



2025-2027

BUDGET IN BRIEF

City Council Goals and How the Budget Works



CITY OF BEND

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Mayor's Message

Thank you for reviewing the City of Bend's 2025-27 biennial budget. Every two years, the City Council sets goals for the next biennium and, in concert with that process, deliberates and votes on a budget. Our \$1.48 billion budget empowers the City to deliver and expand essential services. This biennium, we are focused on meeting the challenges of growth, a changing climate, and pressures on our infrastructure, so that we can be a sustainable community long into the future. I want to highlight some of the priorities you will read about in our budget before you dive in.



From the time that I graduated from Bend High in the early 2000s to now, our population has more than doubled. The City of Bend now serves over 104,000 full-time residents. With the growing population comes growing service needs for our community members, for everything from housing to transportation to emergency services. I'm proud that in this budget we have equipped our public safety agencies with the additional resources they need, so that they can continue delivering high-quality services with fast response times. Our changing environment also demands an increased commitment to doing our part for our environment, including adapting to changes that are already occurring in our high desert landscape. That's why Council Goals this year include a focus on expanding our city's wildfire resiliency and preparedness.

Growing from a small town into a medium-sized city presents both challenges and opportunities, particularly when it comes to transportation and infrastructure. Some of the City of Bend's water and sewer lines still date back to the early 1900s, and our transportation system has not yet caught up to Bend's rapid growth. This is why we've budgeted \$495 million for infrastructure improvements over fiscal years 2026-2030. This biennium's spending includes investments in the Reed Market Corridor and Franklin Corridor, two main arteries that connect east and west Bend. As this work occurs, our City remains focused on retrofitting and improving our transportation system in a way that can benefit everyone who uses our streets, paths, and sidewalks to get around.

It's one thing to set goals and priorities, but it's another to fund them so we get results for our community. As you review the 2025-27 biennial budget, you will see that we are assigning our city's resources so that we can achieve our goals in the areas of accessible and effective government, public safety, climate resiliency, economic prosperity, housing, transportation, and infrastructure.

I want to give a special note of gratitude to the community members who serve on the City of Bend's Budget Committee, to the City of Bend staff, and to everyone in Bend who provided input throughout our goal setting and budget process. Our final budget is not just a document, it's a road map for our community as to how the City will meet Bend's needs both today and well into the future.

A handwritten signature in purple ink, appearing to read 'MK', with a stylized flourish at the end.

Mayor Melanie Kebler



About the City

Bend, Oregon

Nestled at the edge of the Cascade Mountains, Bend is a city defined by its natural beauty and strong sense of community. The City of Bend is proud to be more than just a local government. It is a collaborative, mission-driven organization committed to serving a community that's growing with purpose and vision.



The City of Bend embraces innovation while staying grounded in fiscal responsibility. The City's approach to governance is rooted in transparency, equity, and adaptability, striving to help every community member, business, and visitor feel welcomed and supported.

Bend is a hub for outdoor adventure, creative industries, and emerging technologies. From craft breweries to tech startups, Bend's economy reflects the diversity and ingenuity of the people who call this place home. The City believes that when businesses succeed, our community thrives, creating an environment where opportunity is accessible to all.

The City's growth and development is guided by the Bend Comprehensive Plan – a long-range blueprint that ensures the City has the land and infrastructure needed to support housing, jobs, schools, parks, and transportation. Shaped by community input, the Comprehensive Plan outlines a future that protects what makes Bend special: the environment, neighborhoods, and quality of life. The City is not just responding to growth, it is shaping it with care and purpose.

As Bend continues to evolve, the City remains committed to thoughtful progress. The City is working towards building a community that reflects the values of its people, grounded in accountability, integrity, and respect.

Form of Government

The City of Bend operates under a Council-Manager system, where elected officials set policy direction, and a City Manager oversees daily operations. Bend's City Council consists of Councilors and a Mayor, all elected at-large by the community to serve four-year terms. The Council provides leadership, adopts policies, and ensures that city services reflect the needs and values of Bend's community members.



Pictured above from left to right: Councilors Gina Franzosa, Mike Riley, Ariel Méndez, Mayor Melanie Kebler, Mayor Pro Tem Megan Perkins, Councilors Steve Platt, and Megan Norris

Appointed by the Council, the City Manager serves as the chief executive, responsible for implementing Council decisions and managing city staff and operations. This structure allows Bend to maintain responsive, accountable governance while ensuring professional management of public services and long-term planning.



City Services: What We Do (and Don't)



The City of Bend provides essential public services to the community. From safety and infrastructure to economic prosperity and long-range planning. These services include police and fire protection, water and sewer utilities, stormwater management, street maintenance, traffic control, building permits, code enforcement, economic development and emergency services. The City also manages planning and development, housing and houselessness initiatives, parking systems, and sustainability programs.



However, not all public services fall under the City's jurisdiction. Parks and recreational facilities are managed by the Bend Park & Recreation District, and libraries are operated by the Deschutes Public Library. Other services such as garbage collection, electricity, natural gas, and broadband are provided by private or regional entities. The City maintains partnerships with these organizations but does not directly oversee their operations.



Community members can visit the City's website at [bendoregon.gov](https://www.bendoregon.gov) for more information on city services.



