

FY06 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. In that 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. Property tax provides 51% of the funding for local governmental services.

General Operations include the following:

- ◆ City Council
- ◆ City Administration and Legal services
- ◆ Municipal Court and Judicial services
- ◆ Basic Police services
- ◆ Fire First Response, Suppression and Fire Marshal services
- ◆ Land Use Planning services
- ◆ Development 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 Services. The taxation information on those two measures is provided in this section of the budget document. For more detail on specific funding, see the Program Budget, Fire, 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	\$1,036,576	9.0 FTE
Fire Services dedicated reserve	<u>273,430</u>	
Fire Services Local Option Levy Funding	\$1,310,006	
Police Services operating costs	\$1,706,417	20.0 FTE
Police Services dedicated reserve	361,350	
Legal and Judicial services	<u>206,624</u>	2.01 FTE
Police Services Local Option Levy Funding	\$2,274,391	
Total Funding Provided by New Levies	\$3,584,397	31.01 FTE
Detail by Type of Costs Funded:		
Departmental Operating costs	\$ 2,949,617	31.0 FTE
Dedicated Reserves	<u>634,780</u>	
Total Funding Provided by New Levies	\$3,584,397	31.01 FTE

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. During FY01 the City made the last debt service payment on the 1979 General Obligation Bonds that paid for the renovation of the current City Hall facility. The tax rate was thereby reduced by about .32 cents per thousand as a result.

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 FY05 revised estimate, and the estimated levy for FY06 (figures do not include allowances for discounts and delinquencies):

	Fiscal Year						
	Actual FY00	Actual FY01	Actual FY02	Actual FY03	Actual FY04	Projected FY05	Adopted FY06
Tax Base/Rate Levy*	\$ 9,445,892	\$ 10,072,941	\$ 10,688,827	\$ 12,426,698	\$ 12,303,073	\$ 12,301,280	\$ 12,952,656
Fire Local Option	N/A	N/A	N/A	N/A	935,880	934,215	983,684
Police Local Option	N/A	N/A	N/A	N/A	1,715,168	1,712,728	1,803,420
Subtotal	\$ 10,072,941	\$ 10,688,827	\$ 11,832,524	\$ 12,259,054	\$ 2,651,048	\$ 14,948,223	\$ 15,739,760
Bonds	<u>1,627,925</u>	<u>1,000,192</u>	<u>1,072,914</u>	<u>1,052,129</u>	<u>1,524,819</u>	<u>1,085,960</u>	<u>1,034,681</u>
Total	\$ 11,700,866	\$ 11,689,019	\$ 12,905,438	\$ 13,311,183	\$ 16,478,940	\$ 16,034,183	\$ 16,774,441
Assessed Value	\$2,124,958,597	\$2,254,884,249	\$2,496,155,206	\$2,623,033,739	\$2,692,792,925	\$2,805,856,167	\$2,906,866,989
Rate for Operations	\$ 4.7403	\$ 4.7403	\$ 4.7403	\$ 4.7403	\$ 5.7603	\$ 5.7603	\$ 5.7603
Bonds	<u>0.7661</u>	<u>0.4435</u>	<u>0.4298</u>	<u>0.4014</u>	<u>0.4140</u>	<u>0.3870</u>	<u>0.3559</u>
Total Rate	\$ 5.5064	\$ 5.1838	\$ 5.1701	\$ 5.1417	\$ 6.1743	\$ 6.1473	\$ 6.1162

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

Fire Local Option Levy and Police Local Option Levy passed by the voters in November, 2002 for an effective date of July 1, 2003 (FY04). These levies are in effect for four years only—FY04 through FY07 and 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
FY05 Assessed Valuation (AV)	\$2,805,856,167
Add Estimated 3.60% Increase in Value	<u>101,010,822</u>
Total City Assessed Valuation for all Levies	<u>\$2,906,866,989</u>

What follows is a detailed explanation of how the individual levy revenues were calculated and the calculation for net tax revenues recorded in the FY06 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		
Estimated Taxes Raised for FY06 (rate x AV/1000)		\$ 13,779,422	
Less Allowances for Discounts, Delinquencies: 6.00%		<u>(826,765)</u>	
Total Available General Fund Tax Revenue for Appropriation			<u>\$12,952,656</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 (FY04 – FY07)	\$0.3600		
Estimated Taxes Raised for FY06 (rate x AV/1000)		\$ 1,046,472	
Less Allowances for Discounts, Delinquencies: 6.00%		<u>(62,788)</u>	
Total Available Tax Revenue for Appropriation			<u>\$ 983,684</u>

Police Services Local Option Levy	Rate Per Thousand	Levy	Net Tax Revenue
City of Springfield Four Year Tax Rate (FY04 – FY07)	\$0.6600		
Estimated Taxes Raised for FY06 (rate x AV/1000)		\$ 1,918,532	
Less Allowances for Discounts, Delinquencies: 6.00%		<u>(115,112)</u>	
Total Available Tax Revenue for Appropriation			<u>\$1,803,420</u>

Bond Sinking Fund

Bond Sinking Fund	Rate	Tax Levy
Levy Required for General Obligation Bonds		\$ 1,034,681
Estimated Tax Rate (Levy/AV)	\$0.3559	
Less Allowances for Discounts, Delinquencies: 6.00%		<u>(62,081)</u>
Total Available Bond Sinking Fund Tax Revenue for Appropriation		\$ 972,600

Summation of Tax Revenues

General Operations	\$12,952,656
Fire Services	983,684
Police Services	<u>1,803,420</u>
Total Tax Revenues for Operations	\$15,739,760
Bond Sinking Fun	<u>972,600</u>
Total Collections	<u>\$16,712,360*</u>

** Represents current tax rate for operations and does not include prior year discounts or delinquencies collected (\$410,000) nor any other taxation revenue source (such as Transient Room Tax or 911 taxes totaling \$903,209). All tax sources total \$18,025,569.*

FY06 Tax Rates

The City of Springfield's revised property tax rate per thousand is \$6.1162, consisting of the following funding sources. (See Debt Fund Highlights for details on the Bond Sinking Fund rate.)

Tax Levy for Operations:	
General Fund	\$4.7403
Fire Local Option Levy Fund	0.3600
Police Local Option Levy Fund	<u>0.6600</u>
Rate for Operations	\$5.7603
Bond Sinking Fund (Est.)	<u>\$0.3559</u>
Total City Rate	<u>\$6.1162</u>