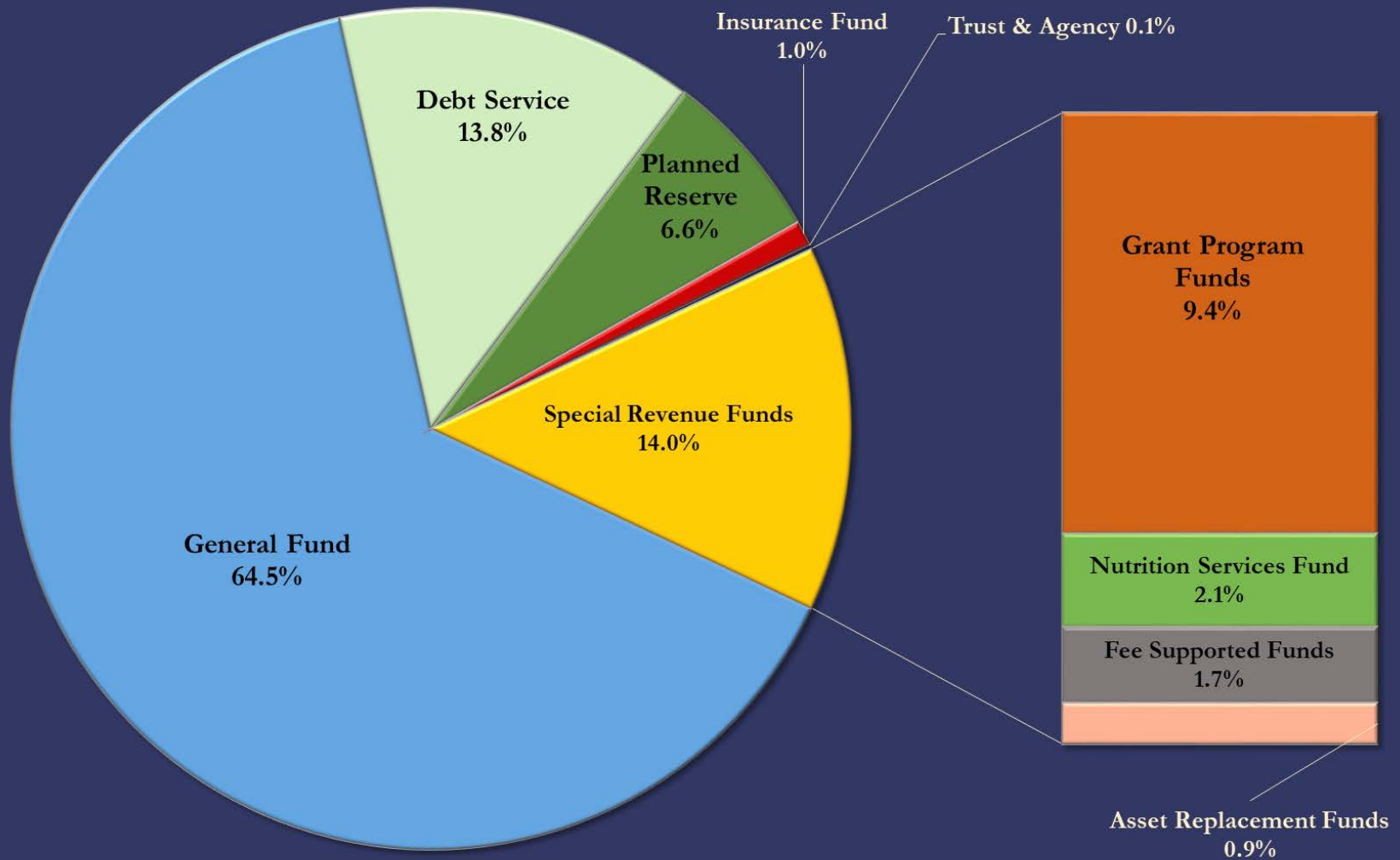


2020-21 Proposed Budget Overview

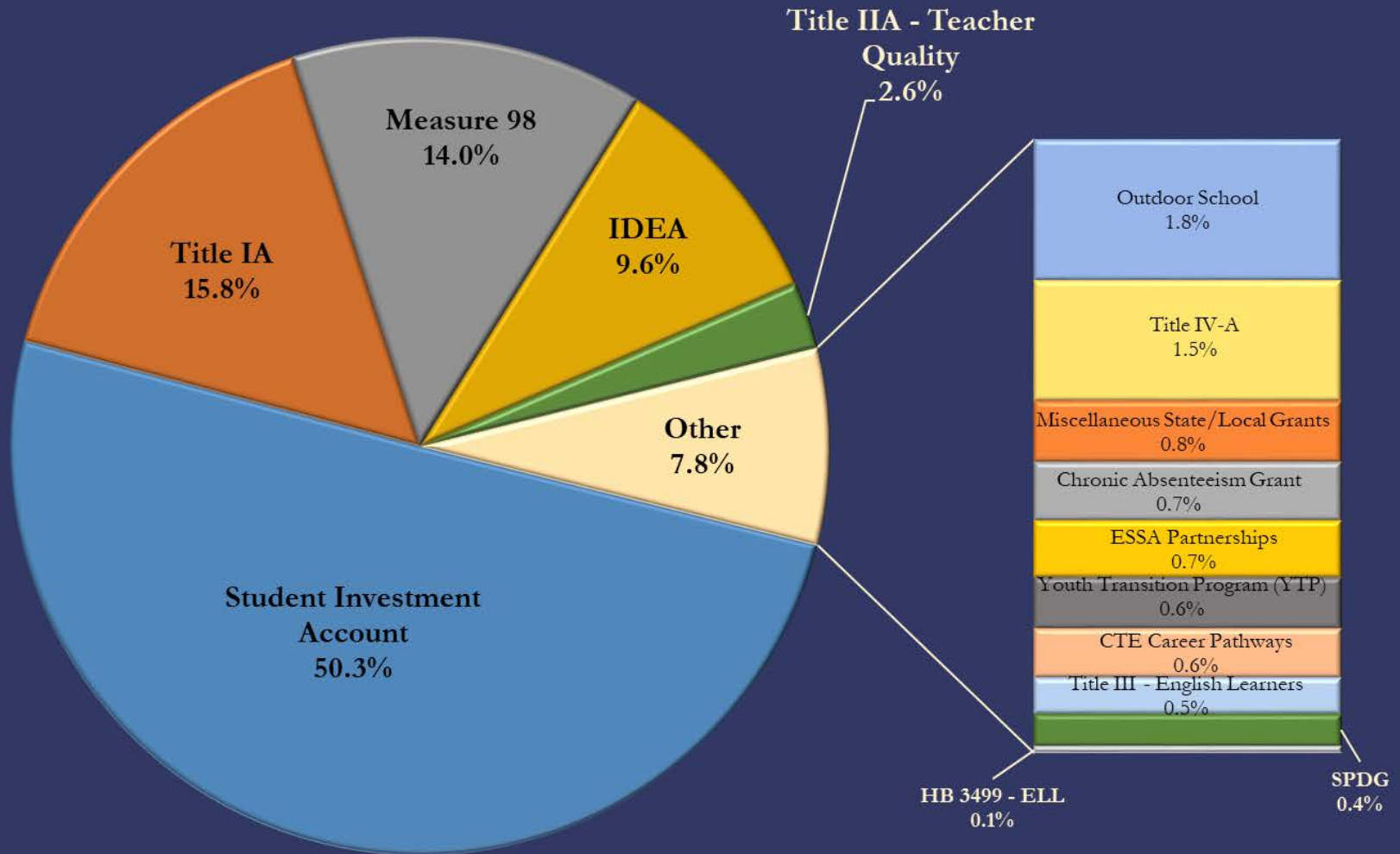
Fund	Description	20-21 Budget	% of Total
100	General Fund	\$86,583,400	68.6%
200	Special Revenue Funds	\$20,299,400	16.1%
300	Debt Service	\$17,714,500	14.0%
600	Internal Service Fund	\$ 1,300,300	1.0%
700	Trust & Agency	\$ 302,200	0.2%
Total Budget		\$126,199,800	100.0%

