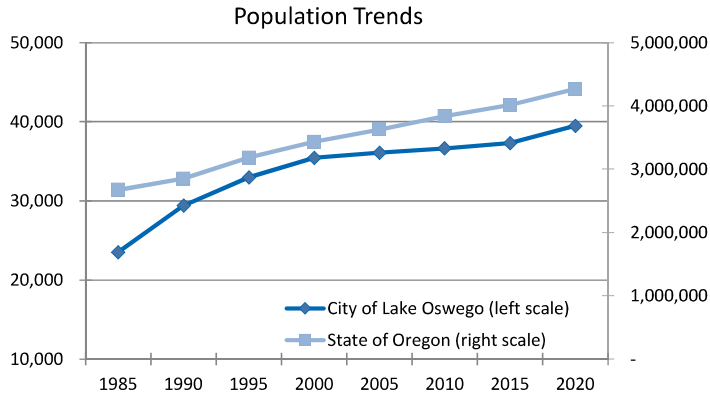




General and Economic Information  
Financial Trends

# General & Economic Information

Lake Oswego is located in northwestern Oregon, south of the Portland metropolitan area, in Clackamas, Multnomah, and Washington Counties. These are among the five counties that comprise the Portland-Vancouver Primary Metropolitan Statistical Area. The City's economy is linked with that of the metropolitan area, which is based on manufacturing, national and international trade, and service industries.

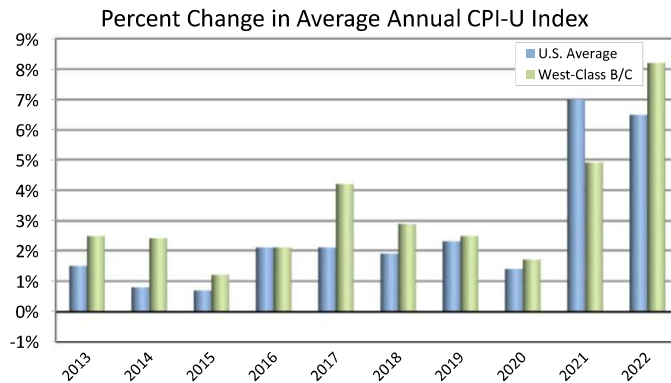


Primarily a residential community, Lake Oswego has a low level of industry and retail-based commercial activity. Most newer commercial development is along Kruse Way, a corridor on the west side near Interstate 5 — a prime section of the beltway around the southwest Portland Metro area.

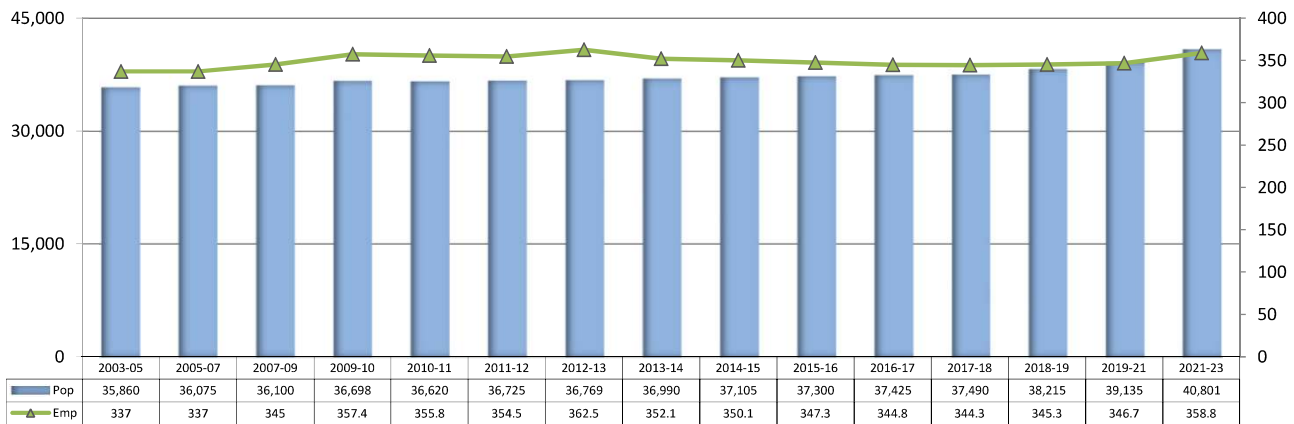
The city's population increased steadily during the 1980s and early 1990s (about 5% annually), and has increased to an estimated 39,480. The State of Oregon, population is increasing at about 1.2% annually. There is a slight increase from 2015 to 2020 with new development in downtown Lake Oswego. Future growth is estimated at about 0.6% per year.

