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# Parkrose School District No. 3

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## Local Option Levy Revenue Projection

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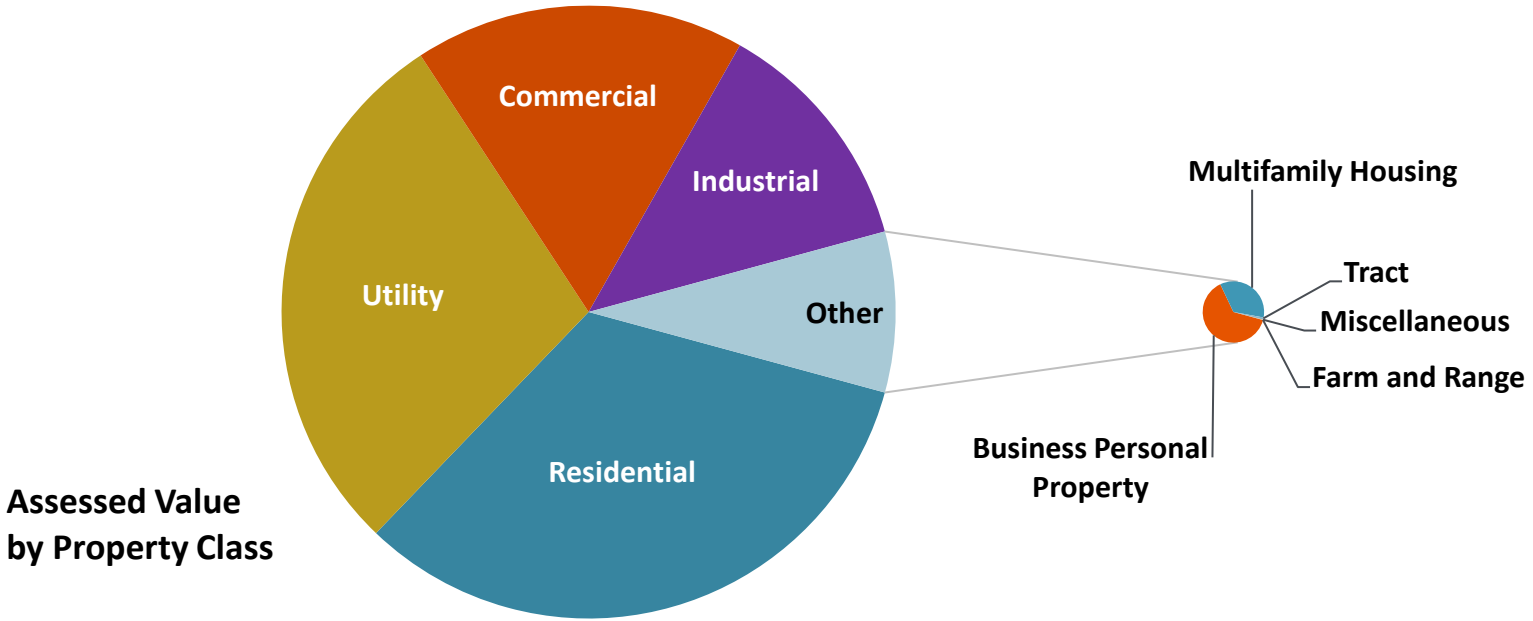
March 12, 2024

### PARKROSE SCHOOL DISTRICT NO. 3

#### Summary of Properties by Class

Property Class	# of Accounts	2024 Measure 5 Value <sup>(1)</sup>	2024 Assessed Value	% of District	AV as % of M5
Residential	7,593	3,377,861,680	1,577,018,430	33%	47%
Utility <sup>(2)</sup>	107	1,383,643,891	1,370,050,960	29%	99%
Commercial <sup>(2)</sup>	501	2,023,423,170	833,814,900	17%	41%
Industrial <sup>(2)</sup>	319	1,283,115,600	601,612,390	13%	47%
Business Personal Property <sup>(2)</sup>	1,261	267,105,510	258,383,180	5%	97%
Multifamily Housing	91	328,034,560	141,450,870	3%	43%
Tract	18	7,952,640	4,623,120	0%	58%
Miscellaneous	26	992,650	608,670	0%	61%
Farm and Range	7	1,327,840	285,360	0%	21%
<b>TOTAL</b>	<b>9,923</b>	<b>\$ 8,673,457,541</b>	<b>\$ 4,787,847,880</b>		<b>55%</b>

(1) Measure 5 Value is the real market value of a property after certain special assessments and is the value against which Measure 5 tax limits are calculated.  
 (2) Includes properties at Portland International Airport.



