

BUDGET BULLETIN NO. 14

03.05.09

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Superintendent

The state budget signed on February 21, 2009, included mid-year cuts to public education due to the state fiscal crisis. In addition, the 2009-10 state budget reflects a \$41 billion shortfall, and further cuts to public education funding.

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

This is the Beginning, Not the End

The State budget crisis has changed the way we do things in Ocean View. We've had to think anew about how to deliver our outstanding educational program amid devastating cuts to our funding. A commitment to our students and employees has been a priority throughout this process as we did not create this fiscal crisis but we are required to address it.

The recommendations approved by the Board of Trustees at their meeting on March 3, 2009, reflect the commitment the Board and I made last year to a transparent and inclusive process to identify reductions that minimize the impact to our students and core program while protecting jobs. These Budget Bulletins, along with District-wide staff meetings, the Fiscal Planning Team, the Community Budget Advisory Committee, and the PTA Roundtable, have become forums for our staff and community to provide input about values and priorities as decisions are made. We have transformed this fiscal crisis into an opportunity to solve the problem together and re-structure our programs to meet the needs of our students and community while remaining fiscally solvent.

The recommendations approved by the Board are not set in stone. The budget approved by the State on February 21, 2009, is dependent on the approval of three propositions on the May 19 state-wide election that will provide additional revenue to the State's General Fund. If any of those propositions fail, there will be a hole in the Budget and at this point the Legislature does not have a plan on how to deal with those shortfalls. Additionally, the budget was based on November '08 numbers and projected revenue. No one anticipated the continued, substantial decline in home values and the stock market, nor the continued freeze in the credit market contributing to the over 10% unemployment in California. I am not optimistic that the State budget approved for 2009-10 will last through the May Revise. Therefore, the Board has authorized the saving of one-time monies collected from the newly-legal categorical fund "sweep" to protect against a potential third round of State cuts. The foresight of our Board of Trustees to maintain an extra reserve fund in the past not only saved jobs this year but will continue to help protect Ocean View from even more devastating reductions going into 2009-10.

Several of the recommendations involve our middle school program. To ensure that the recommendations won't impact our outstanding program, I am convening a Middle School Task Force to review our middle school program and look at modifications to save money. The Task Force will convene starting in April and hopefully will have recommendations by May.

To provide much needed services for our employees with children and for our community, we are developing a district-wide extended preschool and day care program that will also bring revenue into the District. And even though we have to increase our class sizes in grades K-3 to 24:1 to save money through this crisis, doing so will open up classrooms to expand our popular Full-Day Kindergarten program, again, potentially increasing our enrollment.

Though this crisis has been stressful for everyone, we can take pride that our employees and community have created a positive climate supporting changes to maintain our programs. For example, students needing the extra intervention, usually provided during summer school, will now be offered after-school assistance throughout the year in a more immediate setting to help their improvement.

On the reverse is the list of the budget adjustments, modifications, and reductions approved by the Board of Trustees on March 3, 2009.

BUDGET ADJUSTMENTS, MODIFICATIONS, AND REDUCTIONS FOR 2009-2010

Approved by the Board of Trustees to balance our budget for the next three years as required by law.

REVENUE

Increase in District Revenue through decrease in the 2008-09 deficit factor, the 2009-10 deficit factor, and transfer remaining lease funds to the General Fund	\$2,912,170
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REDUCTIONS/MODIFICATIONS

Suspend Deferred Maintenance Match	\$422,000
Middle School Program Structural Change (must be negotiated)	\$350,121 to \$1,100,000
Eliminate Summer School and Provide Supplemental Hours to After School Intervention Program	\$350,00
Modify Class Size Reduction from 20:1 to 24:1	\$965,714
Eliminate two TOSA positions (currently open positions)	\$210,183
Eliminate Instructional Media Tech position (currently open position)	\$16,679
Move Middle School Start Time to 9:00 a.m. and 9:30 a.m.	\$100,000
	\$2,414,697 to \$3,164,576
TOTAL	\$5,326,867 to \$6,076,746

The above list of revenue enhancements, modifications, and reductions will meet the required \$6 million deficit. It is my intention to ensure the continued success of our educational program during this fiscal crisis by continuing our vigorous analysis of our programs and expenditures, including adjustments to our District-wide delivery methods.

Remember, this is the beginning. Over the next three months changes may occur to the State budget due to lower than anticipated revenue reflected in the May Revise, and the May election. I will continue to keep you informed about any impacts to our District budget.