Bend By The Numbers 2025

Bend is home to
over 104,000 people



White: 83.2%, Non-Hispanic 8.8%, Hispanic: 7.9%



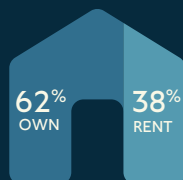
40.3
Median age



Education

96.6% HS or higher;
55.7% with Bachelor's
degree or higher

44,620
Households

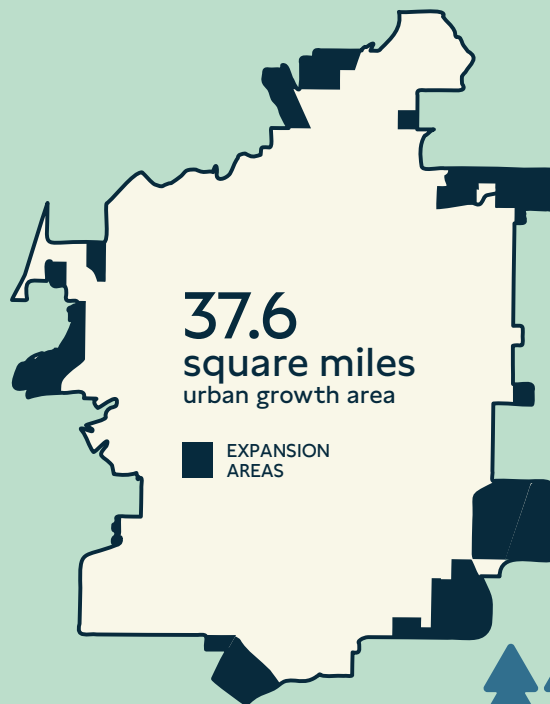


47,882
Housing units



\$88,792
Median household
income

Permanent tax rate:
\$2.80 per \$1,000



90,290 jobs

Bend's top 3 industries
by employment:

16,240
Transportation,
Trade & Utilities

15,181
Education &
Health Services

13,225
Leisure &
Hospitality

3.70%
Unemployment
rate

10,959
Permits issued

4,861
Million gallons of
groundwater produced

26.7
Million gallons peak
day usage

10,153
Stormdrains inspected

985
Miles of sewer
and water lines



Calls for Service

Fire & Rescue

14,083

Police

76,308

\$1,482,670,700
Biennial Budget

20,426
Miles of streets
cleaned

936
Lane miles
maintained

831
City government
employees

Top 3 Departments

1. Police - 166.5
2. Fire & Rescue - 152.12
3. Water Services - 123

2023-25 Council Accomplishments

The accomplishments from the 2023-2025 biennium, listed below, laid a strong foundation for the City's evolving priorities. As the City transitions into the 2025-2027 biennium with refined goal areas, the work continues to build on past progress. The City remains focused on advancing Council's and the community's priorities, aligning resources with long-term strategic outcomes.

Accessible & Effective Government



- Advanced equity by developing and implementing a Language Access Program and piloting an equity framework
- Construction of the new Public Works Campus is on schedule and projected to be under budget
- New right-of-way code was adopted and implemented
- Expanded community engagement through increased digital engagement, Council roundtables, and new community-centered outreach and engagement events to inform the Council's 2025-2027 Goals

Climate Resiliency



- Updated the Community Climate Action Plan with public input and sector workshops
- Developed electrification policy options memo and conducted associated technical analysis and stakeholder engagement
- Hired a Climate Analyst and launched outreach tools including a new website and newsletter
- Secured grants for wildfire mitigation, climate planning, and emergency equipment
- Implemented water conservation rebates and inspected over 6,000 tax lots for wildfire hazards

Economic Prosperity



- Completed Target Sector Analysis to guide business development
- Formed the Office of Economic Development to centralize support for local businesses
- Launched Urban Renewal Site-Specific Tax Increment Financing (TIF) Program to stimulate investment in key areas

Housing



- Completed 152 affordable housing units and supported 2,500+ low/moderate-income community members through Community Development Block Grant and Commercial and Industrial Construction Tax funding
- Supported the launch of Cleveland Commons, Bend's first Permanent Supportive Housing (PSH) apartments
- Developed and funded the \$3.1M Houseless Services Grant Program, including Safe Stay Areas, Safe Parking, and outreach
- Renovated The Lighthouse Navigation Center and supported shelters like Stepping Stone and Franklin Avenue
- Secured \$5M in federal grant dollars through the Pathway to Removing Obstacles (PRO Housing) program to address barriers to affordable housing production
- Streamlined permitting and launched pre-approved Accessory Dwelling Unit (ADU) plans to expand housing options

Public Safety



- Added six firefighter-paramedics and staffed a fourth Advanced Life Support (ALS) ambulance to improve emergency response
- Assisted in the creation of a county-wide drug deflection program and created a liaison officer position funded by opioid settlement funds
- Invested in technology and alternative response models to reduce crime and stabilize call for service growth

Transportation & Infrastructure



- \$43.2M in Transportation-related capital improvements including the Wilson Avenue and Olney Avenue corridors, and the Neff Road and Purcell Boulevard and 27th Street and Bear Creek Road intersections
- \$81.4M in Water Services-related capital improvements which funded treatment, transmission, distribution, stormwater, and water quality projects including the Awbrey Butte Distribution Improvements, Southeast Area Pump Station project, and improvements at the Wastewater Reclamation Facility



2025-27 Council Goals

Accessible and Effective Government

Foster a thriving, engaged, and inclusive community by enhancing transparency, strengthening public participation, and expanding engagement with new voices while ensuring responsible stewardship of resources.

- Advance the City's commitment to equity and community prosperity
- Engage community members, prioritizing outreach to new voices, to ensure continuous and meaningful community participation in decision-making processes
- Implement process improvements to meet the needs of a growing City

Climate Resiliency

Promote a sustainable and resilient community by advancing climate action- recognizing affordability and availability of clean energy, protecting natural resources, and building wildfire resiliency.

- Advance the Community Climate Action Plan (CCAP) and encourage sustainable development with the target of a 20% per capita reduction in greenhouse gas emissions by late 2027
- Protect our watershed through water conservation and stewardship, reducing per capita water use by the end of the biennium
- Build wildfire resiliency through awareness, education and actions that reduce risks, increasing the number of property assessments by 25% over the biennium

Economic Prosperity

Develop and implement strategies that increase community prosperity through job growth, workforce development and livable wages.