2020-21 Proposed Budget – All Funds – \$126,199,800



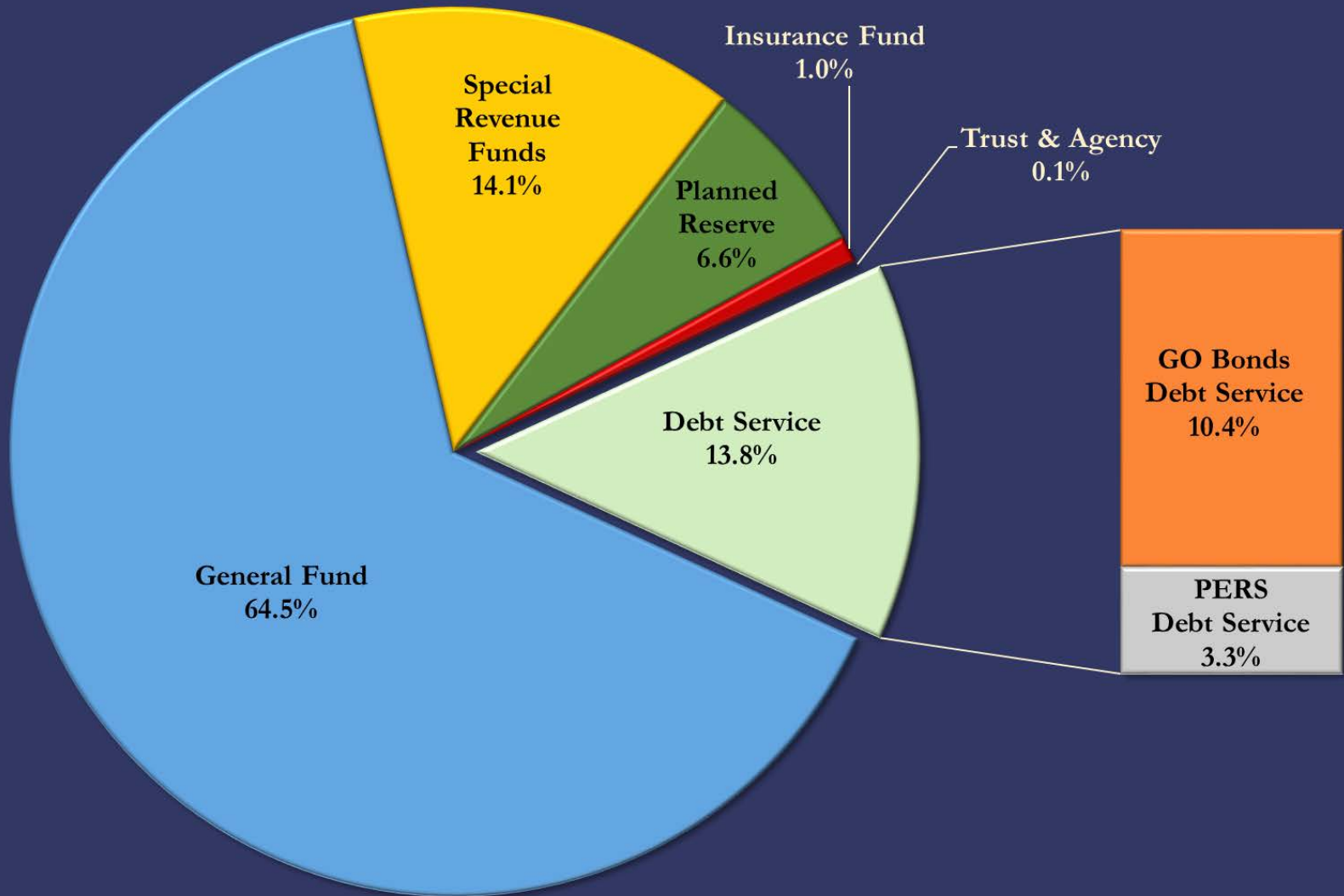
2020-21 Proposed Budget – Grant Funds

– \$11,817,700

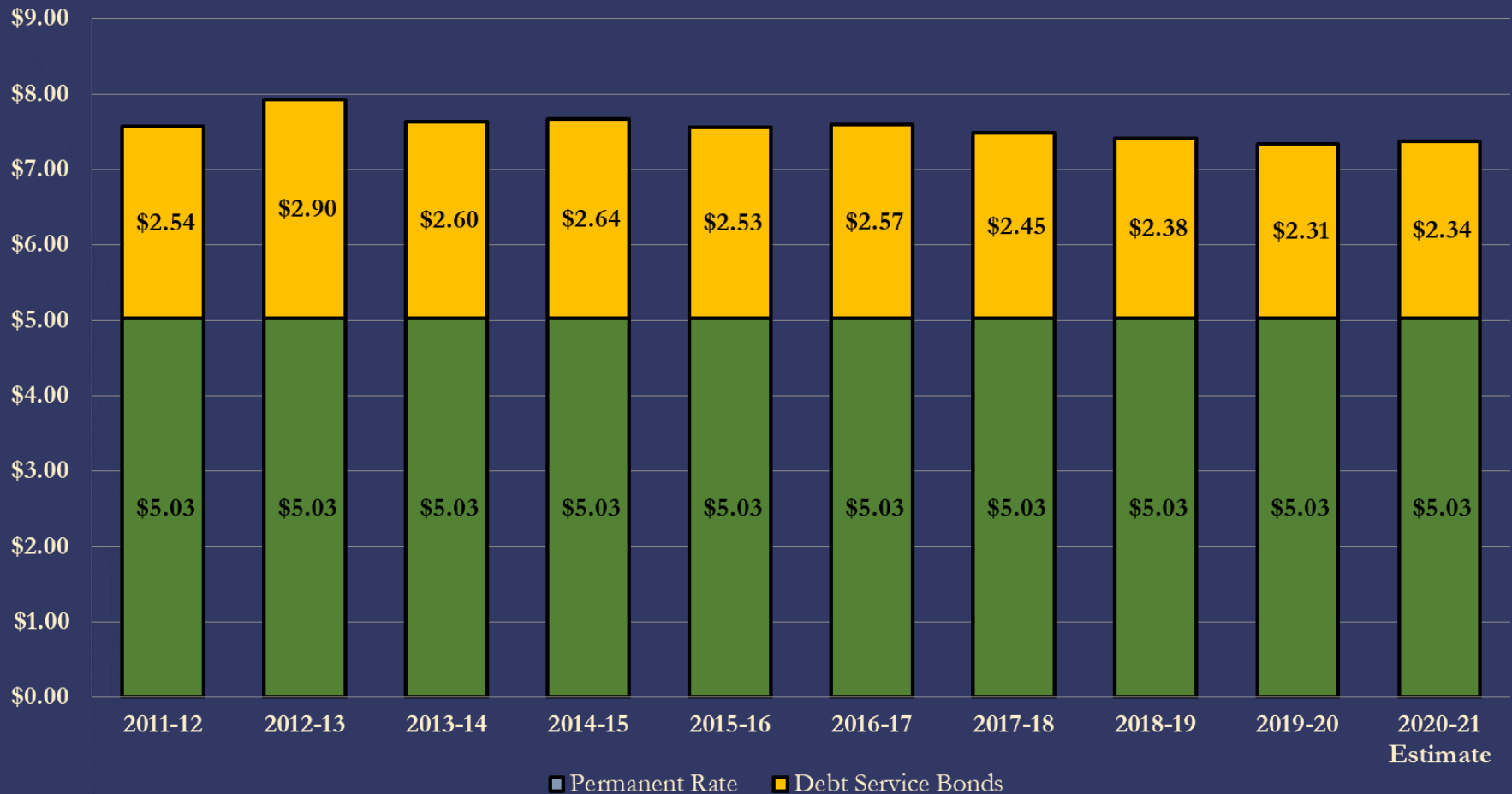


2020-21 Proposed Budget – Debt Service

– \$17,366,200



2020-21 Proposed Budget – District Tax Rate



2020-21 Proposed Budget – Bond Rate & Taxable Assessed Value (TAV)

