

REVENUE ANALYSIS



REVENUE ANALYSIS

CURRENT REVENUE SUMMARY BY FUND

Funds		FY 2022	FY 2023	FY 2024	FY 2025	FY 2025	FY 2025
		Actual	Actual	Revised	Proposed	Approved	Adopted
General Fund	100	43,753,461	38,762,929	40,868,700	42,575,702	42,739,669	42,739,669
Total General Fund		\$ 43,753,461	\$ 38,762,929	\$ 40,868,700	\$ 42,575,702	\$ 42,739,669	\$ 42,739,669
Sanitary Sewer Fund	500	4,180,425	5,087,203	5,296,200	5,604,609	5,604,609	5,604,609
Stormwater Fund	510	5,559,178	6,211,839	6,446,000	6,993,300	6,993,300	6,993,300
Water Quality/Quantity Fund	511	(17,589)	34,140	-	42,801	42,801	42,801
Water Fund	530	23,378,169	27,676,060	30,280,900	29,966,925	29,966,925	29,966,925
Water SDC Fund	531	2,107,519	3,724,300	1,701,050	2,385,907	2,385,907	2,385,907
Water CIP Fund	532	(22,280)	16,106	-	20,552,000	20,567,000	20,567,000
Water Debt Service Fund	533	(20,866)	87,776	97,700	7,392,498	7,392,498	7,392,498
Total Enterprise Funds		\$ 35,164,556	\$ 42,837,424	\$ 43,821,850	\$ 72,938,040	\$ 72,953,040	\$ 72,953,040
Gas Tax Fund	200	5,504,174	5,808,981	5,628,900	5,857,571	6,050,071	6,050,071
City Gas Tax Fund	205	762,455	922,018	1,056,300	865,691	865,691	865,691
Transportation TNC Fund	207	-	161,318	111,000	158,627	158,627	158,627
Transient Lodging Tax Fund	210	577,082	772,257	837,200	840,250	840,250	840,250
Construction Excise Tax Fund	212	548,930	1,866,380	1,091,781	1,526,286	1,526,286	1,526,286
Electrical Inspection Fund	220	251,675	348,092	365,000	369,357	369,357	369,357
Building Fund	230	2,642,397	3,968,516	3,874,200	4,401,976	4,401,976	4,401,976
Criminal Forfeiture Fund	240	80,693	1,163,733	144,200	43,062	43,062	43,062
Urban Forestry Fund	260	(20,976)	63,288	48,900	49,886	49,886	49,886
Parks and Recreation Fund	270	2,541,132	2,782,859	2,806,200	3,349,922	3,349,922	3,849,922
Police Levy Fund	280	2,133,611	2,295,284	2,295,600	2,434,502	2,434,502	2,434,502
Pandemic Relief Fund	290	-	-	-	-	-	-
Transportation Development Tax	405	2,263,358	4,097,472	2,472,500	5,558,168	5,558,168	5,558,168
Underground Utility Fund	411	169,247	20,205	103,300	105,920	105,920	105,920
Street Maintenance Fund	412	3,365,238	3,813,717	3,714,800	4,350,350	4,350,350	4,350,350
Transportation SDC Fund	415	780,875	2,800,375	1,695,200	2,918,931	2,918,931	2,918,931
Parks Bond Fund	421	(6,953)	29,250	-	24,024	24,024	24,024
Parks SDC Fund	425	791,765	3,075,532	1,669,100	2,549,421	2,549,421	2,549,421
Library Donations and Bequests Fund	980	(7,035)	15,539	20,400	25,522	25,522	25,522
Total Special Revenue Funds		\$ 22,377,668	\$ 34,004,816	\$ 27,934,581	\$ 35,429,466	\$ 35,621,966	\$ 36,121,966
Central Services Fund	600	12,375,495	13,730,001	14,698,983	16,655,555	16,655,555	16,655,555
Information Tech Rep'l Fund	605	-	1,276,661	1,892,974	1,904,157	1,904,157	1,904,157
Facilities Replacement Fund	615	-	424,258	1,499,696	1,356,696	1,356,696	1,356,696
Public Works Admin Fund	630	2,526,610	2,738,239	2,099,198	2,573,047	2,573,047	2,702,565
Public Works Engineering Fund	640	5,179,637	4,378,804	3,242,497	4,289,355	5,656,188	5,383,735
Fleet/Facilities	650	2,840,105	3,192,047	2,417,303	3,335,031	3,335,031	3,335,031
Fleet/Vehicle Replacement Fund	655	-	935,451	2,245,366	2,498,948	2,498,948	2,498,948
Insurance Fund	660	30,302	199,725	457,000	99,000	99,000	99,000
Total Internal Services Funds		\$ 22,952,149	\$ 26,875,186	\$ 28,553,017	\$ 32,711,789	\$ 34,078,622	\$ 33,935,687
Bancroft Debt Service Fund	300	82,470	41,331	13,400	14,133	14,133	14,133
General Obligation Debt Service Fund	350	2,292,662	2,708,279	3,093,600	3,017,759	3,017,759	3,017,759
Total Debt Service Funds		\$ 2,375,132	\$ 2,749,610	\$ 3,107,000	\$ 3,031,892	\$ 3,031,892	\$ 3,031,892
Facilities Capital Projects Fund	400	(11,469)	17,581	61,100	2,974,066	2,974,066	2,974,066
Parks Capital Fund	420	51,307	28	4,201,660	5,149,087	5,149,087	5,149,087
Transportation CIP Fund	460	695,315	329,636	1,365,675	15,657,739	15,657,739	15,657,739
Total Capital Project Funds		735,153	347,245	5,628,435	23,780,892	23,780,892	23,780,892
Total Revenue		\$ 127,358,119	\$ 145,577,210	\$ 149,913,582	\$ 210,467,781	\$ 212,206,081	\$ 212,563,146

GENERAL FUND REVENUE

The purpose of this section is to describe the city’s major revenue sources, explain the underlying assumptions for the revenue estimates, and discuss significant revenue trends. The revenue sources and assumptions used in the budget are summarized on the following pages.

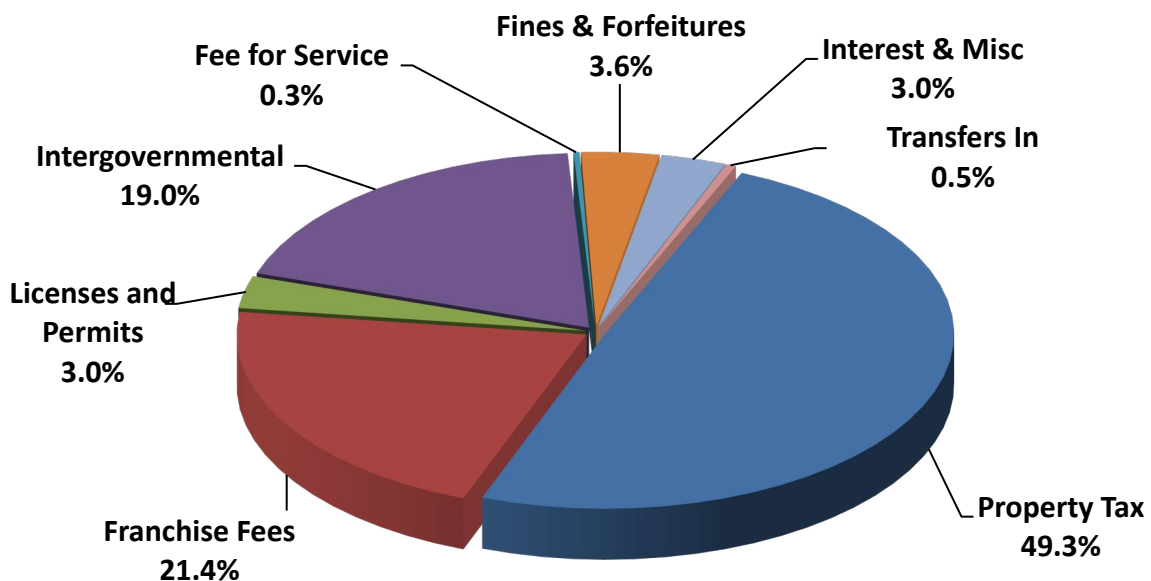
With no sales or income tax revenues, city general funds in Oregon are funded primarily by property taxes, franchise fees, state-shared revenues (e.g., cigarette tax and liquor tax revenues), and some charges/fees for services.