- Create a comprehensive economic development plan and vision, which is measured by a Bend-specific economic prosperity index
- Lead an effort to strengthen economic prosperity by enhancing strategic partnerships
- Implement the Urban Renewal Investment Strategy as a local tool to support economic growth with a target of 200 jobs created and 500 multi-family housing units constructed in the biennium using this tool

Housing

Develop and implement strategies to meet community housing needs, reduce homelessness, and create complete, walkable neighborhoods through data-driven policies, reliable funding, and innovative development codes.

- Target efforts for housing production based on community needs and directed by the State
- Target efforts for homelessness based on community needs that include maintaining at least 525 shelter beds and 300 transitions from shelters and temporary parking sites to more permanent housing
- Accelerate complete neighborhoods

Public Safety

Enhance community safety and resilience through data-driven decision-making, responsible financial stewardship, and sustained investment in public safety services, while engaging in emergency preparedness and proactive crime prevention.

- Maintain high quality Fire/EMS service levels, including keeping emergency response times less than 6 minutes in the City
- Enhance emergency planning while increasing community preparedness resulting in a 10% increase of sign ups for Deschutes Alerts over the biennium
- Develop and use preventative and proactive measures to reduce crime and increase community safety as demonstrated by increasing proactive calls for service by 10% over the biennium

Transportation & Infrastructure

Make travel safer and more reliable for everyone, ensure water and wastewater systems meet growth, housing, and economic prosperity needs, and improve transportation projects with sustainable funding and planning.

- Enhance safety, accessibility and increased options for all modes of travel, with the goal of zero fatalities and a 10% decrease in crashes by the end of the biennium
- Ensure water, wastewater, and stormwater systems are aligned with the needs of a growing city and understand capacity for growth
- Improve and deliver the City's transportation projects and plans and prioritize future investments

Economic Development In Bend

Economic development is a primary focus for the City of Bend, with a mission to support and enhance the local economy by fostering a business-friendly environment and addressing the evolving needs of the community. The City's Office of Economic Development works to support business interests, facilitate entrepreneurial growth, promote Bend as a destination for investment, and coordinate city resources to support sustainable economic expansion.

The City of Bend's economic development strategy is grounded in a data-driven Target Sector Analysis, which identifies industries that are both growing rapidly and uniquely concentrated in the region. These include healthcare and bioscience, advanced manufacturing, outdoor gear and recreation technology, software and tech services, and tourism and hospitality. These sectors reflect Bend's evolving identity as a hub for innovation, wellness, and outdoor lifestyle, and they guide the City's planning efforts around land use, infrastructure, and workforce development.

Among Bend's target sectors, tourism stands out as both a top industry and a cultural cornerstone. In calendar year 2024, Bend welcomed over 2.3 million distinct trips from visitors. This activity translated into

approximately \$386.3 million in direct travel-related spending, supporting thousands of local jobs and contributing significantly to Bend's local economy. Overnight lodging generated an estimated 1 million overnight stays across hotels, short-term vacation rentals, and other lodging types. With approximately 3,136 hotel rooms and over 1,000 vacation rental units within city limits, occupancy averaged 61% throughout the year. This activity supported the City's General Fund through the 10.4% visitor room tax, generating \$14.6M in fiscal year 2024-25. Roughly 64.6% of that tax revenue helps fund essential services like police, fire, and road maintenance, while the remainder is managed by Visit Bend, the City's Destination Marketing Organization (DMO), to promote tourism and invest in community projects. Visit sustainability.visitbend.com/projects to learn more.

As Bend continues to grow and evolve, the City is committed to making meaningful progress over the 25–27 biennium toward building a prosperous and durable economy. With seasonal population surges placing added demand on infrastructure and services, it's essential that visitors contribute their fair share. To support this vision, the City is exploring sustainable and diversified revenue options that ensure both community members and visitors help fund a resilient and inclusive economy.

2024
tourism numbers



1,000+
vacation rental units



2.3
million distinct trips



61%
average occupancy



3,136
hotel rooms



10.4%
visitor room tax



One
million overnight stays

Budget Process

The City's biennial budget preparation process complies with Oregon Local Budget Law established by Oregon Revised Statutes. State law sets standard procedures for preparing, presenting, and administering the budget.

The City encourages community member involvement in the preparation of the budget and public disclosure of the budget before its formal adoption. Oregon Budget Law requires that a Budget Committee, consisting of community members and members of the City Council be formed. Budget Committee meetings are open to the public and are advertised on the City's website and in Bend's local newspaper.

The proposed budget is presented to the Budget Committee in May and the approved budget is presented to the City Council in June for adoption. Both are available to the public in advance and public comment is taken at each meeting.

Between November and March, City departments collaborate with the Finance Department to prepare budget and capital requests. These submissions are reviewed by City management, alongside revenue and expenditure forecasts and financial trends. This comprehensive information is compiled into the proposed budget and presented to the Budget Committee.

Following review and deliberation, the Budget Committee may recommend changes before approving the budget and forwarding it to the City Council for adoption. After a public hearing, the Council finalizes any adjustments and adopts the budget in mid-June. The adopted budget becomes effective on July 1 and is published on the City's website.

