

Washington County, Oregon



# ENHANCED SHERIFF'S PATROL DISTRICT

## Proposal for a Five-Year Replacement Local Option Levy for Fiscal Years 2023-24 to 2027-28

Submitted by  
Tanya Ange, County Administrator

January 2022

# TABLE OF CONTENTS

---

<b>EXECUTIVE SUMMARY</b> .....	<b>2</b>
OVERVIEW AND RECOMMENDATION	2
MAJOR FUNDING COMPONENTS AND TAX IMPACT OF PROPOSED LEVY	3
KEY COMPARISONS SUMMARY	4
PURPOSE OF LEVY: MAINTAIN EXISTING POLICE SERVICE LEVELS	5
LOCAL OPTION LEVY DEVELOPMENT CALENDAR	5
<b>ESPD SERVICE-LEVELS</b> .....	<b>6</b>
ESPD SERVICE LEVEL BACKGROUND	6
PROPOSED POLICE SERVICE LEVELS FOR NEW LEVY PERIOD	6
HOW COUNTY (BASE-LEVEL) AND ESPD SERVICES ARE FUNDED	8
<b>KEY LEVY ELEMENTS &amp; ASSUMPTIONS</b> .....	<b>9</b>
FIVE-YEAR ESPD FINANCIAL SUMMARY: FY 2023 TO FY 2028	9
PERMANENT FTE SUMMARY	10
KEY ASSUMPTIONS SUMMARY	10
<b>BACKGROUND INFORMATION</b> .....	<b>11</b>
BASIS FOR DISTRICT CREATION	11
ESPD’S FUNDING HISTORY AND MEASURE 50 IMPLEMENTATION	12
SUNSET REVIEW PROCESS 1993	13
SUNSET REVIEW PROCESS 2001	14
SUNSET REVIEW PROCESS 2012	15
SUNSET REVIEW PROCESS 2021	15
VOTER RESPONSE TO ESPD FORMATION AND FUNDING MEASURES	15
<b>APPENDICES</b> .....	<b>16</b>
TAXPAYER IMPACT DETAIL	17
BUDGET ASSUMPTIONS DETAIL	17

# EXECUTIVE SUMMARY

---

## Overview and Recommendation

This report provides a summary and recommendation regarding the continuation of the Enhanced Sheriff's Patrol District (ESPD) property tax levy that has been in place since the fiscal year 1988-89. In sum, the Sheriff and I recommend that the Board of County Commissioners establish May 17, 2022, as the election date to replace the ESPD's five-year local option levy with an estimated annual tax rate of 83 cents per \$1,000 of assessed value. I also recommend that the Board direct staff to prepare the necessary ballot title and schedule a public hearing pertaining to formal consideration of this proposal for January 18, 2022.

The ESPD was formed by the Board and approved by voters in 1987, with voters approving the first ESPD Serial Levy in FY 1988-89. At the time of ESPD's formation, the County's Public Safety Review Committee (the committee responsible for the Board's service recommendations) generally recognized the 1.00-officer-per-1,000 goal as a minimum service standard for law enforcement services in urban areas. The District's intended purpose is to provide residents of urban unincorporated Washington County a mechanism to increase public safety service levels beyond the traditionally provided county base level of 0.50 officer per 1,000 residents to a general goal of 1.00 officer per 1,000 residents.<sup>1</sup>

A single source initially derived funding for urban public safety services: a three-year serial levy approved up until FY 1992-93. Two sources now derive ESPD's funding: 1) ESPD's permanent tax rate<sup>2</sup> and 2) a five-year local option levy approved by voters for over 20 years.<sup>3</sup> To date, ESPD voters have approved eight consecutive funding levies supporting continuing urban-level public safety services in the ESPD. The current levy (levy 8) will expire on June 30, 2023, unless voters extend the District's funding for another five years (levy 9).

---

<sup>1</sup> The County's most recently adopted base service level is 0.54 officer per 1,000 residents as reflected in the original underlying County Strategic Plan, the "base-level" service definition includes both law enforcement for the unincorporated area and "supportive" law enforcement services for all areas of the county—including cities. Examples of supportive services include special investigations, special team support and mutual aid to our partner agencies. These service definitions also identify the unincorporated area population as the basis for determining the base-level officer-per-1,000 ratios and police service levels (approximately 0.50 officer per 1,000).

<sup>2</sup> Measure 50, passed in 1997, cut taxes, including the ESPD levy rate, introduced assessed value growth limits and replaced most tax levies with a permanent tax.

