

# 2014-15 Tax and Fee Comparison Report

## Property Taxes

### ASSESSED VALUES

Property taxes are calculated based upon the assessed value of a property. A property's assessed value is the lesser of its real market value (what your property would have sold for as of January 2015) or its established maximum assessed value limit. A property's maximum assessed value can only increase for two reasons: an annual 3% increase if the assessed value is lower than its market value, or if improvements are made to the property which increases its value.

### TAX RATES

A Lake Oswego resident's total property tax rate is \$17.0499 per \$1,000 of their property's assessed value. Property tax bills include amounts for several taxing districts including municipalities, school districts, counties, and special service districts that can include Metro, fire, and parks. The City receives approximately 35% of the total bill.

The City of Lake Oswego's tax rate for general city services for households that are within the Lake Oswego School District's boundary is \$4.9703 per \$1,000 of a property's assessed value. The City will actually receive \$4.7740 per \$1,000 of assessed value due to the division of taxes for urban renewal districts. The maximum amount the City can levy is \$5.0353. The rate has remained unchanged since 2004.

### GENERAL OBLIGATION DEBT

In addition, property owners also pay for voter approved General Obligation Bonds. In 2014, the total bonded debt rate for the City is .4086 which includes the new voter approved levy for the Boones Ferry Road project. Even with the new levy, the total bonded debt rate for the City decreased as prior bonds were paid off or refunded.

### URBAN RENEWAL

While an amount of property tax going to Lake Oswego Urban Renewal appears on a property tax statement, property owners do not pay more in taxes because of the existence of the district. Urban renewal that is financed through tax increment financing does not represent a new or increased tax, but a reallocation of portions of general property taxes already assessed. In other words, the total property tax bill would stay the exact same amount even if the urban renewal district did not exist. This is called "Division of Taxes" and is the method of funding for the City's urban renewal district.

| Property Tax Statement for a Lake Oswego Home with an Assessed Value of \$330,000 |                 |
|---|-----------------|
| District  | Tax             |
| Portland Community College  | 89.76           |
| Clackamas Education Service District  | 116.36          |
| Lake Oswego School District   | 1,415.37        |
| Lake Oswego School District Local Option  | 442.23          |
| <b>EDUCATION TOTAL</b>  | <b>2,063.72</b> |
| <b>City of Lake Oswego</b>  | <b>1,573.54</b> |
| Clackamas County  | 760.85          |
| County Extension & 4H   | 15.81           |
| County Library District   | 125.40          |
| County Public Safety Local Option   | 78.90           |
| County Soil Conservation District   | 15.81           |
| Lake Grove Swim Park District   | 13.76           |
| Port of Portland  | 22.21           |
| Metro – Oregon Zoo  | 30.56           |
| Metro Local Option 2012   | 31.68           |
| Urban Renewal County  | 1.39            |
| <b>Urban Renewal Lake Oswego</b>  | <b>221.96</b>   |
| Vector Control  | 2.08            |
| Vector Control Local Option   | 7.95            |
| <b>GENERAL GOVERNMENT</b>   | <b>2,901.89</b> |
| <b>City of Lake Oswego Bond</b>   | <b>64.25</b>    |
| <b>City of Lake Oswego Bond 2012</b>  | <b>70.59</b>    |
| Portland Community College Bond   | 43.07           |
| Portland Community College Bond 2012  | 96.79           |
| Lake Oswego School District Bond  | 301.62          |
| Metro Bond  | 28.02           |
| Metro Bond 2006   | 56.53           |
| <b>EXCLUDED FROM LIMIT</b>  | <b>660.86</b>   |
| <b>Total Property Tax</b>   | <b>5,626.47</b> |