Oregon’s property tax system has changed significantly over the last few decades. Limitations on property taxes were put in place twice during the 90’s. These two major changes were:

- **Ballot Measure 5:** Taxes from fiscal year 1991-92 to 1995-96 were increasingly limited until the limit of \$5 per \$1,000 Real Market Value for school taxes and \$10 per \$1,000 Real Market Value for general government taxes was reached.
- **Ballot Measure 50:** This is a property tax limitation measure which was approved by Oregon’s voters in May 1997. The provisions in this measure rolled 1997 assessed values back to 90 percent of the 1995 value, established permanent rate limits for each tax district, allowed voters to approve local option levies outside these rates, established a method for taxing new property at a ratio of market value to the Maximum Assessed Value (giving similar tax savings to the new property), and limited the growth of Maximum Assessed Value for existing property to a maximum of 3% each year.

These limitations have reduced the city’s main source of revenue for core services such as police, library, and parks. The following figure shows the percentage of General Fund revenues by source for FY 2025.

General Fund - Revenue Sources



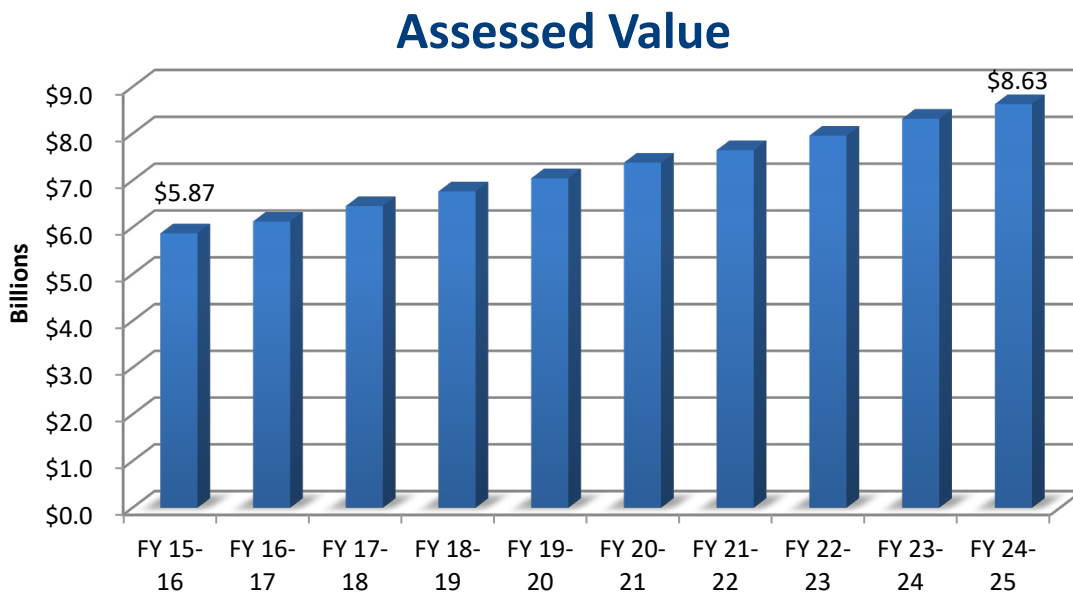
REVENUE ANALYSIS

ASSESSED PROPERTY VALUE

Property taxes are assessed by Washington County and are based on a property’s **assessed value**, not the property’s **real market value**. Assessed values were established under Measure 50 and are based on the 1995-96 tax roll value less 10%. These values generally can’t increase more than 3% per year unless major improvements are made to the property or voters have authorized a new levy.

The City of Tigard’s total assessed value is roughly 50% of its real market value based on the Washington County Department of Assessment & Taxation’s Summary of Assessment and Tax Roll publication for FY 2023-24. For the average home in Tigard, the assessed value of the home is roughly \$314,800 with the real market value of \$630,600.

In FY 2024-25, the average assessed home value is projected to be \$324,200 with the real market value projection of \$649,800. However, the median assessed home value projection is slightly less at \$315,180 with the real market value projection of \$631,800. The median home value represents the middle of home values where half of the homes in Tigard will have a value below this value and the other half will be above.



The city’s permanent operating tax rate is \$2.5131 per \$1,000 of assessed value. For FY 2024-25, it is assumed that the city’s overall assessed property values will increase by 4.5%. This is consistent with projections from previous years and considers the development activity in the River Terrace area that focuses more on multi-family housing structures and the resulting impacts on Average Assessed Value. The projection continues to consider nominal infill development.

PROPERTY TAX

The property tax system in Oregon has been heavily influenced by Measures 5 and 50, passed in 1990 and 1997 respectively. Because both rates and growth in assessed value are constrained, the economy has a limited effect on property tax revenue. However, there has been recent interest by local governments in developing a more flexible tax system within the State of Oregon.

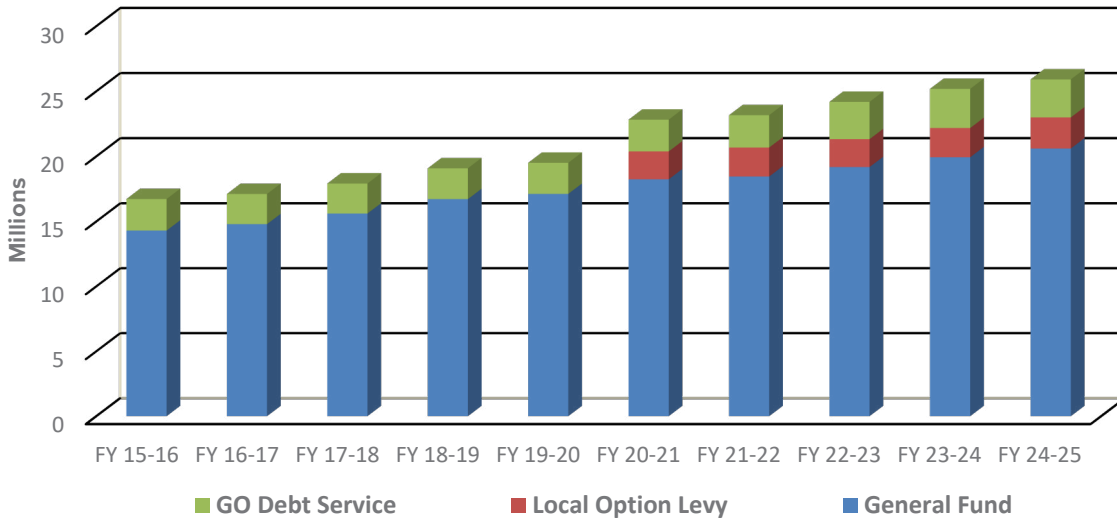
The property tax levy continues to be the General Fund’s single largest revenue source, estimated at \$20.5 million for FY 2024-25. Property taxes, including prior years’ taxes, account for 50% of all revenue for the General Fund estimated for FY 2024-25. Property taxes pay for police, parks, library, planning, municipal court, and several other services. In May 2020, voters approved a local option levy of \$0.29/\$1,000 assessed value to support police services, which is projected to raise \$2.4 million for FY 2024-25.

Tax Information	Actual 2021-2022	Actual 2022-2023	Revised 2023-2024	Budget 2024-2025
Property Taxes				
General Fund	\$ 18,900,115	\$ 18,930,658	\$ 19,781,900	\$ 20,481,000
Police Local Option Levy	2,217,394	2,145,668	2,241,500	2,375,000
GO Debt Service	2,621,876	2,859,903	2,988,700	2,903,000
Total Tax Levied	\$ 23,739,385	\$ 23,936,229	\$ 25,012,100	\$ 25,759,000
Assessed Values				
Prior Year Assessed Value	\$ 7,379,472,203	\$ 7,646,182,524	\$ 7,955,781,910	\$ 8,318,226,162
Increase (up to 3%)	221,384,166	229,385,476	238,673,457	249,546,785
Est. Annexations & New Const.	45,326,155	80,213,910	123,770,795	62,386,696
Total Assessed Value Estimate	\$ 7,646,182,524	\$ 7,955,781,910	\$ 8,318,226,162	\$ 8,630,159,643
Tax Rates/\$1,000 AV				
General Fund Permanent Rate	\$ 2.51310	\$ 2.51310	\$ 2.51310	\$ 2.51310
Police Local Option Levy	0.2900	0.2900	0.2900	0.2900
GO Debt Service	0.3429	0.3374	0.3356	0.3328
Tax Rate	\$ 3.14600	\$ 3.14050	\$ 3.13870	\$ 3.13592
Assessed Value of Average Home				
Average Assessed Value	\$ 296,700	\$ 305,600	\$ 314,800	\$ 324,200
General Fund	745.64	768.00	791.12	814.75
Police Local Option Levy	86.04	88.62	91.29	94.02
GO Debt Service	101.74	103.11	105.65	107.90
Average Estimated Tax per Household	\$ 933.42	\$ 959.74	\$ 988.06	\$ 1,016.66

The city has two voter-approved GO Bond property tax levies. In May 2002, Tigard voters approved a \$13 million General Obligation Bond to construct a new library. In November 2010, Tigard voters approved a parks bond measure allowing the city to issue up to \$17 million in General Obligation Bonds for parks land acquisition. The City has expended these funds to provide much needed parks land for the enjoyment of the community.