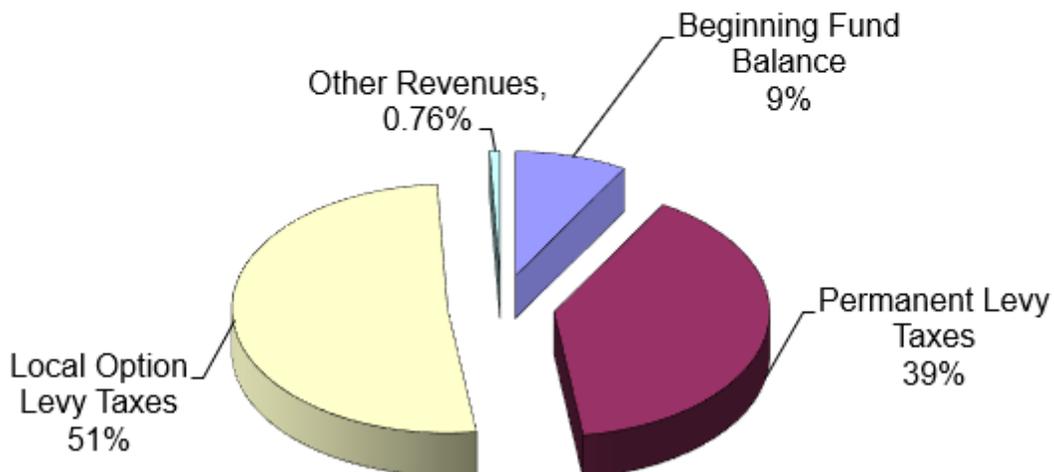
<sup>3</sup> See page 15 of this document for a history of ESPD funding measures.

## Major Funding Components and Tax Impact of Proposed Levy

For the proposed new levy period (FY 2023-24 through FY 2027-28), the District will need approximately \$221.6 million or an average of \$40.5 million per year to maintain ESPD's current enhanced police service levels of approximately 0.54 officer per 1,000 residents.

As authorized by Measure 50, about 39% of the funding needed to support this service level will come from the District's permanent levy, while 51% will come from the proposed local option levy. The remaining 9% will come from ESPD reserve funds, interest earnings and other miscellaneous revenues. The District relies heavily on all three of these funding sources to support its operations since the implementation of Measure 50 in FY 1997-98. The local option levy's share has played an increasingly significant role in funding ESPD services.

### Projected Shares of ESPD Resources FY 2023 to FY 2028



Based upon current assessed value estimates and future projections for the District, the tax rate for the proposed local option levy will be **83 cents per \$1,000 of assessed value** over five years beginning in FY 2023-24 and ending in FY 2027-28. Meanwhile, the permanent levy would remain at 64 cents per \$1,000 of assessed value throughout the five-year levy period, making the combined ESPD tax rate \$1.47 for this time period.

For a taxpayer owning a home inside the District with a \$320,655 assessed value (the estimated average assessed value for FY 2023-24, the first year of the proposed levy), the proposed local option levy tax rate (83 cents) would cost approximately \$266 per year or about \$22 per month. By comparison, the expiring local option levy will cost the owner of an average home value of \$309,811 (the estimated average assessed value for FY 2022-23, the last year of the current levy), about \$211 per year or about \$18 per month.

The increase in annual cost from the current local option levy’s final year to the new local option levy’s first year would be about \$55.47 per year, or about \$4.62 extra per month for an average assessed home.

The table format below, *the Key Comparisons Summary*, is a snapshot of significant current-versus-proposed levy comparisons. Year-by-year increases in expenditures during the new levy period (FY 2023-24 through FY 2027-28) are estimated to average about **6.5%** per year. (See “Financial Summary” on page 11.)

### Key Comparisons Summary

	5 Year Avg Current Levy	5 Year Avg Proposed	Difference
Annual ESPD operating expenses	\$30,720,485	\$42,636,305	\$11,915,820
ESPD permanent tax rate revenues	\$13,502,760	\$17,110,818	\$3,608,058
ESPD local option levy revenues	\$14,425,572	\$17,618,509	\$3,192,937
<b>Total</b>	<b>\$27,928,332</b>	<b>\$34,729,327</b>	<b>\$6,800,995</b>
<i>Officers Per 1,000 Residents</i>			
Base (General Fund and Public Safety Levy)	0.53	0.54	0.01
ESPD	0.54	0.54	0.00
<b>Total</b>	<b>1.07</b>	<b>1.08</b>	<b>0.01</b>
Perm levy tax rate	\$0.64	\$0.64	\$0.00
Local option tax rate	\$0.68	\$0.83	\$0.15
<b>Total</b>	<b>\$1.32</b>	<b>\$1.47</b>	<b>\$0.15</b>
	Year 5 Current Levy	Year 1 New Levy	
Old levy / new levy (permanent rate) annual avg taxpayer cost	\$171.99	\$204.10	\$32.11
Old levy / new levy (local option rate) annual avg taxpayer cost	\$210.67	\$266.14	\$55.47
<b>Total</b>	<b>\$382.66</b>	<b>\$470.24</b>	<b>\$87.58</b>

## **Purpose of Levy: Maintain Existing Police Service Levels**

In concert with the permanent ESPD levy, the proposed local option levy will help maintain the enhanced police service levels currently provided in the District. Accordingly, the new levy provides 6.50 additional officers included in the 124 certified officers and 21.60 non-certified staff to keep pace with the District’s estimated population growth over the life of the new levy period.

When viewed in conjunction with the officers provided by the County’s General Fund (base-levels) and the Public Safety Local Option Levy,<sup>4</sup> ESPD police service levels are estimated to average approximately 1.07 officers per 1,000 residents for the FY 2023-24 through FY 2027-28 time period.

