



Memorandum

Date: June 8, 2020

To: Board of Directors of the Pendleton School District 16R

From: Chris Fritsch, Superintendent

Subject: Local Option Tax Levy

Background: On May 19, 2020 local voters rejected the District's request to continue the five-year local option tax that will expire on June 30, 2020. Of the 5803 votes cast, 2,763 voted yes or 47.6%, and 3,063 or 52.4% voted no. The total "under votes" were 242. If all 242 "under votes" had voted to approve the continuation of the tax, the measure would have still failed by 49.7% yes and 50.3% no.

The measure intended to continue the current rate of \$.40 per one thousand dollars of assessed value for property owners. This tax has been raising approximately \$330,000 each year for the past several years. Local Option Tax Levy's are augmented with "equalization" funds from the state of Oregon. The equalization from the state brought the total amount or approximately \$500,000 a year to the general operating fund for the District.

The following could be attributed to the failure of the measure:

1. A general anti-tax sentiment among some voting populations,
2. Possible confusion between the election being labeled a "primary election",
3. Misunderstanding between a continuation tax versus a new tax,
4. The economic impact of the pandemic, and
5. A passive campaign strategy.

Without doing a more thorough analysis it would be unwise to draw any conclusions on the results other than it did not pass. As a result, the district is moving forward with over \$500,000 less revenue than in year's past.

Proposal: This item is on the agenda to provide the Board of Directors the opportunity to discuss publicly the levy. Should the Board want to consider running a similar measure in the future, the next opportunities would be:

1. General Election – November 3, 2020 – filing deadline is August 15, 2020, -or-
2. Primary Election – May 18, 2021* – filing deadline is February 27, 2021*.

*Dates need to be confirmed with the Oregon Secretary of State office.

Recommendation: No recommendation is being offered by staff at this time.