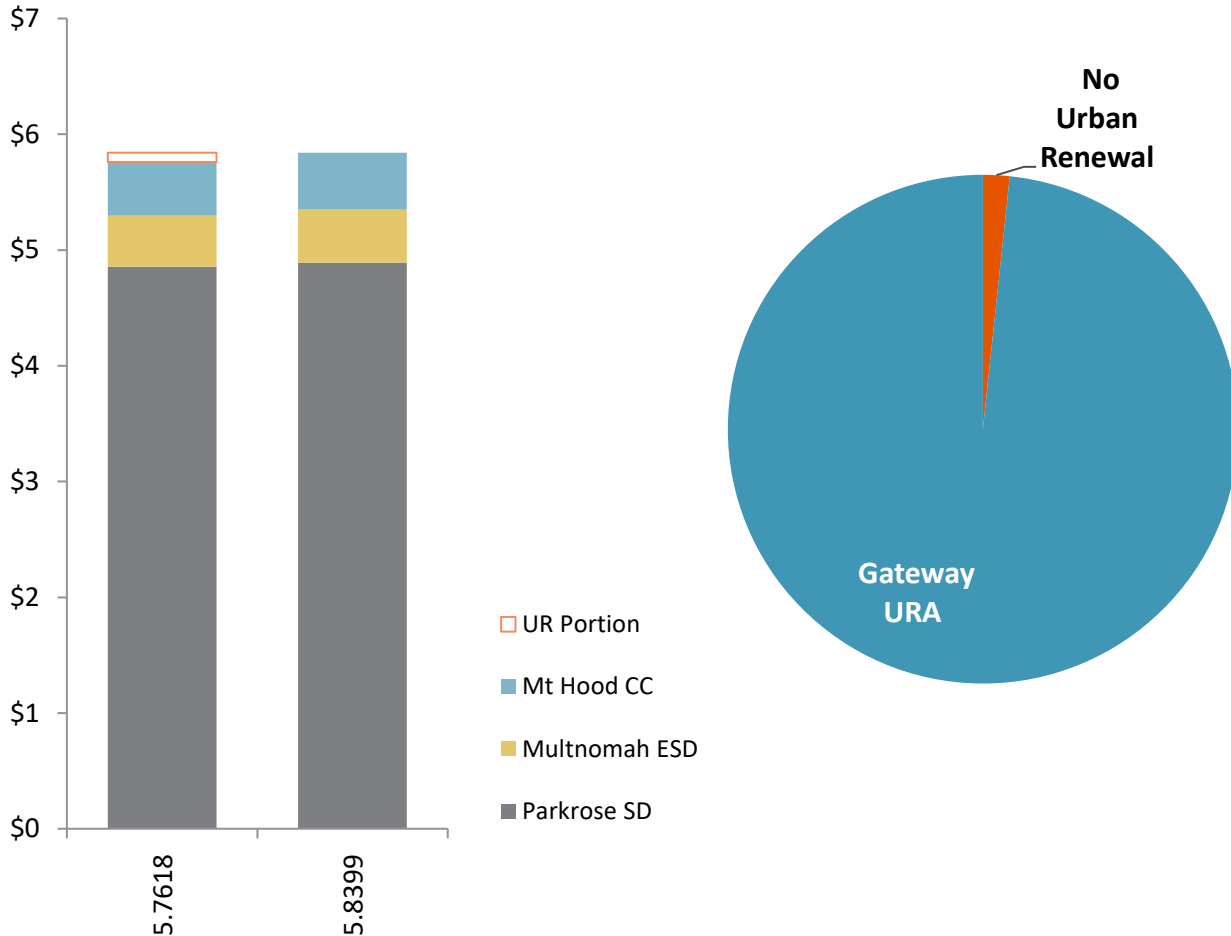
## PARKROSE SCHOOL DISTRICT NO. 3

### Summary of Education Tax Rates

Taxpayers in Parkrose School District No. 3 are in six different tax codes; however, the education rate is the same in each except for one small area which does not overlap with the Gateway Urban Renewal Area. The two education rates are \$5.7618 to \$5.8399 (excluding bond rates, which are outside of Measure 5 limits). The entire District is served by Multnomah ESD and Mt. Hood Community College.

Total				
	Education Rate	Urban Renewal Overlap	Area Assessed Value	% of District
\$	5.8399	No Urban Renewal	\$ 80,469,700	2%
	5.7618	Gateway URA	4,707,378,180	98%

#### Total Education Rate



Note: The urban renewal portion of the education districts' rates moves over to the general government side for purposes of calculating Measure 5 limits, thereby reducing the tax rate for education in those zones and reducing compression. To the extent a URA reduces in scope or closes down, the corresponding portion of the education districts' rates would move back under the education limit and potentially increase compression.

