

FY24 Budget Presentation

*Finance Committee
Approved*

Joint Finance Committee
April 6, 2023



**PORTLAND
PUBLIC SCHOOLS**
prepared & empowered



**STRENGTHENING
ACADEMICS, BEHAVIORAL
HEALTH & OPERATIONAL SYSTEMS**

Agenda



- Review: Budget Priorities and Strategy
- Budget Adjustments
 - Revenue
 - Expenditures
- COVID Funding Overview

FY24 Budget Priorities



Support our students and staff to achieve our goals by...

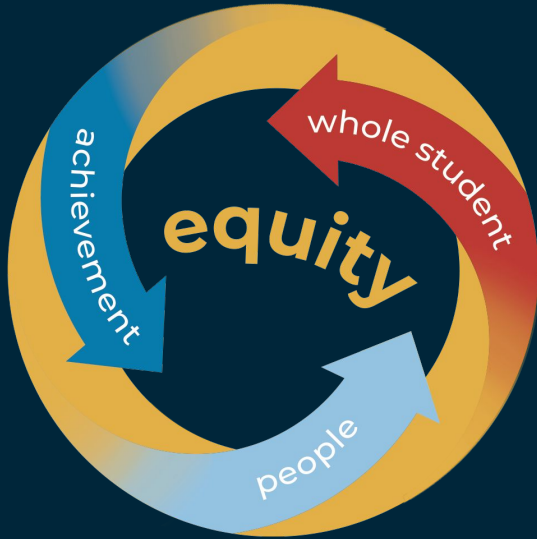
- **Maintaining our Commitment to the Portland Promise**
 - Achievement and Equity
 - Whole Student and Equity
 - People and Equity
- **Being responsive to our evolving context**
 - Multilingual Learners (influx of new arrivals)
- **Improving operational effectiveness**

FY24 Budget Strategy



- **Preserve core programming**, aligned to priorities
 - Minimize new investments (core needs, Portland Promise)
- **Leverage Reserves** (multi-year strategy)
- **Leverage ESSERF funds** (ongoing recovery needs)
 - Mental and Behavioral Health
 - Learning Acceleration
 - Move some locally funded investments into ESSERF (aligned to recovery goals)
- **Make reductions** (from local and ESSERF investments)
 - Spread out reductions
- **Highlight need for larger structural shifts** in anticipation of ESSERF funding cliff for FY25

Revision Strategy



- Reduce tax rate increase
- Restore core services that were cut from local
- Return core services to local that were moved to ESSERF
- Make strategic investments aligned to priorities using remaining ESSERF funding

Local Revenue Adjustments

Summary of Changes



Original Revenue Budget	\$141,253,203
Increase State EPS Subsidy	\$3,600,197
Reduce Tax Levy*	(\$973,057)
Revised Revenue Budget	\$143,880,343

Reduced Tax Levy Reduces Recommended Tax Rate Increase from 7.0% to **6.1%*

Local Expenditure Adjustments

Summary of Changes



PORTLAND PUBLIC SCHOOLS

Original Expenditure Budget	\$141,253,203
<i>Restore Core Positions Shifted to ESSERF back to Local Funds</i>	
Math Coaches (9.0 FTE)	\$885,222
Classroom Teachers (16.5 FTE)	\$1,143,210
Youth Development (5.0 FTE)	\$298,536
<i>Subtotal</i>	\$2,326,968
Restore Community Coords (3.38 FTE)	\$171,172
Further Reduce Cell Phones	(\$41,000)
Scale Back Dept Cuts from 5% to 4%	\$100,000
Add PreK Dual Language Teacher	\$70,000
Revised Expenditure Budget	\$143,880,343

FY24 Budget:

Local Budget Key Statistics

**FY24
Budget
\$143.9 M**

**8.1%
\$10.8 M
Increase
over FY23**

**6.1%
School Tax
Rate
Increase**

Adjusted Tax Impact



- The FY24 Finance Committee Referred Budget proposes an increase to the School Portion of the Tax Rate of **6.1%**, for a Total School Tax Rate of **\$7.48**.
- For a home with a median assessed value of **\$375,000**, this represents an increase in property taxes of about **\$161/year**.

FY24 Local Budget Overview

<i>Expenditures</i>	FY23 Approved	FY24 Finance Committee	<i>Incr (Decr)</i>	<i>% Incr</i>
Salaries & Benefits	\$104,834,783	\$109,511,750	\$4,676,967	4.4%
Debt Service	\$10,220,805	\$12,453,027	\$2,232,222	21.8%
All Other	\$18,015,379	\$21,915,566	\$3,900,187	21.6%
Total Budgeted Expenditures	\$133,070,967	\$143,880,343	\$10,809,376	8.1%
<i>Revenue</i>				
Non-Tax Revenue	\$27,039,506	\$29,060,056	\$2,020,550	7.5%
Use of Fund Balance	\$2,180,390	\$3,900,279	\$1,719,889	78.9%
Property Tax Levy	\$103,851,071	\$110,920,008	\$7,068,937	6.8%
Total Budgeted Revenue	\$133,070,967	\$143,880,343	\$10,809,376	8.1%