The Bureau of Labor Statistics for the U.S. Department of Labor tracks the Consumer Price Index (CPI-U) for most U.S. cities. The CPI-U is a leading economic indicator that measures inflation, which is central to assessing the cost of living and whether living standards are rising or falling. The graph to the right shows the annual percentage change in this measure and compares the Portland area with the rest of the country.

In 2022, Portland's annual growth rate was greater than the rest of the country; about 8.2% compared to the US average of 6.5%.



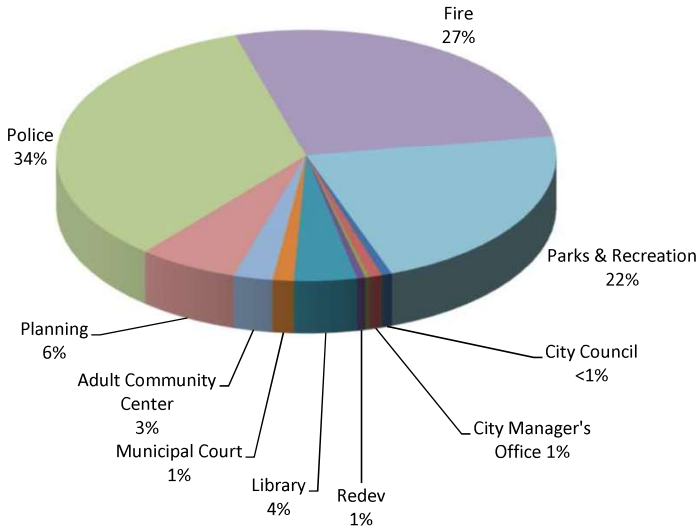
City Population vs. Number of City Employees (FTEs)



This graph compares the City of Lake Oswego's population to the City's number of full-time equivalent (FTE) employees over the past two decades. For the 2023-25 biennium, the City budgeted 382.6 FTE. Expressed in per capita terms, the FTE count is 9.3 employees per thousand of population.

# Financial Trends - Resources

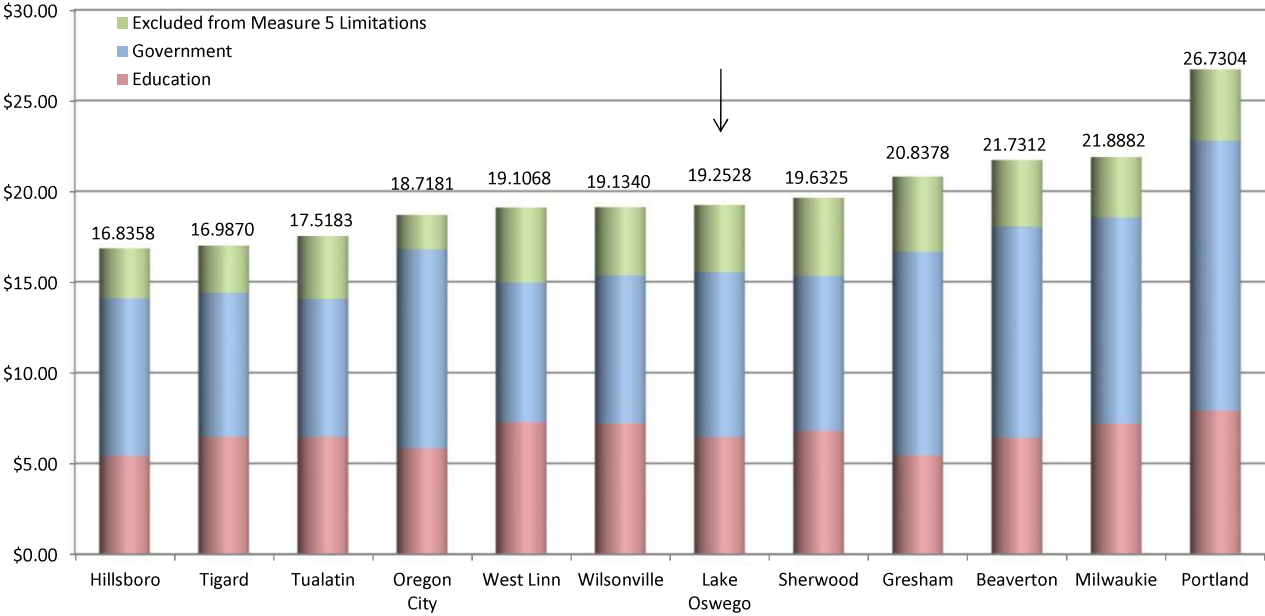
Allocation of General Revenues  
2025-27



For the 2025-27 biennium, total General Revenues allocated to various General Fund departments totaled \$102 million. A summary of general revenues can be found on page i-36.