## PARKROSE SCHOOL DISTRICT NO. 3

### Summary of Education Tax Rates

Because the total education rate in all areas of the District is over \$5, any property with an Assessed Value equal to its Measure 5 (Real Market) Value will not pay a local option levy. Further, as shown in the table below the total education rate is sufficiently above \$5 that any property with an AV to RMV ratio of 90% (both within and outside Gateway Urban Renewal Area) will not pay any local option levy.

The maximum amount of a local option levy that will be paid by properties with Assessed Values of 90%, 80%, 70%, 60% and 50% of their Measure 5 (Real Market) Values is shown in the table below.

AV as % of RMV	Maximum Local Option Levy	
	\$5.7618	\$5.8399
90%	\$ -	\$ -
80%	0.49	0.41
70%	1.38	1.30
60%	2.57	2.49
50%	4.24	4.16

Because Utility and Business Personal Property categories, comprising approximately one-third of the District’s overall value, have assessed values close or equal to their Measure 5 (Real Market) Values, these types of properties will pay very little or no amount of a local option levy. Properties in the remaining categories will, on average, pay at least a portion of a local option levy.

Property Class	AV as % of M5	% of District
Residential	47%	33%
Utility	99%	29%
Commercial	41%	17%
Industrial	47%	13%
Business Personal Property	97%	5%
Multifamily Housing	43%	3%
Tract	58%	0%
Miscellaneous	61%	0%
Farm and Range	21%	0%

Multifamily Housing, Tract, Miscellaneous, and Farm properties each represent very small portions of the District’s value. As a result, market value changes in these types of properties are not a significant driver of local option revenue projections.

The remaining property categories include:

- Residential
- Commercial
- Industrial

## PARKROSE SCHOOL DISTRICT NO. 3

### Historical Real Market Value and Assessed Value Growth

Fiscal Year	M5 Real Market Value	% RMV Growth	Total Assessed Value	Urban Renewal Excess	Net Assessed Value	% Total AV Growth
2024	\$ 8,673,457,541	3.59%	\$ 4,787,847,880	\$ 33,166,763	\$ 4,754,681,117	0.31%
2023	8,372,947,859	5.47%	4,773,057,080	30,920,093	4,742,136,987	1.49%
2022	7,938,363,034	-0.34%	4,702,997,020	29,560,913	4,673,436,107	-3.14%
2021	7,965,783,759	4.61%	4,855,405,470	27,303,623	4,828,101,847	5.19%
2020	7,615,052,167	-2.22%	4,615,886,930	116,822,495	4,499,064,435	0.71%
2019	7,788,224,354	14.66%	4,583,410,550	122,637,198	4,460,773,352	7.80%
2018	6,792,420,156	15.28%	4,251,651,529	126,510,716	4,125,140,813	6.16%
2017	5,892,012,328	19.56%	4,005,096,344	123,337,964	3,881,758,380	10.35%
2016	4,927,875,395	9.52%	3,629,320,632	90,608,743	3,538,711,889	4.15%
2015	4,499,337,514	12.21%	3,484,737,540	86,945,017	3,397,792,523	8.30%
2014	4,009,742,545	1.54%	3,217,818,650	80,418,683	3,137,399,967	3.89%
2013	3,948,998,319	-2.18%	3,097,425,962	80,683,630	3,016,742,332	1.99%
2012	4,036,897,209	-4.68%	3,036,981,388	82,156,568	2,954,824,820	2.74%
2011	4,234,900,240	-2.00%	2,956,115,502	85,909,138	2,870,206,364	2.10%
2010	4,321,516,418	-2.57%	2,895,377,654	86,357,949	2,809,019,705	-0.06%
2009	4,435,312,191	4.63%	2,897,195,355	86,249,332	2,810,946,023	1.33%
2008	4,239,191,782	12.43%	2,859,148,421	80,967,542	2,778,180,879	4.00%
2007	3,770,464,808	8.68%	2,749,215,417	79,874,724	2,669,340,693	6.53%
2006	3,469,341,676	---	2,580,638,075	79,262,380	2,501,375,695	---

As Real Market Value growth outpaces Assessed Value growth, the District's capacity to generate funds with a local option grows. If Real Market Values decline and Assessed Values continue to grow, the District's capacity to generate funds with a local option shrinks.

