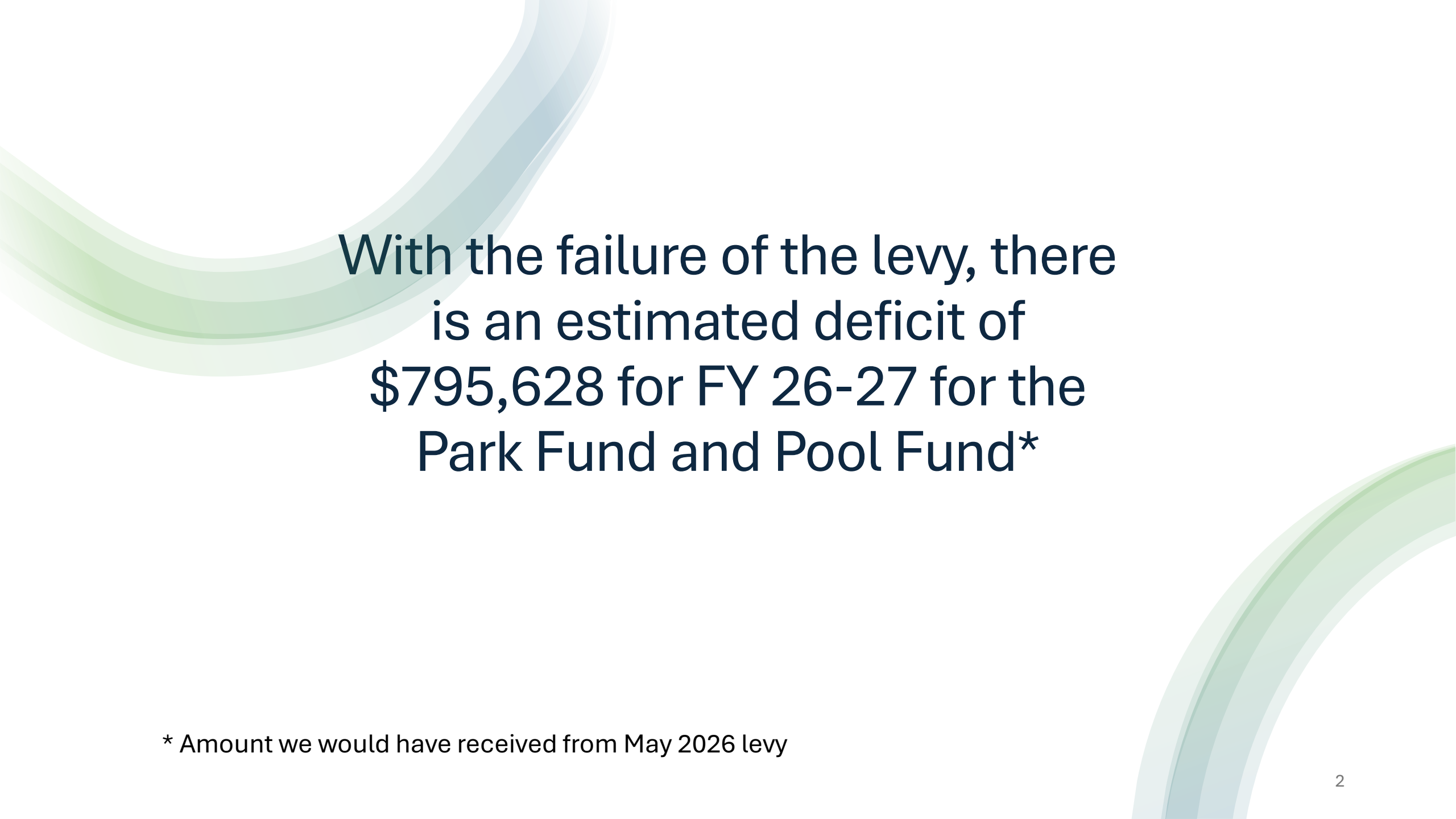


Parks and Pool Funding Options

City Council Work Session

May 27, 2026



With the failure of the levy, there
is an estimated deficit of
\$795,628 for FY 26-27 for the
Park Fund and Pool Fund*

* Amount we would have received from May 2026 levy

Agenda

- Brief review Relevant Tax History and funding constraints
- Review of Park and Pool Funding and Expenses
- Options/Alternatives discussion
- Next steps

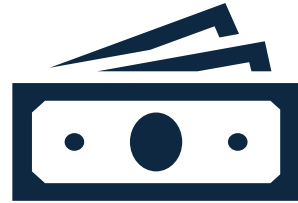
NOTE: This discussion/decisions will address budget shortfall for the remainder of the budget, but will not be sustainable long term. Additional policy discussion will be needed.





Overview of Relevant Tax History & Funding General Fund

How Oregon's Property Tax System Works



Measure 5 (1990):

Limits total property taxes to \$10 per \$1,000 of Real Market Value (RMV) for general government services.

Created **permanent tax rates**

Stayton's permanent tax rate is \$3.33 per \$1000



Measure 50 (1997):

Separated property tax from RMV.