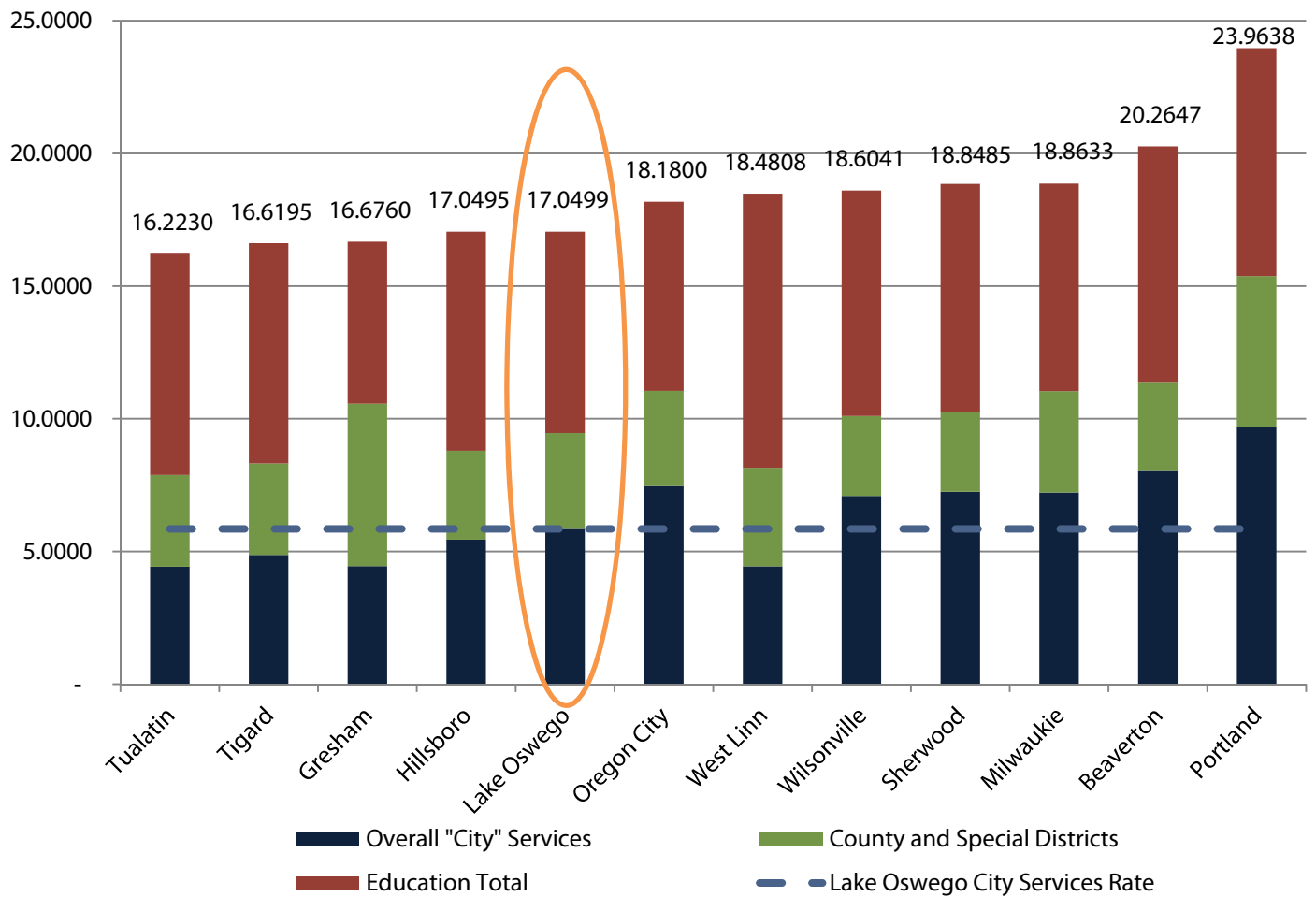
#### About this report

The City of Lake Oswego conducts an annual comparison of property tax rates and utility fees in the Portland metro area. The cities used in the comparison include Beaverton, Gresham, Hillsboro, Lake Oswego, Milwaukie, Oregon City, Portland, Sherwood, Tigard, Tualatin, West Linn, and Wilsonville.