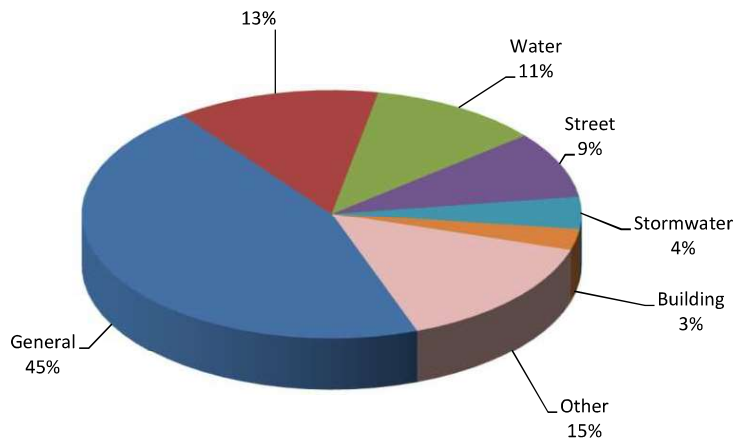
Property tax revenue is the major source of general resources for the City. Those revenues along with franchise fees and state shared revenues are included in the allocation.

Comparison of Total Property Tax Rates in Portland Metro Area - Fiscal Year 2024-25



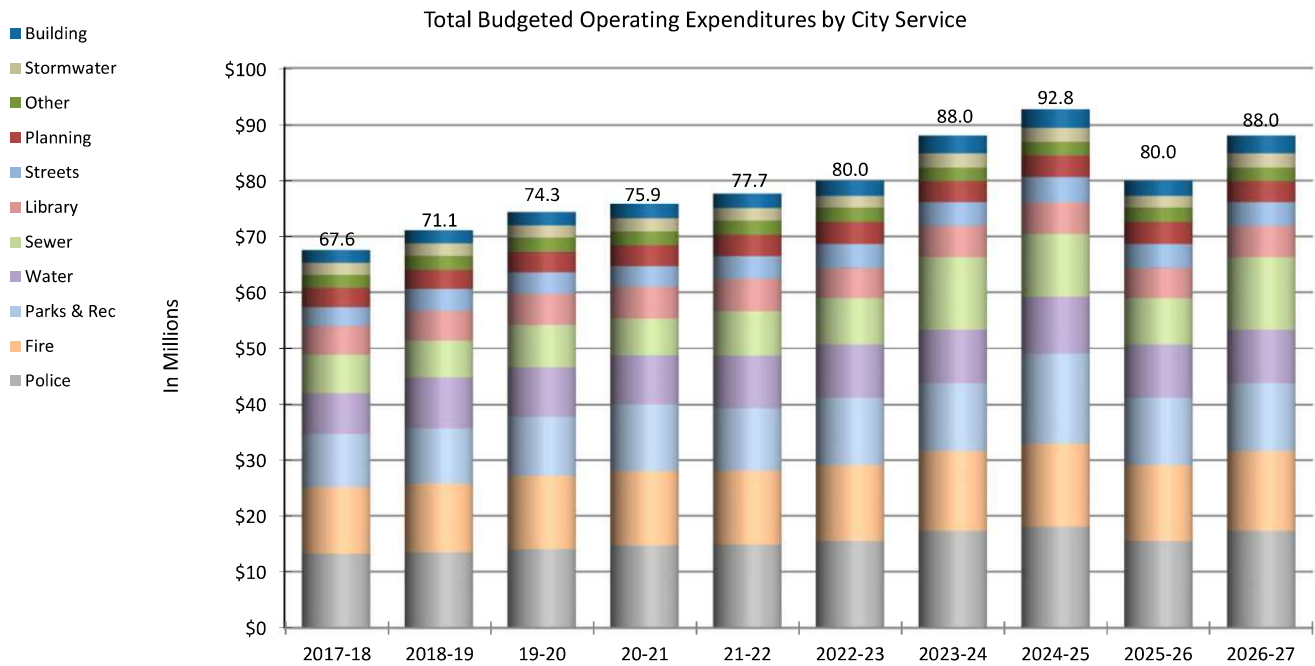
The above graph compares the City's total millage rate (based upon the largest tax code area) to other cities in the Portland metro region. Measure 5, passed by voters in 1990, divided property tax levies into three categories and established limits for each category. The categories and limits for each are: Education (\$5.00 per \$1,000 RMV), Government (\$10.00 per \$1,000 RMV), and a third category that is exempt from the limitations (usually general obligation debt).