Budget Preparation

- October - December
- Budget Calendar is developed
- Initial Budget kickoff meeting
- Forecasts and assumptions updated

Budget Requests

- December - February
- Departments prepare and submit draft budgets
- CIP reviewed and updated
- Forecasts updated

Proposed Budget

- February - April
- Department Budget meetings with City Manager's Office
- Proposed Document Prepared
- Forecasts Updated

Approved Budget

- May
- Budget submitted to Budget Committee
- Budget Committee deliberations
- Budget Committee Approval

Adopted Budget

- May - June
- Council Budget Hearing
- Approved Budget is Adopted by City Council

Post Adoption

Mid-year and Mid-biennium amendments taken to Council

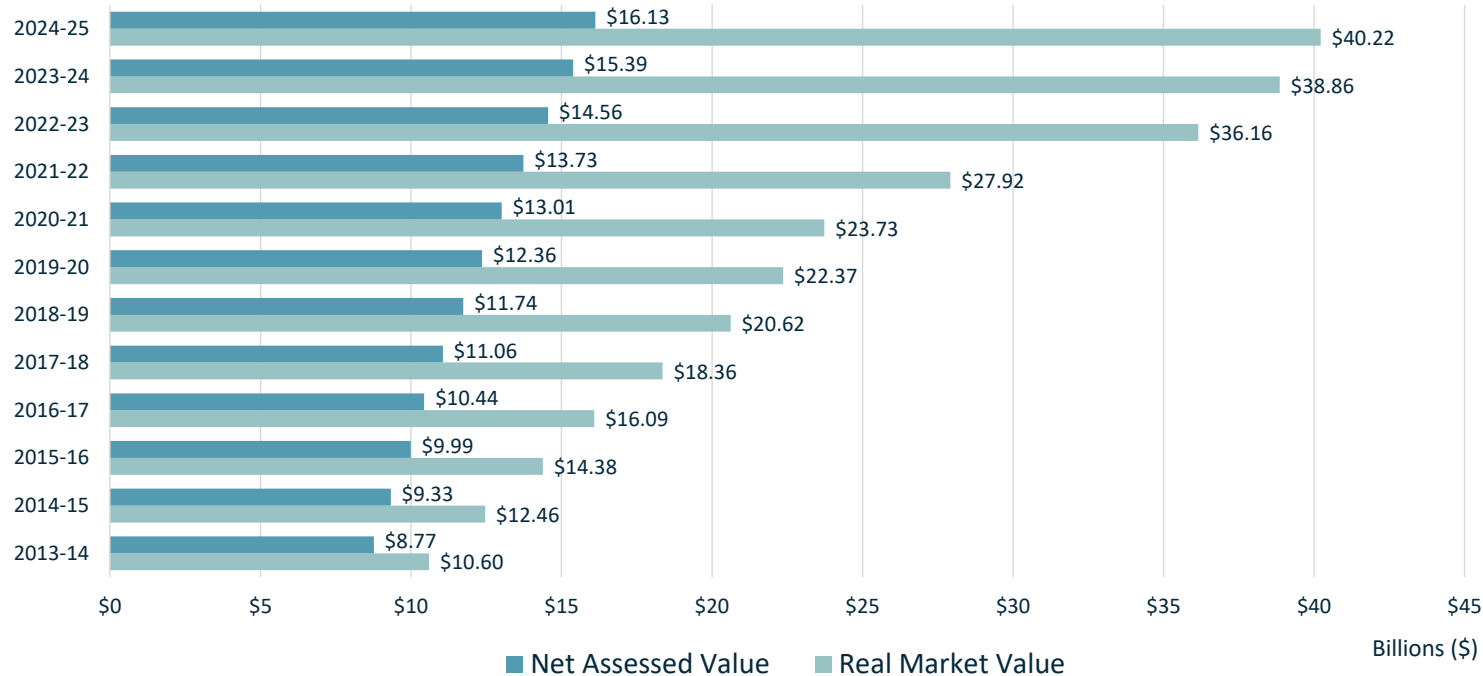
Property Tax in Bend

Property taxes are one of the most important sources of City revenue, especially for funding essential services like police and fire. Oregon’s property tax system is shaped by two constitutional amendments passed by voters in the 1990s—Measure 5 and Measure 50—which imposed limitations on property taxes. The changes imposed by Measures 5 and 50 have limited local governments’ ability to fund desired services.

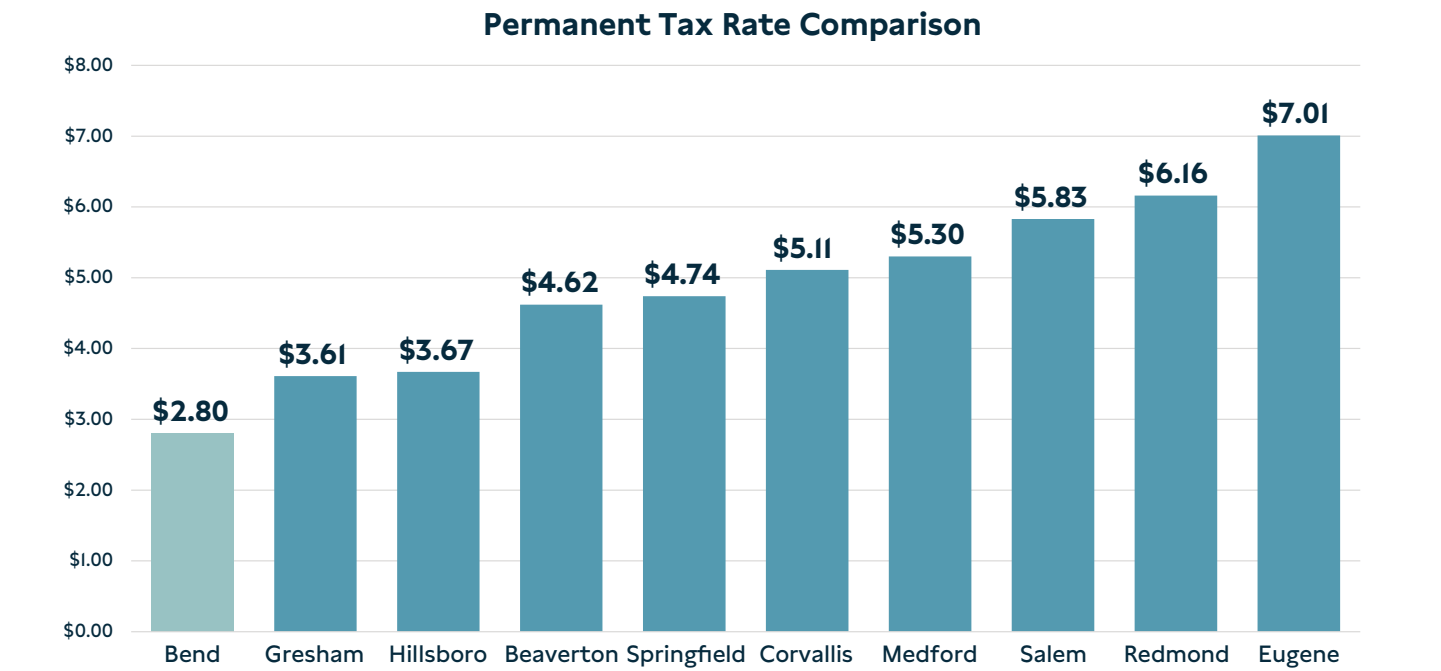
Measure 5 caps the amount of property tax that can be charged for schools and general government services, which can lead to a reduction in tax revenue through a process called “compression.” The City did not experience compression losses in its permanent rate for the 2024–25 fiscal year. Measure 50, passed in 1997, limits the growth of assessed property values to 3% annually and ensures that assessed value does not exceed market value.