In addition to property taxes and utility rates, private utilities of PGE, Northwest Natural Gas, and solid waste and recycling services were included to compare total basic homeowner costs across jurisdictions.

The information was obtained via County Assessor Offices, the U.S. Department of Energy, City master fee and charges schedules, and the U.S. Census Bureau's American Community Survey.

## Property Tax Rate Comparison



| City               | City Permanent Rate | Fire District | City Bonded Debt Rate | City Urban Renewal | Park District | Overall "City" Services | County and Special Districts | Education Total | Overall Tax Rate |
|--------------------|---------------------|---------------|-----------------------|--------------------|---------------|-------------------------|------------------------------|-----------------|------------------|
| Tualatin           | 2.2665              | 1.8911        | 0.2680                | -                  | -             | 4.4256                  | 3.4570                       | 8.3404          | 16.2230          |
| Tigard             | 2.5004              | 1.8834        | 0.4179                | 0.0683             | -             | 4.8700                  | 3.4440                       | 8.3055          | 16.6195          |
| Gresham            | 3.5039              | -             | -                     | 0.9410             | -             | 4.4449                  | 6.1196                       | 6.1115          | 16.6760          |
| Hillsboro          | 5.3652              | -             | -                     | 0.0776             | -             | 5.4428                  | 3.3526                       | 8.2541          | 17.0495          |
| <b>Lake Oswego</b> | <b>4.7683</b>       | -             | <b>0.4086</b>         | <b>0.6726</b>      | -             | <b>5.8495</b>           | <b>3.6089</b>                | <b>7.5915</b>   | <b>17.0499</b>   |
| Oregon City        | 4.1990              | 2.3205        | 0.1065                | 0.8391             | -             | 7.4651                  | 3.5836                       | 7.1313          | 18.1800          |
| West Linn          | 2.1200              | 1.8911        | 0.4289                | -                  | -             | 4.4400                  | 3.7140                       | 10.3268         | 18.4808          |
| Wilsonville        | 2.0126              | 1.5838        | 0.1211                | 3.3719             | -             | 7.0894                  | 3.0167                       | 8.4980          | 18.6041          |
| Sherwood           | 2.9257              | 1.6781        | 0.5309                | 2.1138             | -             | 7.2485                  | 2.9982                       | 8.6018          | 18.8485          |
| Milwaukie          | 4.0680              | 2.4374        | 0.1859                | -                  | 0.5319        | 7.2232                  | 3.8186                       | 7.8215          | 18.8633          |
| Beaverton          | 4.1574              | 1.8823        | 0.1943                | 0.1943             | 1.7085        | 8.0354                  | 3.3526                       | 8.8767          | 20.2647          |
| Portland           | 6.9527              | -             | 0.2232                | 2.5155             | -             | 9.6914                  | 5.6837                       | 8.5887          | 23.9638          |