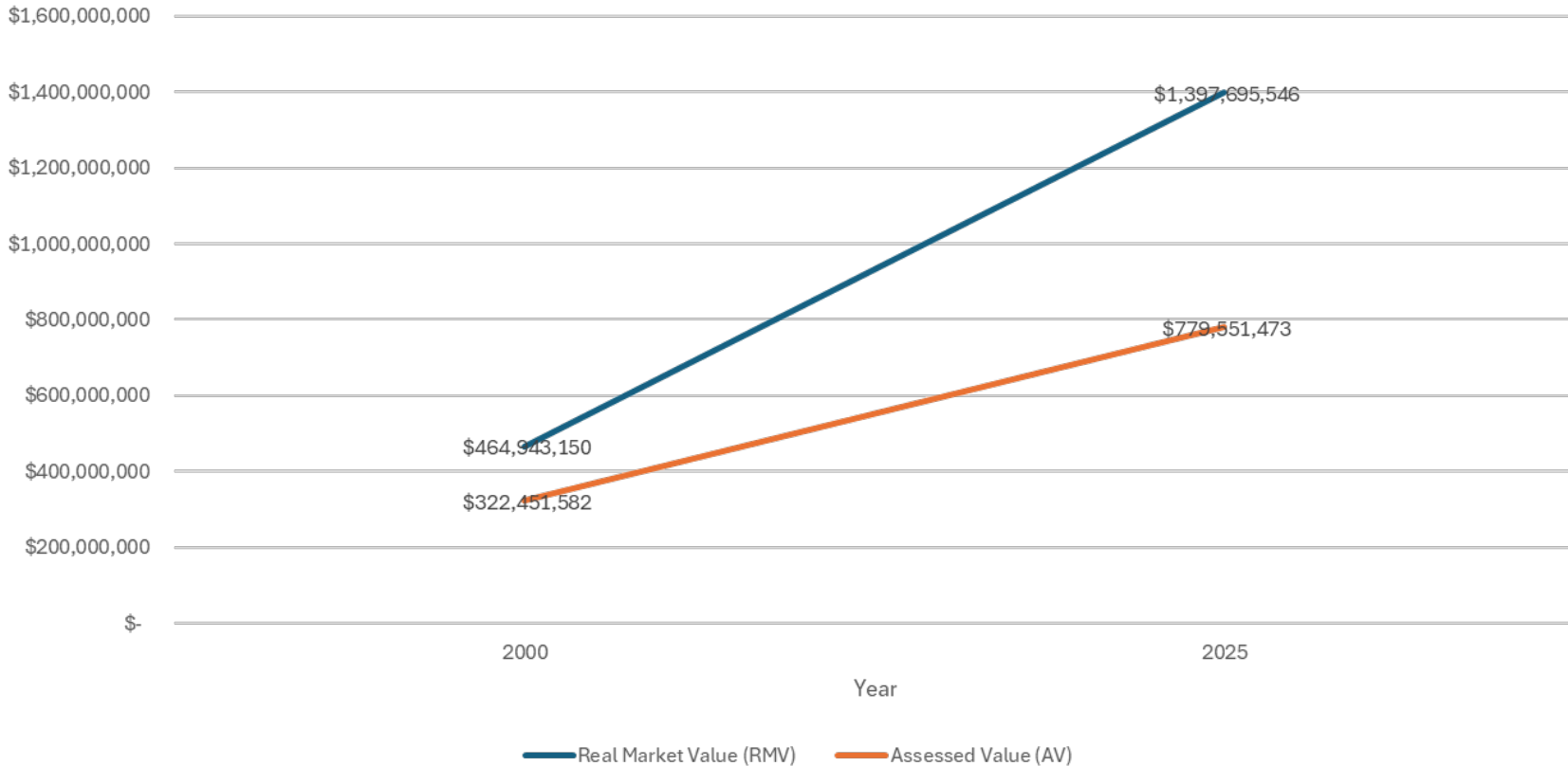
Properties in Oregon are not taxed at their actual market value.




Taxation is based on an assessed value (AV), which was established by reducing the RMV of the property in 1995-96 by 10%.

The AV is limited to a 3% increase regardless of what the actual market value changes are

Changes in RMV vs. AV 2000 to 2025

Stayton's Assessed Value Vs Real Market Value over time



Residential Home	Market Value (MV)	≈ County Assessed Value (AV)
	\$306K	\$153K
 <p data-bbox="682 631 853 678">Average</p>	\$504K	<div style="border: 2px solid red; padding: 2px;">\$252K</div>
	\$766K	\$383K

STAYTON, OR - RESIDENTIAL ... MARKET VALUE vs ASSESSES VALUE

- **Assessed Value (AV)** in Oregon is usually **well below Market Value (MV)** because it is capped by **Measure 50, AV limited to 3%/yr increase since 1990's.**
- **Stayton's AV ≈ 51% of MV**
- **AV DOES NOT RE-SET AT SALE**

The average home pays \$839.16 annually in property taxes to the City which goes into the "General Fund"

NOTE: These numbers are indicative and not to be taken as absolute

Reminder of Fund Structures for budgeting

Functional Units				
Governmental Funds			Proprietary Funds	
General Fund	Special Revenue Funds	Capital Projects Funds	Enterprise Funds	Internal Service Funds
City Council	Street Fund	Facilities Fund	Wastewater Fund	Public Works Administration Fund
Public Safety	Street	City Hall	System Operations	Administration
Police Patrol	Maintenance	Police Station	Capital Investment Debt Service	Engineering
Code Enforcement	Street Construction	Municipal Court		Project Management
Emergency Management	Sidewalks			Inspections
Planning/Zoning	Bike Paths			
Municipal Court		Parks SDC Fund	Water Fund	
Outside Agency Funding	Parks Fund	Parks	System Operations	
Administration	Parks Maintenance	Infrastructure Expansion	Capital Investment Debt Service	
City Manager	Trails			
Human Resources	Parks Construction			
Finance	Jordan Bridge	Street SDC Fund	Stormwater Fund	
Information Technology	Library Fund	Streets	System Operations	
City Recorder	Materials and Programming	Infrastructure Expansion	Capital Investment Debt Service	
Economic Development	Building Occupancy			
Communications	Pool Fund		Wastewater SDC Fund	
Street Lighting	Swim Instruction		Wastewater Infrastructure Expansion	
Community Center	Physical Therapy		Water SDC Fund	
			Water Infrastructure Expansion	
			Stormwater SDC Fund	
			Stormwater Infrastructure Expansion	

General Fund (GF)
Flexible



Can be spent on ANYTHING
(Within the law)



