

## RESOLUTION No.

### Budget Committee Approval of the 2019-20 Budget and 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 April 23, 2019, the Budget Committee received the Superintendent's budget message and Proposed Budget document for fiscal year 2019-20.
- C. On April 7, 2019, the Budget Committee held an advertised public hearing to discuss and receive public comment on the Proposed Budget and on April 10, 2019 the Budget Committee held an advertised listening session to 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, 2018 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 May 28, 2019.
- 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 May 14, 2019, 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 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 urban renewal division of tax calculations with a statutory rate limit on July 2003, that 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 \$4.5 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 "A".
2. The Budget Committee approves the budget for the fiscal year 2019-20 in the total amount of \$1,376,347,000.
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 \$130,825,000 for exempt bonds

Taxes are hereby imposed and categorized as for tax year 2019-20 upon the taxable assessed value of all taxable property in the District, as follows:

	<b>Education Limitation</b>	<b>Excluded from Limitation</b>
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		\$130,825,000

4. The Budget Committee further resolves that \$0.5038 per \$1,000 of taxable assessed value is excluded from 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 May 29, 2019 in accordance with ORS 294.431, under the extension as granted by the TSCC.