

BUDGET BULLETIN NO. 5

02.25.08

The Governor's Budget for 2008-09 includes a proposal to cut public education funding.

To keep our parents and community informed regarding the status of the state budget and its potential impact to our District, we will be issuing regular Budget Bulletins.

2007-08 Finalized... Almost

On February 19, 2007, Governor Schwarzenegger signed the state budget for the 2007-08 fiscal year. The state Legislature had responded to the fiscal emergency declared by the Governor on January 10, and included in the package sent to the Governor were bills to immediately reduce state spending for this current year.

To meet the budget shortfall for this year of over \$500 million, unspent funds from prior-year appropriations and reductions to current-year programs that would otherwise not be spent, have been pulled back by the state. The Legislation has also deferred – on a one-time basis, \$1.1 billion for the July Advance Apportionment until September to help meet the state's need for cash. This means that instead of funding schools on July 1, some school funding will not be received until September.

How this effects Ocean View

Ocean View is looking at approximately \$3.5 million in cuts in each of the next two years. That amounts to a cut of almost 5% from our \$75 million District budget annually. In order to meet these anticipated reductions in next year's budget, our Fiscal Planning Team (FPT), comprised of employee associations and District management, is continuing to meet. All District expenditures are being evaluated and the FPT is identifying those for possible reduction.

The Board of Trustees has asked staff to bring forward, for consideration and review, a plan for addressing potential budget reductions. At the conclusion of the FPT's work, Dr. Rasmussen will recommend to the Board areas which may be considered for reduction. Several study sessions will be held to provide the Board with the opportunity to address areas for reduction before they make any decision on the recommendations.

Our Board of Trustees is committed to our guiding principles and a transparent process. Look for future Budget Bulletins to provide updated news and information on forthcoming Board study sessions.