All Other Funds
Restricted

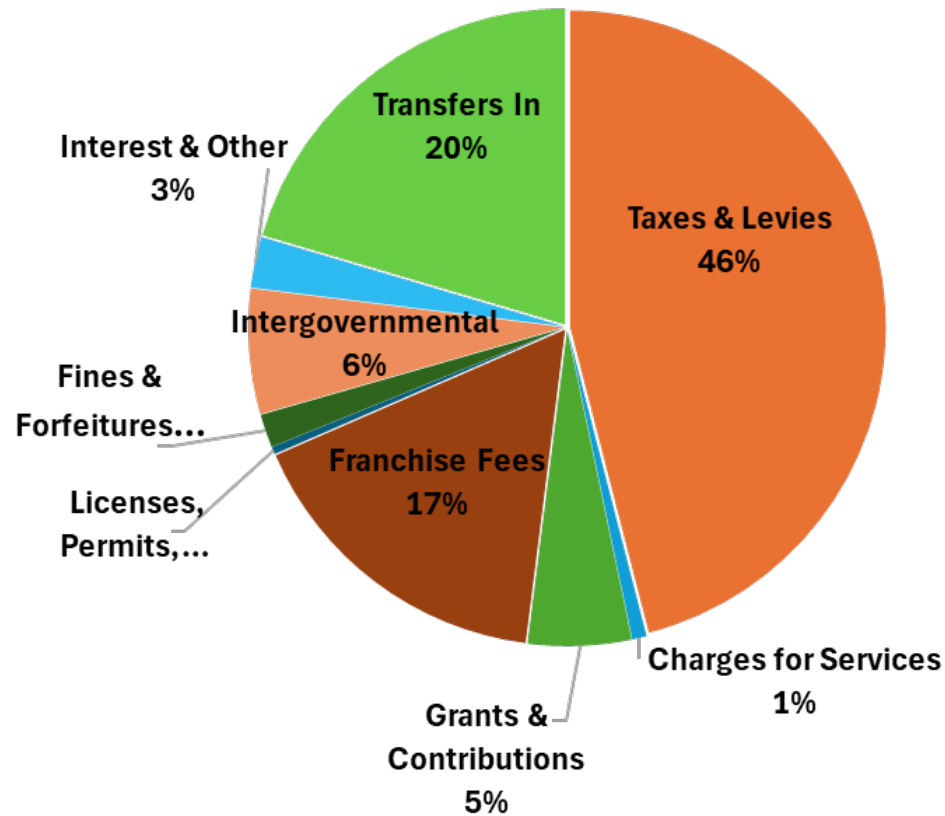


Can only be spent on specific purposes
(No moving funds around)

General Fund Revenue

(Two year Budget)

Current Revenues

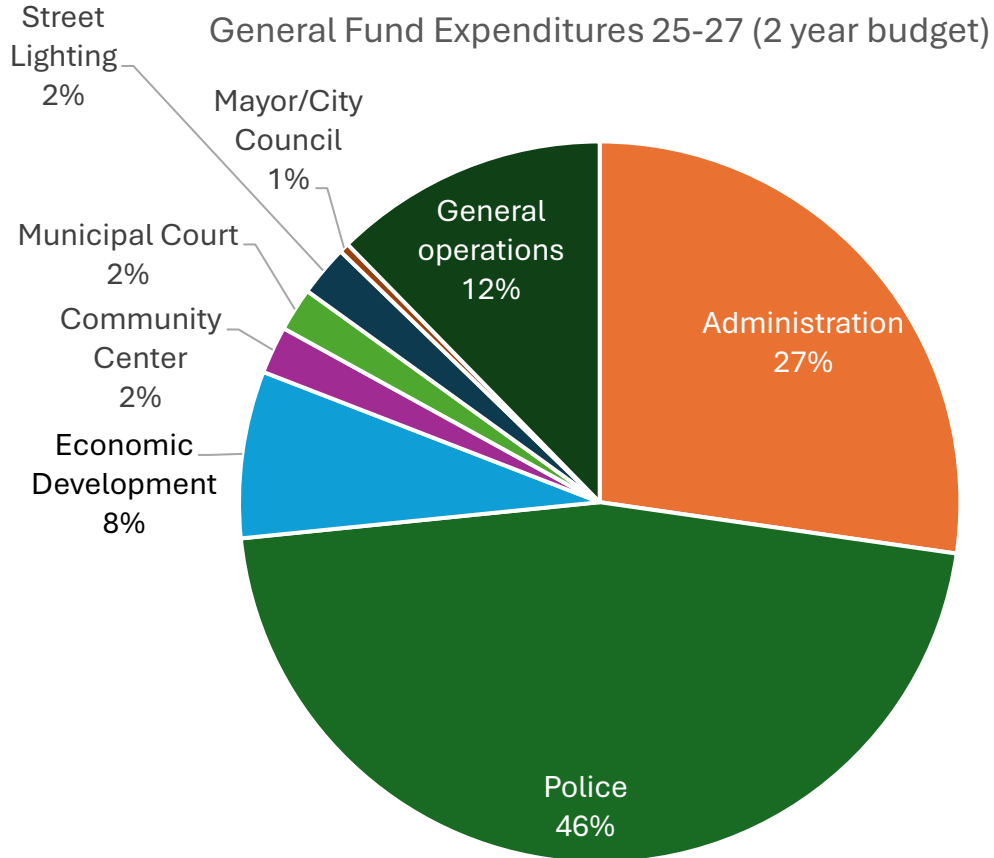


GENERAL FUND REVENUES	Proposed Budget
Taxes & Levies	5,339,397
Charges for Services	85,000
Grants & Contributions	613,850
Franchise Fees	1,913,300
Licenses, Permits & Fees	44,400
Fines & Forfeitures	198,000
Intergovernmental	742,773
Interest & Miscellaneous	301,578
Transfers In	2,373,000
Total Current Revenues	11,611,298

General Fund Expenditures

(Two-Year Budget)

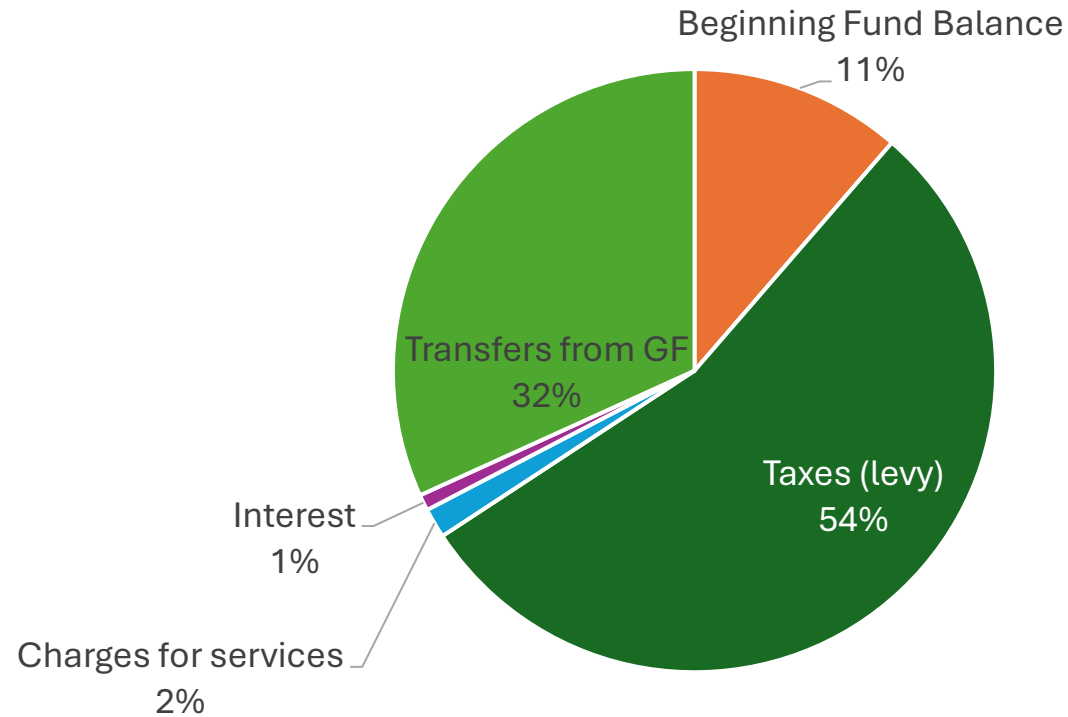
Percent of Expenditures



	2025-27 Adopted Budget
GENERAL FUND	
Requirements	13,688,191
Administration	3,593,285
Police	6,075,229
Economic Development	985,603
Community Center	279,708
Municipal Court	256,982
Street Lighting	301,156
Mayor/City Council	57,794
General Operations	1,623,106
Contingency	436,512
Unappropriated	78,816