REVENUE ANALYSIS

Property Tax Revenue



The City of Tigard has a permanent tax rate of \$2.5131 per thousand. Compared to other municipalities in the state, Tigard has one of the lowest rates, making it difficult to pay for day-to-day services. The average tax rate for cities in Washington County is \$3.3307 and statewide is \$4.6263. This is a difference between Tigard’s tax rate and county average of \$0.8176 and the state’s average of \$2.1132 per thousand.

Based on the assessed value of the average Tigard home, The City of Tigard receives \$815 from each household in Tigard from the permanent property tax rate. Households with a same assessed value home will pay roughly \$1,080 annually in property tax for city services based on the average in Washington County or \$1,500 annually for city services based on statewide averages.

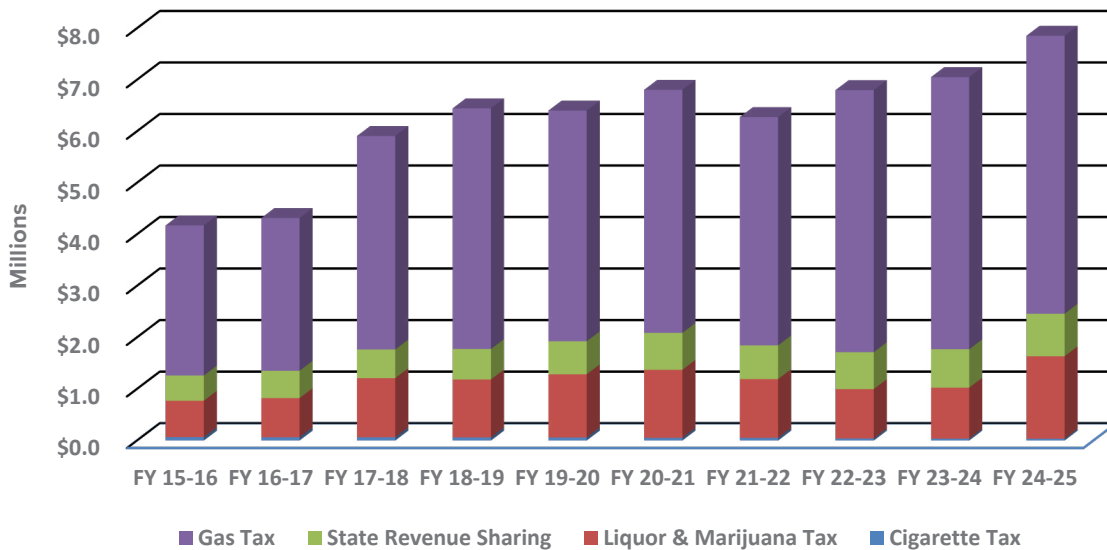
In May 2020, the City of Tigard voters approved the local option levy rate of \$0.2900 per \$1,000 in assessed value. The levy enhances Police Department services including increasing the patrol staffing and adding one additional school resource officer. Typical Tigard homes with a projected real market value in FY 2024-25 of \$649,800, which carry an assessed value of \$324,200, will pay approximately \$94 per year.

STATE REVENUE SHARING

State revenue sharing monies, which include gas, liquor, and cigarette taxes, are allocated to cities based on population with an adjustment for local taxing efforts. Using state projections, the League of Oregon Cities has produced the per capita estimates of State Shared Revenues for cities for the coming years.

The figure below presents the city’s state revenue sharing by source over a 10-year period.

State Revenue Sharing by Type



Cigarette tax is generated by two cents of the state-imposed \$1.33 per pack cigarette tax (excluding Measure 108 attributed to OHP, mental health, and other entities). Revenue from the tax is allocated as follows: \$0.19 to the state’s general fund; \$0.89 to the Oregon Health Plan; \$0.15 is dedicated to mental health services; \$0.02 to cities; \$0.02 to counties; \$0.02 to the Oregon Department of Transportation for transportation services to the elderly and disabled; and \$0.04 to the state’s tobacco use reduction account. Cities may use their share for general government purposes without program restrictions on their use.

Liquor & Marijuana tax revenues may be used by cities for general government purposes. Liquor tax revenue is distributed by the Oregon Liquor and Cannabis Commission in two different manners:

- 20% of the state’s liquor receipts are allocated as revenues to cities on a per capita basis and distributed monthly.
- 14% of state liquor receipts are allocated to cities on a formula basis, as outlined in ORS 221.770.

While Tigard’s population growth will increase liquor tax distribution to the city, on a statewide level the League of Oregon Cities indicates that liquor tax revenues will trend upwards. This trend is largely attributed to the Oregon “Kicker” Tax Credit, leading to a sharp rise in disposable income and discretionary spending. Historically, Oregon’s taxes on liquor, wine, and beer have remained static (1993, 1983, and 1978 respectively). The state has been assigning resources to analyze the tax rates on these types of purchases, which could translate to a rise in taxes in the future.

REVENUE ANALYSIS

STATE REVENUE SHARING · CONTINUED

The Oregon Liquor and Cannabis Commission facility could have impacts on the revenue distributed to cities. Their facility is reaching capacity and the Oregon State Legislature approved the construction of a new facility in 2021. The project has gone over budget by \$83.3 million, which will decrease Tigard's share, but the revenue trend will trend positive. The estimates for FY 2024-25 take trends and prior conclusions into consideration.

The marijuana tax was approved by voters in November 2016. Originally, 10% of the state tax rate of 17% is allocated to its cities based on population and the number of licensees within the city's jurisdiction. Tigard received marijuana tax distribution for the first time in FY 2017-18. In November 2020, Oregon voters passed Measure 110, diverting the bulk of marijuana tax receipts, and cutting the share that goes to cities. Starting in March 2021 quarterly revenue to cities fell by 74% from the previous quarter. Going forward, under Measure 110 cities will share a fixed amount totaling \$4.5 million annually which is not indexed and will not grow with the market.

The city imposes an additional 3% marijuana tax to its licensed operators within the city limit. The city's marijuana tax is not accounted for separately from the state distribution.

Based on the foregoing, liquor and marijuana tax revenues for FY 2024-25 is projected to total \$1,600,000, which is a 62% increase from FY 2023-24 projections of \$988,000 and much lower than the FY 2022-23 actual collections of \$1.4 million due to the changes indicated above.

Gas tax is allocated to cities from vehicle title and registration fee and the gas tax (formally referred to by the state as Highway Trust Fund revenues). In 2017, the Oregon legislature passed HB 2017 that significantly increased cities' per capita funding. The legislation included a 10 cent gas and fuel tax increase and a 53% increase in the weight-mile tax, both phased in over a seven year period. Future two cent increases are tied to meeting certain accountability and reporting requirements, which on a statewide level have been met and, thus, impacts projected revenue growth in future years.

The COVID-19 pandemic affected driving behaviors that significantly reduced gas tax revenues in 2020. However since that time, the recovery outpaced economist expectations, and statewide gas tax revenues are still exceeding pre-pandemic highs from 2019. Long-term growth in this revenue source will be tied to factors such as full-recovery from the pandemic's impacts, teleworking trends, population growth, and moves toward fuel efficient and electric vehicles.

The city also collects local gas taxes from the city's local gas tax ordinance that was created in 2006 and remains in effect permanently based on state law and Council action in 2010. For FY 2024-25, the city expects to receive a total of nearly \$5.2 million from these two sources. Population growth in Tigard compared to other agencies is attributed to the anticipated increase in allocation to the City, along with the other factors indicated above.

State Revenue Sharing is allocated to cities based on population with an adjustment for local taxing effort. It is anticipated that receipts from state revenue sharing will be up increase to \$825,000 in FY 2024-25.