## **ESPD Local Option Levy Development Calendar**

August 3, 2021	Board directs staff to support community engagement opportunities
September 16, 2021	Community survey in the field
September 27, 2021	First community listening session
October 2, 2021	Second community listening session
October 15, 2021	Community survey concludes
October 27, 2021	Briefing for city managers
November 3, 2021	Briefing for ESPD Advisory Committee
November 4, 2021	Summary of community engagement activities provided to Board
November 19, 2021	Briefing for Public Safety Coordinating Council
November 26, 2021	Finalize voter survey
November 29, 2021	Voter survey in the field through Dec. 5
December 14, 2021	Voter survey results presented to the Board in Work Session
December 30, 2021	Proposal ESPD replacement levy provided to Board
January 4, 2022	Board reviews levy proposal and directs staff to draft ballot title
January 18, 2022	Board considers adopting ballot material after public hearing
May 17, 2022	Election

---

<sup>4</sup> A countywide public safety services supplement originally approved by voters in 2000 and renewed in 2006, 2010, 2015 and 2020.

# ESPD SERVICE-LEVELS

---

## ESPD Service Level Background

The Enhanced Sheriff's Patrol District was formed in 1987 to provide an increased level of Sheriff's patrol in the urban unincorporated area of Washington County. The intent was to supplement the pre-existing General Fund "base" or countywide service level of 0.50 officer per 1,000 residents through additional patrol units to bring the urban unincorporated service level to approximately 1.00 officer per 1,000, a commonly recognized urban minimum standard for urban police protection.

The County Strategic Plan distinguishes "countywide services" serving all county residents (like public health programs) from "municipal" services that benefit specific geographic areas or groups within the county and are typically provided by cities (like police, fire, and parks). While the Strategic Plan states that municipal services ultimately are best provided by cities, it recognizes the responsibility to address the needs of residents in unincorporated areas.

The ESPD is the prototypical case of a municipal service provided by the County where the service's funding matches with those who benefit from it. Unlike other special districts, the ESPD does not directly provide services but operates essentially as a funding mechanism that contracts with a service provider (currently the Washington County Sheriff's Office) to provide an agreed-upon level of enhanced public safety services.

Since its inception, the ESPD has provided its residents with the 0.50 officer per 1,000 enhancements mentioned above. During the FY 2013-14 through 2017-18 ESPD levy period, the Board authorized an enhanced service level of 0.54 officer per 1,000 residents. During the most recent replacement process for the Public Safety Local Option Levy, a level of 0.54 officer per 1,000 was continued as the base level. The police service levels proposed in the new ESPD levy also include an enhanced service level of 0.54 officer per 1,000.

## Proposed Police Service Levels for New Levy Period

The table on the following page outlines current population estimates for ESPD and the number of officers needed to maintain a proposed police service level of 0.54 officer per 1,000 for the new levy period (FY 2023-24 through 2027-28). These population estimates are based on the 2020 decennial census data and historical trends extending from these data extrapolated from Portland State University's annual population estimates reports.

This levy would maintain current enhanced service levels within the District to:

- Help deputies connect people experiencing homelessness with community resources.

- Help fund a public safety response to the increased overdoses and abuse of Xanax, OxyContin, Fentanyl and other drugs in the community.
- Fund advanced training in crisis intervention and de-escalation for deputies to use when working with individuals experiencing a mental health crisis.
- Ensure a rapid response to all 9-1-1 calls in nearly half the time of the national average.
- Fund police service levels across the district to be similar to neighboring cities.
- Fund the County's Mental Health Response Team, which pairs a deputy and clinician to respond to people in crisis and divert them from the criminal justice system.
- Provide funds for investigating major crimes within the ESPD, including homicide, assault, burglary and domestic violence.
- Assistance with code enforcement and public safety issues.

All population estimates, full-time officer positions and corresponding police service levels are presented in the context of all County law enforcement officers, police service levels and its three main funding sources: General Fund (base level), Public Safety Local Option Levy (supplement to base level) and ESPD.

Service Level Measures	New Levy Period				
	FY 2023-24 Estimate	FY 2024-25 Estimate	FY 2025-26 Estimate	FY 2026-27 Estimate	FY 2027-28 Estimate
<b>County Population Forecast</b>					
Incorporated area population (cities)	371,543	375,630	379,762	383,939	388,163
ESPD population (urban unincorporated area)	219,246	221,657	224,096	226,561	229,053
Rural unincorporated population	29,614	29,940	30,269	30,602	30,939
Total unincorporated area	248,860	251,597	254,365	257,163	259,992
<b>Total County Population</b>	<b>620,403</b>	<b>627,227</b>	<b>634,127</b>	<b>641,102</b>	<b>648,154</b>
<b>Sworn Officers</b>					
Base officers (General Fund)	89.59	90.58	91.57	92.58	93.60
Base officers (Public Safety Local Option Levy)	44.79	45.29	45.79	46.29	46.80
<b>Total Countywide Officers</b>	<b>134.38</b>	<b>135.87</b>	<b>137.36</b>	<b>138.87</b>	<b>140.40</b>
<b>ESPD Officers (enhanced level)</b>	<b>118.50</b>	<b>120.00</b>	<b>121.00</b>	<b>122.50</b>	<b>124.00</b>
<b>Total Countywide and ESPD Officers</b>	<b>252.88</b>	<b>255.87</b>	<b>258.36</b>	<b>261.37</b>	<b>264.40</b>
<b>Sworn Officers per 1,000 population</b>					
Base officers (General Fund)	0.34	0.34	0.34	0.34	0.34
Base officers (Public Safety Local Option Levy)	0.19	0.19	0.19	0.19	0.19
Total Countywide Officers	0.53	0.53	0.53	0.53	0.53
<b>ESPD Officers (enhanced level)</b>	<b>0.54</b>	<b>0.54</b>	<b>0.54</b>	<b>0.54</b>	<b>0.54</b>
<b>Total Officers in ESPD District</b>	<b>1.07</b>	<b>1.07</b>	<b>1.07</b>	<b>1.07</b>	<b>1.07</b>