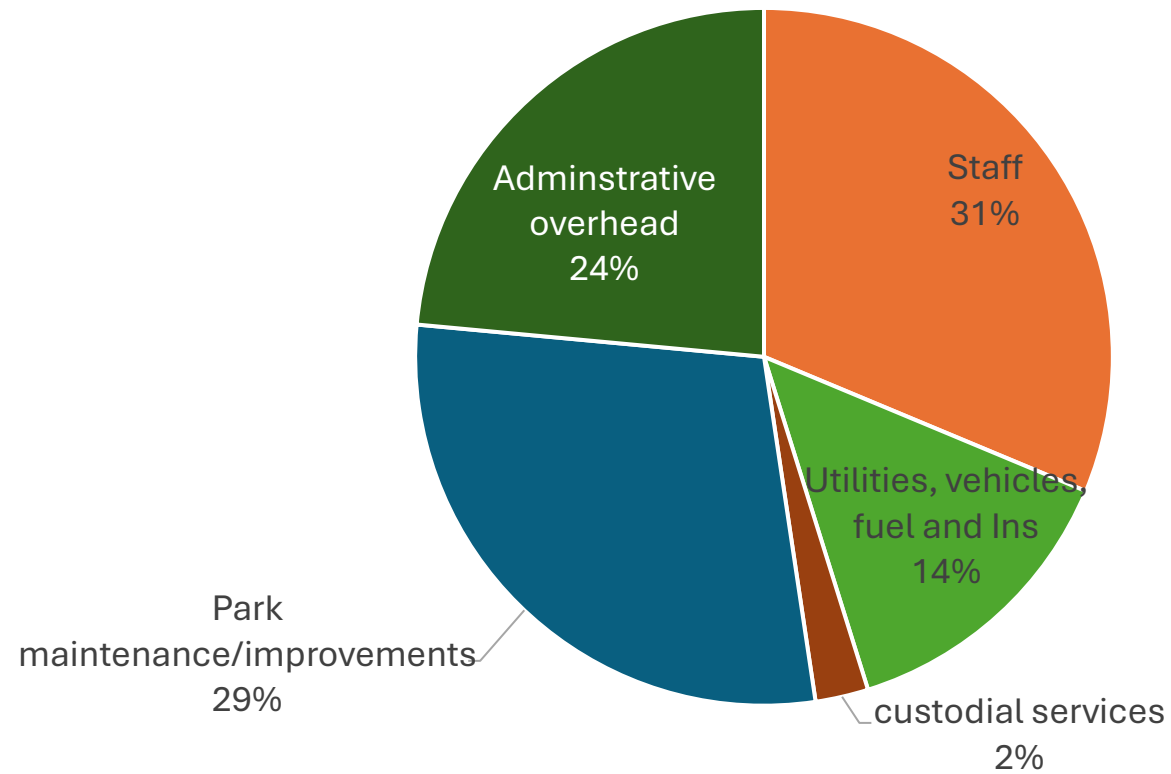
Park Funding

Park Resources (minus Mill Creek) 25-27 budget

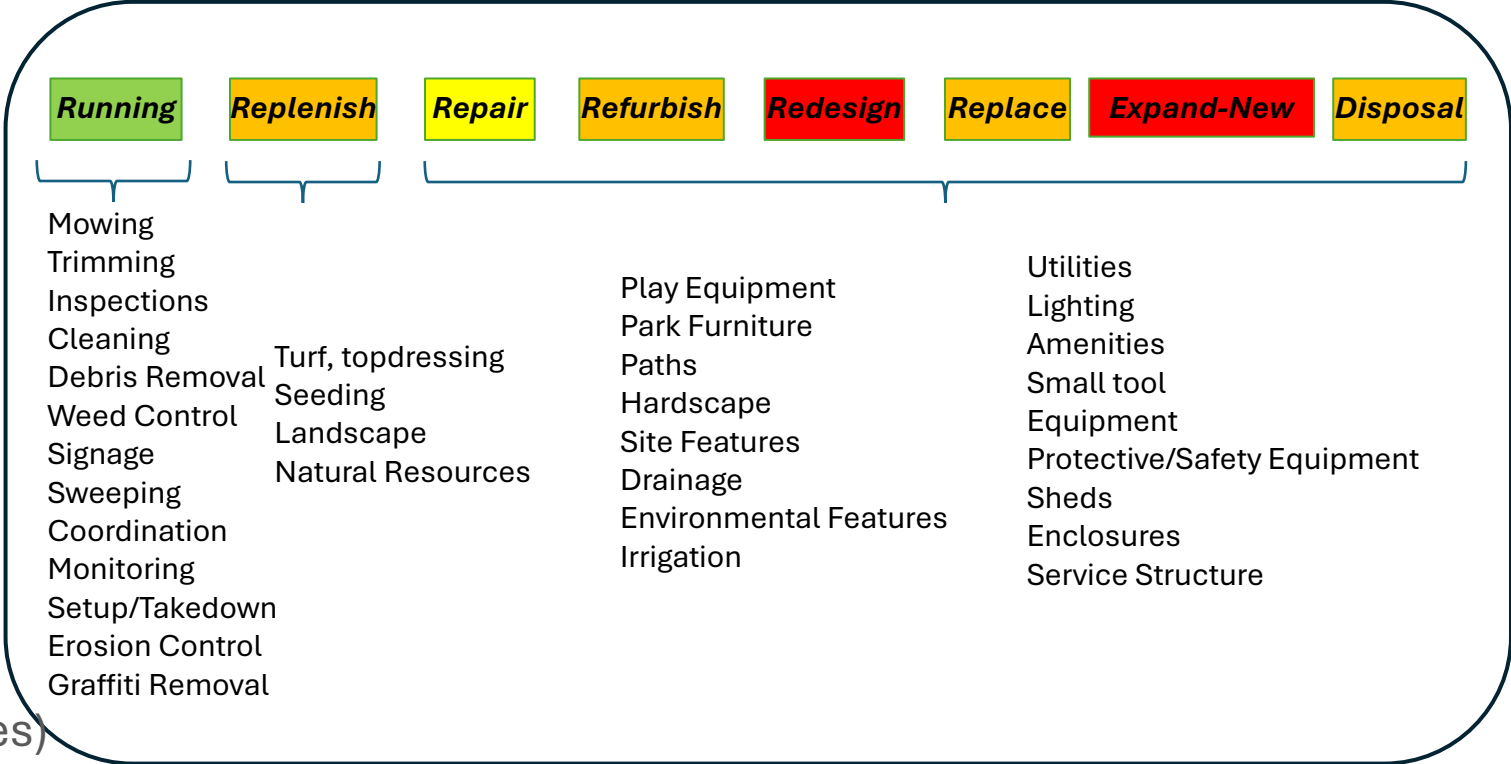


FY 25-27 budget assumed \$1,250,001 in Revenue; assumed a new levy passed for FY 26-27
Deficit of approximately \$420,027

