

# Local Road and Street Finance Questionnaire Report

FY 2024 State Fiscal Year (July 1, 2023 - June 30, 2024)

## **Background and Purpose**

Oregon's Local Road and Street Finance Questionnaire is conducted each year to track annual receipts (Part I), expenditures (Part II), debt information (Part III), and capital outlays on the National Highway System (NHS) (Part IV). Financial information on the NHS is often incomplete as many local jurisdictions' accounting systems do not segregate the expenditures made on NHS segments from undertaken roads and streets work.

Questionnaire information is compiled by the Oregon Department of Transportation (ODOT) to support the Federal Highway Administration's (FHWA's) Local Highway Finance Report (FHWA-536). FHWA-536 information is used to prepare national tables depicting the financing of highway activities at the local jurisdiction level. Combined with other highway finance information, FHWA-536 data permit FHWA to estimate national highway needs and is used in the development of highway policy and programming decisions. Additionally, questionnaire information is shared with the League of Oregon Cities (LOC) and the Association of Oregon Counties (AOC) for their reports to the Oregon Legislative Assembly required by Oregon Revised Statutes (ORS) 366.790 and ORS 366.774. The Oregon Highway Cost Allocation Study (HCAS), mandated every two years by the Oregon Constitution, also relies on the Local Road and Street Finance Questionnaire for local finance information not available anywhere else.

Finance data is gathered through a survey sent to the directors of finance and public works in all 36 counties, the 4 road assessment districts of Malheur County, and Oregon cities with populations of 5,000 or more (determined by the latest annual population estimates prepared by Portland State University's Population Research Center).

The survey response rate of local jurisdictions for state fiscal year (FY) 2024 survey is 98.3% -- shy of the 100% response from the past two years, with 118 of 120 jurisdictions providing responses. Several jurisdictions noted significant challenges in completing the FY 2024 questionnaire, with staff turnover a common issue. The cities of Estacada, King City, Tillamook and Veneta submitted their third survey responses this year, having grown to a population of more than 5,000 in 2021.

The Local Road and Street Finance Survey reports Total Funds Available (Total Receipts + Beginning Balance(s)) and Total Funds Accounted For (Total Disbursements + Ending Balance(s)) for roads and streets in each of Oregon's 36 counties, Malheur's four road districts and the 80 Oregon cities with a population greater than 5,000.

Total Receipts includes funds from local, private, state, and federal sources.

Receipts from Local Sources include:

- Special Assessments - such as property tax or system development charges
- Local Options Road Users fees - fuel taxes (minus collection costs) and vehicle registration fees
- Other Local – such as parking meters and fines, permits and land use fees, and interest income
- Receipts from Other local Governments – cities and counties
- Proceeds from the sale of Bonds and Notes.

Receipts from State Sources include:

- State Highway Fund Apportionment – local allocation from State Highway Fund
- State Grants
- Highway Fund Exchange Program
- Other State sources

Receipts from Federal Government Sources include:

- US Forest Service Annual Distribution
- Federal Grants
- Federal receipts for emergency events – Federal Emergency Management Agency (FEMA), FHWA Emergency Relief
- Other Federal sources

Beginning Balance(s) is all operating and reserve funds containing dedicated road and street funds, as of the end of the previous state fiscal year. Typical funds Include:

- General Road Fund (primary operating fund for road department)
- Road Reserve Fund
- Bike and Footpath Fund
- Capital Construction Funds
- Bridge Funds
- Road Equipment Reserve Funds

- Special Road District Funds.

Total Receipts, in addition to Beginning Balance(s), equal the Total Funds Available for disbursement during the state fiscal year.

Total Disbursements include all direct and indirect expenditures necessary for construction, preservation and maintenance of local roads and streets. This includes costs for shop buildings, equipment, maintenance, and the operation of equipment.

Total Disbursements consists of four categories: Local Disbursements, Debt Service on Local Bonds and Notes, Payments to Other Jurisdictions for work on their roads and streets, and Expenditures that are reimbursed for work on other jurisdictions' roads and streets.

Local Disbursements include:

- Expenditures for Capital Projects
  - Right of way
  - Project Engineering
  - Construction –New Facilities, Bike/Ped Paths, Preservation & Enhancement
- Operations and Maintenance
- Administration and General Engineering
- Matching funds for Local Agency Projects

Debt Service on Local Obligations include:

- Bonds
- Notes

Payments to Other Jurisdictions for work on their roads and streets include:

- To Counties
- To Cities
- To Other Local Agencies

Expenditures that are reimbursed for work on other jurisdictions' roads and streets include:

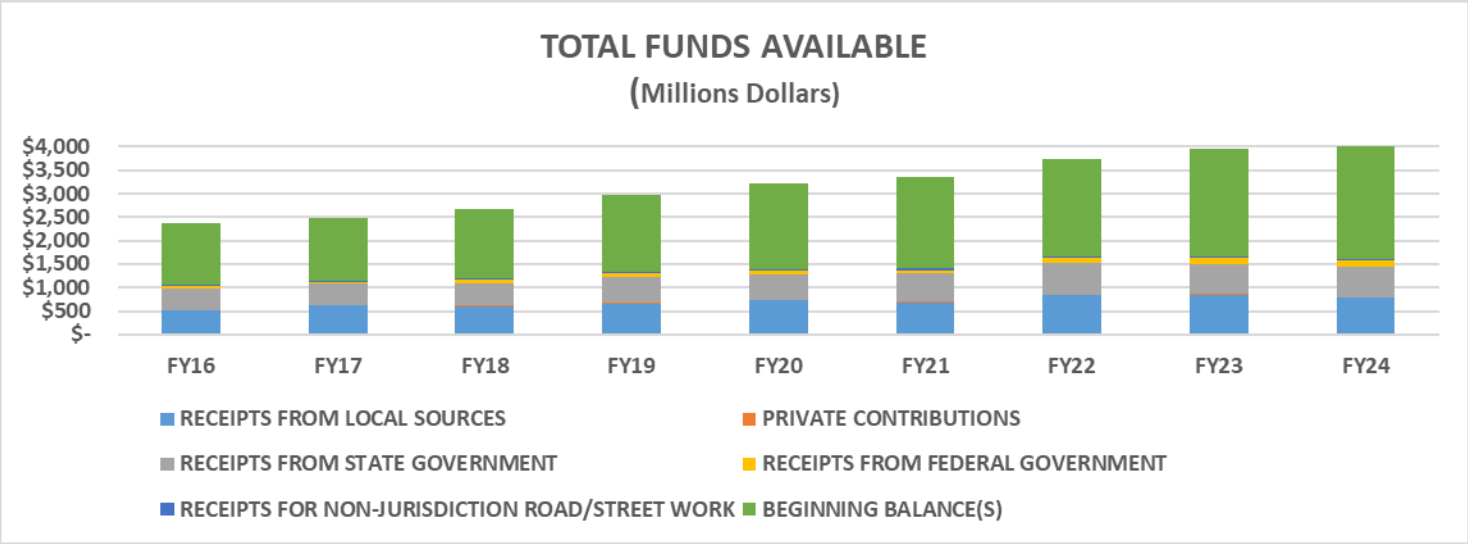
- Non-road and Street Work
- Work reimbursed by another agency for their road/street work

**Results and Trends**

**Total Funds Available increased \$105.3 million, or about 2.7 percent from \$3,954.0 million in FY 2023 to \$4,059 million in FY 2024.**

Figure 1 presents the relative contributions of the six funding sources that combine to produce Total Funds Available.