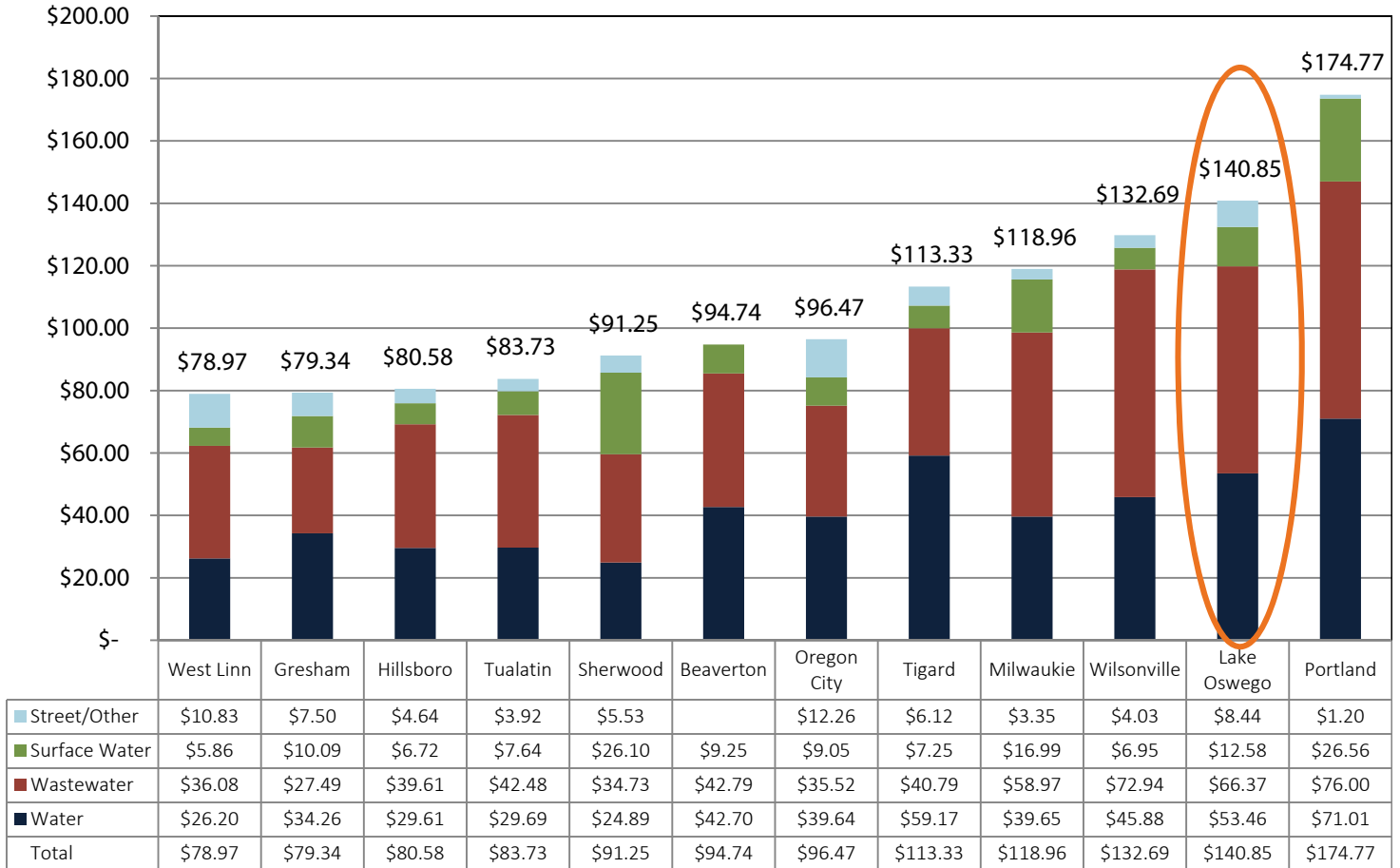
The tax rates used for the comparison are from the levy code areas with the largest assessed values in each city.

### KEY

- **Overall "City" Services:** This category includes the equivalent taxing districts to the services that the City of Lake Oswego provides its citizens. Taxing districts include cities, fire districts (including fire district debt), city bonded debt, urban renewal, and park districts.
- **Education:** Education tax rates include the permanent, local options, and bonded debt levies for the school districts, community colleges, and education service districts.
- **County and Special Districts:** Tax rates for County and Special Districts include the counties, soil and water conservation districts, library districts, special park districts such as the Lake Grove Swim Park, County Sheriff Local Option, 4H, vector control, Metro, and Port of Portland.

## Utility Rates Comparison

City utilities include water, wastewater, surface water, streets, and in some cases, streetlights and park fees. The comparison shows the average utility customer's total monthly utility bill. The typical customer uses 10 ccf (1 ccf=748 gallons) of water and 8 ccf of wastewater per billing cycle. The Lake Oswego rates are the proposed utility fees for 2015. Several cities charge a fee to their own utilities or utility organizations that provide water, storm water, or sanitary sewer services. Cities that charge at least one of these utilities a fee include Beaverton, Hillsboro, Oregon City, Portland, Sherwood, Tigard, and Wilsonville.