## How County Base-level and ESPD Services Are Funded

The following overview details the distribution and funding of countywide base-level and ESPD public safety services. Washington County has three main sources of law enforcement funding as described below:

1. Base-level Law Enforcement Services: These are countywide public safety services funded by property taxes. This calculation does not include certified jail deputies but does include all other Sheriff's Office certified staff.
2. Public Safety Local Option Levy: This funding source is a supplement to countywide, base-level services given that this base-level had significantly eroded through the late 1990s. To remedy this situation, voters passed a five-year Public Safety Local Option Levy in November of 2000 to shore up existing base services across the full spectrum of County public safety functions, including law enforcement services, jail, criminal prosecution, juvenile, community corrections, etc. For law enforcement, this supplement allowed restoration of base services to approximately 0.54 officer per 1,000 residents in FY 2001-02, the first year of this Public Safety levy. Voters renewed this levy four times (in November 2006, 2010, 2015, and May 2020).
3. ESPD: To augment traditional countywide law enforcement services, ESPD voters have (since 1987) funded an additional 0.50 officer per 1,000 residents on top of the traditional countywide base levels for a total service level of about 1.00 officer per 1,000 residents. With the passage of Measure 50, ESPD's FY 1994-95 – FY 1997-98 operating serial levy was reduced by 15% and then converted to a permanent tax rate of 64 cents per \$1,000 of assessed value. Since this reduced levy was insufficient to cover the cost of meeting growing ESPD service level requirements, additional (supplemental) local option levies have since been used to augment the tax revenues from the permanent rate levy. **This portion of ESPD's funding will expire on June 30, 2023, and needs to be replaced to maintain current staff/police service levels for the District.**

The following section includes a description of the FY 2023-24 - FY 2027-28 local option levy needed to maintain ESPD's currently authorized police service levels as described above. The levy is presented in the context of the District's total fiscal requirements needed to maintain its services on a five-year planning horizon and five-year budget basis.

# KEY LEVY ELEMENTS & ASSUMPTIONS

## Five-Year ESPD Financial Summary: FY 2023 to FY 2028

Below is an overview of the proposed levy for the new levy period.

Balance Sheet-ESPD Fund	New Levy Period							5 Yr Total
	FY 2021-22 Budget	FY 2022-23 Modified Plan	FY 2023-24 Estimate	FY 2024-25 Estimate	FY 2025-26 Estimate	FY 2026-27 Estimate	FY 2027-28 Estimate	
<b>Resources</b>								
Beginning balance (w contingency unspent)	17,714,515	19,459,814	18,692,621	19,481,275	19,887,370	20,427,628	18,348,234	18,692,621
Permanent Levy Taxes	17,760,707	15,288,279	15,851,300	16,564,608	17,268,604	18,002,520	18,767,627	86,454,659
Permanent Levy Delinquent Taxes	158,007	152,883	158,513	165,646	172,686	180,025	187,676	864,547
Local Option Levy Taxes	15,667,218	16,333,118	20,670,195	21,600,353	22,518,368	23,475,399	24,473,104	112,737,419
Local Option Levy Delinquent Taxes	151,662	163,331	206,702	216,004	225,184	234,754	244,731	1,127,374
District Patrol Revenue	85,229	86,934	89,300	90,193	91,095	92,006	92,926	455,520
Levy Other Revenue	98,843	293,684	204,041	258,254	261,954	247,662	263,727	1,235,639
Total Revenues	33,921,666	32,318,229	37,180,050	38,895,058	40,537,891	42,232,366	44,029,791	202,875,157
<b>Total Resources</b>	<b>51,636,181</b>	<b>51,778,043</b>	<b>55,872,671</b>	<b>58,376,334</b>	<b>60,425,262</b>	<b>62,659,994</b>	<b>62,378,025</b>	<b>221,567,778</b>
revenue change over prior year		-4.7%	15.0%	4.6%	4.2%	4.2%	4.3%	
<b>Expenditures</b>								
Personal services	23,863,203	23,666,586	25,190,680	26,369,214	27,120,887	28,263,001	29,133,655	136,077,437
Material and supplies	1,866,942	1,819,920	1,833,521	1,877,802	1,910,303	2,410,671	2,252,014	10,284,310
Dispatch charges (911)	1,261,009	1,324,059	1,377,021	1,432,102	1,489,386	1,548,962	1,610,920	7,458,392
Indirect costs and information systems	6,280,293	7,351,875	8,133,025	9,264,649	10,554,700	12,025,358	13,701,908	53,679,639
Capital Outlay Police Vehicles	363,500	365,239	1,389,300	1,149,825	573,134	1,812,182	507,307	5,431,749
Transfer to Other Funds			50,000	50,000	50,000	50,000	50,000	250,000
Contingency	14,050,000	0	0	0	0	0	0	0
<b>Total Expenditures</b>	<b>47,684,947</b>	<b>34,527,679</b>	<b>37,973,548</b>	<b>40,143,591</b>	<b>41,698,410</b>	<b>46,110,174</b>	<b>47,255,804</b>	<b>213,181,527</b>
expense change over prior year		2.7%	10.0%	5.7%	3.9%	10.6%	2.5%	
Ending Fund Balance @ 100% Spend	3,951,234	17,250,364	17,899,123	18,232,743	18,726,851	16,549,820	15,122,222	8,386,251

