

Levy Committee Meeting  
Wednesday, June 28, 2023 4:30 PM

Dr. Matthew Prophet Education Center  
501 N. Dixon St.  
Portland, OR 97227

## **Agenda**

1. Introductions
2. Confirmation of renewal language and other filings and resolution
3. Discussion of Levy mechanics when cap is reached
4. Overview of referral timeline and other priority district activities
5. Public comment
6. Adjourn

## **DRAFT Local Option Levy Renewal Documents 2023**

### **RESOLUTION No.**

#### **Call for Five-Year Local Option Levy to Support Schools**

#### **RECITALS**

- A. Strong public schools are the foundation of a great city, supporting families, keeping neighborhoods vital, building community and strengthening the local economy.
- B. Successful schools are proven to contribute to all residents' quality of life, attract business and reduce crime.
- C. Portland Public Schools (PPS) serves more than 44,000 students and enrolls a higher share of the city's students than most urban school districts in the country.
- D. PPS, through conversations and engagement with the greater Portland school community, created a vision that reimagines what and how our students will graduate prepared for college, career and beyond. After identifying the essential skills and attributes educators should have, and changes needed in our school systems, PPS released a multi-year strategic plan focused on ensuring that all students have equitable opportunities to achieve high academic goals and outcomes.
- E. Supporting the school district's staffing levels and educational programming to support every student's success is essential to realizing the vision and implementing the strategic plan.
- F. As far back as 2001, after decades of disinvestment in K-12 schools, Portland voters have showed their support for strong schools and educational programs by approving a local option levy to fund PPS schools.
- G. As recently as 2019, voters again affirmed their support for Portland Public Schools by passing a second, five-year local option levy to support teaching positions and educational programs with [77%] approval.
- H. PPS has exercised strong financial management over benefits costs, with all employees paying a share of health care premiums and all employees paying the 6-percent contribution

into their retirement plans (a cost picked up by many public employers), and by refinancing the school district's PERS retirement obligations to save millions of dollars each year.

I. This local option levy requires independent oversight by the Citizens Budget Review Committee (CBRC) to ensure that levy dollars are used only for purposes approved by local voters.

J. The CBRC has affirmed, in annual reports to the PPS Board of Education, that local option funds have primarily been used to fund hundreds of teachers and maintain or lower class sizes. It urges the Board of Education to refer another five-year local option levy in the interest of maintaining teaching positions.

### **RESOLUTION**

1. The Board shall ask voters to approve a five-year local option levy in [\_\_\_\_\_] that will provide an estimated \$121.6 million in 2024-2025; \$126.9 million in 2025-2026; \$128.1 million in 2026-2027; \$129.2 million in 2027-2028; and \$130.9 million in 2028-2029.

2. The levy revenue shall be used to fund teaching positions and classroom supports.

3. The fully allowable levy rate shall continue to be \$1.99 per \$1,000 of assessed value, which is estimated to cost roughly \$\_\_\_\_\_ per month for a median home assessed at \$\_\_\_\_\_ per year in the PPS district.

4. The Citizen Budget Review Committee will continue to provide independent oversight so that the funds are spent as the voters intended. The CBRC will continue to publish an annual report about the use of the local option revenues and their contribution to student achievement.

5. The Board will continue to commission performance audits of the school district's activities, programs and services to achieve cost savings through increasingly efficient use of resources, as well as to seek opportunities to improve school effectiveness and capacity-building for increased accountability. Audits will continue to be conducted by independent auditors who will work at the direction of the Board to define the scope and design of audits.

6. The Board of Directors of School District No.1, Multnomah County, Oregon, finds that for the reasons and purposes described in the proposed measure set forth below, it is necessary and

appropriate to levy a local option tax under ORS 280.040 et seq. for the fiscal year beginning July 1, 2024, and for four additional fiscal years thereafter each commencing July 1.

7. A serial levy election is hereby called to be held at the General Election on the \_\_\_\_th day of \_\_\_\_\_, in the manner and between the hours provided by law, at which there shall be submitted to the electors of School District No. 1, Multnomah County, Oregon.

8. PPS authorizes the Board Chair, Superintendent, or the Superintendent’s designee (the “Authorized Representative”) to take any actions necessary to place the measure that is attached as Exhibit A on the \_\_\_\_\_ election ballot, and to place the explanatory statement that is attached as Exhibit B in the voter’s pamphlet for that election. The Authorized Representative shall file the measure with the elections officer of Multnomah County not later than \_\_\_\_\_ and the explanatory statement not later than \_\_\_\_\_.