## Total Taxes, Utility Rates, and Private Utility Fees Comparison

In addition to property taxes and public utilities, homeownership includes other comparable costs such as energy, natural gas, and garbage and recycling which also include city franchise fees in their totals. The following table and graph incorporates these costs as well as additional community information such as per capita income, household size, and median household income. The total annual cost for public and private taxes and fees are based on Lake Oswego's average assessed value of \$330,000. In Lake Oswego, the average cost for public services and household utilities is \$9,808.38.

| Demographics |         |                |                         | Cost Comparison for \$330,000 AV Home |                 |                                    |                                     |   |                              |                       |                                   |
|--------------|---------|----------------|-------------------------|---------------------------------------|-----------------|------------------------------------|-------------------------------------|---|------------------------------|-----------------------|-----------------------------------|
| City         | Pop.    | Household Size | Median Household Income | "City" Services Taxes                 | Education Taxes | County and Special Districts Taxes | Annual City Utilities Cost (Public) | Annual Garbage & Recycling Cost (Private) | Annual Energy Cost (Private) | Natural Gas (Private) | Total Cost for Average LO AV Home |
| Tualatin     | 26,925  | 2.55           | 61,250                  | 1,460.45                              | 2,752.33        | 1,140.81                           | 1,004.76                            | 290.52                                    | 1,405.43                     | 803.02                | 8,857.32                          |
| Gresham      | 106,455 | 2.75           | 47,147                  | 1,466.82                              | 2,016.80        | 2,019.47                           | 952.08                              | 359.52                                    | 1,425.80                     | 803.02                | 9,043.50                          |
| Hillsboro    | 95,310  | 2.84           | 65,158                  | 1,796.12                              | 2,723.85        | 1,106.36                           | 966.96                              | 274.20                                    | 1,405.43                     | 787.72                | 9,060.65                          |
| Tigard       | 49,140  | 2.54           | 61,758                  | 1,607.10                              | 2,740.82        | 1,136.52                           | 1,359.96                            | 274.80                                    | 1,405.43                     | 803.02                | 9,327.64                          |
| West Linn    | 25,540  | 2.55           | 84,519                  | 1,465.20                              | 3,407.84        | 1,225.62                           | 947.64                              | 281.76                                    | 1,425.80                     | 803.02                | 9,556.88                          |
| Oregon City  | 33,760  | 2.61           | 60,223                  | 2,463.48                              | 2,353.33        | 1,182.59                           | 1,157.58                            | 309.96                                    | 1,405.43                     | 787.72                | 9,660.09                          |
| Sherwood     | 18,955  | 2.89           | 78,355                  | 2,392.01                              | 2,838.59        | 989.41                             | 1,095.00                            | 283.80                                    | 1,405.43                     | 803.02                | 9,807.25                          |
| Lake Oswego  | 37,105  | 2.30           | 83,625                  | 1,930.34                              | 2,505.20        | 1,190.94                           | 1,690.20                            | 298.56                                    | 1,405.43                     | 787.72                | 9,808.38                          |
| Milwaukie    | 20,485  | 2.28           | 51,805                  | 2,383.66                              | 2,581.10        | 1,260.14                           | 1,427.52                            | 346.20                                    | 1,425.80                     | 803.02                | 10,227.43                         |
| Wilsonville  | 21,980  | 2.33           | 56,430                  | 2,339.50                              | 2,804.34        | 995.51                             | 1,592.28                            | 294.48                                    | 1,425.80                     | 803.02                | 10,254.93                         |
| Beaverton    | 93,395  | 2.47           | 56,107                  | 2,651.68                              | 2,929.31        | 1,106.36                           | 1,136.88                            | 288.00                                    | 1,425.80                     | 803.02                | 10,341.05                         |
| Portland     | 601,510 | 2.31           | 52,657                  | 3,198.16                              | 2,834.27        | 1,875.62                           | 2,097.24                            | 352.20                                    | 1,425.80                     | 803.02                | 12,586.31                         |