**Figure 1**

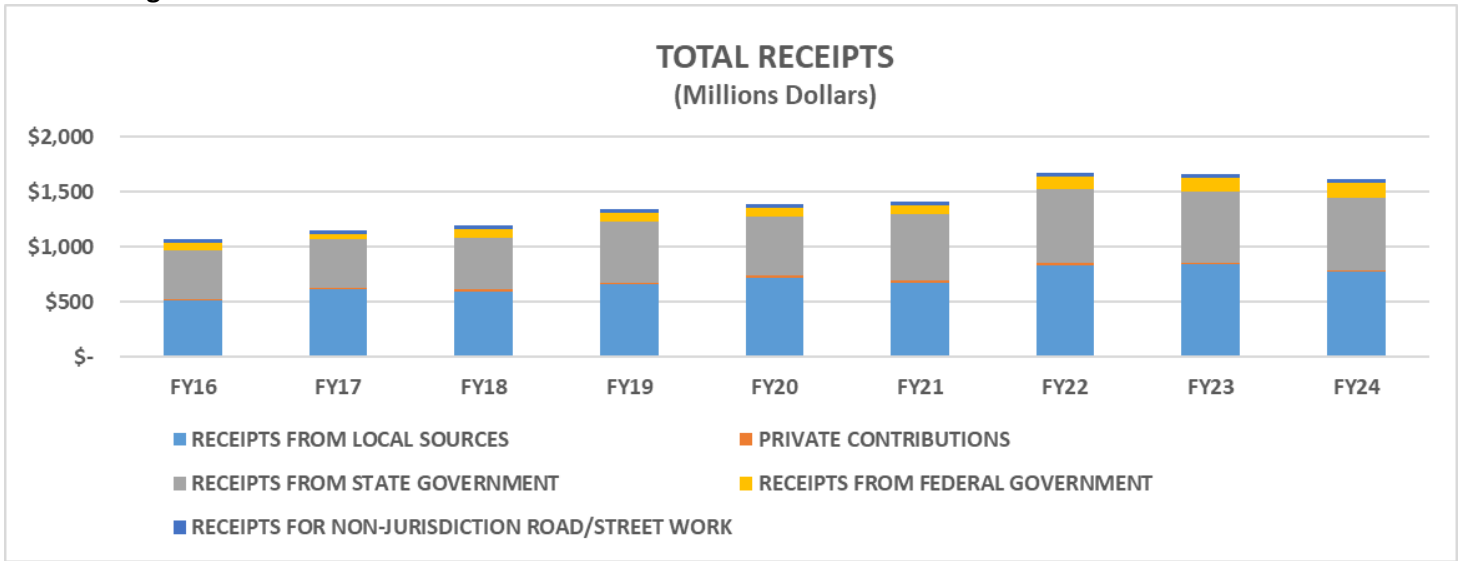


By far, the greatest contributor to Total Funds Available is the fund of reserves, Beginning Balance, which accounts for approximately 60 percent of Total Funds Available. Beginning Balance increased \$148.3 million while Total Receipts decreased by \$43.0 million, slightly increasing the Beginning Balance to 60.1% percent of Total Funds Available in FY 2024 compared to 57.94 percent in FY 2023.

**Total Receipts decreased by \$43.0 million, or about -2.59 percent from \$1,662.9 million in FY 2023 to \$1,620.0 million in 2024.**

Figure 2 presents the relative contributions of the five funding sources that combine to produce Total Receipts.

**Figure 2**

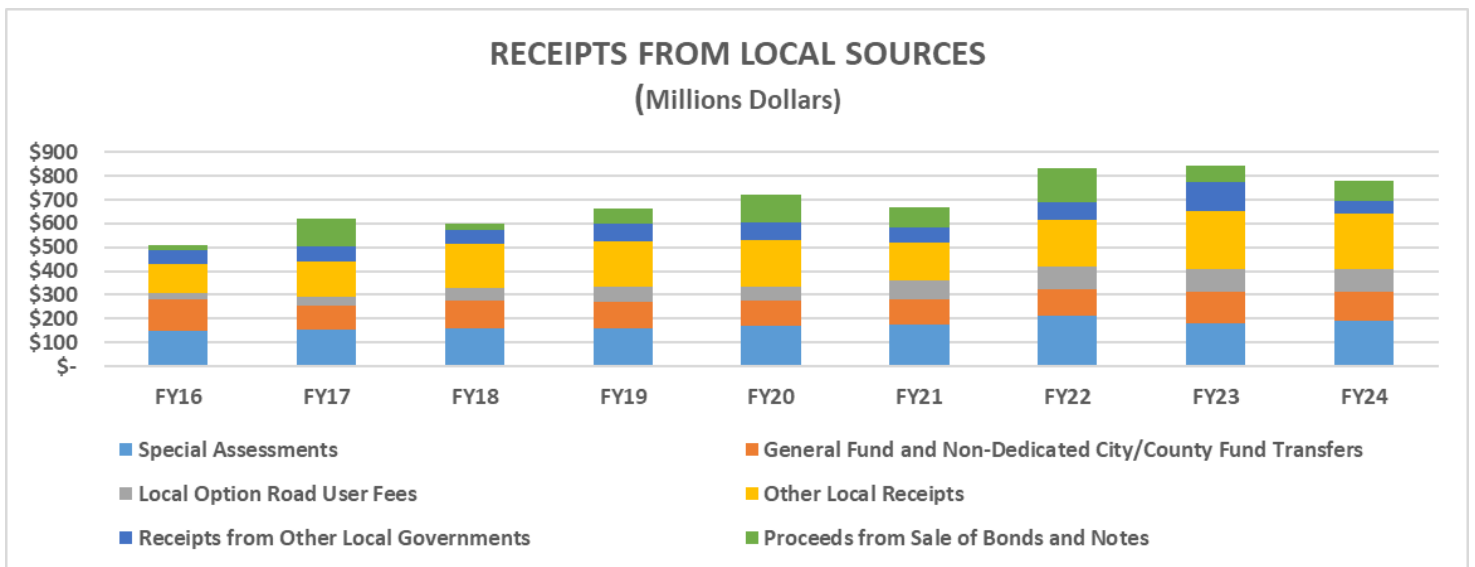


Receipts from Local Sources is the largest contributor to Total Receipts in FY 2024, comprising 48.1 percent of fiscal year Total Receipts. Receipts from State Government account for nearly 41 percent, and Receipts from Federal Government make up 8 percent. Private Contributions and Receipts from Non-Jurisdiction Road/Street Work combine to account for the remaining 3 percent of Total Receipts.