Annual property taxes in Oregon are based on a property’s assessed value (AV), not its market value. To calculate taxes, the AV is divided by 1,000 and multiplied by the applicable tax rate for the property’s location. These rates are subject to constitutional limits under Measure 5, which caps the amount of tax that can be levied for schools and general government services. In Bend, assessed value has continued to grow steadily, though it remains significantly lower than real market value due to state-imposed limits. For the 2025–2027 biennium, the City projects a 4.5% annual increase in AV, driven by rising property values and new development. Deschutes County certifies the tax rolls each year by the end of October, finalizing the values used for property tax billing. The table below reflects the change in net assessed value, capped at 3% growth, versus the change in Real Market Value.

City of Bend General Property Tax Assessments



The City’s permanent tax rate is \$2.8035 per \$1,000 of taxable assessed value (TAV). For the 2024–25 fiscal year, Bend’s total TAV is \$16.13 billion, and it’s expected to grow by 4.5% annually due to rising property values and new development. Property taxes make up about 55% of the City’s General Fund revenue, and the City anticipates a 96% collection rate during the 2025–2027 biennium.



Population

Bend	Gresham	Hillsboro	Beaverton	Springfield	Corvallis	Medford	Salem	Redmond	Eugene
104,089	115,233	111,006	99,843	62,996	60,409	88,352	177,567	37,146	177,155

In addition to its permanent rate, the City receives voter-approved funding through several levies and bonds. The 2011 General Obligation (GO) bond helped fund improvements to streets, sidewalks, and intersections, and its debt service continues to be reflected in the City’s budget. In 2020, voters approved a \$190 million GO Bond for Safe Travel & Traffic Improvements, which is being issued in phases as projects are completed. Bonds from this measure were issued in 2022 and 2024, each with 20-year terms. The levy amount associated with these bonds is set to cover the debt service payments for that debt.

A 5-year Local Option Operating Levy for Fire and Emergency Medical Services was approved by voters in May 2023. The levy was approved at a rate of \$0.76 per \$1,000 TAV. The operating levy is assessed on properties within the City limits as well as community members of the Deschutes Rural Fire Protection District #2. The current operating levy expires on June 30, 2029.

Where the Money Comes From

City-Wide Resources by Category

Fund Balances*	\$459,782,800
Internal Transfers	256,736,500
Utility Charges	148,952,00
Bond & Loan Proceeds	162,382,400
Property Taxes	145,462,100
Development Fees	81,509,500
Other Charges for Services	47,354,000
Intergovernmental & Grants	45,854,600
Miscellaneous, Interest & Fines	38,039,900
Franchise Fees	35,946,100
Room Taxes	29,494,600
State Shared	23,807,500
Other Licenses & Permits	4,332,200
Other Taxes	3,016,500
Total Requirements	\$1,482,670,700

*The majority of funds have dedicated resources which can only be expended within the fund. Fund balances may be higher in certain funds due to savings for future large capital projects.

Where the Money Goes

City-Wide Expenditures by Category

Personnel Services	\$323,405,800
Materials & Services	134,986,400
Capital Outlay	285,190,200
Transfers	259,244,100
Debt Service	115,562,400
Contingency	71,817,500
Reserves:	
Future Construction	199,168,300
Debt Service	32,200,500
Future Liability	14,347,800
Juniper Ridge City Owned Land	12,937,000
Operations	11,432,600
Other	22,378,100
Total Requirements	\$1,482,670,700

Expenditures by Service Area

Public Safety	\$202,926,600
Fire/EMS	103,273,900
Police	96,949,000
Municipal Court	2,703,700
Community & Economic Development	136,002,000
Community Development	55,428,600
Economic Development	51,512,700
Housing & Houseless	22,446,300
Growth Management	4,907,900
Code Enforcement	1,706,500
Infrastructure	547,834,200
Water Services	275,452,800
Transportation	166,314,200
Streets & Operations	64,743,500
Engineering	19,749,300
Airport	19,108,100
Accessibility	2,466,300
Administration and Central Services	163,000,400
Facilities Management	74,162,600
Administrative & Financial Services	45,741,300
Fleet Management	15,370,500
Information Technology	15,032,400
Insurance & Risk Management	10,041,500
Equity	1,720,400
Sustainability	931,700
General Fund Transfers, Loans & Subsidies	68,625,700
Reserves & Contingency	364,281,800
Total Requirements	\$1,482,670,700

Capital Improvement Program

The City's Capital Improvement Program (CIP) identifies infrastructure improvement projects within a 5-year period which are necessary to strengthen public infrastructure, enhance existing systems, and support Bend's future growth. The 5-year CIP is updated annually and is coordinated with departments within the City.