**EXHIBIT A:**

**CAPTION (10 words):** Levy Renewal to Maintain Teaching Positions and Classroom Supports

**QUESTION (20 words):** Shall district maintain teaching positions, classroom supports; renew levy of \$1.99 per \$1,000 assessed value for five years beginning 2024? This measure renews current local option taxes.

**SUMMARY (175 words):** Portland Public Schools’s current local option levy was approved by voters in 2019 to provide funding for schools over 5 years. The renewed levy will provide an estimated \$121.6 million in the first year. Over the past five years, the levy has funded an average of [858 teaching positions] each year [and, if approved, the renewed levy is projected to maintain that average over the next five years].

This renewed local option levy would continue to fund teaching positions to:

- Support a well-rounded education, including career and technical programs and enrichments and electives for all students.
- Help maintain class sizes
- Provide supports, such as reading specialists, for struggling students.

Levy cost remains \$1.99 per \$1,000 assessed property value, the same as the 2019 levy.

Funds will be placed in a sub-account, and independent citizen oversight will review expenditures to verify that funds are used as approved by voters. No levy funds will be spent for administration. Performance auditing of school district programs also will be done.

The levy will produce an estimated \$121.6 million in 2024-2025; \$126.9 million in 2025-2026; \$128.1 million in 2026-2027; \$129.2 million in 2027-2028; and \$130.9 million in 2028-2029. <sup>1</sup>

The estimated tax cost for this measure is an ESTIMATE ONLY based on the best information available from the county assessor at the time of estimate and may reflect the impact of early payment discounts, compression, and the collection rate.

#### **EXHIBIT B:**

##### **EXPLANATORY STATEMENT (500 words)**

Portland Public Schools currently serves over 44,000 students in 81 schools and other programs throughout the neighborhoods of Portland.

For the [12th] straight year, PPS's 4-year graduation rates increased in 2021-2022. The graduation rate of [86%] remains above the statewide average and has risen more than [27] points since 2010.

In serving the students of Portland, the district continuously strives to be fiscally responsible with taxpayer resources. Through many years of [volatile budgets] , the school district and Board have worked to preserve classroom education. At the same time, PPS has advocated for a greater level of state investment by the Legislature and worked to ensure that all dollars are spent well and used for educational services for students. In December 2022, independent auditors gave PPS a clean financial bill of health, and the district will receive regular independent performance audits to monitor effective use of taxpayer resources.

The Legislature has recently increased its investment in K-12 education, but more investments are needed to continue to build career and technical programs, maintain class size and better support struggling students. In the meantime, funds raised by this local option levy will help to close the funding gap.

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<sup>1</sup> NTD: When estimated revenue from levy exceeded estimated cap, the cap was used.

If renewed, the levy is estimated to produce \$121.6 million for Portland Public Schools in school year 2024-2025. The proposed levy renewal would:

**Fund teaching positions and classroom supports at every school in the district**

- The funds help support a well-rounded education, with enrichments for elementary and middle grades and electives in varied interest areas and disciplines for high school students.
- The funds help support career and technical programs and STEM programs, including computer science education, so students can graduate with the skills necessary to be career or college ready.
- Over the past five years, the levy funded an average of [858 teaching positions] annually. [If approved, that average will be maintained.]
- Academic support for struggling students is included.

**Continue to provide fiscal accountability and independent oversight**

- This renewal maintains the existing local option levy rate of \$1.99 per \$1,000 assessed value and [ensures] that all funds raised are directed to the voter-approved purpose of supporting schools.
- This local option requires independent citizen oversight so that tax dollars are used only for purposes approved by local voters.
- Funds will be placed in a sub-account to ensure their correct use and accurate reporting.
- No funds from this local option levy will be used for district administration.

**Maintain the existing tax rate of \$1.99 per \$1,000 of assessed value**

- For a home with an average assessed value of [\$233,925], the cost would be less than [\$\_\_\_] per month, or [\$\_\_\_] per year.

This local option levy replaces the one passed by voters in 2019 and maintains the existing tax rate. For a home with an average assessed value of [\$\_\_\_\_\_] and taxed at the maximum levy rate of \$1.99 per \$1,000 of assessed value, the estimated cost would continue to be about [\$\_\_\_] per year or [\$\_\_\_] per month.

Submitted by Guadalupe Guerrero  
Superintendent Portland Public Schools

## Local Option Levy Filing Deadlines

- o **Friday, August 18, 2023** - Last day for County or Special District to file notice of election (SEL 805)
- o **Thursday, Sept. 7, 2023** - Last day to file noticed measure of election (SEL 801, 802 or 803)
- o **Monday, Sept. 11, 2023** - Measure argument filing deadline for County Voters' Pamphlet