**Receipts from Local Sources decreased by 7.3 percent, from \$840.8 million in FY 2023 to \$779.8 million in FY 2024, a decrease of \$61.0 million.**

Figure 3 presents the relative contributions of the six funding sources that combine to produce Receipts for Local Sources.

**Figure 3**

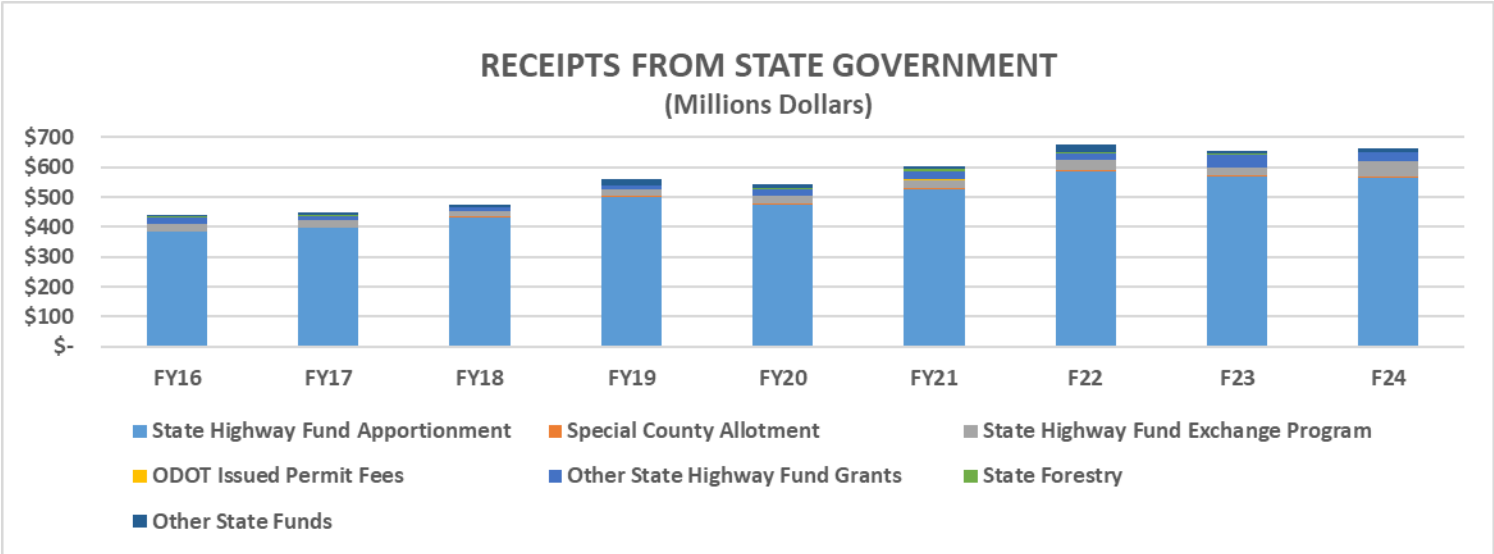


The decrease in revenue from Local Sources is driven by a decrease in Receipts from Other Local Governments, with decreases in Other Local Receipts and General Fund and Non-Dedicated City/County Fund Transfers (General Transfers) also decreasing relative to FY2023. The decreases are countered by increases in Proceeds from the Sale of Bonds and Notes, Special Assessments, and Local Option Road User Fees (listed in order of largest to smallest increase). Decreases in Other Local Receipts, Receipts from Other Local Governments, and General Transfers account for an \$86.1 million decrease in Receipts from Local Sources. Receipts from Other Local Governments decreased 54.5%, or \$66.8 million, in FY 2024; Other Local Receipts decreased by 5.0 percent, from \$243.0 million in FY 2023 to \$230.8 million in FY 2024. The Proceeds from the Sale of Bonds and Notes (Debt), the largest increase of revenue from Local Sources, increased Receipts from Local Sources by \$14.5 million. Proceeds from increased Debt increased by 21.1 percent, from \$68.7 million in FY 2023 to \$83.2 million in FY 2024. Receipts from Special Assessments increased by \$8.6 million (4.7 percent), from \$181.6 million in 2023 to \$190.3 million in FY 2024.

**The second largest source of Total Receipts, Receipts from State Government increased 1.8 percent from \$652.4 million in FY 2023 to \$664.1 million in FY 2024.**

Figure 4 presents the relative contributions of the seven funding sources that combine to produce Receipts From state Government.