# Financial Trends - Requirements



Requirements were balanced to 2025-27 resources at \$461.7 million. As the pie chart to the left shows, about 45% of the biennium's requirements are budgeted in the General Fund. The remaining budgeted requirements are allocated between the remaining funds — with small funds grouped in "Other".

The General Fund primary services include Police, Fire, Parks & Recreation, General Administration, Planning, and Library.



The above graph depicts operating budgets for the direct service programs within the City. For the purpose of this graph, operating budget consists of personnel services, materials and services, and internal fees for service.

*Beginning July 1, 2019 Golf is included with Parks & Recreation.*

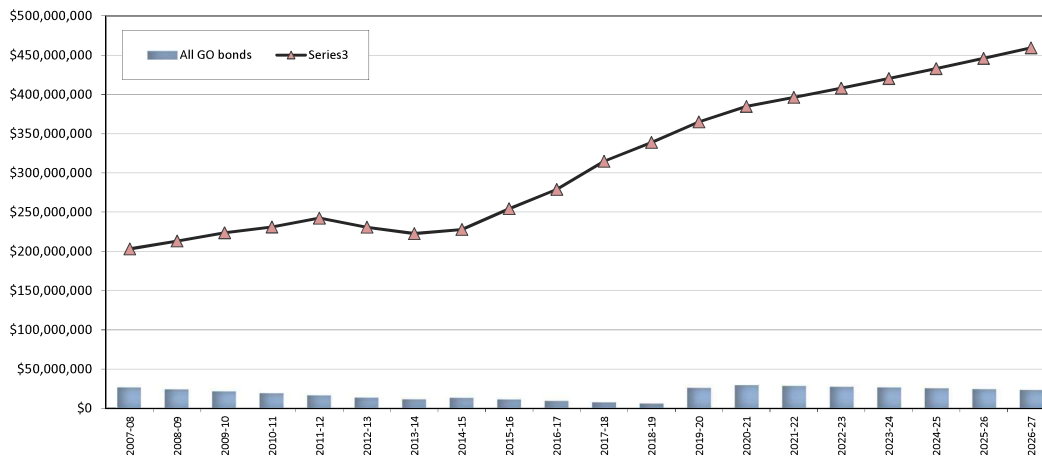
# Financial Trends - Bonded Debt

## OVERVIEW

The city strives to maintain a high bond rating, currently AAA / Aaa (extremely strong capacity to meet financial commitments), as well as ensure its debt margins are within 3% of true cash value in line with ORS 287A.050.

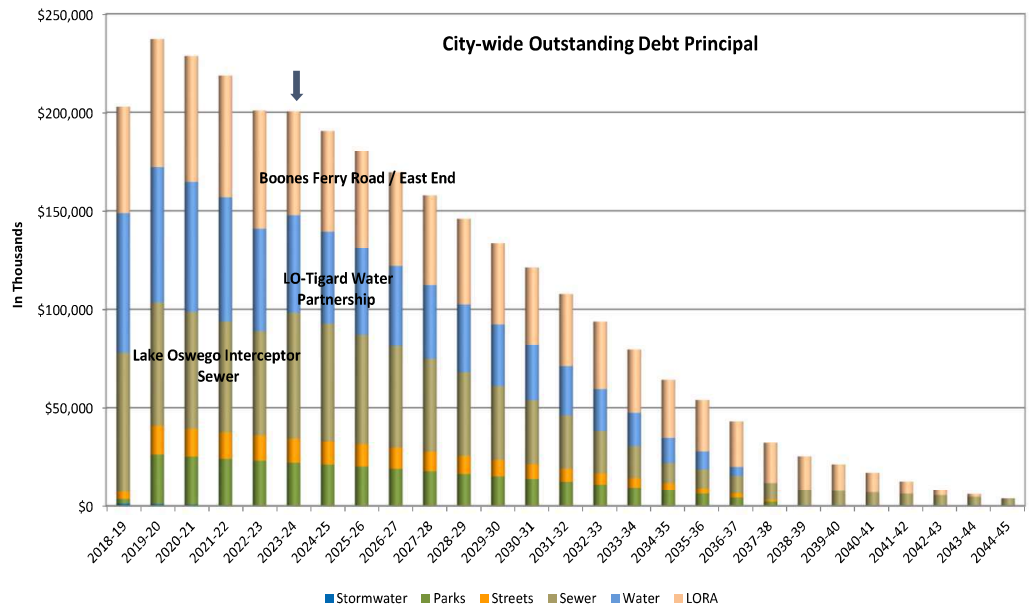
Currently the city has general obligation (GO) bonds and full faith and credit bonds. The outstanding debt of the city is just under \$200 million which is within the Council adopted policy for outstanding debt to not exceed \$400 million (not including GO Bonds). A listing for each type of debt is available at the links below.