As can be seen above, several factors are taken into account before the local option levy is calculated:

- The estimated beginning balance for the ESPD fund is calculated based on the previous five-year levy period (FY 2018-19 – FY 2022-23).
- An estimate of taxes generated by ESPD’s permanent tax rate is projected.
- Determinations are made of the approximate delinquent tax collections that are due from previous tax years.
- An estimate of annual interest earnings on the ESPD fund balance is obtained based upon an estimate of the ESPD fund’s average monthly balance for the new levy period.
- On the expenditure side, the operating requirements for running the District for the new levy period have been developed and estimated in conjunction with the Sheriff’s Office.
- The primary goals when calculating a local option levy amount needed to balance this five-year budget are twofold: 1) Maintain sufficient reserve funds to meet minimum cash flow requirements (to fund the district expenses from July through November, when tax collections are received) and 2) Enable flexibility in budgeting for unknown future-year requirements. An example of future-year requirements is the recent approval for body-worn cameras that were not anticipated in the current levy plan.

### Permanent Full-time Equivalent (FTE) Position Summary

The proposed levy includes funding for the following mix of law enforcement personnel. The staffing plan below includes the 6.50 additional certified officers needed to maintain the current enhanced service level of 0.54 officer per 1,000 residents. The FY 2023-24 count of 118.50 FTE certified officers includes a 1.00 FTE added at the start of this levy.

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Levy Supported Positions	Estimate	Estimate	Estimate	Estimate	Estimate
Administrative Specialist II	4.00	4.00	4.00	4.00	4.00
Criminal Records Specialist II	11.35	11.35	11.35	11.35	11.35
General Services Aide	0.75	0.75	0.75	0.75	0.75
Information Systems Analyst II	1.00	1.00	1.00	1.00	1.00
Program Communication and Education Specialist	1.50	1.50	1.50	1.50	1.50
Program Communication and Education Specialist, Sr	1.00	1.00	1.00	1.00	1.00
Senior Administrative Specialist	1.00	1.00	1.00	1.00	1.00
Senior Criminal Records Specialist	1.00	1.00	1.00	1.00	1.00
<b>Total Support Staff</b>	<b>21.60</b>	<b>21.60</b>	<b>21.60</b>	<b>21.60</b>	<b>21.60</b>
Corporal	6.00	6.00	6.00	6.00	6.00
Deputy	94.50	96.00	97.00	97.50	99.00
Lieutenant	4.00	4.00	4.00	4.00	4.00
Sergeant	14.00	14.00	14.00	15.00	15.00
<b>Certified Officers</b>	<b>118.50</b>	<b>120.00</b>	<b>121.00</b>	<b>122.50</b>	<b>124.00</b>
<b>Total</b>	<b>140.10</b>	<b>141.60</b>	<b>142.60</b>	<b>144.10</b>	<b>145.60</b>

### Key Assumptions Summary

The following table includes a summary of the assumptions utilized to calculate the operating budget for ESPD for the new levy period (FY 2023-24 – FY 2027-28). These critical assumptions include estimates of the ESPD assessed value growth rate; tax collection rates; population growth estimates; annual expenditure rates; cost-of-living assumptions; benefits costs; and other critical assumptions. To the extent applicable, these financial forecasting assumptions are aligned with those presently being used in the County’s annual budget process for FY 2021-22 except for the assessed value (AV) estimates. The ESPD AV percentage increases have generally outpaced the countywide AV growth rates. This higher AV growth is recognized in this estimate.

