are separated from all other taxes by separate reporting funds: Fire Local Option Levy Fund and Police Local Option Fund.

The assessed valuation which applies to all levies is calculated as follows:

	Assessed Valuation
<b>FY10 Assessed Valuation (AV)</b>	<b>\$3,726,631,985</b>
<b>Add Estimated 4.0% Increase in Value</b>	<u>149,065,279</u>
<b>Total City Assessed Valuation for all Levies</b>	<u><b>\$3,875,697,264</b></u>
<b>Less: Urban Renewal Growth</b>	<u><b>\$ (42,288,990)</b></u>
<b>Total City AV for Permanent Rate net of UR</b>	<u><b>\$3,833,408,274</b></u>

The following is a detailed explanation of how the individual levy revenues were calculated and the calculation for net tax revenues recorded in the FY11 Proposed Budget.

### Existing Tax Base/Rate Levy for General Operations

General Fund—100 General Operations	Rate Per Thousand	Levy	Net Tax Revenue
City of Springfield Permanent Tax Rate	\$4.7403		
<b>Estimated Taxes Raised for FY11 (rate x AV/1000)</b>		<b>\$ 18,171,505</b>	
Less Allowances for Discounts, Delinquencies: 6.70%		<u>(1,181,148)</u>	
<b>Total Available General Fund Tax Revenue for Appropriation</b>			<u><b>\$16,990,357</b></u>

### Local Option Levies Provided by Voter Approved Measures

Fire and Life Safety Local Option Levy	Rate Per Thousand	Levy	Net Tax Revenue
City of Springfield Four Year Tax Rate (FY08 – FY011)	\$0.4000		
<b>Estimated Taxes Raised for FY11 (rate x AV/1000)</b>		<b>\$1,550,279</b>	
Less Allowances for Discounts, Delinquencies: 6.70%		<u>(100,768)</u>	
<b>Total Available Tax Revenue for Appropriation</b>			<u><b>\$ 1,449,511</b></u>
Police Services Local Option Levy	Rate Per Thousand	Levy	Net Tax Revenue
City of Springfield Four Year Tax Rate (FY09 – FY13)	\$1.0900		
<b>Estimated Taxes Raised for FY11 (rate x AV/1000)</b>		<b>\$4,224,510</b>	
Less Allowances for Discounts, Delinquencies: 6.70%		<u>(274,593)</u>	
<b>Total Available Tax Revenue for Appropriation</b>			<u><b>\$3,949,917</b></u>

## Bond Sinking Fund

Bond Sinking Fund	Rate	Tax Levy
Levy Required for General Obligation Bonds		<b>\$ 3,231,586</b>
Estimated Tax Rate (Levy/AV)	\$0.8430	
Less Allowances for Discounts, Delinquencies: 6.70%		<u>(210,053)</u>
<b>Total Available Bond Sinking Fund Tax Revenue for Appropriation</b>		<b>\$ 3,021,533</b>

## Summation of Tax Revenues

General Operations	\$16,990,357
Fire Services	1,494,511
Police Services	<u>3,949,917</u>
Total Tax Revenues for Operations	\$22,434,785
Bond Sinking Fund	<u>3,021,533</u>
Total Collections	<u>\$25,456,318*</u>

\* Represents current tax rate for operations and does not include prior year discounts or delinquencies collected (\$421,000) nor any other taxation revenue source (such as Fuel Taxes, Transient Room Tax or 911 taxes totaling \$5,042,408). All General Fund tax sources total \$17,340,357.

## FY11 Tax Rates

The City of Springfield's revised property tax rate per thousand is \$7.0733, consisting of the following funding sources. (See above for details on the Bond Sinking Fund rate.)

Tax Levy for Operations:	
General Fund	\$4.7403
Fire Local Option Levy Fund	0.4000
Police Local Option Levy Fund	<u>1.0900</u>
<b>Rate for Operations</b>	<b>\$6.2303</b>
<b>Bond Sinking Fund (Est.)</b>	<b><u>\$0.8430</u></b>
<b>Total City Rate</b>	<b><u>\$7.0733</u></b>