FRANCHISE FEES

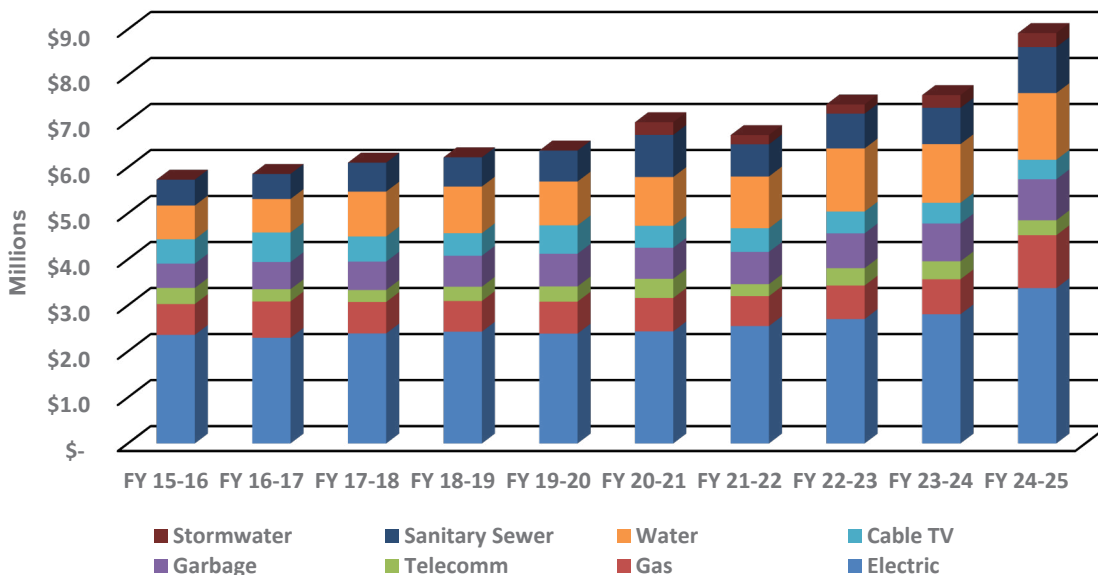
Franchise fees are charged as part of an agreement between local governments and utilities that use public rights-of-way. These agreements ensure that companies receiving special use of rights-of-way are paying fees to reimburse local governments for use of public services, and to prevent general taxpayers from subsidizing extraordinary use. Franchise agreements outline the terms under which utility companies use city rights-of-way, including compensation requirements. Franchise fees are typically calculated on a percentage of the revenues derived from sales of the utility company to customers in that service areas or territories.

Current franchisees and franchise rates are:

Service	Provider	Rate
Cable Television	Comcast	5%
Electric	Portland General Electric	5%
Garbage	All Haulers	5%
Natural Gas	Northwest Natural Gas	5%
Sanitary Sewer	City of Tigard with Clean Water Services	5%
Stormwater	City of Tigard with Clean Water Services	5%
Telecommunications	All providers	5%
Water	City of Tigard & Tualatin Valley Water District	5%

The next figure presents franchise fees collected by source over a 10-year period.

Franchise Fee Revenue by Type



REVENUE ANALYSIS

FRANCHISE FEES • CONTINUED

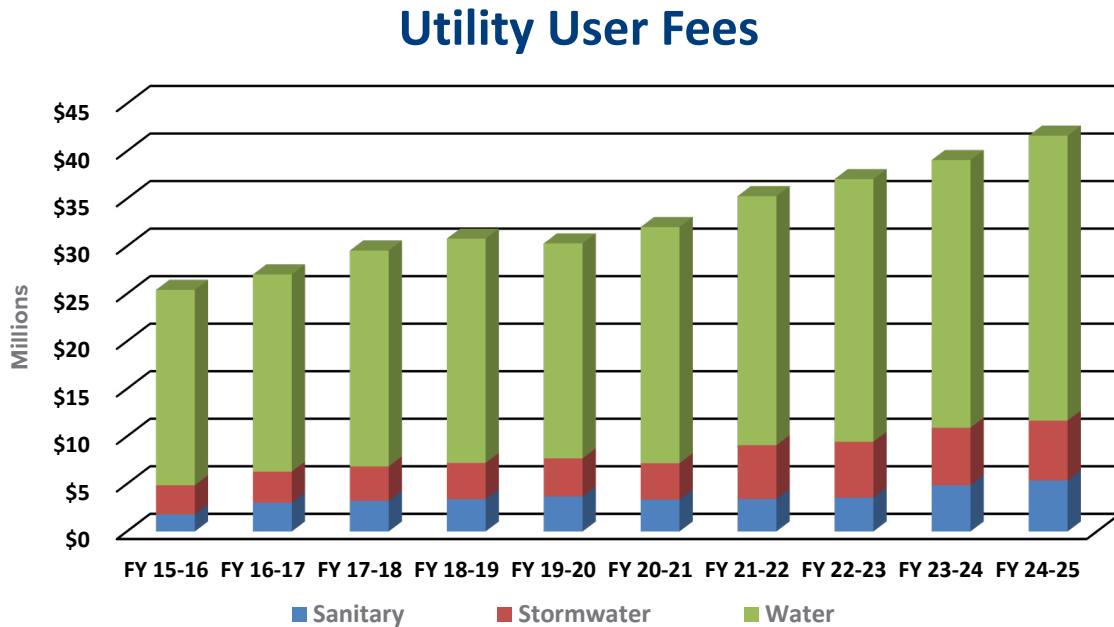
- **Cable TV** – The Metropolitan Area Communications Commission (MACC), a consortium of cities in the metro area, administers the cable television franchise. Cable franchise revenues are expected to remain flat due to the “cord cutting” trend of consumers switching from wire-based cable services to internet-based video streaming platforms.
- **Electricity** - Portland General Electric (PGE) pays a franchise fee representing 5% of their gross revenues to Tigard. Increases in revenues from this source are due to price increases and population and development growth in Tigard.
- **Garbage** – Pride Disposal and Waste Management are responsible for solid waste and recycling in Tigard. Each pays a 5% franchise fee. Solid waste rates, and thus garbage franchise fees, have increased due to the higher costs of recycling and diversion due to changes in worldwide disposal practices. The rise in these rates is expected to continue.
- **Natural Gas** - Northwest Natural Gas pays 5% of gross revenues as a franchise fee to Tigard. Revenues are expected to grow due to price increases and better-than-anticipated collections.
- **Sanitary Sewer** – Billed sewer revenues are shared between the City of Tigard for local services and Clean Water Services for regional services. Of the resulting revenues, 5% of gross revenues become a franchise fee to the General Fund. Franchise fees will continue to grow based on changes in sewer rates on property owners.
- **Stormwater** – Billed stormwater revenues are shared between the City of Tigard for local services and Clean Water Services for regional services. Since the City of Tigard does not have franchise fee agreement with CWS, the 5% of the gross revenues for the franchise fee comes out of the city’s share of the gross revenues. Franchise fees are expected to remain flat as stormwater rates are levied as a flat dollar amount for property owners and development activity will have initial little impact on revenue growth for FY 2024-25.
- **Telecommunications** – The shift from land line telephones to wireless and/or internet-based technologies continues to erode telecommunications franchise revenues in Tigard and cities throughout Oregon and the western United States. These franchise fees are expected to slightly decrease.
- **Water** – Tigard Water customers in the City of Tigard pay a 5% franchise fee through the water rates on the water portion of their utility bill. Tualatin Valley Water District (TVWD) customers in the City of Tigard pay a 5% franchise fee as an additional charge on their water bill from TVWD. Water franchise fees have been adjusted in FY 2024-25 to match the anticipated water rate increases discussed below.

Franchise fee revenues in FY 2024-25 are expected to total \$8.9 million, which is a 18% increase from the FY 2023-24 original projections.

ENTERPRISE – USER FEES

User fees include water, sanitary sewer, and storm drainage fees charged to all users of such services. The sanitary and storm fees are established jointly by Tigard and the Clean Water Services Agency (CWS) and updated by the agency each year. The City Council, through an intergovernmental agreement with other system participants, sets the water rates.

The figure below shows utility user fees by source collected over a 10-year period.



The intergovernmental agreement with CWS calls for the city to retain only a portion of the sanitary and storm fees it collects. The FY 2024-25 forecast includes an increase of 4% increase for sanitary sewer, and stormwater rates.

City of Tigard entered a water partnership with the City of Lake Oswego, in 2008, for a long-term water source. Water rates in the Tigard Water Service Area increased significantly starting in FY 2010-11 to accumulate the necessary funds to address the long-term water source needs. The latest water rate study in 2021 called for 2% increases in rates through FY 2028. Revenue projections for FY 2024-25 assume a 2% increase over the prior year’s estimates based on collections to date and water use trends.

User fees for sanitary sewer services included a surcharge beginning in FY 2016-17 of \$2.11/dwelling unit that is retained by the city to address growing infrastructure needs of the system. This surcharge is expected to grow by 1.5% per year, based primarily on population growth and development activity.

