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Date: May 6, 2020

To: Board of Directors
Community Budget Review Committee
CC: Senior Leadership Team

From: Claire Hertz, Deputy Superintendent, Business and Operations

Subject: 2020-21 Proposed Budget and Individual School Reports

Enclosed is the Portland Public Schools 2020-21 Proposed Budget and Individual School Reports. As of the publication of these documents, a new economic forecast and State School Fund estimate were not yet available. The impacts of the COVID-19 pandemic are only just beginning to be seen and the long-term implications are yet to be fully understood.

Oregon's next economic forecast is due May 20, 2020. The Proposed budget has been built on the official estimate for the 2019-21 biennial budget and State School Fund allocation of \$9.0 billion issued by the Oregon Department of Education on February 26, 2020 as well as full funding for the Student Investment Account from the Student Success Act and full funding for Measure 98 for MM M M

ed upon the current economic factors. We are waiting for
are impacts will be as well as the outcomes of the

The current proposed budget will allow the District to continue services to students and meet the June 30 deadline for adopting a budget, making appropriations and levying taxes. We will also move forward with the framework of our Strategic Plan in direct support of the District Goals and Vision. Staff are working to establish tiered reductions to respond to a revenue shortfall. These will be released when we have an estimate of reductions needed.

The District has also taken steps to reduce expenses in the current year including:

- Hiring Freeze
- Utility schedule changes
- Travel restrictions
- P-Card and Purchasing restrictions
- Furlough days

Regardless of the many challenges we face, we are committed to developing a budget that will support our students, staff and community, and will allow us the flexibility to move quickly as the District receives updated financial information.