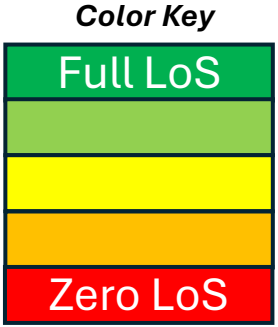
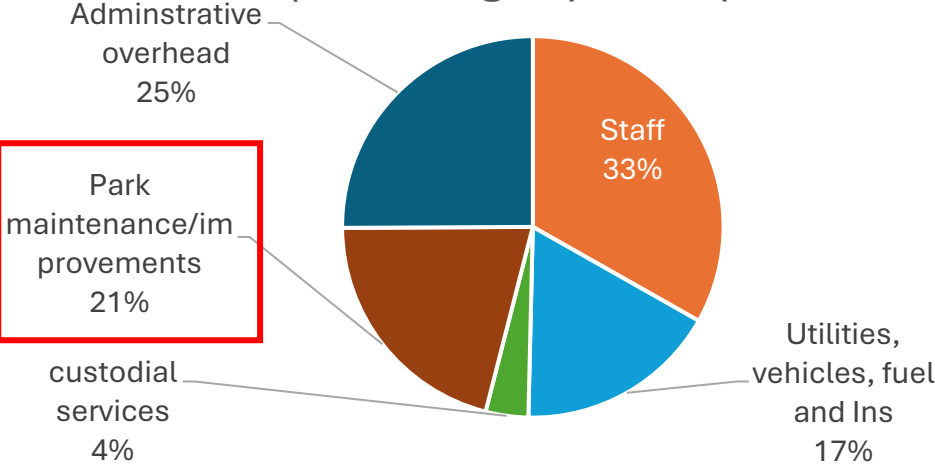
25-27 Expenditures-Parks (excluding capital expenditures)



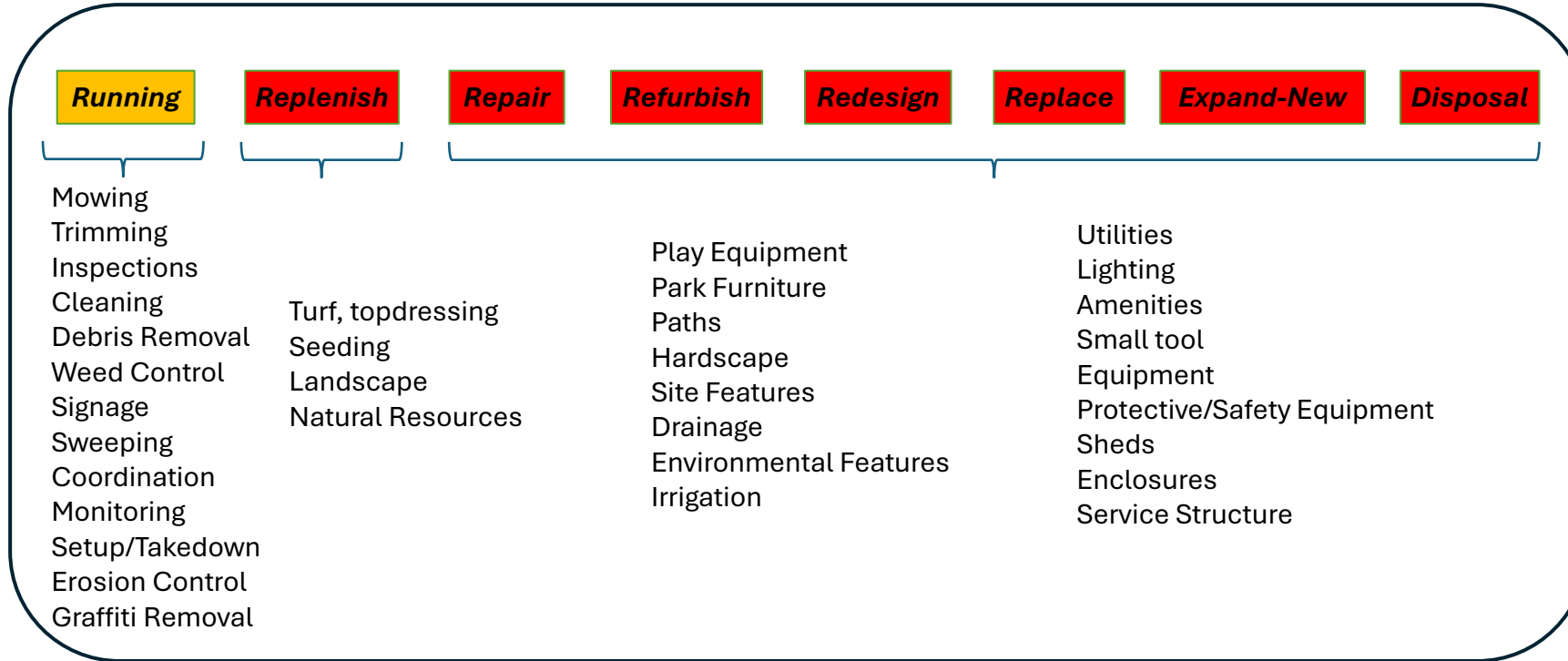
Parks Current Level of Service



23-25 Expenditures-Parks (excluding capital expenditures)