**Figure 4**



Since FY 2018, receipts from this source have been increasing due to the transportation package, (HB

2017), passed in the 2017 Legislative Session. This law, known as “Keep Oregon Moving”, increased Oregon Driver & Motor Vehicle Services (DMV) title and registration fees, the motor fuels tax, and the weight-mile tax, beginning January 1, 2018, with a subsequent increase in January 2020 and 2022, and a final increase to \$0.40 per gallon starting January 1, 2024. The increases are shared with local governments and show up in the State Highway Fund Apportionments. FY 2020 and FY 2023 receipts have been the exception to the general growth trend due to the COVID-19 induced shutdown of DMV field offices and dramatic drop in motor fuel sales due to extraordinary reductions in personal and business travel, and more recently to a slowing economy and high inflation.

Proceeds from the State Highway Fund Apportionment which account for nearly 85 percent of receipts from State Government decreased by 0.3 percent, from \$566.9 million in FY 2023 to \$565.0 million in FY 2024, reflecting lingering COVID-19 impacts on motor fuel purchases and improved fuel efficiency pulling down sales, while recent increases in vehicle sales and ongoing steady economic growth counteracting and pulling up sales. Receipts from the State Highway Fund Exchange Program demonstrated the greatest percentage increase in growth in Receipts from State Government, growing by 79.7 percent, from \$27.6 million in FY 2023 to \$49.7 million in FY 2024. Receipts from Other State Highway Fund Grants demonstrated the greatest percentage decrease in Receipts From State Government, decreasing by 31.2 percent from \$42.4 million in FY 2023 to \$29.2 million in FY 2024.

**As the third, fourth, and fifth source of Total Receipts, Receipts from Federal Government increased by 10.7 percent, from \$117.6 million in FY 2023 to \$130.1 million in FY 2024; Receipts for Non-Jurisdiction Road/Street Work increased by 4.3 percent, from \$37.4 million in FY 2023 to \$39.0 million in FY 2024; and Private Contributions decreased by 53.3 percent, from \$14.8 million in FY 2023 to \$6.9 million in FY 2024.**

Receipts from Federal Government, Private Contributions, and Non-Jurisdiction Road/Street Work Combine to account for slightly more than 10.9 percent of annual Total Receipts. Receipts from Federal Government is the largest contributor to Total Receipts, accounting for slightly more than 8 percent of Total Receipts received in FY 2024. Sources of Receipts from Federal Government reflect a diverse source of funding sources ranging from US Forest Service Annual Distribution, Grants from FHWA to Public Assistance from FEMA to Emergency Relief funding from FHWA.

When comparing financial information of the previous year’s report and the current year’s report, a major funding factor involves Ending and Beginning Balances. The Ending Balance of the previous year

under Part II – Disbursements ideally should match the Beginning Balance of the current year under Part I. – Receipts. The cumulative FY 2023 Ending Balance of \$2,411.6 million is less than the cumulative FY 2024 Beginning Balance of \$2,439.4 million by \$27.8 million or about 1.1 percent. It is important to recognize that any disparities between the previous year’s report Ending Balance and the current year’s Beginning Balance can be attributed to the permitted submission of unaudited financial entries and differences in the total number of jurisdictions submitting surveys. Of the jurisdictions that completed surveys in both FY 2023 and FY 2024, 83 submitted FY 2024 surveys with Beginning Balances differing from Ending Balances reported in FY 2023, 37 jurisdictions submitted FY 2024 surveys with a reduction relative to FY 2023 Ending Balances and 46 submitted surveys with an increase in Beginning Balance relative to their reported FY 2023 Ending Balances.

Finally, annual cumulative totals for Total Receipts and Total Expenditures are presented in Figure 5 for state fiscal years 2016-2024. Aggregate summary survey results for the last eight years and comparisons (in absolute terms and percentage change) between the last two surveys are presented in Table 1.

Following Table 1 are the individual data submitted by each local jurisdiction for Parts: I. – Receipts for Local Roads and Street Purposes; II. – Disbursements for Road and Street Purposes; III. – Debt for Road and Street Purposes; and IV. – Expenditures on Classified and Local Roads and Streets. Receipts and Disbursement values are presented for all 118 jurisdictions, Debt figures are presented for 35 jurisdictions, and Classified Road and Local Street Expenditures are presented for 15 jurisdictions.