Construction, repair, replacement and additions that cost over \$10,000 were considered as departments developed lists of proposed projects. Population changes, land-use patterns and operational impacts are all considered when assessing future demands and needs.

The total cost for the five-year CIP covering fiscal years 2026-2030 is \$495 million. The total amount scheduled for the 2025-2027 biennium is \$239 million.

Project highlights for the 2025-2027 biennium include:

Franklin Avenue Corridor biennial budget \$12,565,000, total project estimate \$15,503,800

This project includes two key intersection projects at 2nd and 4th Streets, as well as a key route enhancement to create a safe crossing at Harriman Street, manage the conflicts between right turns at Hill Street, provide buffered bike lanes, and enhance signal timing at 3rd Street. Synergy opportunities were identified in the Water Fund and Stormwater Fund CIPs to make improvements to the underpass drainage and aging water infrastructure along the corridor. There is a portion of the Neighborhood Greenways project which will be leveraged in this area to complete key routes and greenway connections.



Reed Market Corridor biennial budget \$12,964,000, total project estimate \$40,930,000

The primary project includes a new overcrossing of the Burlington Northern Santa Fe railway, along with several additional projects that have been combined for efficiency and planning coordination. Additional improvements include widening the 15th Street/Reed Market roundabout, a new roundabout at 15th Street/Ferguson, and enhanced pedestrian safety at the 3rd Street canal crossing. Project costs also include a contribution to the Oregon Department of Transportation (ODOT) for the Reed Market Interchange Study.

**Bicycle Greenways biennial budget \$13,600,100,
total project estimate \$15,056,400**

This project will fulfill City Council's goal to make the most of the existing system to build one connected and protected North-South and one East-West key route. This project will identify, select, design and construct bike and pedestrian improvements that are continuous, easy to navigate and as separated from traffic as feasible. Project planning includes public feedback used to identify improvements that strive to merge the goals of the project with the community vision.



CIP by Improvement Type*

Transportation & Accessibility**	43%	\$103,811,700
Bike & Pedestrian	15%	35,953,700
Safety	14%	33,527,000
Vehicular Capacity & Connectivity	14%	32,464,000
Accessibility	1%	1,867,000
Water Services***	33%	78,997,100
Repair & Replacement	8%	20,076,000
Capacity Enhancements	7%	17,055,000
Environmental Stewardship	7%	16,487,100
Regulatory Compliance	5%	11,530,000
System Resiliency	5%	11,300,000
Master Planning	1%	2,049,000
Facilities Improvement	<1%	500,000
Other	24%	56,183,800
Facilities Expansion	17%	40,890,000
Airport	5%	12,563,800
BURA	1%	2,730,000
Total 2025-2027 Biennium	100%	\$238,992,600

*Multiple improvement types may apply

** Transportation Construction, GO Bond, Access Construction

*** Water, Sewer, Storm

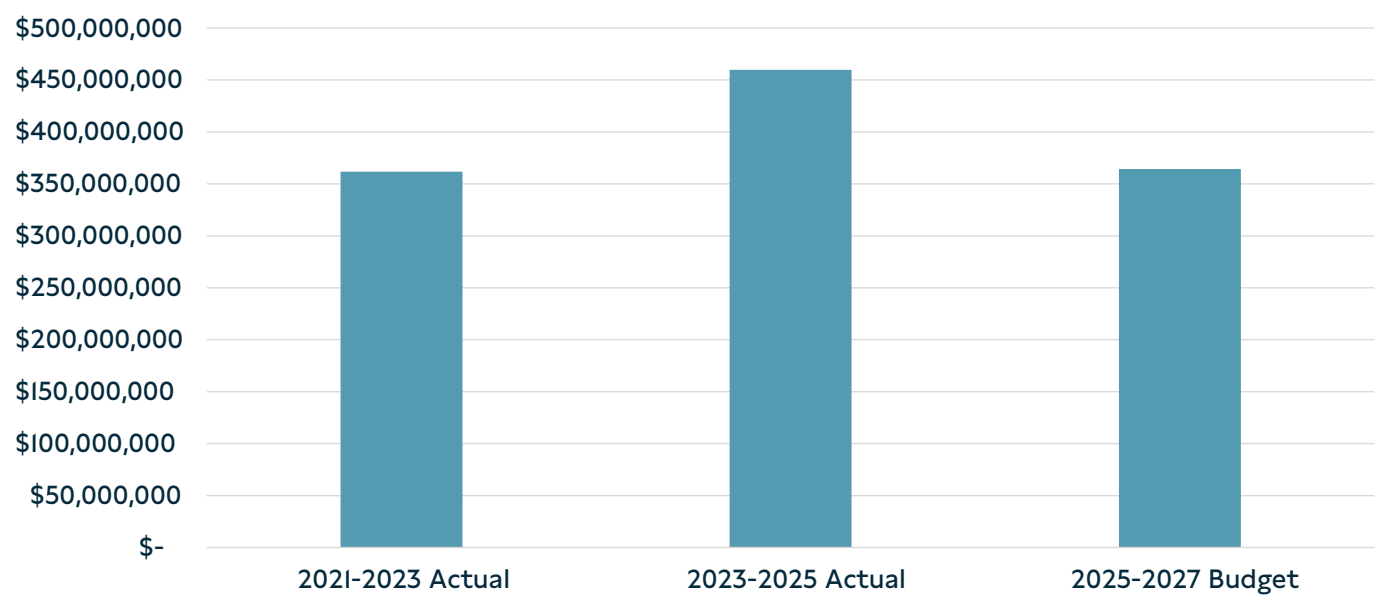
Net Budget Change

The Net Budget as shown in the table on the next page subtracts out transfers, Internal Service Fund Charges, interfund loan repayments, and personnel related transfers as these are internal movements of funds and do not represent money being paid externally. Under Oregon Local Budget Law, reserves, contingencies, and unappropriated fund balances must be budgeted and are considered expenses within the budget.