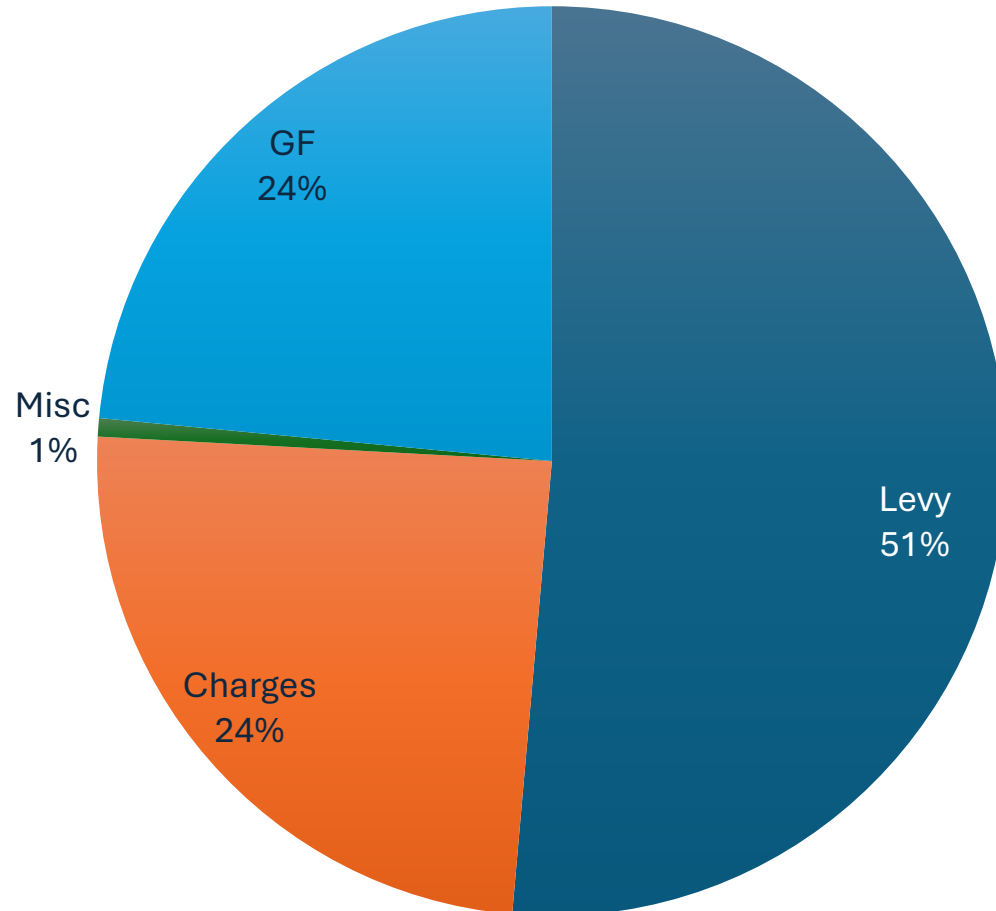
Parks Anticipated Level of Service (LoS) with no levy or additional funding



Revenue shortfall of approximately \$420,027

Pool Funding

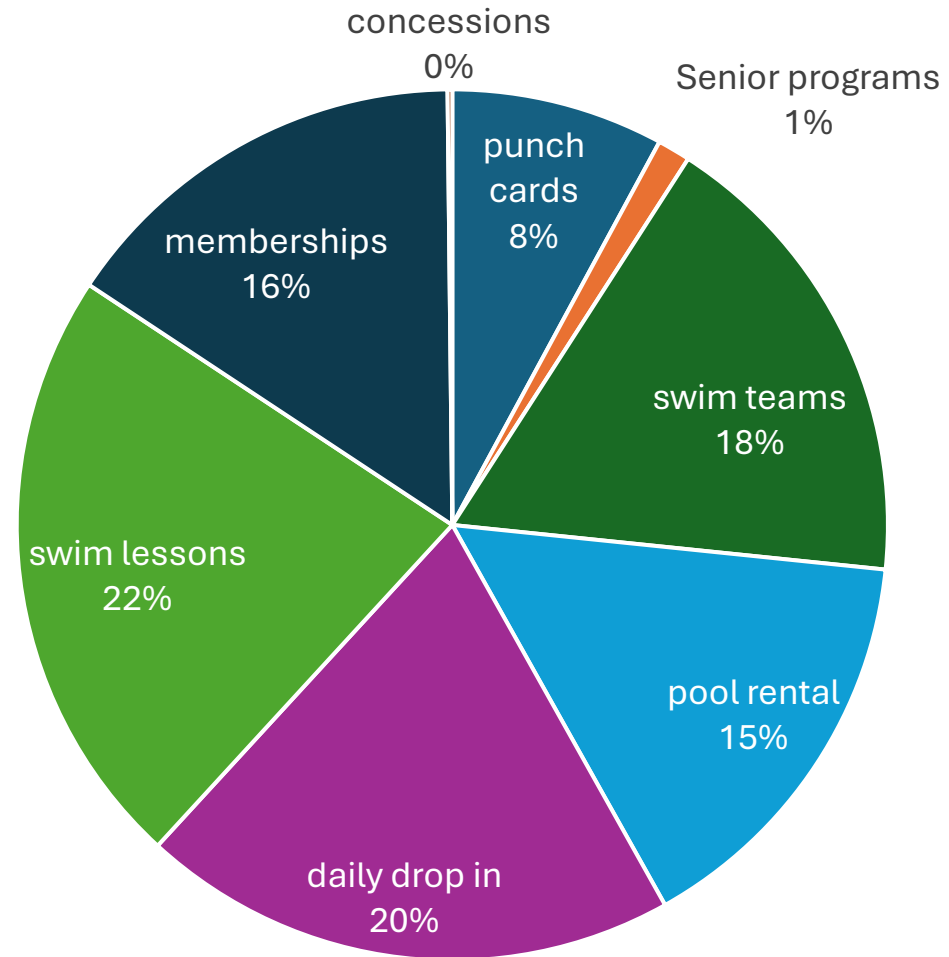
Pool Revenue sources 25-27 budget



FY 25-27 budget assumed \$1,250,817 in Revenue (excluding endowment contribution); assumed a new levy passed for FY 26-27 - **Deficit of approximately \$375,601**