**Figure 5**

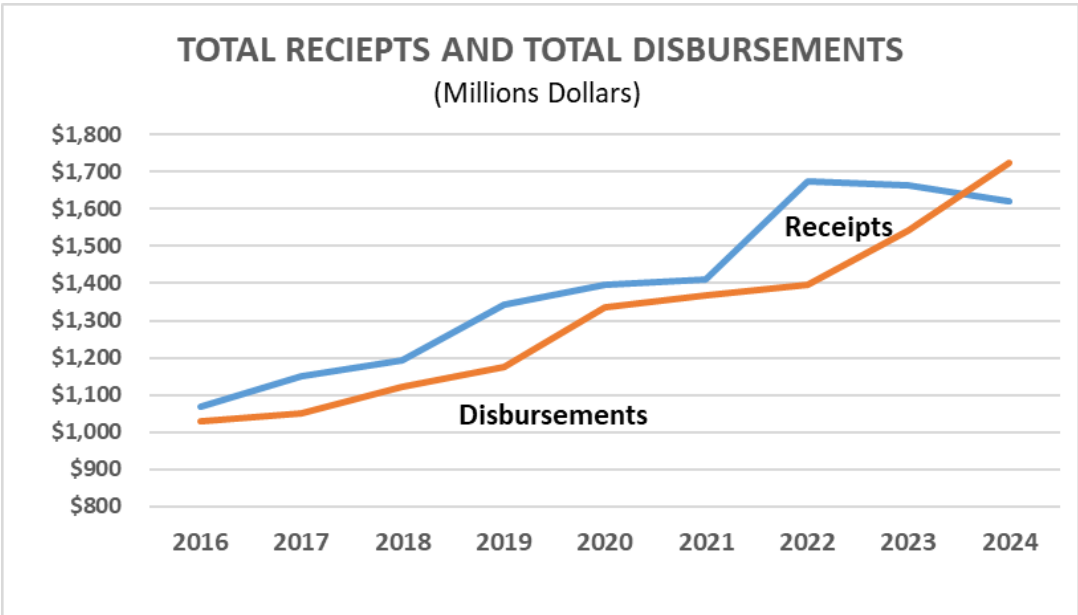




Table 1

	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	Absolute	Percent
										Change 23-24	Change 23-24
<b>RECEIPTS FROM LOCAL SOURCES</b>											
Special Assessments	\$ 150,835,045	\$ 155,312,655	\$ 161,614,240	\$ 159,304,620	\$ 171,571,007	\$ 174,978,421	\$ 210,240,586	\$ 181,648,824	\$ 190,260,333	\$ 8,611,509	4.74%
General Fund and Non-Dedicated City/County Fund Transfers	\$ 130,615,285	\$ 99,412,836	\$ 115,734,846	\$ 111,058,608	\$ 104,704,664	\$ 107,276,585	\$ 115,939,210	\$ 132,378,693	\$ 125,266,258	\$ (7,112,435)	-5.37%
Local Option Road User Fees	\$ 28,866,723	\$ 39,791,917	\$ 51,409,993	\$ 62,397,946	\$ 58,147,525	\$ 77,690,847	\$ 93,396,304	\$ 92,587,701	\$ 94,493,394	\$ 1,905,694	2.06%
Other Local Receipts	\$ 119,847,874	\$ 147,188,756	\$ 184,937,551	\$ 194,608,581	\$ 196,751,080	\$ 160,557,362	\$ 194,363,713	\$ 242,951,686	\$ 230,793,759	\$ (12,157,928)	-5.00%
Receipts from Other Local Governments	\$ 55,268,682	\$ 62,260,752	\$ 59,012,638	\$ 69,944,077	\$ 75,121,917	\$ 65,333,318	\$ 74,602,794	\$ 122,498,015	\$ 55,697,819	\$ (66,800,196)	-54.53%
Proceeds from Sale of Bonds and Notes	\$ 25,824,524	\$ 117,646,726	\$ 26,401,864	\$ 64,076,023	\$ 115,395,755	\$ 83,556,582	\$ 146,317,018	\$ 68,724,826	\$ 83,240,328	\$ 14,515,502	21.12%
<b>TOTAL RECEIPTS FROM LOCAL SOURCES</b>	<b>\$ 511,258,133</b>	<b>\$ 621,613,642</b>	<b>\$ 599,111,132</b>	<b>\$ 661,389,855</b>	<b>\$ 721,691,949</b>	<b>\$ 669,393,114</b>	<b>\$ 834,859,625</b>	<b>\$ 840,789,745</b>	<b>\$ 779,751,891</b>	<b>\$ (61,037,854)</b>	<b>-7.26%</b>
<b>PRIVATE CONTRIBUTIONS</b>	<b>\$ 13,993,106</b>	<b>\$ 7,122,485</b>	<b>\$ 15,014,544</b>	<b>\$ 17,002,915</b>	<b>\$ 17,105,405</b>	<b>\$ 24,500,610</b>	<b>\$ 15,889,734</b>	<b>\$ 14,752,451</b>	<b>\$ 6,884,574</b>	<b>\$ (1,137,283)</b>	<b>-53.33%</b>
<b>RECEIPTS FROM STATE GOVERNMENT</b>											
State Highway Fund Apportionment & 1% Bike/Ped	\$ 385,432,453	\$ 396,900,076	\$ 433,755,483	\$ 501,473,764	\$ 475,371,148	\$ 523,833,759	\$ 586,035,630	\$ 566,860,090	\$ 564,994,805	\$ (1,865,285)	-0.33%
Special County Allotment	\$ 764,199	\$ 368,784	\$ 1,313,054	\$ 4,574,897	\$ 3,951,721	\$ 4,490,301	\$ 3,902,951	\$ 4,243,132	\$ 4,562,484	\$ 319,352	7.53%
State Highway Fund Exchange Program	\$ 23,827,972	\$ 25,324,989	\$ 17,690,246	\$ 19,186,904	\$ 25,865,726	\$ 29,316,211	\$ 35,372,686	\$ 27,649,643	\$ 49,681,609	\$ 22,031,966	79.68%
