Permanent Tax Rate Limits

Considerations for Measure Elections

OACD Annual Meeting
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Session Objective

Provide information to Soil and Water Conservation Districts (SWCDs) regarding steps, planning considerations, and legal requirements relating to local measure elections.
Legal Authorities

- Oregon Revised Statutes (ORS)
- 568.803 (General Obligation Bonds)
- 568.805 (Special Assessments)
- 568.806 (Ad Valorem Tax)
- 568.807 (Electors Authorizing Taxation)
- 568.808 (Filing Legal Description / Map)
Local Option Tax or Permanent Rate Limit

- Oregon Department of Revenue Publication – Pages 5-6
- Rate per $1,000 of Assessed Value
- Eligible for Permanent Rate Limit if district has never assessed a property tax
- Subject to Measure 5 Limits
- Double Majority - except November General Election
Getting Started

- Needs Assessment - Why does your district need taxing authority for...
  - General Obligation Bonds
  - Permanent Tax Rate
  - Local Option Tax
  - Special Assessments
So... Make Your Case

- Long Range Business Plan
- Describe your district’s ...
  - Customers
  - Goals, objectives and priorities
  - Proposed services, technical assistance, cost-share programs, etc.
  - Estimated budget needs (long-term)
  - Ability to leverage other resources
Determine District Needs

- Staffing
  - Current capacities
  - Projected staffing needs
  - Core functions (position descriptions)
  - Contract or professional services

- Regular, part-time, or limited duration employees

- Wages, benefits, and other expenses

- Training considerations and costs
District Needs - Continued

- Infrastructure Needs
  - Buildings
  - Vehicles
  - Equipment
- Purchase vs. lease
- Maintenance costs
- Insurance and risk management
- Other
Budget Development

- Estimated annual operating expenses
- Reserve requirements
- Contingency
- Special program requirements
  - Cost-share or grant program
  - Conservation easements
- Projected future increases (any category)
- Use Oregon Local Budget Law format
Determine Levy Rate

$_______ Budget = ___ Tax Rate

- Work with County Assessor
- Estimate Tax Rate that equates certain level(s) of funding
  (e.g. $0.05/$1,000 assessed value = $200,000)
- Plan for future growth (permanent means permanent)
Additional Tax Rate Considerations

- Compression
- Consider uncollectible taxes
- Potential growth of tax base (new construction)
- Other - See your County Assessor
Board Action - Decision Time

- District resolution to place measure on ballot
- Develop Ballot Title
  - Follow Oregon Department of Revenue guidance to develop caption, title, and summary information.
  - Review other ballot measures for comparison
  - Make sure ballot title and summary provides for all anticipated needs (district technical and administrative staff, district operations, contract services or professional services, outreach, vehicles, land, buildings, conservation easements, cost-share programs, other)
Election Cost$

- District is responsible (Pass or Fail)
  - Can use Tax Revenue if measure passes
- Estimate cost of election (with county clerk)
- Determine payment plan
  - From what source of funds?
  - Time frame
  - Terms
- Negotiate with county (if desired) to:
  - Reduce or waive election costs
  - Agree to a structured repayment plan
More Homework…

- Historical voter turnout
- Potential for competition on the ballot
- Review legal boundaries
- District GIS map - provide to county
- Address boundary changes early (if needed)
- Oregon Department of Revenue - Certify new boundaries by March 31 of year to levy tax
Almost There…

- Finalize ballot measure
- Seek review from:
  - ODA
  - Oregon Department of Revenue
  - Secretary of State’s Office
- Submit to County Clerk by filing deadline.
- September 4, 2008 - Deadline for November 4, 2008 General Election
- Develop information for Voters’ Pamphlet
Let the Campaigning Begin…..or Not!

- Know and follow rules and restrictions
  - Employees and campaigning
  - Use of public funds
  - Political Action Committees (PAC)
- Identify partners and build alliances
- Key community leaders
- Voter’s Pamphlet
Sources of Assistance

- Oregon Department of Revenue
  - Trainings, website, individual consultation
- County
  - Commissions, Assessor, Tax Collector, Clerk, others)
- Other SWCDs
- Oregon Department of Agriculture
- Oregon Secretary of State’s Office
- Special Districts Association of Oregon
- Consultants
Record Keeping

- Gather facts and information
- Set up files
- Document your steps and actions
  - Record completed steps
  - Record unanswered (and answered) questions
  - Make calendar and timeline of tasks until election day
Final Thoughts

- If the Measure passes
  - Learn and follow Local Budget Law
  - Seek assistance
  - Do good conservation work

- If the Measure fails
  - Evaluate
  - Brainstorm potential strategies
  - Do good conservation work