- **Transfers:** Transactions between funds that represent payment for services provided by one fund for another.
- **Internal Service Charges:** Expenditures incurred by internal service departments are cost allocated and charged monthly to direct service departments such as Police, Fire, Community Development, and Public Works.
- **Interfund Loan Repayments:** Payments made from one City fund to another to repay internal loans.
- **Payments to Other Governments:** Monies transferred between funds in the City and the City’s Urban Renewal Agency.

These items are excluded from the Net Budget because they do not reflect actual spending outside the City—they’re internal payments.

Historical Analysis of Ending Fund Balances



	Actual	Revised Budget	Adopted Budget	Change from 2023-2025	
	2021-2023	2023-2025	2025-2027	Dollars	Percent
Total Requirements	693,872,218	1,361,778,000	1,482,670,700	120,892,700	9%
Less Internal Transactions:					
Transfers	102,381,207	133,898,400	131,815,900	(2,082,500)	-2%
Internal Service Charges:					
Support Services	41,980,194	51,970,800	57,424,600	5,453,800	10%
Facilities Management	7,659,800	6,853,600	9,494,000	2,640,400	39%
Fleet Management	4,530,800	7,127,800	10,697,800	3,570,000	50%
Information Technology	9,842,800	12,123,000	14,627,000	2,504,000	21%
Engineering	11,564,400	11,539,200	17,054,000	5,514,800	48%
Public Works Campus	-	5,210,600	18,130,800	12,920,200	248%
PERS Debt Service Charges	3,352,707	3,040,600	3,346,700	306,100	10%
OPEB Charges	2,438,641	3,195,000	3,100,400	(94,600)	-3%
Interfund Loans Repayments	1,216,062	8,513,500	10,744,900	2,231,400	26%
Total Internal Transactions	184,966,611	243,472,500	276,436,100	32,963,600	14%
Total Requirements Less Internal Transactions	508,905,607	1,118,305,500	1,206,234,600	87,929,100	8%
Less Contingency & Reserves:					
Contingency	-	41,432,400	71,817,500	30,385,100	73%
Reserves	-	222,655,600	292,464,300	69,808,700	31%
Total Contingency & Reserves	-	264,088,000	364,281,800	100,193,800	38%
Net External Requirements	508,905,607	854,217,500	841,952,800	(12,264,700)	-1%

Debt

The City issues debt to pay for major assets or long-term capital improvements. The City's fiscal policies require that the City consider a variety of factors prior to pursuing debt funding including costs of issuance, interest rates, timeliness, and the cost-benefit and the ability of the City to pay with existing resources. The City only issues debt where the repayment schedule does not exceed the useful life of the capital investment and when the City is confident there is a sufficient identified revenue source to support repayment. The City currently has various types of debt including full faith and credit, revenue, notes payable and general obligation bonds.

Full faith and credit obligations are backed by the City's General Fund revenues. These debt issuances are for infrastructure improvements and capital assets that provide long-term benefits to the community as a whole. These bonds are secured by the full faith and credit (FF&C) of the City and the City has pledged to levy taxes or any other sources of revenues that may be used to repay the obligations.

Revenue bonds are issued to finance facilities that have a definable user or revenue base such as water and sewer facilities. These debt instruments are secured by a specific source of funds, either from the operations of the project being financed or from a dedicated revenue stream, rather than the general taxing powers of the City. The City has both water and sewer revenue bonds outstanding.

General Obligation (GO) bonds are secured by the unlimited ad valorem property taxing authority of a municipality. In Oregon, GO bonds must be approved by the voters and municipalities are authorized to issue GO bonds only to finance capital improvements. In 2011, City of Bend voters approved a \$30 million GO bond for specific transportation infrastructure improvements. Voters also approved a \$190 million GO Bond for transportation improvements in November 2020. The first series of debt for the 2020 Bond was issued in Spring 2022, and a second series was issued in Spring 2024. A third series is planned to be issued in Spring 2027. Debt payments on these bonds are derived from a levy of property taxes.

The City fulfills its obligation for continuing disclosure requirements under the Securities and Exchange Commission Rule 15c2-12 by filing its audited financial reports and other required disclosures with the Municipal Securities Rulemaking Board Electronic Municipal Market Access (EMMA) database service which is available at emma.msrb.org.

Frequently Asked Budget Questions

What is the total budget for the City?

The adopted budget for the 2025-2027 biennium is \$1,482,670,700. The full amount that the City has budgeted to spend after excluding contingencies, reserves, and internal transfers and loan repayments is \$841,952,800.

What is the Biennial Budget?

A biennial budget is a financial plan that spans two fiscal years. Compared to an annual budget, it offers a longer planning horizon, which helps the City develop more strategic and comprehensive approaches to managing resources and delivering services.

What is included in the Budget? What is not actually spent?

Oregon's Local Budget Law requires the City to include reserves, contingency funds, and unappropriated balances in the budget, even though these aren't spent like typical expenses. The budget also includes internal transactions, such as transfers between departments, charges from internal services (like Finance, Facilities, and Fleet), and repayments of interfund loans. These are considered "duplicate" expenses because they show up in multiple places across the budget.