## PARKROSE SCHOOL DISTRICT NO. 3

### School District Local Option Limits

School district local option collections are excluded from the State School Fund formula, up to a prescribed limit. The limit changes each year and for Fiscal Year 2024 is *the lesser of*:

- M5 gap capacity
- \$2,318.55 per student (ADMw); per student amount increases 3% per year
- 25% of total SSF revenues (includes general purpose, transportation, facility and high cost disability grants)

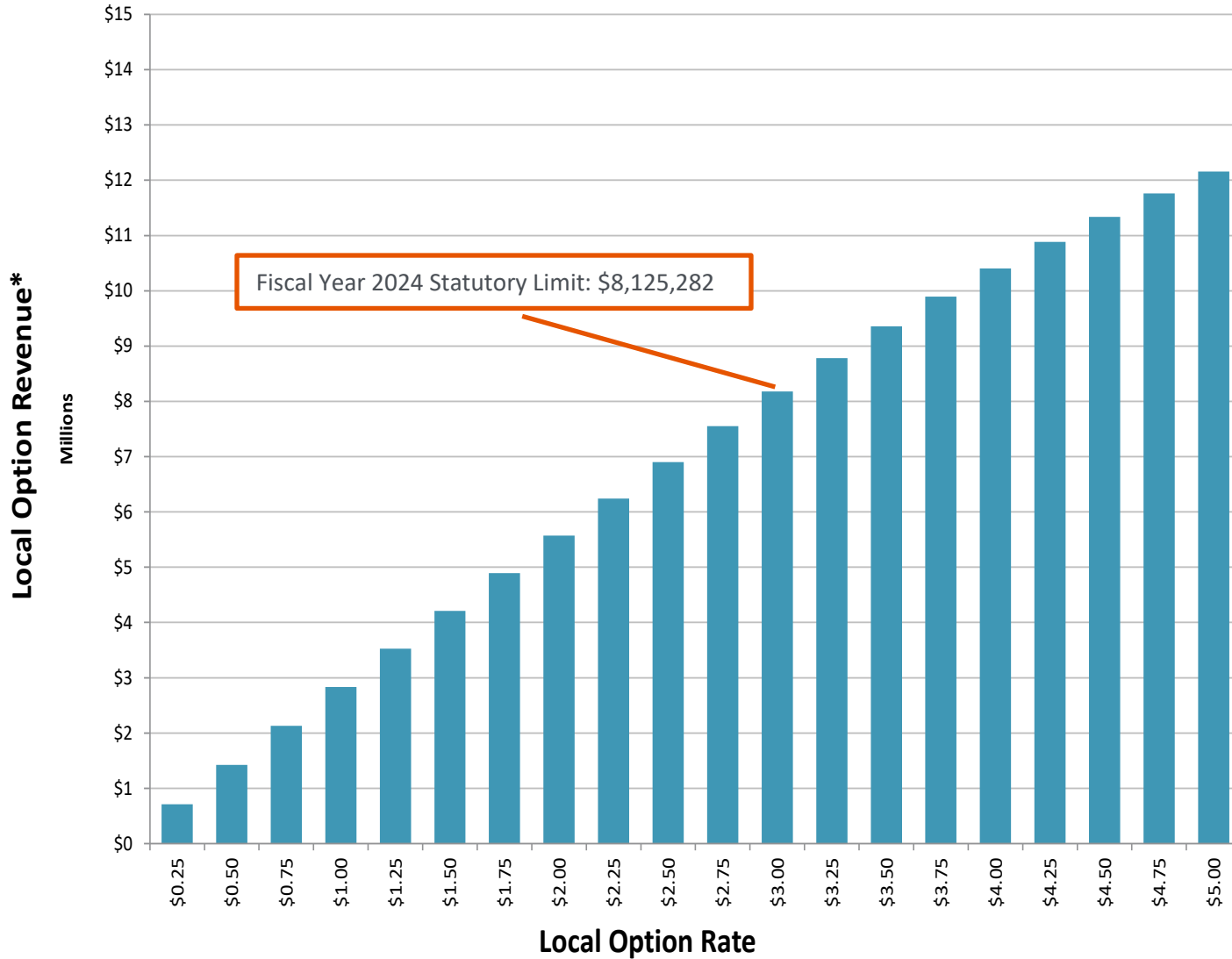
As of Fiscal Year 2024, the per student limit applied. A six year history of the District's limits is included below.