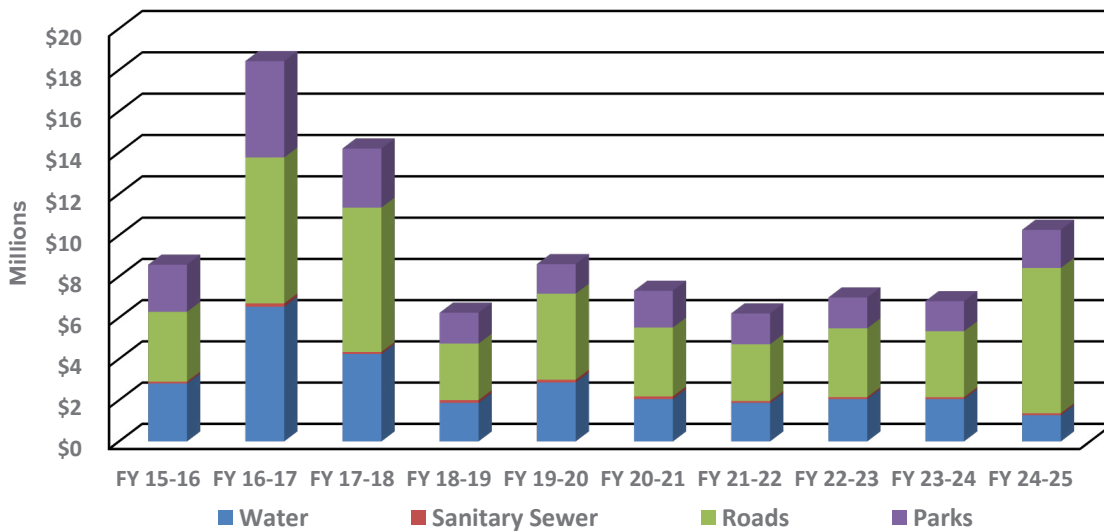
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CONNECTION FEES

Connection fees include transportation development tax (TDT), Tigard Transportation System Development Charge (TSDC), storm and sanitary sewer connection charges, water connection and system development charges, and parks system development charges. The TDT and TSDC is assessed on new development to help provide funds for the increased capacity transportation improvements needed to accommodate the additional vehicle traffic and demand for transit facilities generated by that development.

The figure below present connection fees collected by source over a 10-year period.

Connection Fees



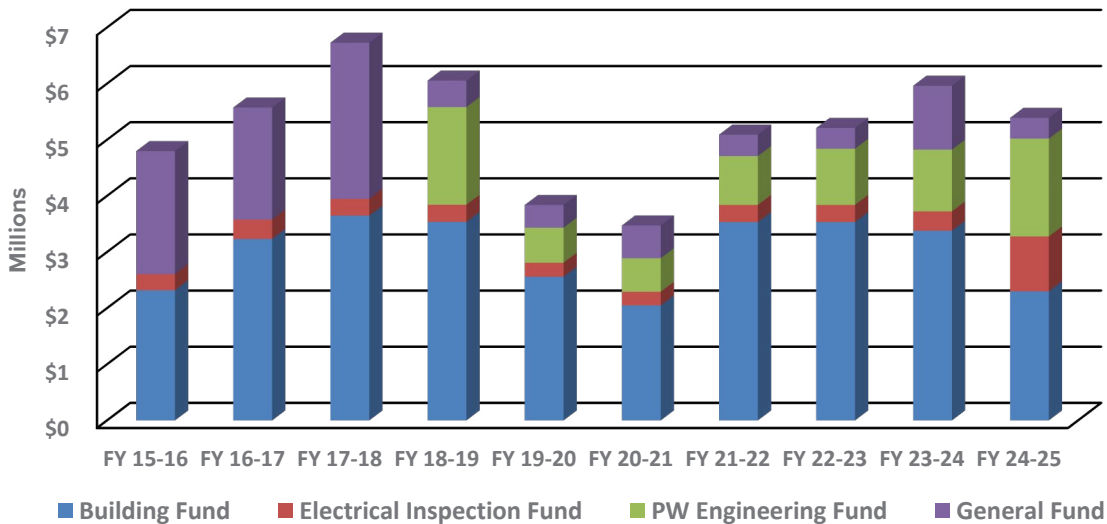
The city experienced significant development from FY 2015-16 to FY 2017-18 primarily due to the development of 150-200 homes annually in the River Terrace Subdivision. Revenues for FY 2024-25 have been adjusted to reflect collections in FY 2023-24 and anticipated development activity, which includes River Terrace and other infill and commercial development.

The TDT, categorized as an improvement fee, provides funds for capacity improvements to county and city arterials, certain collectors, and certain state and transit facilities as listed in the County’s Capital Improvements Project List. Revenue must be dedicated to capital improvements that expand capacity and may not be used for maintenance, repair, or other non-capital improvements. The city’s Transportation SDC was added in FY 2016. It has a similar purpose as the TDT and contributes to the ability to fund roads.

PERMIT FEES

Permit fee revenues are recorded in the Building Fund, the Electrical Inspection Fund, Public Works Engineering Fund, and the General Fund. The primary fees that are included in the figure below include such items as engineering public improvement fees, sign permits, land use planning application fees, and all related building permit fees. Nearly all fees are related to development activity and, therefore, reflect the level of that activity.

Permit Fees



As indicated in the Connection Fees section, the city experienced significant development from FY 2015-16 to FY 2017-18 primarily due to the development of 150-200 homes annually in the River Terrace Subdivision. Development in the River Terrace area continues at FY 2020-21 levels into FY 2024-25. Revenues for FY 2024-25 have been adjusted to reflect collections in FY 2023-24 and anticipated development activity, which includes River Terrace and other infill and commercial development.

The PW Engineering Fund was created in FY 2018-19 to pull out engineering functions into a separate internal service fund. This was historically a part of the General Fund.

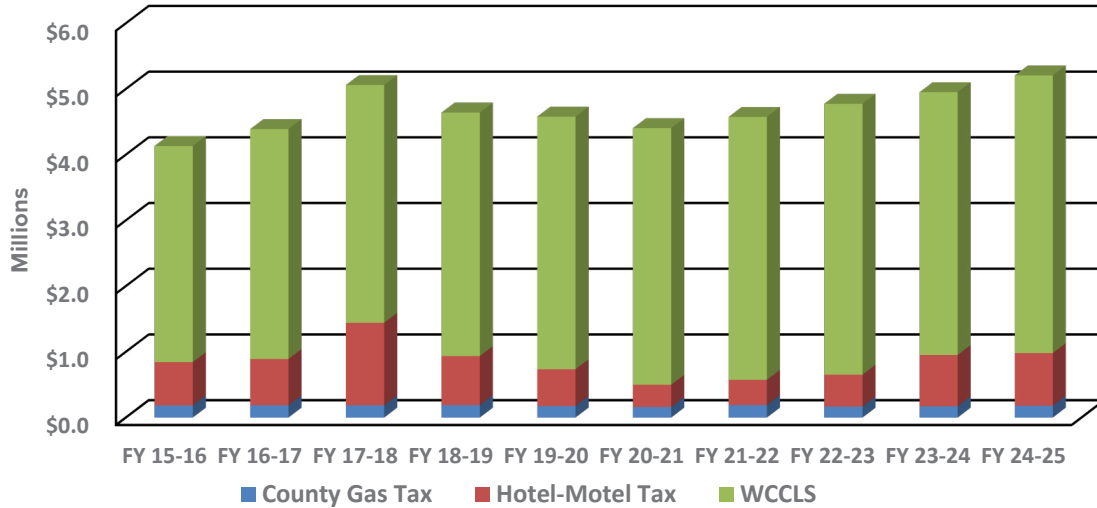
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COUNTY SHARED REVENUE

County Shared Revenue include the Washington County gas tax, the Washington County Cooperative Library System (WCCLS) levy, and a countywide hotel/motel tax.

The figure below presents County shared revenues by source over a 10-year period.

County Shared Revenue



Washington County collects a one cent per gallon tax on gasoline and distributes it to cities in the county to use for road maintenance activities. This revenue source has seen minor growth over the past few years because, under the current state law, the tax per gallon cannot be increased. As mentioned in the gas tax section earlier, fuel efficient vehicles and reduced driving are leading to less overall gas tax revenue.

The hotel/motel tax is collected by Washington County at a 7% rate and is distributed to all participating jurisdictions. Tigard receives about one-third of the amount collected in the city limits. Tax collections are directly related to room rental rates, the number of hotel and motel rooms within the city, and the economy. Tigard’s hotels rely on business travelers to the Portland Metro area and relative to Nike’s operations in adjacent Beaverton.