Bond Rate

TAV

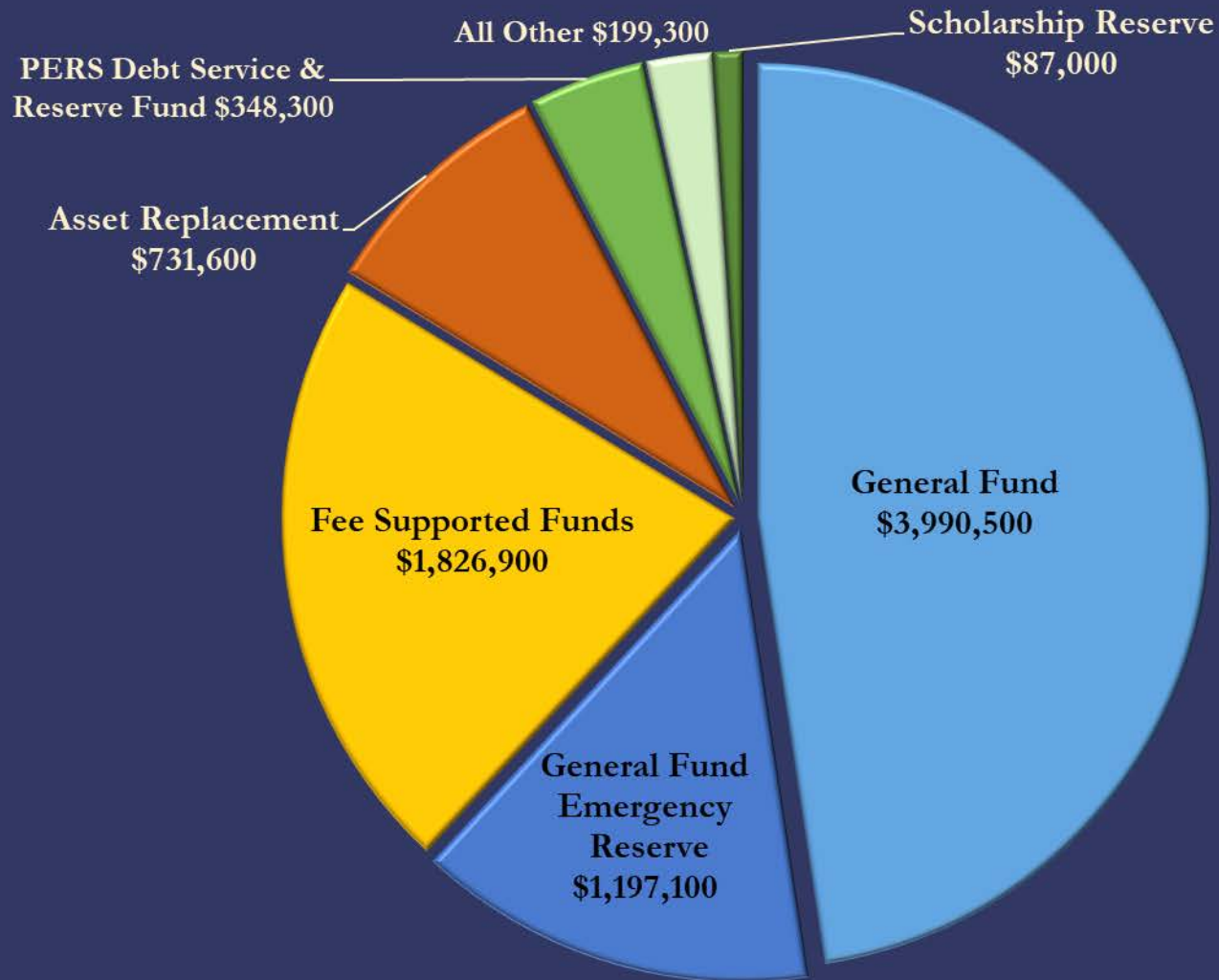


2004

2008

Deschutes County TAV (in billions)

2020-21 Proposed Budget – Contingency & Unappropriated Reserves – \$8,380,700 (7.3%)



The background of the slide features a large, faint, circular seal of the State of Oregon. The seal contains an eagle with wings spread, perched on a shield. Below the eagle is a banner with the text "THE UNION". At the bottom of the seal, the year "1859" is inscribed. The words "STATE OF OREGON" are written around the perimeter of the seal.

June 2020 Economic and Revenue Forecast

May 20th, 2020

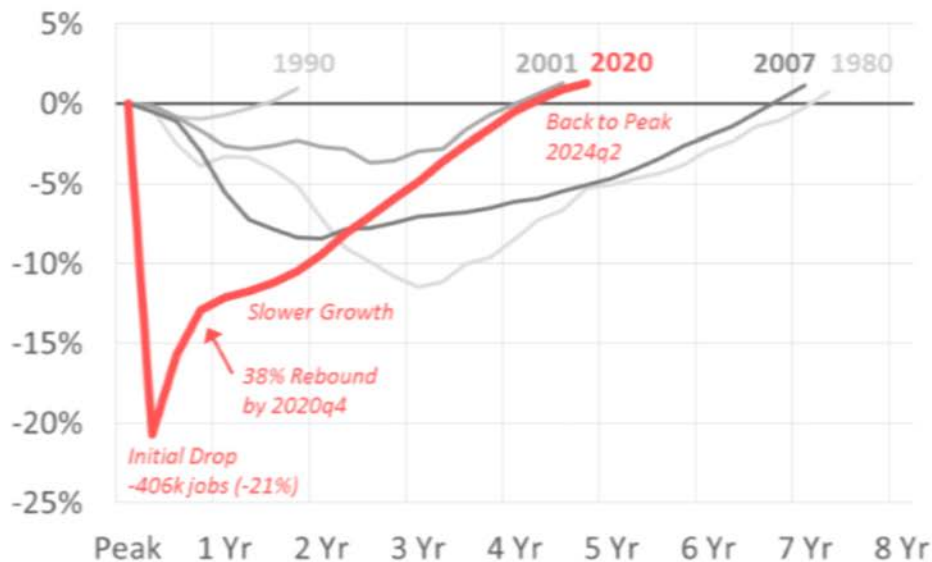
Oregon Office of Economic Analysis
Mark McMullen
Josh Lehner