ODOT Issued Permit Fees	\$ 605,339	\$ 566,124	\$ 498,242	\$ 1,584,237	\$ 825,192	\$ 682,162	\$ 835,611	\$ 1,549,317	\$ 1,127,653	\$ (421,664)	-27.22%
Other State Highway Fund Grants	\$ 22,825,851	\$ 14,162,464	\$ 10,971,584	\$ 10,004,516	\$ 21,807,973	\$ 29,467,846	\$ 19,486,831	\$ 42,425,795	\$ 29,179,189	\$ (13,246,606)	-31.22%
State Forestry	\$ 1,190,762	\$ 2,390,487	\$ 1,295,007	\$ 1,123,860	\$ 2,719,672	\$ 6,576,480	\$ 2,925,444	\$ 2,859,485	\$ 2,479,635	\$ (379,850)	-13.28%
Other State Funds	\$ 6,770,947	\$ 8,000,544	\$ 9,326,548	\$ 20,550,658	\$ 11,027,268	\$ 8,013,279	\$ 26,588,870	\$ 6,811,009	\$ 12,056,862	\$ 5,245,853	77.02%
<b>TOTAL RECEIPTS FROM STATE GOVERNMENT</b>	<b>\$ 441,417,523</b>	<b>\$ 447,713,468</b>	<b>\$ 474,850,164</b>	<b>\$ 558,498,836</b>	<b>\$ 541,568,700</b>	<b>\$ 602,380,038</b>	<b>\$ 675,148,022</b>	<b>\$ 652,398,472</b>	<b>\$ 664,082,237</b>	<b>\$ 11,683,765</b>	<b>1.79%</b>
<b>RECEIPTS FROM FEDERAL GOVERNMENT</b>											
US Forest Service Annual Distribution	\$ 37,784,979	\$ 4,368,550	\$ 33,111,386	\$ 32,449,416	\$ 29,642,028	\$ 25,640,076	\$ 31,261,762	\$ 25,409,509	\$ 23,743,329	\$ (1,666,180)	-6.56%
USFS and O&C Title II	\$ 478,335	\$ 529,908	\$ 885,312	\$ 913,192	\$ 1,170,213	\$ 461,208	\$ 4,485,215	\$ 1,924,519	\$ 1,260,628	\$ (663,891)	-34.50%
5% Distribution of BLM Land Sales	\$ 27,859	\$ 23,955	\$ 83,376	\$ 74,069	\$ 86,884	\$ 50,379	\$ 57,783	\$ 26,608	\$ 31,538	\$ 4,930	18.53%
BLM Mineral Leases	\$ 216,985	\$ 317,505	\$ 160,459	\$ 84,988	\$ 79,262	\$ 144,158	\$ 236,552	\$ 177,525	\$ 225,233	\$ 47,708	26.87%
U.S. Taylor Grazing Apportionment	\$ 11,464	\$ 10,056	\$ 5,955	\$ 7,464	\$ 5,182	\$ 9,459	\$ 1,934	\$ 19,812	\$ 8,944	\$ (10,868)	-54.86%
Federal Flood Control	\$ -	\$ 13,810	\$ 18,482	\$ 16,192	\$ 14,841	\$ 46,243	\$ 211,960	\$ -	\$ -	\$ -	-
Housing and Urban Dev & Econ Dev Adm	\$ 8,035	\$ 101,000	\$ 149,956	\$ 19,336	\$ 176,375	\$ -	\$ 1,563,221	\$ -	\$ 432,600	\$ 432,600	
Federal Receipts for FHWA Grants	\$ 12,811,870	\$ 20,866,228	\$ 23,410,067	\$ 13,554,660	\$ 12,625,987	\$ 17,119,301	\$ 20,303,351	\$ 25,098,130	\$ 17,765,499	\$ (7,332,631)	-29.22%
Other Federal Fund Receipts	\$ 12,710,078	\$ 8,043,191	\$ 5,774,663	\$ 19,125,839	\$ 34,300,474	\$ 31,248,995	\$ 47,535,551	\$ 51,733,997	\$ 81,229,227	\$ 29,495,231	57.01%
FEMA - Public Assistance	\$ 1,985,320	\$ 3,643,064	\$ 4,316,754	\$ 3,198,831	\$ 2,297,852	\$ 1,251,798	\$ 5,544,855	\$ 7,813,100	\$ 3,976,024	\$ (3,837,076)	-49.11%