During the second half of the FY 2019-20, the worldwide pandemic, COVID-19, had significant impacts on the travel industry, with business travel slowing to historically low levels. Many businesses in FY 2022-23 fully lifted COVID-19 related restrictions and implemented return to office requirements. Revenues for FY 2024-25 take these factors into consideration. (Note: separate to the county’s shared hotel tax revenues, the city has its own hotel/motel tax of 2.5%. This is not included in this analysis, but the same factors apply regarding future revenue generation.)

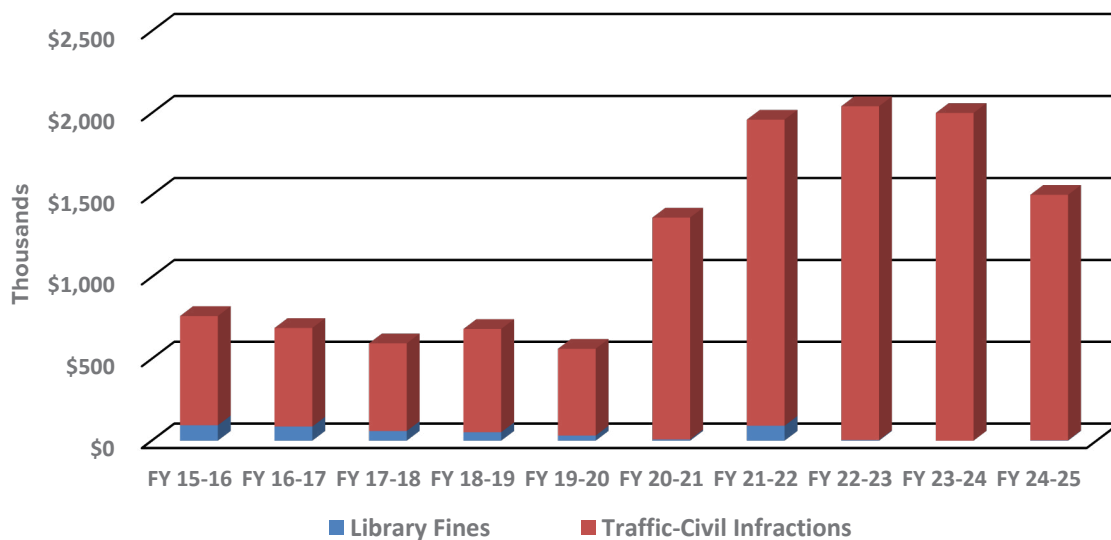
WCCLS funds come from county property taxes generated from the county’s permanent property tax rate. In May 2020, voters approved the renewal of the local option levy that maintained and expanded countywide operating support of the libraries at the existing rate of \$0.22 per \$1,000 of assessed value through 2025. Revenue allocation is based partially on population growth, so the city’s share has increased slightly over the past few years. Revenues for FY 2024-25 are projected to total \$4.2 million based on the latest information from the county.

FINES AND FORFEITURES REVENUE

This revenue category includes traffic and civil infraction citations, which are processed by the Municipal Court, and fines for late and lost materials at the Library. Fine collections are directly related to the number of citations issued. The bail schedule is updated annually by the Municipal Court Judge.

The figure below presents fines and forfeitures revenues by type over a 10-year period.

Fines and Forfeitures



In FY 2018-19, the city implemented a Photo Red Light Enforcement program aimed at reducing traffic accidents and injuries. Based on independent traffic surveys and ODOT crash data, the city implemented this program at three intersections along Highway 99W. Revenues related to Photo Red Light Enforcement Program is projected based on the data from other jurisdictions with similar programs and limited experience with the program since it was fully rolled out in FY 2020-21.

During FY 2020-21, Photo Enforcement Program expanded to include speed enforcement. Revenues from these programs pay for program expenses, future police facility needs, and traffic safety measures. The COVID-19 pandemic reduced traffic patterns since its implementation, which resulted in fewer traffic infractions than anticipated. The program has not fully realized anticipated revenues to date, due to some of the traffic cameras malfunctioning. The inhibited traffic camera ticketing volume is forecasted in FY 2024-25 revenues. The maintenance work that needs to be completed on each of the malfunctioning cameras will require further downtime between investigation and resolution.

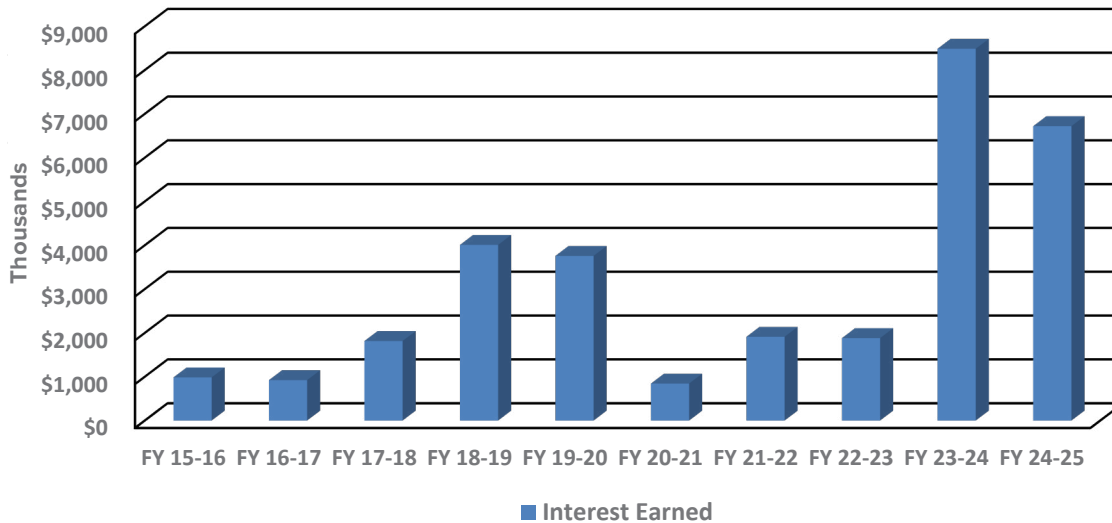
Library fines are levied upon library patrons for overdue materials. During the COVID-19 pandemic, the library remained closed for several months and limited access to the library. The City Council approved a resolution to waive library fines in an attempt to support the return of library customers and the library does not intend to bring back overdue library fines.

REVENUE ANALYSIS

INTEREST EARNINGS

Interest earnings are generated from the investment of cash on hand in various funds of the city. Interest earnings are directly attributable to the amount of cash available for investment and current interest rates. The figure below presents citywide interest earnings over a 10-year period.

Interest Earnings



The city has been experiencing a higher level of interest earnings primarily driven by increased reserves in various capital project and special revenue funds associated with the significant development activity over the past few years. As those reserves begin to be spent down, interest earnings will fall.

In compliance with state law, the city’s primary interest-bearing investment tools include the State’s Local Government Investment Pool (LGIP), U.S. Treasury Bills, and Corporate Bonds, with approximately 20% of cash reserves held in the LGIP. Beginning in 2022, the US Federal Reserve rapidly increased interest rates based on inflationary concerns related to supply chain and increasing oil and food prices related to unrest in eastern Europe. At the end of the 1st quarter of 2024, the one-year Treasury Rate was at 4.9% and the LGIP’s latest yield rates are 5.2%. The city has strategically invested its reserves to capitalize on the high interest rate environment and anticipates a 4% yield on reserves for the FY 2024-25 budget.