Key Assumptions Summary	Prior Levy			New Levy Period				
	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28
ESPD assessed value increase (annual)	4.97%	3.43%	4.00%	4.50%	4.50%	4.25%	4.25%	4.25%
Assessed value	\$23,077,010,560	\$23,869,625,800	\$24,824,410,832	\$25,941,509,319	\$27,108,877,239	\$28,261,004,521	\$29,462,097,214	\$30,714,236,345
Prop tax collection rate	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%
Perm rate	\$0.6365	\$0.6365	\$0.6365	\$0.6365	\$0.6365	\$0.6365	\$0.6365	\$0.6365
Perm rate levy	\$14,688,517	\$15,193,017	\$15,800,737	\$16,511,771	\$17,254,800	\$17,988,129	\$18,752,625	\$19,549,611
Perm rate levy collected	\$14,100,977	\$14,585,296	\$15,168,708	\$15,851,300	\$16,564,608	\$17,268,604	\$18,002,520	\$18,767,627
DEL taxes (perm)	\$141,010	\$145,853	\$151,687	\$158,513	\$165,646	\$172,686	\$180,025	\$187,676
LOL rate	0.6800	0.6800	0.6800	0.8300	0.8300	0.8300	0.8300	0.8300
LOL levy	\$15,585,229	\$16,231,346	\$16,880,599	\$21,531,453	\$22,500,368	\$23,456,634	\$24,453,541	\$25,492,816
LOL rate levy collected	\$14,961,820	\$15,582,092	\$16,205,375	\$20,670,195	\$21,600,353	\$22,518,368	\$23,475,399	\$24,473,104
DEL taxes (LOL)	\$149,618	\$155,821	\$162,054	\$206,702	\$216,004	\$225,184	\$234,754	\$244,731
Del taxes as a % of curr yr taxes (Perm)	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Del taxes as a % of curr yr taxes (LOL)	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Annual interest earnings rate	1.00%	1.00%	0.50%	0.50%	0.75%	0.75%	0.75%	0.75%
Departmental revenues collection rate	99%	99%	99%	99%	99%	99%	99%	99%
Departmental revenues growth rate	2.00%	2.00%	2.00%	1.00%	1.00%	1.00%	1.00%	1.00%
County Cost Allocation Plan Charges		2.29%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%
Annual expenditure rate	94.00%	94.00%	94.00%	94.00%	94.00%	94.00%	94.00%	94.00%
COLA Increase: Non-Reps	2.60%	1.80%	5.50%	2.50%	2.50%	2.50%	2.50%	2.50%
COLA Increase: WCPOA	2.60%	1.80%	5.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Annual M&S expenditures growth rate		3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Annual other expenditures growth rate		3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Annual interdepartmental expenditures growth rate		3.00%	3.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Annual WCCCA rate increase		5.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
GETAC Computers	\$ 294,094	\$ 127,533					\$ 341,059	\$ 147,899

## BACKGROUND INFORMATION

### Basis for District Creation

In 1986 the Board adopted the County 2000 Strategic Plan, which established a service delivery strategy to guide County policies, programs, and operations through the year 2000. As part of that strategy, specific programs were identified as being of "countywide benefit" and thus eligible to receive funding from the County's general property tax levy paid by all county taxpayers. In the area of public safety, the County 2000 Plan designated the jail, juvenile, community corrections, prosecution, criminal investigation and a "base," or rural, level of police patrol as being programs of "countywide benefit."

Other county programs were identified as providing "municipal type" services that benefit specific geographical sub-areas or groups within the county. According to the County 2000 Plan, "municipal type" services must be paid for exclusively by the members or residents of the groups or areas being benefited. The Plan designated an enhanced- or urban-level of police patrol (above the base or rural level) as a "municipal type" service.

The County 2000 Plan provides that various local funding mechanisms, including cities, special districts and private organizations, can finance "municipal type" services. The original Plan suggests that the cities should be the ultimate provider of enhanced or urban-level police patrol services. However, pending the annexation or incorporation of the county's current urban unincorporated areas, the County should establish a service district to provide an appropriate level of enhanced

patrol services to those areas. Under this approach, the District residents would be able to tax themselves to pay for the increased service level desired.

Consistent with the County 2000 Plan, and after consultation with the Sheriff and considerable public input, in April of 1987, the Board initiated establishing an ORS Chapter 451 County Service District to provide enhanced police patrol in the urban unincorporated areas of the county. At that time, the Board approved a feasibility report. It directed that the proposal to create the ESPD be forwarded to the Portland Metropolitan Area Local Government Boundary Commission for approval. The Board also voted to set the District's dissolution date as the end of FY 1992-93, unless the Board decided there was public need for the District's continuation, in accordance with the provisions of ORS Chapter 451.

In September of 1987, following approval by the Portland Metropolitan Area Local Government Boundary Commission, the Board submitted the proposal to create the ESPD to the voters in the county's urban unincorporated areas. The voters subsequently approved the creation of the District.

### **ESPD's Funding History and Measure 50 Implementation**

The creation of the District, however, did not provide funding. Thus, in November of 1987, the Board submitted a request for a \$3,371,000-per-year serial levy to the District's voters. The requested term of the levy was three years, beginning with FY 1988-89. Although the District would not dissolve for five years, a three-year levy period was selected because, at that time, state law limited the term of operating levies to a maximum of three years.<sup>5</sup>

The amount of the original levy was set based on the need to hire 64 deputies and provide them with necessary support staff and equipment. The need for 64 deputies was based on providing a ratio of 0.50 officer per 1,000 residents (combined with the countywide base level of 0.50 officer per 1,000 residents for a total of 1.00 officer per 1,000 residents) for the urban area. That decision, in turn, was based on the recommendation made by the Public Safety Review Committee. The base level (countywide patrol level of 0.50 officer per 1,000 residents) of service was to be made up of those deputies providing countywide services (such as base patrol, criminal investigations, etc.). It was to be paid for out of the County's General Fund (see "Executive Summary" footnote number 1).

The original levy's ballot title stated that the levy was designed to increase the number of deputies in the ESPD to a ratio of about 1.00 per 1,000 residents. It further stated that "More deputies mean increased response to crimes such as assault, burglary, theft, neighborhood disturbances, and drunk driving. It also means deputy response times will be shortened." The District's voters approved the original three-year levy (FY 1988-89 - FY 1990-91).