	Parkrose School District					
	2019	2020	2021	2022	2023	2024
Extended ADMw	3,891	3,884	3,636	3,509	3,563	3,504
SSF Revenues*	\$ 33,111,095	\$ 33,870,649	\$ 34,478,549	\$ 34,459,745	\$ 34,031,507	\$ 36,440,864
<b>Permanent Tax Rates</b>						
School District	\$ 4.8906	\$ 4.8906	\$ 4.8906	\$ 4.8906	\$ 4.8906	\$ 4.8906
Community College	0.4917	0.4917	0.4917	0.4917	0.4917	0.4917
Education Service District	0.4576	0.4576	0.4576	0.4576	0.4576	0.4576
Total Education Rate	\$ 5.8399	\$ 5.8399	\$ 5.8399	\$ 5.8399	\$ 5.8399	\$ 5.8399
<b>Education Measure 5 Compression</b>						
School District (actual)	\$ 860,347	\$ 953,148	\$ 1,242,464	\$ 1,158,903	\$ 1,116,347	\$ 1,133,103
Community College (est.)	86,499	95,829	124,917	116,516	112,237	113,922
Education Service District (est.)	80,500	89,183	116,254	108,435	104,454	106,021
Total Education Compression (est.)	\$ 1,027,347	\$ 1,138,160	\$ 1,483,635	\$ 1,383,854	\$ 1,333,038	\$ 1,353,046
<b>District Total Property Values</b>						
M5 Real Market Value	\$ 7,788,224,354	\$ 7,615,052,167	\$ 7,959,710,929	\$ 7,938,363,034	\$ 8,372,947,859	\$ 8,677,883,171
Total Assessed Value	4,583,410,550	4,615,886,930	4,855,405,470	4,702,997,020	4,742,136,987	4,787,847,880
AV as % of RMV	59%	61%	61%	59%	57%	55%
Assessed Value per ADMw	\$ 1,177,937	\$ 1,188,443	\$ 1,335,267	\$ 1,340,130	\$ 1,330,760	\$ 1,366,212
<b>Education Taxes in the District</b>						
Education taxes before Compression	\$ 26,766,659	\$ 26,956,318	\$ 28,355,082	\$ 27,465,032	\$ 27,693,606	\$ 27,960,553
Less M5 Compression Loss	(1,027,347)	(1,138,160)	(1,483,635)	(1,383,854)	(1,333,038)	(1,353,046)
Education taxes collected	25,739,313	25,818,158	26,871,447	26,081,178	26,360,568	26,607,507
Education taxes at \$5/\$1,000 RMV	38,941,122	38,075,261	39,798,555	39,691,815	41,864,739	43,389,416
Measure 5 Gap Capacity	\$ 13,201,809	\$ 12,257,103	\$ 12,927,108	\$ 13,610,637	\$ 15,504,171	\$ 16,781,909
<b>Local Option Levy Limits</b>						
M5 Gap Capacity	\$ 13,201,809	\$ 12,257,103	\$ 12,927,108	\$ 13,610,637	\$ 15,504,171	\$ 16,781,909
Per Student Limit (beginning in FY19, \$2,000/ADMw + \$3% annually)	7,782,100	8,000,999	7,715,459	7,669,545	8,021,456	8,125,282
25% of SSF Limit (beginning in FY19, Previously, 20%)	8,277,774	8,467,662	8,619,637	8,614,936	8,507,877	9,110,216
Limit	\$2,000.00 Per Student	\$2,060.00 Per Student	\$2,121.80 Per Student	\$2,185.45 Per Student	\$2,251.02 Per Student	\$2,318.55 Per Student
Eligible for Equalization Grant						NO

\* Limit includes general purpose, transportation, facility and high cost disability grants. Facility and high cost disability grant info not usually available until May and therefore may not be included in amount listed.

## PARKROSE SCHOOL DISTRICT NO. 3

### Current Year (Fiscal Year 2024) Pro-Forma Local Option Revenue Calculation



Rate per \$1,000 of AV	2024
\$0.25	713,578
0.50	1,423,802
0.75	2,130,203
1.00	2,831,950
1.25	3,524,949
1.50	4,211,713
1.75	4,893,712
2.00	5,569,544
2.25	6,240,027
2.50	6,902,365
2.75	7,551,878
<b>3.00</b>	<b>8,178,751</b>
3.25	8,782,022
3.50	9,357,618
3.75	9,895,553
4.00	10,403,028
4.25	10,883,792
4.50	11,335,469
4.75	11,761,208
5.00	12,159,970

## PARKROSE SCHOOL DISTRICT NO. 3

### Summary of Projection Assumptions for Fiscal Year 2025

**TAX COLLECTIONS:**

<b>Year of Levy Collections</b>	95.0%
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**ASSESSED VALUE GROWTH ON EXISTING PROPERTIES: 3%**

All projections assume that the Assessed Value of existing properties will increase 3% up to the Measure 5 (Real Market) Value. Assessed Value growth above 3% is the result of new construction or improvements to existing properties. Both are reflected in the assumption “New Construction Growth in Accounts.”

**“LOW” GROWTH SCENARIO**

Property Class	Existing Properties		New Construction	
	M5 (RMV) Value Growth	AV Growth	Growth In Accounts	# of New Accounts
Residential	2.0%	3.0%	0.5%	40
Commercial	0.0%	3.0%	0.0%	-
Industrial	-4.0%	3.0%		
All others	3.0%	3.0%		
<b>Total RMV Growth in District</b>	<b>1.1%</b>			

**“MIDDLE” GROWTH SCENARIO**

Property Class	Existing Properties		New Construction	
	M5 (RMV) Value Growth	AV Growth	Growth In Accounts	# of New Accounts
Residential	3.0%	3.0%	1.0%	80
Commercial	1.0%	3.0%	0.0%	-
Industrial	1.0%	3.0%		
All others	5.0%	3.0%		
<b>Total RMV Growth in District</b>	<b>3.1%</b>			