INTERFUND TRANSFERS

DESCRIPTION	QTY	UNIT COST	2025 ADOPTED
1008500 57270 - TRANSFER TO PARKS UTILITY FUND			1,000,000
Transfer to cover Parks Utility Fund utilizing fund balance		1	500,000
Transfer to Parks to cover addtl' ICAP	1	500,000	500,000
1008500 57400 - TRANSFER OUT TO CAPITAL PROJECTS			256,000
91024 Library HVAC System CIP_Facilities	1	106,000	106,000
91029 City Facilities Modernization - PW and Police CIP_Facilities	1	150,000	150,000
1008500 57650 - TRANSFER OUT TO FLEET/FACILITIES			28,840
Adjustment to ICAP Fleet	1	28,840	28,840
TOTAL GENERAL FUND			1,284,840



INTERFUND TRANSFERS • REVENUE ANALYSIS

	DESCRIPTION	QTY	UNIT COST	2025 ADOPTED
2008500	57400 - TRANSFER OUT TO CAPITAL PROJECTS			110,000
	91029 City Facilities Modernization - PW and Police CIP_Facilities	1	110,000	110,000
2008500	57460 - TRANSFER OUT TRANSPORTATIONCIP			2,541,000
	95076 SRTS Templeton - Twality Improvements CIP_Transportation	1	434,000	434,000
	95077 Greenburg Road (Hall Blvd. to Hwy 217) Sidewalks and Bike Lanes CIP_Transportation	1	50,000	50,000
	95078 Streetlight Replacement Program CIP_Transportation	1	1,210,000	1,210,000
	95079 Safe Streets and Roads for All (SS4A) Action Plan CIP_Transportation	1	112,000	112,000
	95067 Traffic and Transportation System Major Maintenance Program CIP_Transportation	1	300,000	300,000
	95083 Fanno Creek Regional Trail Crossing Safety Improvements CIP_Transportation	1	90,000	90,000
	95084 SW 95th Avenue - Highway 217 Pedestrian and Bicycle Bridge Refinement Study CIP_Transportation	1	45,000	45,000
	95027 Pedestrian and Cyclist Connections Program CIP_Transportation	1	300,000	300,000
2008500	57650 - TRANSFER OUT TO FLEET/FACILITIES			5,493
	Adjustment to ICAP Fleet	1	5,493	5,493
TOTAL GAS TAX FUND				2,656,493

INTERFUND TRANSFERS • REVENUE ANALYSIS

DESCRIPTION	QTY	UNIT COST	2025 ADOPTED
2058500 57460 - TRANSFER OUT TRANSPORTATIONCIP			3,154,000
95071 Murdock Street Sidewalk and Stormwater Improvements CIP_Transportation	1	2,051,000	2,051,000
95073 SRTS Locust Street Sidewalks CIP_Transportation	1	1,103,000	1,103,000
2058500 57600 - TRANSFER OUT TO CENTRAL SERVICES			18,366
Finance	1	18,366	18,366
2058500 57640 - TRANSFER TO PW ENGINEERING			124,526
PW Engr	1	124,526	124,526
TOTAL CITY GAS TAX FUND			3,296,892
2078500 57600 - TRANSFER OUT TO CENTRAL SERV			573
Finance	1	573	573
TOTAL TRANSPORTATION TNC FUND			573
2108500 57100 - TRANSFER OUT TO GENERAL FUND			382,881
Grants TLT Award	1	93,950	93,950
Tigard drone	1	100,000	100,000
FY25_Estimated_30% of tax	1	188,931	188,931
TOTAL TRANSIENT LODGING TAX FUND			382,881
2128500 57600 - TRANSFER OUT TO CENTRAL SERVICES			15,328
Finance	1	15,328	15,328
TOTAL TIGARD CET FUND			15,328

INTERFUND TRANSFERS • REVENUE ANALYSIS

DESCRIPTION	QTY	UNIT COST	2025 ADOPTED
2208500 57230 - TRANSFER OUT TO BUILDING FUND			262,500
Transfer to Building Fund	1	262,500	262,500
5% increase over previous year			
Transfer to Building Fund			
2208500 57600 - TRANSFER OUT TO CENTRAL SERVICES			3,001
Finance	1	3,001	3,001
TOTAL ELECTRICAL INSPECTION FUND			265,501
2308500 57650 - TRANSFER OUT TO FLEET/FACILITIES			3,204
Adjustment to ICAP	1	3,204	3,204
Fleet			
TOTAL BUILDING FUND			3,204
2408500 57600 - TRANSFER OUT TO CENTRAL SERVIC			241
Finance	1	241	241
TOTAL CRIMINAL FORFEITURE FUND			241
2608500 57420 - TRANSFER OUT TO PARKS CAPITAL			225,000
92017 Tree Canopy Replacement Program	1	225,000	225,000
CIP_Parks			
2608500 57600 - TRANSFER OUT TO CENTRAL SERVICES			859
Finance	1	859	859
TOTAL URBAN FORESTRY FUND			225,859
2708500 57650 - TRANSFER OUT TO FLEET/FACILITIES			9,156
Adjustment to ICAP	1	9,156	9,156
Fleet			
TOTAL PARK AND RECREATION FUND			9,156

INTERFUND TRANSFERS • REVENUE ANALYSIS

DESCRIPTION	QTY	UNIT COST	2025 ADOPTED
2908500 57100 - TRANSFER OUT TO GENERAL FUND			298,507
Added by Budget Scenarios	1	133,089	133,089
Social Services Coordinator			
Transfer to General Fund for Strategic Initiatives Manager	1	165,418	165,418
2908500 57400 - TRANSFER OUT TO CAPITAL PROJ			620,000
91024 Library HVAC System	1	620,000	620,000
CIP_Facilities			
TOTAL PANDEMIC RELIEF FUND			918,507
4058500 57460 - TRANSFER OUT TRANSPORTATIONCIP			1,910,000
95048 Roy Rogers Road	1	540,000	540,000
CIP_Transportation			
95054 Hall Boulevard - Pfaffle Street	1	180,000	180,000
New Traffic Signal			
CIP_Transportation			
95069 Bonita - Sequoia Intersection -	1	50,000	50,000
Traffic Signal			
CIP_Transportation			
95072 72nd Avenue Pre-Design	1	456,000	456,000
CIP_Transportation			
95074 McDonald Street (Hall Boulevard to Pacific Highway)	1	684,000	684,000
CIP_Transportation			
4058500 57600 - TRANSFER OUT TO CENTRAL SERVICES			42,991
Finance	1	42,991	42,991
TOTAL TRANSPORTATION DEVELOPMENT TAX			1,952,991

INTERFUND TRANSFERS • REVENUE ANALYSIS

DESCRIPTION		QTY	UNIT COST	2025 ADOPTED
4118500	57460 - TRANSFER OUT TO TRANS CIP FUND			19,000
	95074 McDonald Street (Hall Boulevard to Pacific Highway) CIP_Transportation	1	19,000	19,000
4118500	57600 - TRANSFER OUT TO CENTRAL SERVICES			896
	Finance	1	896	896
TOTAL UNDERGROUND UTILITY FUND				19,896
4128500	57200 - TRANSFER OUT TO GAS TAX FUND			192,500
	Support right-of-way maintenance	1	150,000	150,000
	Support for dig outs from Street maintenance crew	1	42,500	42,500
4128500	57600 - TRANSFER OUT TO CENTRAL SERVICES			127,748
	Finance	1	65,284	65,284
	Central_Utility Billing	1	62,464	62,464
TOTAL STREET MAINTENANCE FEE FUND				320,248
4158500	57420 - TRANSFER OUT TO PARKS CAPITAL			130,000
	92080 Fanno Creek Trail Bonita Road to Durham Road Project Development CIP_Parks	1	83,000	83,000
	92046 Fanno Creek Trail Connections (RFFA Grant) CIP_Parks	1	47,000	47,000
4158500	57460 - TRANSFER OUT TRANSPORTATIONCIP			4,286,641
	95056 North Dakota Street (Fanno Creek) Bridge Replacement CIP_Transportation	1	869,000	869,000
	95060 Tigard Street (Fanno Creek) Bridge Replacement CIP_Transportation	1	2,294,000	2,294,000
	95066 Americans with Disabilities Act Right of Way Program CIP_Transportation	1	700,000	700,000

INTERFUND TRANSFERS • REVENUE ANALYSIS

DESCRIPTION	QTY	UNIT COST	2025 ADOPTED
95081 Ki-a-Kuts Bridge Pile Rehabilitation CIP_Transportation	1	144,000	144,000
95073 SRTS Locust Street Sidewalks CIP_Transportation	1	91,641	91,641
95074 McDonald Street (Hall Boulevard to Pacific Highway) CIP_Transportation	1	38,000	38,000
95086 2040 Transportation System Plan SDC Analysis CIP_Transportation	1	150,000	150,000
4158500 57600 - TRANSFER OUT TO CENTRAL SERVICES Finance	1	31,144	31,144
TOTAL TRANSPORTATION SDC FUND			4,447,785
4218500 57420 - TRANSFER OUT TO PARKS CAPITAL 92063 River Terrace Community Parks CIP_Parks	1	650,000	650,000
TOTAL PARKS BOND FUND			650,000
4258500 57420 - TRANSFER OUT TO PARKS CAPITAL 92016-09 Dirksen Nature Park - Small Nature Play Area CIP_Parks	1	260,000	260,000
92080 Fanno Creek Trail Bonita Road to Durham Road Project Development CIP_Parks	1	83,000	83,000
92046 Fanno Creek Trail Connections (RFFA Grant) CIP_Parks	1	55,000	55,000
92053 Parks Major Maintenance Program CIP_Parks	1	400,000	400,000
92058 Cities of Tigard and Tualatin - Tigard-Tualatin School District Program CIP_Parks	1	100,000	100,000