In creating the District, the Board made it clear that it intended that the District be primarily a financing mechanism rather than a direct provider of services. The District would operate by contracting with the most appropriate law enforcement agency to provide the agreed-upon level of enhanced public safety services. Accordingly, in December of 1987, the Board of Commissioners,

---

<sup>5</sup> In 1989, the Legislature increased the maximum term of an operating levy to five years.

acting as the Board of Directors of the District, approved a contract between the ESPD and the County. Through its Sheriff's Office, that contract obligated the County to provide the enhanced level of public safety services called for in the District's levy. The contract between ESPD and the county was for five years, ending in June of 1993, coterminous with the dissolution of the District.

Upon approval of the original contract, the Sheriff's Office implemented its terms, hired certified personnel (64) and the required support staff (4), and purchased 21 patrol vehicles. And, by July of 1989, all deputies were fully trained and operating in the field.

FY 1990-91 was the last year of the District's first three-year serial levy. Consequently, it became necessary to consider submitting a new levy request to the District's voters. Following the District's Performance Review in August of 1990, the Board approved a plan to submit a new levy to the voters that fall. The voters approved this levy, which became effective at the onset of FY 1991-92. This second levy expired at the end of the FY 1993-94 and was for \$4.41 million annually, a \$1.04 million increase over the original levy.

Since the 1990 Performance Review and the first levy extension, the forecast of the number of certified personnel required (due to projected population growth) to maintain the ratio of 0.50 certified personnel per 1,000 residents has increased. Additional staff (two officers and two civilians) were added to the District as part of the fiscal 1993-94 budget process.

Given that the Board ordered the continuation of the District (in 1993) through June of 2003 (see next section regarding the 1993 sunset review), continued funding of the District was needed. Accordingly, another levy extension for FY 1994-95 – FY 1997-98 was taken to the voters on September 21, 1993, and was approved. This levy was for \$6.4 million per year for the four years. During this four-year levy period, population increases were such that an additional 14 deputies needed to be added to meet the 0.50 officer per 1,000 threshold. **This levy was subsequently reduced by 15% as required by the passage of Measure 50, which also “converted” this reduced levy to a permanent tax rate effective in FY 1997-98.**

By this point, due to Measure 50 reductions and the increasing cost of providing services, additional local option levy support was going to be needed to support future operations. At this juncture, the local option levy for ESPD became a “supplement” to the tax revenues provided by the permanent rate levy under Measure 50. Accordingly, in 1997, a fourth levy was approved (for \$4.45 million per year) for the FY 1998-99 to FY 2002-03 period. This supplemental local option levy was needed because of the increased staff needed to maintain the desired police service levels of the District (at that time 0.53 officer per 1,000 residents), which has mirrored increased population growth in the urban unincorporated area since the District's inception.

### **Sunset Review Process 1993**

In accordance with the sunset provisions identified in state law for special service districts such as ESPD, the Board conducted a thorough sunset review of the District in 1993 to determine whether

or not the District should continue past its original dissolution date of June 30, 1993, subject to Boundary Commission approval.

Pursuant to 1987 state legislation that enabled the formation of the District (ORS Chapter 451), the Board of County Commissioners specified that the District was to dissolve at the close of FY 1992-93 unless the Board determined a need for continuation of the District. ORS Chapter 451 provided the Board with guidance and procedures for seeking District continuation. It specified that the District Board may order that the District- continue only if, after a public hearing, it determines that: a) there is a public need for the continued existence of the District; b) that the District is providing services; and c) that continuation will not significantly discourage future boundary change proposals.

Additionally, if the Board issued an order calling for the continuation of the District, that order needed to be submitted for review and approval to the Portland Metropolitan Area Local Government Boundary Commission. As part of the sunset review process, the Boundary Commission required that the Board provide an economic feasibility analysis that provided explicitly: a) a description of the services and functions to be performed or provided by the District; b) an analysis of the relationships between those services and functions and other existing or needed government services; and c), that a proposed first-year line-item operating budget and a projected third-year line-item operating budget for the District demonstrate its economic feasibility.

On February 2, 1993, following the sunset review process, the Board issued an order calling for the continuation of the District for 10 years beginning July 1, 1993, and terminating June 30, 2003. Subsequently, the Portland Metropolitan Area Local Boundary Commission approved the Board's request to continue the District and issued a Final Order on March 11, 1993 (Proposal 3164).

### **Sunset Review Process 2001**

In late 2001, it became apparent to the Board that the District would dissolve on June 30, 2003, without further Board action to continue its existence. Further, a significant portion of ESPD's funding support—a five-year local option levy—was also due to expire on June 30, 2003. Hence, the District as a separate government entity (along with its funding) would have expired in a year-and-a-half unless the Board took the necessary steps to renew the District as a legal entity and renew its funding.

Accordingly, the County Administrator recommended, and the Board approved (on December 18, 2001, by Minute Order Number 01-2), that the District continue through June 30, 2013, based on findings developed pursuant to ORS 451.620(2). These findings included consideration of the following issues:

- The services provided continue to be needed by the public,
- The district is providing the services in an efficient and effective manner, and
- Continuation will not significantly discourage future boundary change proposals.