To get a clearer picture of actual spending, the City calculates the net budget by subtracting these duplicate and non-spending items. For the 2025–2027 biennium, the City of Bend's net budget is approximately \$842 million.

For more details, see the Net Budget summary in the Budget Overview section.

What is the City's property tax rate?

The City's permanent tax rate per \$1,000 of Assessed Value is \$2.8035. The City also has a Local Option Levy of \$0.76 per \$1,000 of Assessed Value to support Fire and Emergency Services. The City also has two General Obligation bonds for which it collects property tax to pay the debt service related to those issuances.

Does all of my property tax bill go to the City of Bend?

No, the City of Bend is just one of several taxing districts that receive a portion of your property tax bill. Other districts may include Deschutes County, local schools, parks, libraries, and more.

To see a full breakdown of where your property taxes go, check your property tax statement or visit the Deschutes County Assessment & Taxation website at deschutes.org/assessor.

Frequently Asked Budget Questions

Can the City spend revenue it receives on anything?

No. While some City revenues, like property taxes, go into the General Fund, are discretionary, and can be used for a wide range of services (such as Police, Fire & Rescue, Long-range Planning, and Municipal Court), many other revenues are restricted and must be used for specific purposes.

For example:

Water service charges can only be used for water system operations and improvements.

System Development Charges (SDCs) are limited to capital improvements that support growth, like expanding roads or utilities.

To ensure transparency and compliance, these restricted revenues are tracked in separate funds and can't be used for general City operations.

What is Beginning Working Capital and why is it so large?

Beginning Working Capital (BWC) is the amount of unspent funds carried over from the previous fiscal year. It includes reserves, contingencies, and unspent debt proceeds. BWC can be large due to the timing of capital projects or debt issuance, especially when funds are borrowed late in one biennium and spent in the next.

What are Reserves and Contingencies?

Reserves are funds set aside for future use or emergencies. City Fiscal Policies have minimum reserve requirements for each fund to mitigate short-term volatility. Reserves come in many forms, including:

- Reserves for Future Construction: often tied to multi-year capital projects
- Debt Service Reserves: required by bond agreements to ensure scheduled payment of principal and interest and compliance with bond covenants
- Rate Stabilization Reserves: used to stabilize services during revenue fluctuations

Contingency funds are included in the budget for unforeseen needs and require Council approval to be spent.

Frequently Asked Budget Questions

Does the Budget ever change?

Yes. The City Council can make changes to the budget during the biennium to respond to unexpected circumstances—like emergencies, policy shifts, additional revenue sources, or changes in service levels. Oregon law outlines specific procedures for amending the budget, depending on the size and type of change.

Some changes, like transferring funds between departments, require a Council resolution. Larger changes may require a supplemental budget, which could involve public notice and a public hearing, especially if the adjustment is more than 10% of a fund's original budget.

How are the projects in the Capital Improvement Program determined?

The projects that make up the Capital Improvement Program(s) (CIP) are initially outlined in the Master Planning Documents. The Master Plans are created for the different types of systems the City maintains (Water, Wastewater, Transportation, Stormwater, etc). From the Master Plans, the City creates 5-Year Capital Programs that seek to prioritize and coordinate work across the systems. The 2020 General Obligation (GO) Bond has an independent Committee, the Transportation Bond Oversight Committee, (TBOC) that can recommend and prioritize projects to the City Council. Each year the Council adopts a new 5-Year CIP, based on staff and committee recommendations, under the considerations that include but are not limited to the dynamic environment of growth, system demand needs, financial feasibility, and project scheduling or sequencing.

Get Involved

Bend is a community built on collaboration, creativity, and care. Whether you're interested in contributing to a City project, volunteering your time, serving on a board or commission, or learning more about how local government works, there are many ways to get involved. Your participation helps Bend grow thoughtfully and stay connected to the values we share.

Visit **bendoregon.gov** to discover opportunities, connect with City staff, and take part in building Bend's future.

Volunteer

Volunteers play a vital role in making Bend a welcoming and vibrant place to live. Whether you're helping with events, supporting programs, or serving on a committee, your time and talents make a difference.

Learn more at **bendoregon.gov/volunteer**.



Join a board or commission

Interested in civic leadership? The City of Bend invites residents to apply for open positions on boards, commissions, and advisory committees. These groups help shape policy and provide input on key community issues.

Visit **bendoregon.gov/committees** to explore opportunities and apply.



Follow our newsletter

Sign up for the City's email newsletter, "The Bend Current" to receive updates on local news, events, and programs.

It's a great way to stay connected with what's happening in Bend. Subscribe at **bendoregon.gov/news**.



Attend a City Council meeting

City Council meetings are open to the public, and community members are welcome to provide input during public comment periods. Check the meeting calendar and agendas at **bendoregon.gov/council**.



Contact us

Have a question or idea? Reach out to City staff or Council members directly. Contact information is available at **bendoregon.gov/services**—or just give us a call. We're here to help.



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Language Assistance Services & Accommodation Information for People with Disabilities

You can obtain this information in alternate formats such as Braille, electronic format, etc. Free language assistance services are also available. Please contact Dan Quick at dquick@bendoregon.gov or 541-330-4005. Relay Users Dial 7-1-1.



Servicios de asistencia lingüística e información sobre alojamiento para personas con discapacidad

Puede obtener esta información en formatos alternativos como Braille, formato electrónico, etc. También disponemos de servicios gratuitos de asistencia lingüística. Póngase en contacto con Dan Quick en dquick@bendoregon.gov o 541-330-4005. Los usuarios del servicio de retransmisión deben marcar el 7-1-1.



CITY OF BEND