Pool Revenues*

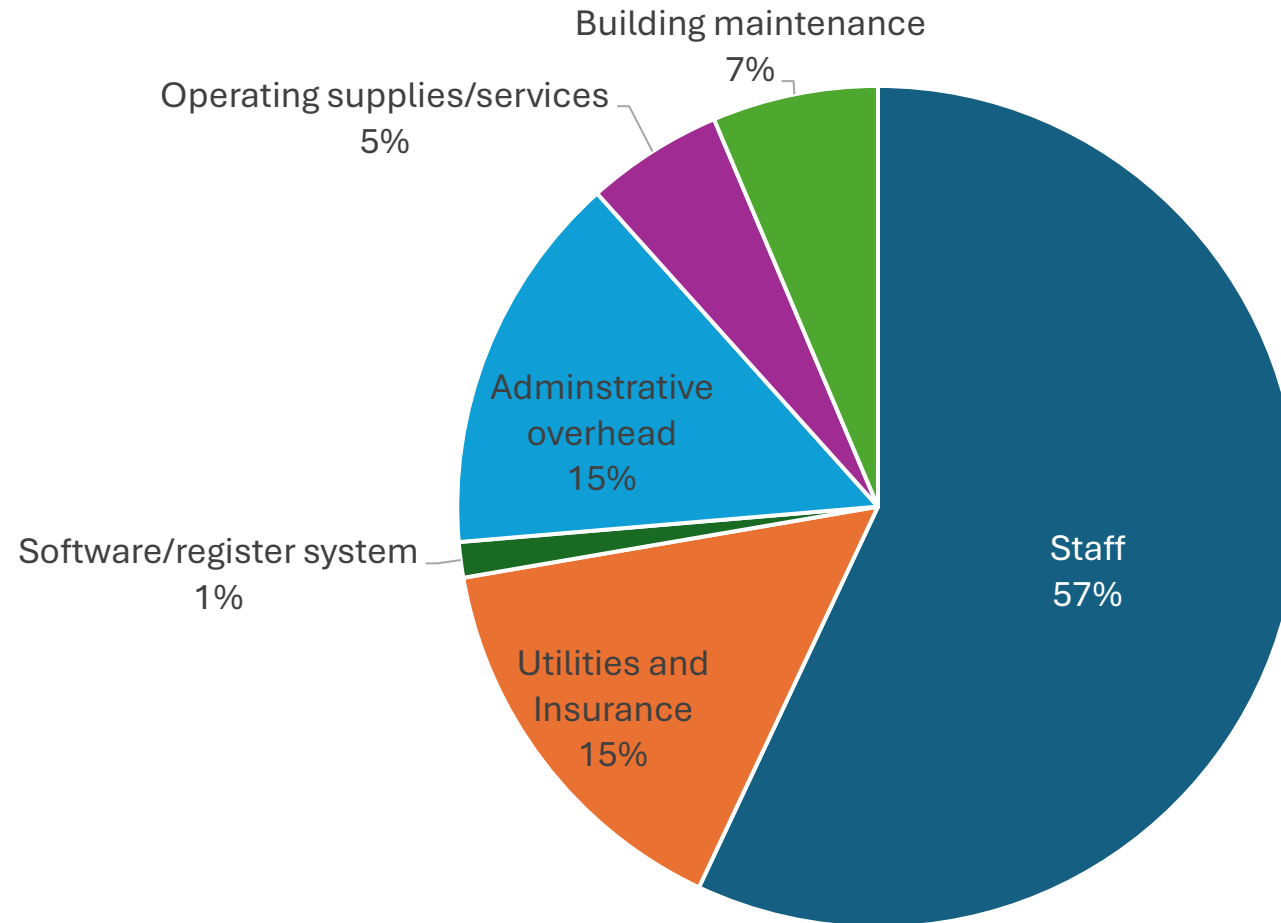
Budgeted Charges for Service 25-27



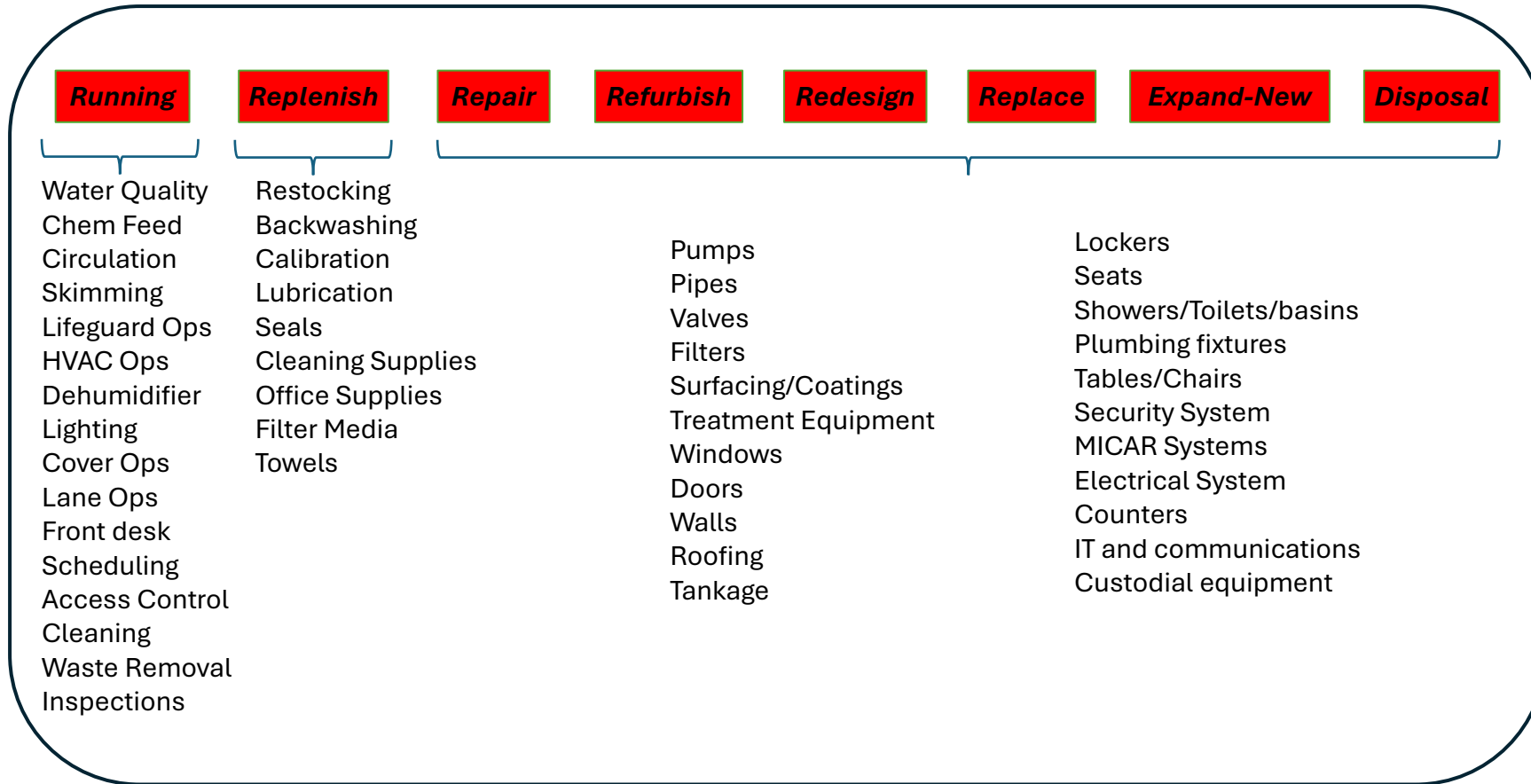
May 2026 levy already assumed about \$33,000 increases in charges for service