FHWA - Emergency Relief	\$ 170,999	\$ 847,306	\$ 2,067,030	\$ 53,706	\$ 48,768	\$ 1,275,522	\$ 2,904,728	\$ 5,335,551	\$ 1,452,220	\$ (3,883,331)	-72.78%
<b>TOTAL RECEIPTS FROM FEDERAL GOVERNMENT</b>	<b>\$ 66,205,924</b>	<b>\$ 38,764,573</b>	<b>\$ 69,983,440</b>	<b>\$ 69,497,692</b>	<b>\$ 80,447,867</b>	<b>\$ 77,247,140</b>	<b>\$ 114,106,913</b>	<b>\$ 117,538,751</b>	<b>\$ 130,125,242</b>	<b>\$ 12,586,491</b>	<b>10.71%</b>
<b>RECEIPTS FOR NON-JURISDICTION ROAD/STREET WORK</b>	<b>\$ 36,506,922</b>	<b>\$ 34,618,821</b>	<b>\$ 34,292,984</b>	<b>\$ 36,525,168</b>	<b>\$ 34,951,128</b>	<b>\$ 37,355,618</b>	<b>\$ 33,018,499</b>	<b>\$ 37,394,833</b>	<b>\$ 39,002,960</b>	<b>\$ 1,608,127</b>	<b>4.30%</b>
<b>TOTAL RECEIPTS</b>	<b>\$ 1,069,381,608</b>	<b>\$ 1,149,832,989</b>	<b>\$ 1,193,252,264</b>	<b>\$ 1,342,914,466</b>	<b>\$ 1,395,765,049</b>	<b>\$ 1,410,876,520</b>	<b>\$ 1,673,022,793</b>	<b>\$ 1,662,874,251</b>	<b>\$ 1,619,846,904</b>	<b>\$ (43,027,348)</b>	<b>-2.59%</b>
<b>BEGINNING BALANCE(S)</b>	<b>\$ 1,301,080,742</b>	<b>\$ 1,337,551,990</b>	<b>\$ 1,478,131,108</b>	<b>\$ 1,620,006,975</b>	<b>\$ 1,813,500,866</b>	<b>\$ 1,939,279,508</b>	<b>\$ 2,051,220,903</b>	<b>\$ 2,291,126,324</b>	<b>\$ 2,439,410,177</b>	<b>\$ 148,283,853</b>	<b>6.47%</b>
<b>TOTAL FUNDS AVAILABLE</b>	<b>\$ 2,370,462,350</b>	<b>\$ 2,487,384,979</b>	<b>\$ 2,671,383,372</b>	<b>\$ 2,962,921,440</b>	<b>\$ 3,209,265,914</b>	<b>\$ 3,350,156,029</b>	<b>\$ 3,724,243,696</b>	<b>\$ 3,954,000,575</b>	<b>\$ 4,059,257,080</b>	<b>\$ 105,256,505</b>	<b>2.66%</b>
<b>TOTAL DISBURSEMENTS</b>	<b>\$ 1,029,178,558</b>	<b>\$ 1,050,480,602</b>	<b>\$ 1,120,953,477</b>	<b>\$ 1,173,852,861</b>	<b>\$ 1,334,782,507</b>	<b>\$ 1,366,553,744</b>	<b>\$ 1,398,051,673</b>	<b>\$ 1,542,398,426</b>	<b>\$ 1,724,507,608</b>	<b>\$ 182,109,182</b>	<b>11.81%</b>
<b>ENDING BALANCE(S)</b>	<b>\$ 1,341,283,792</b>	<b>\$ 1,436,904,377</b>	<b>\$ 1,550,429,895</b>	<b>\$ 1,789,068,579</b>	<b>\$ 1,856,666,359</b>	<b>\$ 1,983,602,287</b>	<b>\$ 2,326,192,022</b>	<b>\$ 2,411,602,145</b>	<b>\$ 2,334,749,464</b>	<b>\$ (76,852,681)</b>	<b>-3.19%</b>
<b>TOTAL FUNDS ACCOUNTED FOR</b>	<b>\$ 2,370,462,350</b>	<b>\$ 2,487,384,979</b>	<b>\$ 2,671,383,372</b>	<b>\$ 2,962,921,440</b>	<b>\$ 3,191,448,866</b>	<b>\$ 3,350,156,030</b>	<b>\$ 3,724,243,696</b>	<b>\$ 3,954,000,572</b>	<b>\$ 4,059,257,072</b>	<b>\$ 105,256,501</b>	<b>2.66%</b>

NOTE: Totals may vary due to rounding.