**“HIGH” GROWTH SCENARIO**

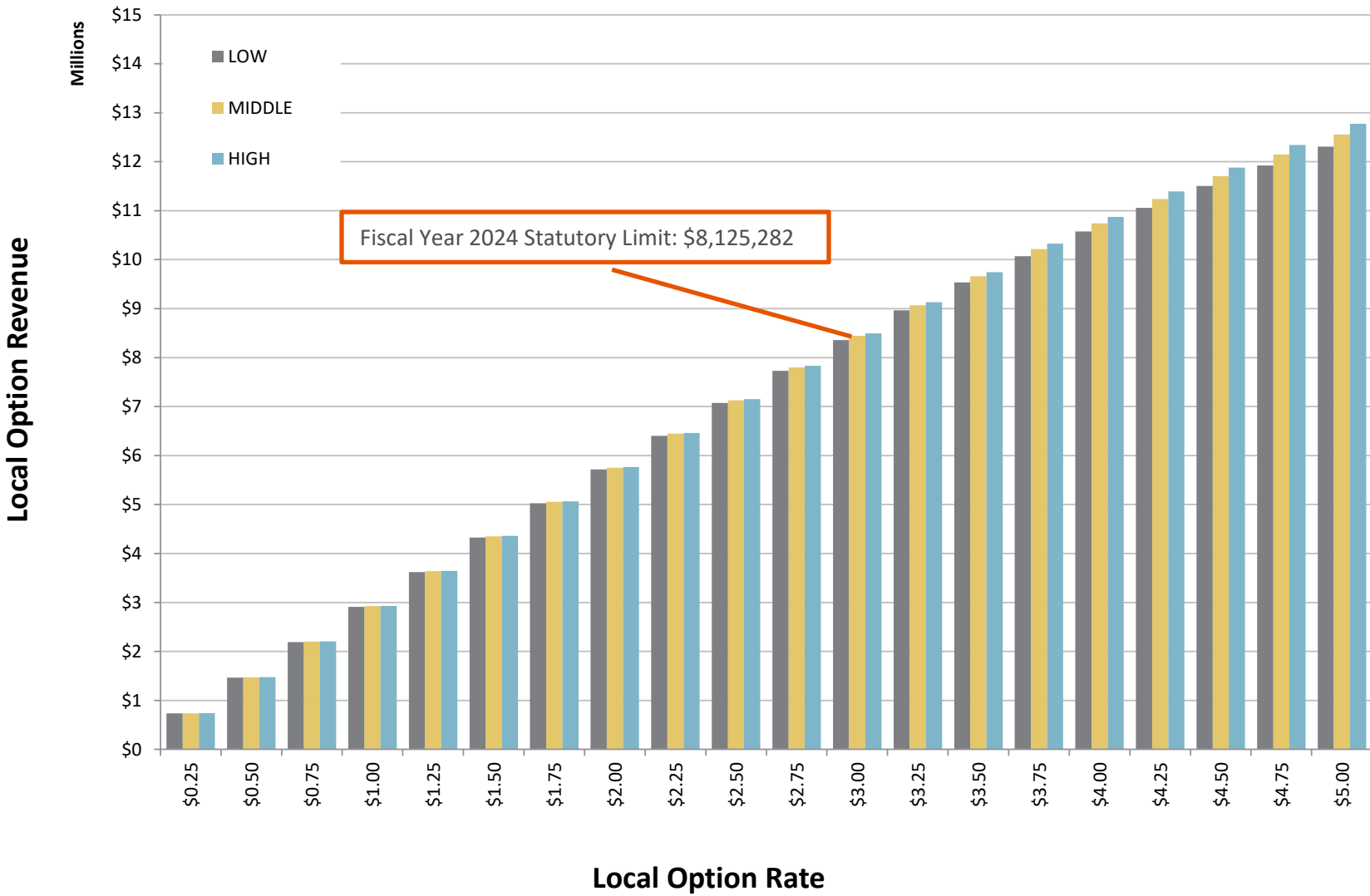
Property Class	Existing Properties		New Construction	
	M5 (RMV) Value Growth	AV Growth	Growth In Accounts	# of New Accounts
Residential	5.0%	3.0%	1.0%	80
Commercial	2.0%	3.0%	0.0%	-
Industrial	3.0%	3.0%		
All others	7.0%	3.0%		
<b>Total RMV Growth in District</b>	<b>4.9%</b>			

**NOTE: We cannot predict future value growth and are establishing a range for a collection estimate. If AV grows more than projected, or RMV grows less, the amount generated in each scenario would be lower as the gap between AV and RMV would shrink. The District may wish to review these estimates with the County assessor.**