*Does not include endowment

Pool Expenditures 25-27 budget



Pool Anticipated Level of Service (LoS) with no levy



Color Key



Revenue shortfall of approximately \$375,601



Options/Alternatives

Parks

Parks Financial Overview

Park operational costs total approximately \$679,489*.

Projected levy revenue:
~\$420,027.

**Minus capital cost for Mill Creek Park and contingency*

Parks Reductions – cuts \$268,000

- Bathroom closures through elimination of janitorial services.
- Reduced mowing and park maintenance.
- Reduced hazardous tree response capability.
- Deferred playground and retaining wall improvements.
- Reduced equipment purchases and staff training.

Proposed Cuts	Amount saved/cut	Impact
Eliminate water charge	\$ 20,000	Reduced revenue in water fund
Eliminate janitorial	\$ 15,000	bathrooms closed
Eliminate porta-potties	\$ 3,000	
reduce Building maintenance	\$ 5,000	
Remove park land rent/lease	\$ 6,000	Not needed - assumed Wilderness Park reopened
Reduce maintenance budget	\$ 70,000	this assumed Wilderness parked opened
Reduce maintenance budget	\$ 40,000	reduced mowing
Reduced maintenance budget	\$ 20,000	less ability to respond to hazardous trees and place new bark chips; still retain some funds
Reduce training budget	\$ 1,000	Reduced training
Reduce equipment budget	\$ 15,500	Don't buy truck mounted leaf vacuum and stand on mower
Reduce Park contingency	\$ 25,454	leaves only 15,244 in contingency
Reduce improvements	\$ 47,500	Don't do boulder retaining wall (\$7500) and reduce replacement playground equipment (\$40,000)

General Fund/PW Admin Reductions – cuts \$33,000

- Training reductions across Administration, Police, and Planning.
- Reduced contract services and facility improvements at PD.
- Reduced Public Works administration support.

If pool remains open, still need to find \$118,573 in cuts

	Proposed Cuts	Amount saved/cut	Impact
General Fund	Admin training	\$ 5,000	Eliminates some training
	Admin employee development	\$ 2,000	cut back on year end celebration and other staff supports
	PD training and conference	\$ 5,000	eliminates some trainings
	PD office supplies	\$ 2,000	Reduced office supplies by half
	PD memberships	\$ 1,000	Eliminates misc memberships
	PD firing range	\$ 5,000	cutback improvement (but still retains \$11,000)
	PD contract services	\$ 2,000	Reduces some contracts (such as Kindness 911)
	Planning training	\$ 1,000	reduces number of SEDCOR meetings and "other" training
PW Admin	Reduce budget transfer from PV	\$ 10,000	reduces contract engineer by \$8000 and building maintenance by \$2000

Remaining budget gap options

- Sponsorships;
- Increased General Fund subsidy
 - Reallocation of franchise fee revenues currently dedicated to streets (\$286,995); and/or
 - If pool closed, the GF transfer budgeted for the pool could be reallocated to parks (128,668)
 - Additional General Fund reductions
- Decrease PW Admin transfer amount more
- Sell property and use revenues for remaining park operations



Pool

Pool Financial Overview

Pool operational costs total approximately \$605,132 (excludes capital).

Projected levy revenue: ~\$375,601.

Pool Operational Challenges

- Most pool costs are essential and cannot be significantly reduced.
- Cutting staff, chemicals, or utilities would directly reduce operations and revenue.
- Administrative transfer to General Fund totals \$89,000.
- Water charges only account for about \$3,750.





Impact of Raising Fees

- Covering the shortfall through user fees alone would require dramatic increases.
- Resident drop-in fees could rise from \$6.50 to \$19.50.
- Resident monthly memberships could rise from \$55.25 to \$165.74.
- Such increases would likely result in major declines in pool usage.
- Strategic increases in Revenue to swim lessons, non-resident rates and swim teams could increase revenues
 - Estimate about \$34,000 on top of already assumed increases

Option 1: Keep Pool Open

- Increase fees strategically
 - Launch a major community sponsorship and donation campaign.
 - Increase General Fund subsidy.
 - Reallocate the 15% franchise fee allocation from Streets to Pool (~\$286,995)
 - Make other General Fund cuts
- ~\$34,000
 - \$100,000+ goal
 - \$241,601 to fill remaining gap

Total=\$375,601

This could provide temporary operational funding while exploring long-term solutions.

- District
- Partnership with YMCA again
- Another levy
- Other?

Option 2: "Mothball" the Pool

- Estimated cost: approximately \$80,000 per year.
- Similar to temporary COVID-era shutdown approach.
- Equipment deterioration risks increase during extended inactivity.
- Would still require ongoing monitoring and maintenance.

Option 3: Decommission the Pool

- Estimated cost range: \$80,000–\$120,000.
- Would involve draining and filling the pool with gravel.
- Necessary due to high groundwater conditions.
- Additional costs include layoffs and employee payouts.

Key Considerations for Council

- Budget deficit to parks and pool funds as a result of levy not passing – approximately \$795,628
- Identify Budget cuts/modifications to address the shortfall; staff has identified:
 - some potential cuts for parks
 - some additional revenue increases and revenue generating ideas for the pool
 - there are opportunities to reallocate franchise fees
- Take input from community members
- Decisions need to be made as soon as possible, but no later than end of June

NOTE: These decisions will address budget shortfall for the remainder of the budget, but will not be sustainable long term. Additional policy discussion will be needed.



Happy to take questions

Thank you!