

RESOLUTION No. 6129

Budget Committee Approval of the 2020-21 Budget and
The Imposition of Property Taxes

RECITALS

- A. Oregon Local Budget Law, Oregon Revised Statute (ORS) 294.426, requires the Budget Committee of Portland Public Schools (District) to hold one or more meetings to receive the budget message and the budget document; and to provide members of the public with an opportunity to ask questions about and comment upon the budget document.
- B. On May 26, 2020, the Budget Committee received the Superintendent's budget message and Proposed Budget document for the fiscal year 2020-21.
- C. On June 8, 2020, the Board acting as the Budget Committee held a Budget Town Hall to discuss and receive public comment on the Proposed Budget.
- D. Oregon Budget Law, ORS 294.431, requires submission of the budget document to the Tax Supervising Commission (TSCC) by May 15 of each year. ORS 294.431 allows taxing jurisdictions to request an extension of the submission date.
- E. The District requested, and the TSCC authorized, extending the submission date to no later than June 11, 2020.
- F. The Board of Education (Board) appointed a Community Budget Review Committee (CBRC) to review the Proposed Budget and current year expenditures of the existing Local Option Levy. The CBRC acts in an advisory capacity to the Board.
- G. On June 11, 2020, the Budget Committee received testimony and a report on the current year Local Option Levy expenditures and testimony and recommendations from the CBRC.
- H. Oregon Local Budget Law, ORS 294.428 requires that each legal jurisdiction's Budget Committee approve a budget and specify the *ad valorem* property tax amount or rate for all funds.
- I. It is noted that \$0.5038 per \$1,000 of the assessed value of the Permanent Rate Tax Levy, (commonly known as the "Gap Tax") and, based on an analysis presented to the Board, the entirety of the Local Option Tax Rate Levy are excluded from State School Fund calculations.
- J. ORS 457.010(4)(a)(D) provides the opportunity for a school district to be excluded from the urban renewal division of tax calculations with a statutory rate limit on July 2003, which is greater than \$4.50 per \$1,000 of assessed value. To the extent that the rate limit was increased under section 11 (5)(d), Article XI of the Oregon Constitution, property tax revenue from said increase is excluded from local revenues. The District will notify the county assessors of the rate to be excluded for the current fiscal year not later than July 15.
- K. Portland Public Schools has a statutory rate limit that is in excess of the \$4.50 limitation that includes an increase under section 11 (5)(d), Article XI of the Oregon Constitution.

RESOLUTION

- 1. The Budget Committee approves the budget as summarized in Attachment "XX".
- 2. The Budget Committee approves the budget for the fiscal year 2020-21 in the total amount of \$2,725,777,000.

3. The Budget Committee resolves that the District imposes the taxes provided for in the approved budget:
 - a. At the rate of \$5.2781 per \$1,000 of assessed value for operations;
 - b. At the rate of \$1.9900 per \$1,000 of assessed value for local option tax for operations;
 - c. In the amount of \$136,000,000 for exempt bonds

Taxes are hereby imposed and categorized as for the tax year 2020-21 upon the taxable assessed value of all taxable property in the District, as follows:

	Education Limitation	Excluded from Limitation
Permanent Rate Tax Levy	\$5.2781/\$1,000 of assessed valuation	
Local Option Rate tax Levy	\$1.9900/\$1,000 of assessed valuation	
Bonded Debt Levy		\$136,000,000

4. The Budget Committee further resolves that \$0.5038 per \$1,000 of taxable assessed value is excluded from the division of tax calculations, as the Permanent Rate Tax Levy attributable to the increase provided in section 11 (5)(d). Article XI of the Oregon Constitution (such increase is a result of the expiring Gap Tax Levy).
5. The Budget Committee directs submittal of this approved budget to the TSCC by June 11, 2020, in accordance with ORS 294.431, under the extension as granted by the TSCC.

Attachment "A" to RESOLUTION NO. 6129

Budget Committee Approval of the 2020-21 Budget and The Imposition of Property Taxes

Portland Public Schools				
Adjustments to the 2020-21 Proposed Budget Document				
June 11, 2020				
(in thousands)				
				Recommended
		Proposed	Adjustment	Approved
		Budget		Budget
100 - General Funds				
Resources				
Beginning Fund Balance		46,631		46,631
Local Property and Other Taxes		277,706		277,706
Local Option Taxes		100,366		100,366
Other Local Sources		18,395		18,395
County and Intermediate Sources		14,027		14,027
State School Fund		267,735		267,735
State Common School Fund		4,744		4,744
Federal and State Support		0		0
Interfund Transfers		0		0
Other		50		50
Total		729,654	0	729,654
Requirements				
Instruction		373,928		373,928
Support Services		311,832		311,832
Enterprise and Community Svcs		1,814		1,814
Transfer of Funds		1,134		1,134
Contingency		40,946		40,946
Total		729,654	0	729,654
200 - Special Revenue Funds				
Resources				
Beginning Fund Balance		36,735		36,735
Property and Other Taxes		305		305
Other Revenue from Local Sources		22,909		22,909
Intermediate Sources		144		144
State Sources		72,998		72,998
Federal Sources		58,709		58,709
Interfund Transfers		0		0
All Other Resources		34		34
Total		191,834	0	191,834

Portland Public Schools				
Adjustments to the 2020-21 Proposed Budget Document				
June 11, 2020				
(in thousands)				
				Recommended
		Proposed	Adjustment	Approved
		Budget		Budget
Requirements				
Instruction		84,568		84,568
Support Services		54,750		54,750
Enterprise and Community Svcs		23,861		23,861
Facilities Acquisition and Construction		14		14
Transfers of Funds		0		0
Unappropriated Ending Fund Balance		28,641		28,641
Total		191,834	0	191,834
300 - Debt Service Funds				
Resources				
Beginning Fund Balance		14,250		14,250
Property and Other Taxes		128,923		128,923
Other Revenue from Local Sources		56,693		56,693
Federal Sources		54		54
Interfund Transfers		1,751		1,751
Total		201,672	0	201,672
Requirements				
Debt Service & PERS UAL		191,444		191,444
Unappropriated Ending Fund Balance		10,228		10,228
Total		201,672	0	201,672
400 - Capital Projects Funds				
Resources				
Beginning Fund Balance		577,819		577,819
Other Revenue from Local Sources		12,766		12,766
Intermediate Sources		0		0
State Sources		3,500		3,500
Interfund Transfers		0		0
All Other Resources		0	1,000,000	1,000,000
Total		594,085	1,000,000	1,594,085

Portland Public Schools				
Adjustments to the 2020-21 Proposed Budget Document				
June 11, 2020				
(in thousands)				
		Proposed		Recommended
		Budget	Adjustment	Approved
				Budget
Requirements				
	Instruction	0	29,644	29,644
	Support Services	1,524	58,428	59,952
	Facilities Acquisition and Construction	419,663	911,928	1,331,591
	Transfers of Funds	617		617
	Contingencies	0		0
	Unappropriated Ending Fund Balance	172,282		172,282
	Total	594,085	1,000,000	1,594,085
600 - Internal Service Funds				
Resources				
	Beginning Fund Balance	6,186		6,186
	Other Revenue from Local Sources	2,155		2,155
	State Sources	192		192
	Total	8,532	0	8,532
Requirements				
	Support Services	3,762		3,762
	Contingencies	4,769		4,769
	Unappropriated Ending Fund Balance	0		0
	Total	8,532	0	8,532
All Funds Total				
		1,725,777	1,000,000	2,725,777