FY24 Local Budget - Progression

<i>Expenditures</i>	FY24 Supt Recommended	<i>Supt Revisions</i>	FY24 Supt Rev. Recommended	<i>Fin Comm Amendments</i>	FY24 Finance Committee
Salaries & Benefits	\$106,943,610	\$2,498,140	\$109,441,750	\$70,000	\$109,511,750
Debt Service	\$12,453,027		\$12,453,027		\$12,453,027
All Other	\$21,856,566	\$59,000	\$21,915,566		\$21,915,566
Total	\$141,253,203	\$2,557,140	\$143,810,343	\$70,000	\$143,880,343
<i>Revenue</i>					
Non-Tax Revenue	\$25,459,859	\$3,600,197	\$29,060,056		\$29,060,056
Use of Fund Balance	\$3,900,279		\$3,900,279		\$3,900,279
Property Tax Levy	\$111,893,065	(\$1,043,057)	\$110,850,008	\$70,000	\$110,920,008
Total	\$141,253,203	\$2,557,140	\$143,810,343	\$70,000	\$143,880,343

COVID Funding Overview



- Grant requirements dictate what we can fund with these resources
 - Initial funds: Response (e.g. health and safety, remote learning)
 - Current remaining funds: Recovery (learning acceleration, mental and behavioral health)
 - Not time bound, not done in 2025
- Choice Points
 - Leave resources on the table and cut now so that we don't have to cut in the future
 - Leverage resources while we have them, use FY24 to plan structural changes and advocate for resource allocation adjustments
- Our choice: Use the resources while we have them since we need them, begin planning for structural changes and advocating for resources adjustments (state funding)
 - Use grant funds for as many one-time/short-term costs as are needed and allowable

COVID Funding Investments

**Total Allocation: \$41,878,432
(FY21-FY24)**

Response Investments

- Health & safety requirements
- Facilities adaptations
- Outdoor learning
- Day programming
- Remote academy
- 1:1 devices
- Custodians
- Remote work accommodations

Approx. \$21M in total spend

Recovery Investments

- Summer School
- Mental and behavioral health supports
- ELL Supports
- Learning acceleration such as curriculum investments
- Enhanced specials
- Dedicated substitutes

Approx. \$13M with programs ongoing

Funds projected to remain at end of FY23: \$7,800,000

FY24 Proposed ESSERF Budget Summary

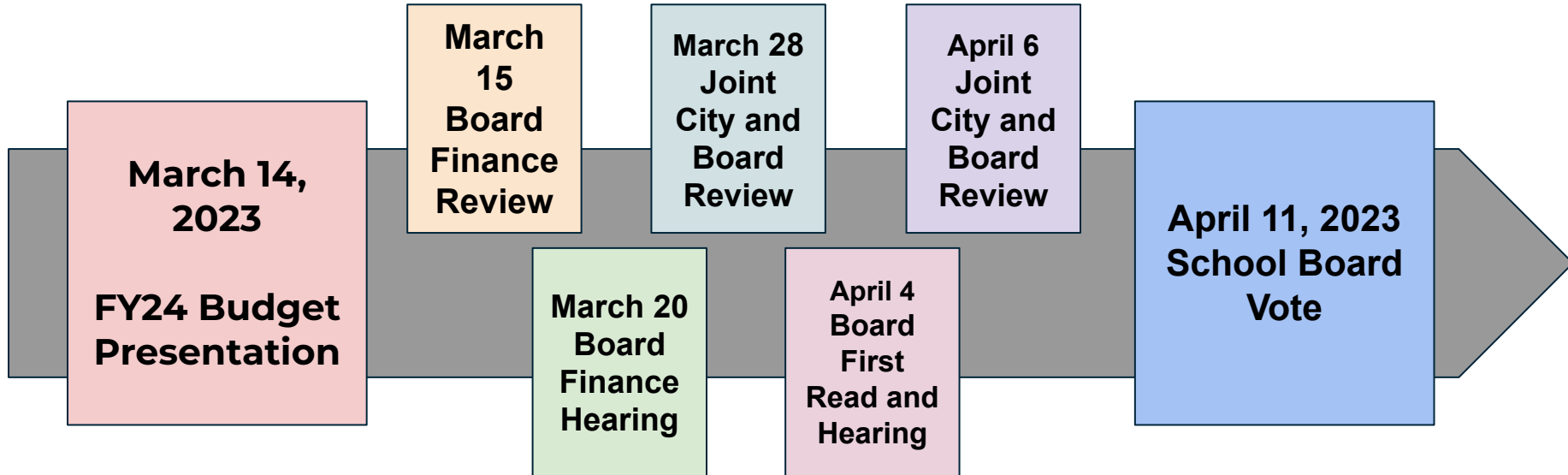
	Original	Changes	Total
Staff Positions from Local Budget	\$2,500,000	(\$2,500,000)	\$0
Portland Promise	\$2,950,000	\$833,000	\$3,783,000
Responsive - MLLs	\$425,000	\$756,000	\$1,181,000
Operations	\$1,850,000	\$195,000	\$2,045,000
Core Services	\$75,000	\$568,000	\$643,000
Total	\$7,800,000	(\$148,000)	\$7,652,000

FY24 ESSERF Categorization

Core Services (Ratio Based) Investments	\$1,140,000
Portland Promise Investments	\$4,390,000
Reduce/Eliminate in FY25	\$2,122,000
Total	\$7,652,000



Portland Public Schools FY24 Budget Timeline - Board Dates



Portland Public Schools FY24 Budget Timeline - Key Dates



March 14, 2023

**FY24 Budget
Presentation**

April 11, 2023

**School Board
Vote**

May 15, 2023

**City Council
Vote**

June 13, 2023

Public Vote

Questions