It Takes Years to Recover from Severe Recessions

Oregon Recession Comparison

Employment Percent Change from Pre-Recession Peak



Source: Oregon Employment Department, Oregon Office of Economic Analysis

- When restrictions lift, strong initial rebound, but incomplete
- Slower growth next year due to uncertainty over virus and income losses
- Once medical treatment widely available, stronger recovery expected
- Economy returns to health by mid-decade





Revenue bottom line

General Fund Revenues	Biennium (\$ Million)		
	2019-21	2021-23	2023-25
Personal Income Taxes	-1,588	-3,231	-2,429
Corporate Income Taxes	-233	-137	-118
Other	-108	-152	-140
Total	-1,929	-3,520	-2,687

Other Revenues	Biennium (\$ Million)		
	2019-21	2021-23	2023-25
Lottery	-364	-260	-187
Corporate Activity Tax	-414	-599	-489
Marijuana Tax	9	-5	-18
Total	-769	-864	-694

	Biennium (\$ Million)		
	2019-21	2021-23	2023-25
Total Sum	-2,698	-4,384	-3,381

May 20 State Revenue Forecast *Key Takeaways*

- Total Forecast is down \$2.7 Billion (General Fund, Lottery, CAT, etc.)
- 2019-21 biennial General Fund & Lottery revenues decreased \$2.164 billion from March and \$1.49 billion from “Close of Session” forecast. New General Fund “hole” is estimated at \$867 million.
- Corporate Activity Tax is predicted to generate \$1.2 billion in the 2019-21 biennium which is down from original projections of \$1.6 billion.
- State reserves are projected to have \$1.75 billion available in the 2019-21 biennium.
 - Education Stability Fund = \$800 million
 - Rainy Day Fund = \$949 million

May 20 State Revenue Forecast – K-12 Impacts

- State School Fund reduction is \$490 million (5.4% for biennium / 10.7% for 2020-21).
 - \$308 million – General Fund decrease
 - \$120 million – Lottery Fund decrease
 - \$63 million – CAT decrease
- \$593 million in funding for the Student Success Act, including \$296.5 million in the Student Investment Account for 2020-21. 37.3% reduction in the SIA.
- 35% reduction in Measure 98 funding for 2020-21.

2020-21 Proposed Budget – Revenue Reductions

	Full Funding	Forecasted Funding	Reduction	%
State School Fund	\$ 74,328,600	\$ 68,621,200	\$ 5,707,400	7.7%
Student Investment Account	\$ 5,341,400	\$ 3,354,800	\$ 1,986,600	37.2%
Measure 98	\$ 1,648,800	\$ 1,093,500	\$ 555,300	33.7%
	\$ 81,318,800	\$ 73,069,500	\$8,249,300	10.1%

Covid-19 Potential 2020-21 Revenue Impacts

Potential Reduction to SSF, Student Investment Account &
Measure 98 = **\$8,249,300** (10.1%)



77 Teachers

OR



31 Days

Student Investment Account – New Investments

- Address teacher to student ratios, specifically at the primary level.
 - 9.0 FTE new teachers to reduce KG and 1st grade class sizes
- Address educational opportunities.
 - 1.88 Classified FTE academic onsite support at Middle School
 - 3.0 Licensed FTE New High School Counselors to support focal student populations.
- Support the behavioral / mental health needs of our students more adequately.
 - 1.0 Licensed FTE New Middle School Counselor.
 - 2.0 Licensed FTE LCSW/Mental Health Specialists at Middle School.
 - 4.0 Licensed FTE and 5.91 Classified FTE positions to support students social, emotional and mental health at the elementary level.

RSD 2020-21 Budget – Next Steps



“Rainbow Swan” by Briella Salinas, 1st Grade Student, Sage Elementary School

- Proposed Budget and Tax Rate Levies Approval
- Adopted budget – June 24, 2020
- Supplemental budget?