

**Priority:** Education  
**Program Offer Type:** Existing Operating  
**Related Programs:**

**Lead Agency:** Non-Departmental - All  
**Program Contact:** Julie Neburka

**Program Characteristics:**

**Executive Summary**

This program offer accounts for the transfer of revenue from the temporary local income tax (ITAX) to Multnomah County school districts. Nine school districts and one state sanctioned charter school share approximately 70% of the revenue generated by the Itax.

The ITAX expired on December 31, 2005. This offer accounts for prior year taxes anticipated to be collected during FY 2007.

**Program Description**

The ITAX was created when voters approved Ballot Measure 26-48 in May, 2003. It was a three-year measure that raised local funds to prevent further cuts to Multnomah County's public schools and programs that help the County's most vulnerable residents. It was a temporary, local answer to state budgete cuts and economic conditions. The bulk of the revenue, approximately \$90 million per year, was divided equally on a per-pupil basis to all county public school districts. This offer allocates the remaining ITAX revenue on the same per-pupil basis.

**Program Justification**

This program offer links directly to the School Success priority. The ITAX was proposed following the defeat of Measure 28. That statewide measure referred ta temporary, 0.5% tax increase that was enacted by the Legislature. Following the defeat of Measure 28, schools in Multnomah County faced the prospect of cutting several weeks from the academic year or reducing the number of direct instructional positions. The ITAX provided about 12% of the total funding for all school districts within the county. The ITAX funding for schools had a number of goals- a few of which relate directly to the Education strategy map. Those goals include the provision of a full school year, funding programs designed to achieve improvements in academic success for all students, and funding student support programs that provide a quality school experience and retain students in school.

**Performance Measures**

| Measure Type | Primary Measure | Previous Year Actual (FY04-05) | Current Year Purchased (FY05-06) | Current Year Estimate (FY05-06) | Next Year Offer (FY06-07) |
|--------------|-----------------|--------------------------------|----------------------------------|---------------------------------|---------------------------|
| Output       |                 | 0                              | 0                                | 0                               | 0                         |
| Outcome      |                 | 0                              | 0                                | 0                               | 0                         |

**Performance Measure - Description**

Measure 26-48 contained a provision that required school districts to report to a School Efficiency and Advisory Council (SEAC) on their plans for improving student achievement. The SEAC has released several reports that detail how schools are using the ITAX revenue. Those reports can be found on the web at: <http://www.seacinfo.org/>

## Legal/Contractual Obligation

Measure 26-48 obligates the County to pass through 70% of ITAX collections to the public schools.

## Revenue/Expense Detail

|                           | Proposed General Fund | Proposed Other Funds | Proposed General Fund | Proposed Other Funds |
|---------------------------|-----------------------|----------------------|-----------------------|----------------------|
|                           | 2006                  | 2006                 | 2007                  | 2007                 |
| <b>Program Expenses</b>   |                       |                      |                       |                      |
| Contracts                 | \$89,160,000          | \$0                  | \$8,200,000           | \$0                  |
| Subtotal: Direct Exps:    | <b>\$89,160,000</b>   | <b>\$0</b>           | <b>\$8,200,000</b>    | <b>\$0</b>           |
| Administration            | \$0                   | \$0                  | \$0                   | \$0                  |
| Program Support           | \$0                   | \$0                  | \$0                   | \$0                  |
| Subtotal: Other Exps:     | <b>\$0</b>            | <b>\$0</b>           | <b>\$0</b>            | <b>\$0</b>           |
| Total GF/non-GF:          | <b>\$89,160,000</b>   | <b>\$0</b>           | <b>\$8,200,000</b>    | <b>\$0</b>           |
| Program Total:            | <b>\$89,160,000</b>   |                      | <b>\$8,200,000</b>    |                      |
| Program FTE               | 0.00                  | 0.00                 | 0.00                  | 0.00                 |
| <b>Program Revenues</b>   |                       |                      |                       |                      |
| Taxes                     | \$0                   | \$0                  | \$8,200,000           | \$0                  |
| Program Revenue for Admin | \$0                   | \$0                  | \$0                   | \$0                  |
| <b>Total Revenue:</b>     | <b>\$0</b>            | <b>\$0</b>           | <b>\$8,200,000</b>    | <b>\$0</b>           |

## Explanation of Revenues

This program is supported by collection of prior-year Itax revenues. Funding is expected to be one-time-only for FY 2007.

## Significant Program Changes

✔ Significantly Changed

**Last year this program was:** #10030, Multnomah County Schools

As the ITAX has ended, the funding for this program is significantly lower than it has been for the past three years.