General Obligation Bonded Indebtedness



The columns in the graph show the City's total general obligation (G.O.) debt. ORS 287A.050 sets a legal limit on G.O. bonded indebtedness at 3% of the total real market value in the city. The City's G.O. bonded indebtedness has stayed less than 1%, well below this limit.

In the last several years, the City has issued debt to fund large public infrastructure improvement and replacement projects such as the Lake Oswego Interceptor Sewer (\$110 million), and the Lake Oswego Tigard Water Partnership (\$96 million). A City Council adopted policy is for total outstanding indebtedness not to exceed \$400 million, not including voter approved general obligation bonds.



# Property Taxes

Property Taxes Proposed Fiscal Year 2025-26 Calculation	Inside L.O. School Dist.	Outside L.O. School Dist.	Total	
Prior year's actual assessed value, 2024-25	\$9,496,479,599	\$455,284,912	\$9,951,764,511	
Plus estimated increases in assessed value:				
General growth @ 3%	284,894,388	13,658,548	298,552,936	
Estimation for new construction	94,516,451	-	94,516,451	
Special urban renewal growth	-	-	-	
Less urban renewal agency's estimated excess assessed value over its frozen tax base	(683,233,726)	-	(683,233,726)	
2025-26 estimated assessed value	\$9,192,656,712	\$468,943,460	\$9,661,600,172	
Tax rate:				
Permanent tax rate authority (5.0353 / 4.5884)			Gross levy	Net Levy
Proposed tax rate levied	<u>4.9703</u>	4.5884	@ 100%	@ 94%
2025-26 permanent taxes levied	\$45,690,262	\$2,151,700	\$47,841,962	\$ 44,970,000
2025-26 bonded debt tax rate and bonded debt levy		<u>0.2303</u>	\$2,225,532	<u>2,092,000</u>
Total net levy (estimated current property taxes to be collected, excluding delinquencies)				<u>\$ 47,062,000</u>

Property Taxes Proposed Fiscal Year 2026-27 Calculation	Inside L.O. School Dist.	Outside L.O. School Dist.	Total	
Prior year's estimated assessed value, 2025-26	\$9,875,890,438	\$468,943,460	\$10,344,833,898	
Plus projected increases in assessed value:				
General growth @ 3%	296,276,713	14,068,304	310,345,017	
Projection for new construction	98,297,109	-	98,297,109	
Special urban renewal growth	-	-	-	
Less urban renewal agency's projected excess assessed value over its frozen tax base	(716,653,379)	-	(716,653,379)	
2026-27 projected assessed value	\$9,553,810,881	\$483,011,764	\$10,036,822,645	
Tax rate:				
Permanent tax rate authority (5.0353 / 4.5884)			Gross levy	Net Levy
Projected tax rate levied	<u>4.9703</u>	4.5884	@ 100%	@ 94%
2026-27 permanent taxes levied	\$47,485,305	\$2,216,251	\$49,701,556	\$ 46,710,000
2026-27 bonded debt tax rate and bonded debt levy		<u>0.2224</u>	\$2,231,915	<u>2,098,000</u>
Total net levy (projected current property taxes to be collected, excluding delinquencies)				<u>\$ 48,808,000</u>

Find additional information on the website at this link:  
<https://www.ci.oswego.or.us/citymanager/annual-tax-and-fee-comparison>