A separate report is available that outlines the above-described sunset review process and findings that the Board considered in December of 2001.

### **Sunset Review Process 2012**

Consistent with the sunset review processes described above, another sunset review process was conducted for ESPD to avoid dissolution on June 30, 2013. Pursuant to Oregon Revised Statutes, a separate report regarding this issue was taken before the Board on June 19, 2012, when approval for the continuation of the District was granted through June 30, 2023.

### **Sunset Review Process 2021**

Consistent with the sunset review processes described above, another sunset review process was conducted for ESPD to avoid dissolution on June 30, 2023. Pursuant to Oregon Revised Statutes, a separate report regarding this issue was taken before the Board on September 28, 2021, when approval for the continuation of the District was granted through June 30, 2033.

### **Voter Response to ESPD Formation and Funding Measures**

The following is a summary of Washington County’s urban unincorporated voter support for ESPD.

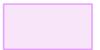
September 1987	District approved “Yes” votes 61%
November 1987	First levy approved (\$3.47 million per year for FY 1988-89 – FY 1990-91) “Yes” votes 52%
November 1990	Second levy approved (\$4.4 million per year for FY 1991-92 – FY 1993-94) “Yes” votes 65%
September 1993	Third levy approved (\$6.4 million per year for FY 1994-95 – FY 1997-98) “Yes” votes 68%
November 1997	Fourth levy approved (\$4.4 million per year for FY 1998-99 – FY 2002-03) “Yes” votes 60%
November 2002	Fifth levy approved (\$6.15 million per year for FY 2003-04 – FY 2007-08) “Yes” votes 68%
May 2008	Sixth levy approved (\$9.5 million per year for FY 2008-09 – FY 2012-13) “Yes” votes 64%
May 2012	Seventh levy approved (\$66.5 million for FY 2013-14 – FY 2017-18) “Yes” votes 51%
May 2017	Eighth levy approved (changed to a rate-based levy of \$0.68 per \$1,000 AV for FY 2018-19-FY 2022-23) “Yes” votes 76.44%

# APPENDICES

# Taxpayer Impact Detail

ESPD Taxpayer Impact Detail			New Levy Period				
	FY 2021-22 Budget	FY 2022-23 Modified Plan	FY 2023-24 Estimate	FY 2024-25 Estimate	FY 2025-26 Estimate	FY 2026-27 Estimate	FY 2027-28 Estimate
<b>ESPD assessed values</b>	23,869,625,800	24,824,410,832	25,941,509,319	27,108,877,239	28,261,004,521	29,462,097,214	30,714,236,345
Change over prior year		4.00%	4.50%	4.50%	4.25%	4.25%	4.25%
<b>ESPD permanent tax rate/1,000 AV</b>	\$0.6365	\$0.6365	\$0.6365	\$0.6365	\$0.6365	\$0.6365	\$0.6365
Levy derived from permanent rate	15,193,017	15,800,737	16,511,771	17,254,800	17,988,129	18,752,625	19,549,611
Dollar change over prior year		4.00%	4.50%	4.50%	4.25%	4.25%	4.25%
Rate change over prior year	No change	No change	No change	No change	No change	No change	No change
	Prior levy 5yr avg tax rate						
	\$0.6800		\$0.8300	\$0.8300	\$0.8300	\$0.8300	\$0.8300
ESPD local option tax rate/1,000 AV			\$0.8300	\$0.8300	\$0.8300	\$0.8300	\$0.8300
Levy derived from local option levy	16,231,346	16,880,599	21,531,453	22,500,368	23,456,634	24,453,541	25,492,816
Dollar change over prior year		4.00%	27.55%	4.50%	4.25%	4.25%	4.25%
Rate change over prior year	N/A	N/A	\$0.1500	No change	No change	No change	No change
<b>Combined ESPD tax rates/1,000 AV</b>	\$1.32	\$1.32	\$1.47	\$1.47	\$1.47	\$1.47	\$1.47
Combined levy's dollar amounts	31,424,362	32,681,337	38,043,223	39,755,168	41,444,763	43,206,166	45,042,428
Combined change in levys over prior year		4.00%	16.41%	4.50%	4.25%	4.25%	4.25%
Combined change in tax rates over prior year		No change	\$0.15	No change	No change	No change	No change
Average assessed value for county home	297,273	309,811	320,655	331,878	343,494	355,516	367,959
<b>Annual cost of permanent rate per avg home</b>	\$189.21	\$197.19	\$204.10	\$211.24	\$218.63	\$226.29	\$234.21
Change over prior year \$\$		\$7.98	\$6.91	\$7.14	\$7.39	\$7.65	\$7.92
Change over prior year %		4.22%	3.50%	3.50%	3.50%	3.50%	3.50%
<b>Annual cost of local option rate per avg home</b>	\$202.15	\$210.67	\$266.14	\$275.46	\$285.10	\$295.08	\$305.41
Change over prior year \$\$		\$8.52	\$55.50	\$9.32	\$9.64	\$9.98	\$10.33
Change over prior year %		4.22%	26.33%	3.50%	3.50%	3.50%	3.50%

# Legend

-  ESPD
-  UGB

