REPORT TITLE
Measure 20-387 Oakridge Ambulance Tax

OFFICIAL TITLE
Five-year Ambulance Service Operations Local Option Tax

QUESTION:

Shall Oakridge replace the $17 per month ambulance service fee by imposing $1.64 per $1,000 of assessed value for 5 years beginning 7/1/2027?

REFERRAL
This measure is a referral from the City of Oakridge.

FINANCIAL IMPACT
If passed, the measure would replace the $17/month ambulance utility fee paid with the water bill by a tax of $1.64 per $1,000 of assessed property value for 5-years beginning 7/1/2027. It is difficult to make a direct comparison of the cost of the tax on an individual resident because the fee associated with the water bill is a flat fee, while the amount of the tax depends on the assessed property value. However, the tax for a home in Oakridge with a median assessed value of approximately $112,000 would be $184 per year or $15.31 per month. Homes with an assessed value of approximately $124,000 or less would pay less than the current fee; homes with a higher assessed value would pay more.

The proposed rate would raise approximately $1,817,492.00 over five years. The estimated tax cost for this measure is an ESTIMATE ONLY based on the best information available from the county assessor at the time.

Note: Assessed value (AV) is the value used to calculate property tax. It is shown on the property tax statement. It is NOT the same as real market value (RMV), which is the market price of the home.

PROBABLE RESULT OF A “YES” VOTE
The current ambulance utility fee paid by water users, including renters, would be replaced by a property tax. Homeowners whose property is assessed at less than approximately $124,000 would be taxed less than the $17 per month fee associated with the water bill. Homeowners with property assessed above that amount would be taxed more than the current fee.

PROBABLE RESULT OF A “NO” VOTE
The current ambulance utility fee would remain the source of funding for Oakridge ambulance service.

BACKGROUND

Ambulance service from Oakridge to the nearest hospital in Eugene-Springfield, is a crucial service because without it, people with medical emergencies would wait for an ambulance to come from Eugene. In addition to the time required to return to the hospitals in the Eugene-Springfield area, this would mean a delay of at least 90 minutes. The City currently funds and operates 24-hour EMS and ambulance service. The City's EMS fund, which covers the costs of providing 24/7 EMS and ambulance service, has been operating at a deficit of around $500,000 per year.

Oakridge has struggled to fund its ambulance service for a number of years. Part of the reason for the gap is the low reimbursement rate from Medicare and Medicaid. Because 24% of the population is below the poverty level, with a per capita income of around $25,000, the usage of Medicaid is particularly high. Usage of Medicare is also high.

The current method for paying for at least a portion of the cost of the ambulance service is by a fee associated with the water bill. Water bills are paid by water users including renters as well as property owners.

PROPOSAL

The proposed tax would shift the cost of EMS and ambulance service to property owners. Those owners who own property with a high assessed valuation would pay more than property owners of less valuable property. Renters may also be impacted if the property owner increases the rent to cover the increased property tax.

SUPPORTERS SAY

- The ambulance service is a crucial one for the residents of Oakridge because of the City's distance from hospitals.
- The calculated rate of $1.64 per $1,000 of assessed property valuation would generate the same total revenue as the $17/month fee associated with the water bill.
- In addition, because the assessed valuation for property taxes rises regularly, within limits, this would result in revenue that would rise as costs rise.

OPPONENTS SAY

- This is a tax. Everyone will pay. Current exemptions to the fee will not apply.
- This is not a homeowner's tax. All property in the city will be taxed and housing costs will go up.
    - Homeowners will pay directly
    - Rents will increase as landlords will need to maintain profit levels
    - Stores will raise prices to cover increased taxes so everything will cost more-that means gas and food will cost even more!
- Oregon taxes are already high enough
- No other options were considered, only higher taxes

Editor's Note: Sources of Supporters Say and Opponents Say entries would be helpful.

Researcher's Notes:

For property tax values, see: This is correct according to Ownwell, https://www.ownwell.com/trends/oregon/lane-county/oakridge

The supporters comments came from the City Administrator. The primary objections come from one person who recently built a house. His house has an assessed valuation that is much higher than that of comparable but older homes. I am not certain how to include these comments. There is no longer a newspaper because the Highway59 Herald recently closed; there is a private Facebook page for discussion.