

TAXES: Property taxes make up about 40 percent of Pendleton’s general fund

Continued from 1A

Bonds are “non-limited,” meaning they are exempt from compression and can be stacked as high as voters allow.

Some areas of Umatilla County were heavily impacted by compression. Before Measure 5, Helix had a tax rate of \$50 per \$1,000 in education taxes, and Echo had a rate of \$38 per \$1,000, according to Umatilla County Assessment and Taxation Director Paul Chalmers.

“Helix opted to charge themselves more, out of pride of ownership, but now that’s gone,” he said.

Within Pendleton and Hermiston, the county’s biggest cities, rates are much higher. But even then, property taxes don’t cover all services.

Hermiston assistant city manager Mark Morgan said property taxes contribute to the city’s general fund. While property taxes make up the bulk of the that fund, it’s also boosted by city fines, interest earnings, licenses and service charges, as well as other revenue to the city. The general fund goes toward services including police, library services, parks and recreation, planning, streets, finance and the airport.

But Morgan said property taxes are not always the biggest determinant of where businesses choose to build.

“People say raising property taxes will kill all business development. But (it’s) just one slice of the decision for those folks.”

Morgan noted DuPont-Pioneer seed company, which built a factory south of Hermiston, despite the fact that their property taxes would be lower across the street in another code area.

“With the utilities for water, sewer, electrical — it just made more sense for them to be north of Penney Avenue,” Morgan said.

Linda Carter, the finance director for the city of Pendleton, said the city also looks at those numbers in terms of the general fund.

“Property taxes make up about 40 percent of the general fund,” Carter said.



This contributed image shows an aerial view of the proposed concept for the new Pendleton fire station.

Tax rates in Umatilla County\*

LOCATION	RATE	ED	GOV	BONDS	TOTAL**
Hermiston	\$22.10	\$6.16	\$11.39	\$4.50	\$3,314
Unincorporated:	\$16.10	\$6.16	\$5.67	\$4.26	\$2,415
Pendleton:	\$18.79	\$6.14	\$10.11	\$2.55	\$2,819
Unincorporated:	\$15.9	\$6.13	\$7.26	\$2.55	\$2,385
Umatilla:	\$17.35	\$6.19	\$8.08	\$3.06	\$2,603
Unincorporated:	\$14.26	\$6.19	\$5.16	\$2.90	\$2,139
Milton-Freewater:	\$15.80	\$6.07	\$7.76	\$1.96	\$2,370
Unincorporated:	\$11.20	\$6.07	\$3.84	\$1.33	\$1,680
Ukiah:	\$12.50	\$6.09	\$6.22	\$0.20	\$1,875
Unincorporated:	\$9.84	\$6.09	\$3.54	\$0.20	\$1,476
Helix:	\$20.80	\$5.80	\$11.40	\$3.55	\$3,120
Unincorporated:	\$14.01	\$5.83	\$4.63	\$3.55	\$2,102
Pilot Rock:	\$16.59	\$6.03	\$8.29	\$2.25	\$2,489
Unincorporated:	\$13.70	\$6.03	\$5.40	\$2.25	\$2,055
Echo:	\$18.74	\$5.95	\$9.22	\$3.56	\$2,811
Unincorporated:	\$13.95	\$5.95	\$4.99	\$3.01	\$2,093
Adams:	\$17.65	\$6.13	\$8.97	\$2.55	\$2,648
Athena:	\$19.43	\$5.67	\$12.15	\$1.61	\$2,915
Weston:	\$18.54	\$5.67	\$11.25	\$1.61	\$2,781
Unincorporated:	\$12.87	\$5.67	\$5.58	\$1.62	\$1,931
Stanfield:	\$15.16	\$5.40	\$8.26	\$1.49	\$2,274
Unincorporated:	\$12.57	\$5.40	\$5.68	\$1.49	\$1,886

\* 2016-2017 rates, according to Umatilla County Dept. of Taxation, taken from most common rate within in area. \*\* For a home with \$150,000 assessed value

“If you look at the budget, property taxes are part of the source.”

She said the general fund goes toward services like police, fire, parks and recreation and planning, and that public safety services require

more than 50 percent of the general fund. Property taxes, she said, cover a portion of those services.

“Property taxes won’t even pay for all of public safety,” she said.

Some of the county’s

smaller towns pay property taxes nearly half those of Pendleton and Hermiston, but also lack many of the services offered there.

“When you’re on a fixed income, it is a big deal. It’s just spend, spend, tax, tax. We’re not utilizing what we have. We need to think outside the box.”

– Geri Weigum, Hermiston resident

Donna Neumann, the city recorder of Ukiah, said the town is happy with some services.

“We have a wonderful water and sewer system,” she said.

The city of about 285 people, on the southern border of Umatilla County, also has no police force, and often has trouble getting assistance with road repairs.

“We do need other services,” Neumann said. “We’re getting along OK, but we can’t do anything extra without a grant.”

Neumann said while taxes are low, she thinks the town’s citizens might be open to some increases.

“It would give us the ability to do more around the town,” Neumann said. She said they haven’t discussed it yet, but it may come up in the next year.

She said the town has a volunteer fire department and a quick response vehicle, but for law enforcement they rely on the sheriff’s department.

“There’s a state (trooper) out of John Day, so if they’re coming up this way, they’ll do a trip through Ukiah — but it’s not very often,” she said. “Unless you call, we don’t see anyone.”

She said the town would benefit from more of a police presence.

“There’s lots of vandalism, and people who drive without a license,” she said.

But some residents feel that even if the rates would lead to better services, it’s not really worth it.

Rex Morehouse, a long-time Pendleton resident, said he is not in favor of the bond for a new fire station and equipment. He said there was a bond proposed in 2014, but the proposed amount had gone up since then.

“I support the police and

fire departments, but I don’t think we can afford that,” Morehouse said.

Morehouse said the bond, which will cost taxpayers 62 cents per \$1,000, is too much for him.

“I’m retired, I get no raises,” he said with a laugh.

At a recent forum about the school bond, Hermiston resident Geri Weigum shared a similar sentiment.

“When you’re on a fixed income, it is a big deal,” Weigum said of the several bonds the school district has passed in the last few years. “It’s just spend, spend, tax, tax. We’re not utilizing what we have. We need to think outside the box.”

“We’re being taxed to death,” Weigum said.

But Morgan noted that when it comes to potential increased taxes, such as the Hermiston School District bond, voters should think about the widespread impact of those taxes.

“We’re in direct competition with the Tri-Cities for not only business, but also residences,” he said. He recalled a bid Hermiston had to get Auto Zone to build a distribution center here, but lost out to Pasco.

“The main issue they said they had with us was, we didn’t have enough bodies to fill the positions they needed,” he said. “We need to make sure we can meet the demands of people when they come here. If we’re not creating an environment where people want to live, they’re not going to live here.”

To access a complete list of code areas and tax rates for each, visit [www.eastoregonian.com](http://www.eastoregonian.com).

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