INTERFUND TRANSFERS • REVENUE ANALYSIS

	DESCRIPTION	QTY	UNIT COST	2025 ADOPTED
	92063 River Terrace Community Parks CIP_Parks	1	325,000	325,000
	92064 Steve Street Park and Trail CIP_Parks	1	343,000	343,000
	92065 Lasich Park Property Plan and Boat Launch Feasibility Study CIP_Parks	1	175,000	175,000
	92066 Trail System Plan CIP_Parks	1	200,000	200,000
	92067 Bagan Park CIP_Parks	1	62,000	62,000
	92068 Cook Park Accessible Boat Ramp CIP_Parks	1	101,000	101,000
	92016 Dirksen Nature Park - Overall Project CIP_Parks	1	55,000	55,000
	92072 2022 Parks and Recreation System Plan SDC Analysis CIP_Parks	1	150,000	150,000
	92073 Copper Creek - Cook Park Stream Stabilization CIP_Parks	1	95,000	95,000
4258500	57460 - TRANSFER OUT TRANSPORTATIONCIP			56,000
	95081 Ki-a-Kuts Bridge Pile Rehabilitation CIP_Transportation	1	56,000	56,000
4258500	57600 - TRANSFER OUT TO CENTRAL SERVICES Finance	1	41,336	41,336
4258500	57940 - TRANSFER TO URA CAP PROJ FUND			800,000
	97028 Tigard Triangle Parks CIP_Parks	1	800,000	800,000
TOTAL PARKS SDC FUND				3,301,336

INTERFUND TRANSFERS • REVENUE ANALYSIS

DESCRIPTION	QTY	UNIT COST	2025 ADOPTED
5008500 57400 - TRANSFER OUT TO CAPITAL PROJECTS			120,000
91029 City Facilities Modernization - PW and Police CIP_Facilities	1	120,000	120,000
5008500 57420 - TRANSFER OUT TO PARKS CAPITAL			95,000
92073 Copper Creek - Cook Park Stream Stabilization CIP_Parks	1	95,000	95,000
5008500 57510 - TRANSFER OUT TO STORMWATER			477,000
94046 Kruger Creek Stabilization CIP_Stormwater	1	333,000	333,000
94049 Red Rock Creek Stabilization and Enhancement CIP_Stormwater	1	99,000	99,000
94050 Gaarde Street Greenway Detention and Sewer Project CIP_Stormwater	1	45,000	45,000
5008500 57650 - TRANSFER OUT TO FLEET/FACILITIES			3,662
Adjustment to ICAP Fleet	1	3,662	3,662
TOTAL SANITARY SEWER FUND			695,662
5108500 57420 - TRANSFER OUT TO PARKS CAPITAL			95,000
92073 Copper Creek - Cook Park Stream Stabilization CIP_Parks	1	95,000	95,000
5108500 57460 - TRANSFER OUT TRANSPORTATIONCIP			602,000
95060 Tigard Street (Fanno Creek) Bridge Replacement CIP_Transportation	1	122,000	122,000
95071 Murdock Street Sidewalk and Stormwater Improvements CIP_Transportation	1	480,000	480,000

INTERFUND TRANSFERS • REVENUE ANALYSIS

DESCRIPTION		QTY	UNIT COST	2025 ADOPTED
5108500	57500 - TRANSFER OUT TO SANITARY SWR FUND			252,500
	93061 Cured-In-Place Pipe (CIPP) Project CIP_Sanitary Sewer	1	252,500	252,500
5108500	57650 - TRANSFER OUT TO FLEET/FACILITIES			5,951
	Adjustment to ICAP Fleet	1	5,951	5,951
TOTAL STORMWATER FUND				955,451
5308500	57400 - TRANSFER OUT TO CAPITAL PROJECTS			120,000
	91029 City Facilities Modernization - PW and Police CIP_Facilities	1	120,000	120,000
5308500	57460 - TRANSFER OUT TRANSPORTATION CIP			233,000
	95074 McDonald Street (Hall Boulevard to Pacific Highway) CIP_Transportation	1	209,000	209,000
	95060 Tigard Street (Fanno Creek) Bridge Replacement CIP_Transportation	1	24,000	24,000
5308500	57510 - PASS THROUGH ACCOUNT			216,000
	94052 Ash Avenue and Ash Drive Stormwater System and Pavement Repair CIP_Stormwater	1	139,000	139,000
	94054 North Dakota Street Stormwater Improvements CIP_Stormwater	1	77,000	77,000
5308500	57532 - TRANSFER OUT TO WATER CIP FUND			11,806,000
	96040 Reservoir 18 and Pump Station CIP_Water	1	703,000	703,000
	96046 Red Rock Creek Waterline Relocation CIP_Water	1	170,000	170,000

INTERFUND TRANSFERS • REVENUE ANALYSIS

DESCRIPTION	QTY	UNIT COST	2025 ADOPTED
96053 Aquifer Storage and Recovery Well #2 and Well #6 CIP_Water	1	953,000	953,000
96058 Pipeline Renewal and Replacement Program (PRRP) CIP_Water	1	4,880,000	4,880,000
96059 Water System Major Maintenance Program CIP_Water	1	180,000	180,000
96060 Generator Replacement at Pump Station 3 CIP_Water	1	665,000	665,000
96064 Reservoir 8-1 Structural Improvements CIP_Water	1	785,000	785,000
96065 Water Meter Modernization CIP_Water	1	310,000	310,000
96066 Water Treatment Plant & RIPS Generator CIP_Water	1	1,610,000	1,610,000
96067 Water System Service Line Inventory CIP_Water	1	105,000	105,000
96070 ASR Expansion Feasibility Study CIP_Water	1	275,000	275,000
96030 560-East Pressure Zone Consolidation Project (Formerly Bull Mountain Water Pipeline) CIP_Water	1	1,155,000	1,155,000
96078 Risk and Resilience Assessment and Emergency Response Plan	1	15,000	15,000
5308500 57533 - TRANSFER OUT WATER DEBT SRVC Transfer to debt service	1	7,207,146	7,207,146
5308500 57650 - TRANSFER OUT TO FLEET/FACILITIES Adjustment to ICAP Fleet	1	5,036	5,036
TOTAL WATER FUND			19,587,182

INTERFUND TRANSFERS • REVENUE ANALYSIS

DESCRIPTION		QTY	UNIT COST	2025 ADOPTED
5318500	57532 - TRANSFER OUT TO WATER CIP FUND			8,761,000
	96040 Reservoir 18 and Pump Station CIP_Water	1	5,647,000	5,647,000
	96053 Aquifer Storage and Recovery Well #2 and Well #7 CIP_Water	1	2,222,000	2,222,000
	96062 Water System Plan Addendums CIP_Water	1	122,000	122,000
	96030 560-East Pressure Zone Consolidation Project (Formerly Bull Mountain Water Pipeline) CIP_Water	1	620,000	620,000
	96076 Reservoir 19 CIP_Water	1	150,000	150,000
5318500	57600 - TRANSFER OUT TO CENTRAL SERVICES Finance	1	53,352	53,352
TOTAL WATER SDC FUND				8,814,352
6158500	57400 - TRANSFER OUT TO CAPITAL PROJ			619,000
	91024 Library HVAC System CIP_Facilities	1	119,000	119,000
	91029 City Facilities Modernization - PW and Police CIP_Facilities	1	500,000	500,000
TOTAL FACILITIES REPLACEMENT FUND				619,000
6308500	57650 - TRANSFER OUT TO FLEET/FACILITIES			916
	Adjustment to ICAP Fleet	1	916	916
TOTAL PUBLIC WORKS ADMIN FUND				916

INTERFUND TRANSFERS • REVENUE ANALYSIS

DESCRIPTION	QTY	UNIT COST	2025 ADOPTED
6408500 57650 - TRANSFER OUT TO FLEET/FACILITIES			3,204
Adjustment to ICAP	1	3,204	3,204
Fleet			
TOTAL PUBLIC WORKS ENGINEERING FUND			3,204
9808500 57400 - TRANSFER OUT TO CAPITAL PROJECTS			600,000
91024 Library HVAC System	1	600,000	600,000
CIP_Facilities			
9808500 57600 - TRANSFER OUT TO CENTRAL SERV			45
F&F Risk	1	45	45
TOTAL LIBRARY FUND			600,045

TOTAL REVENUE	0
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TOTAL EXPENSE	51,027,543
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GRAND TOTAL	51,027,543
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