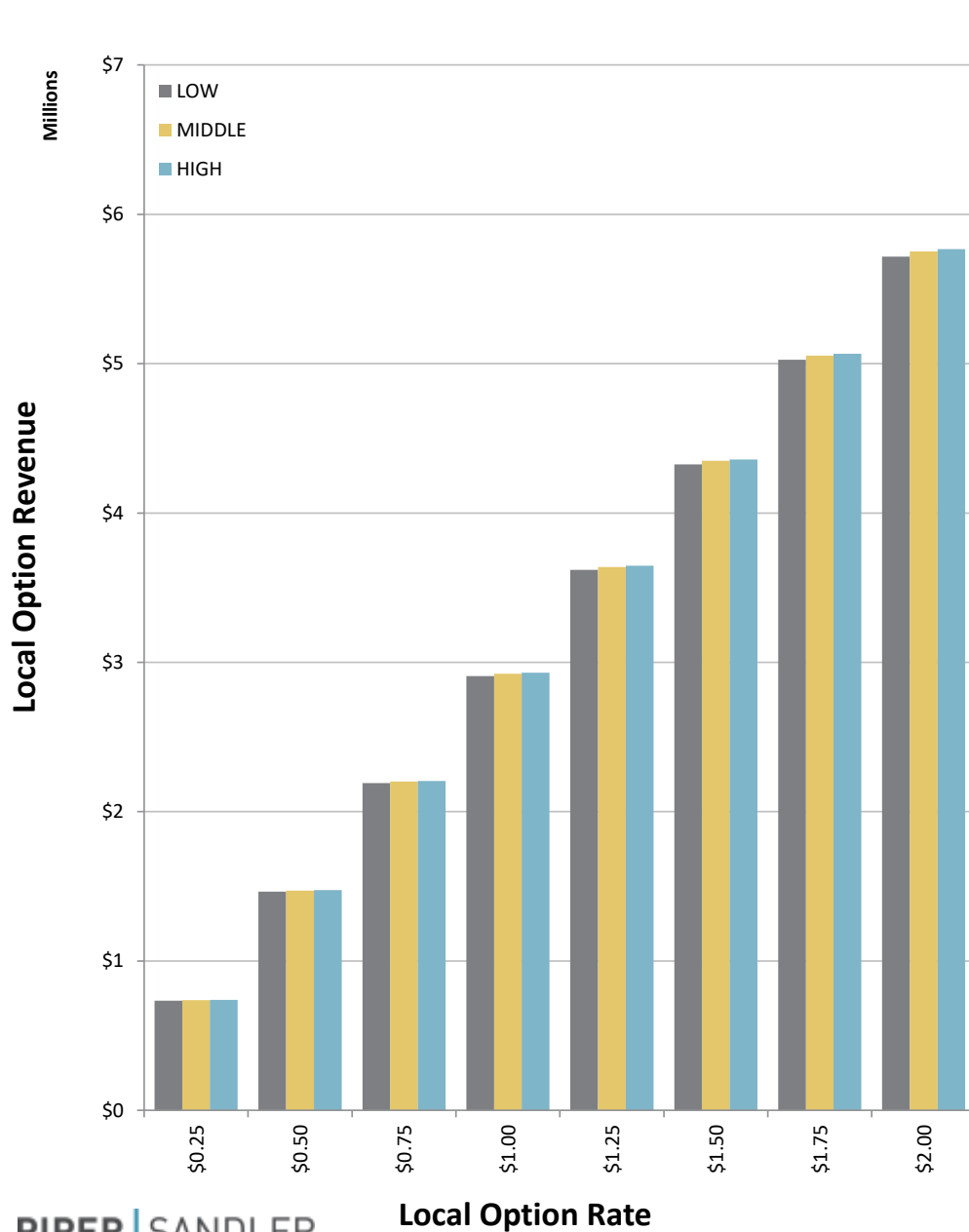
### PARKROSE SCHOOL DISTRICT NO. 3

#### Fiscal Year 2025 Local Option Revenue Projections



## PARKROSE SCHOOL DISTRICT NO. 3

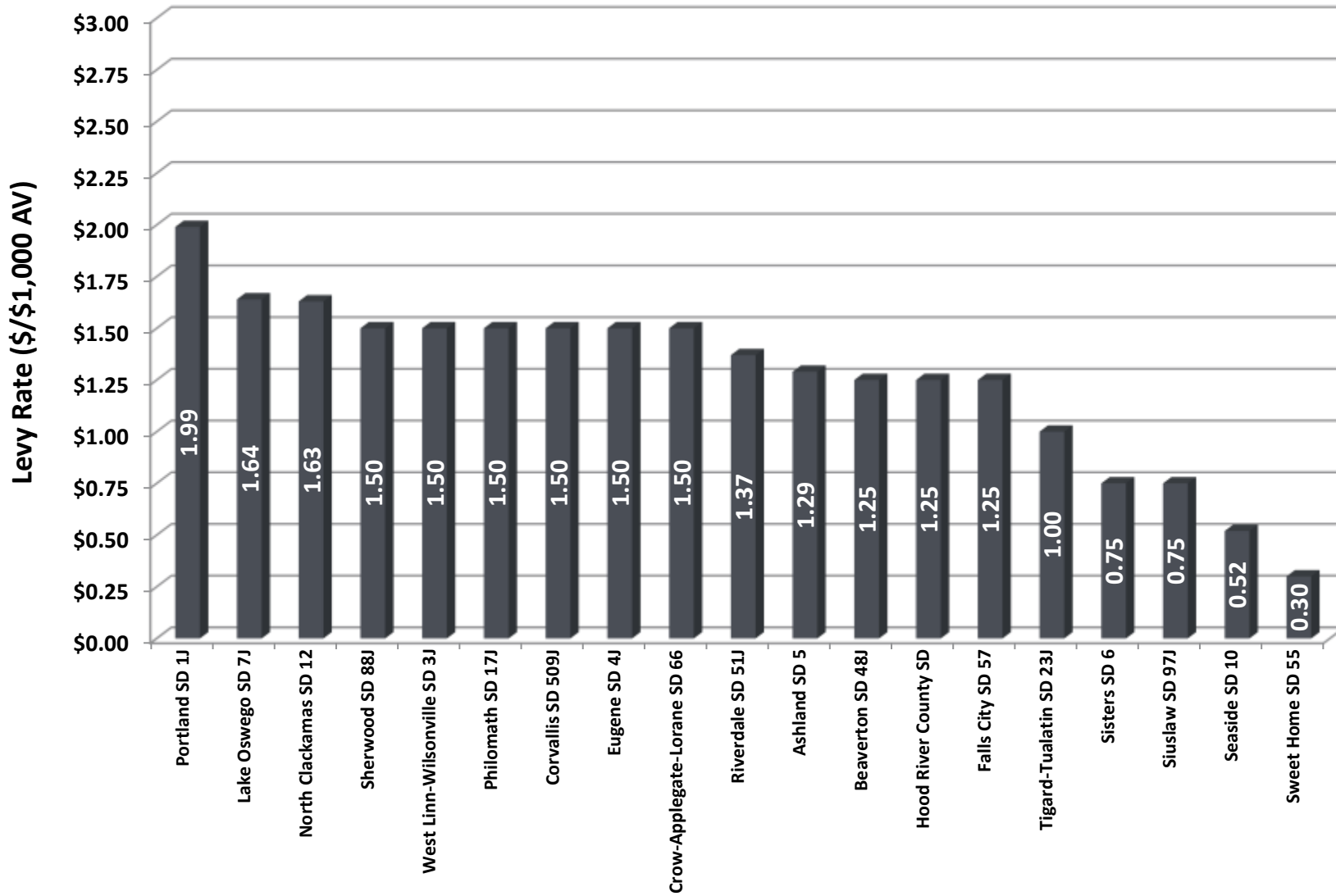
### Fiscal Year 2025 Local Option Revenue Projections



Rate per \$1,000 of AV	2025		
	LOW	MIDDLE	HIGH
\$0.25	\$ 734,232	\$ 737,454	\$ 738,969
0.50	1,464,849	1,471,704	1,474,080
0.75	2,191,547	2,201,374	2,204,866
1.00	2,908,466	2,923,312	2,929,689
1.25	3,619,494	3,638,300	3,646,545
1.50	4,325,770	4,349,028	4,358,715
1.75	5,025,434	5,053,884	5,066,321
2.00	5,716,657	5,752,109	5,767,515
2.25	6,401,320	6,444,676	6,463,189
2.50	7,075,720	7,129,039	7,152,408
2.75	7,729,629	7,799,424	7,832,723
<b>3.00</b>	<b>8,360,359</b>	<b>8,444,599</b>	<b>8,492,734</b>
3.25	8,964,317	9,067,440	9,130,349
3.50	9,537,638	9,661,453	9,745,980
3.75	10,072,546	10,217,650	10,328,364
4.00	10,578,368	10,742,871	10,875,005
4.25	11,056,713	11,237,266	11,392,211
4.50	11,507,435	11,705,940	11,879,895
4.75	11,923,191	12,145,544	12,341,501
5.00	12,305,749	12,556,098	12,774,600

As of Fiscal Year 2023, the District qualified for a local option equalization grant equal to 0% of the local option levy imposed. Amount changes annually based on formula inputs of AV and ADMw. The grant is paid on or before March 31 of each year.

## 2024 School District Local Option Rates



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