

BUDGET BULLETIN NO. 11

12.15.08

Alan Rasmussen, Ed.D.
Superintendent

The state budget for 2008-09 is under threat of mid-year cuts to public education due to the state fiscal crisis. In addition, the 2009-10 state budget is expected to have a \$28 billion shortfall, again reducing 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.

Mid-Year Cuts Expected As State Budget Faces \$14.8 Billion Shortfall

On December 9, in a rare joint session of the Assembly and Senate, two of the state's constitutional fiscal officers, Controller John Chiang and Treasurer Bill Lockyer, outlined draconian actions that will have to be taken to close the now-estimated \$14.8 billion shortfall in the 2008-09 state budget. The following day, Governor Schwarzenegger held a press conference to reinforce the comments regarding the state's financial situation and stated, "if we don't put aside our ideological differences and negotiate and solve this problem, we're heading towards a financial Armageddon." Using a clock as a prop to illustrate his point, he noted, ". . . every second the state is losing \$470, every minute \$28,000, every hour \$1.7 million, and every day \$40 million. So that is approximately more than a billion dollars a month that we are losing when the legislators don't act."

Assembly Speaker Karen Bass said she will do whatever is necessary to get the Legislature to reach a deal by the end of this week, even "including a lockdown of the Legislature if necessary" during the holiday recess. Schwarzenegger and fiscal leaders estimate that without swift budget action the state will run out of cash in February.

It's Time to Be Heard

Superintendent Rasmussen firmly believes that, "Regardless of personal politics, our elected officials need to work together to solve the problem. Doing nothing and letting the deficit continue to grow is unacceptable. Inaction continues to put the educational future of California's children at risk." So on December 10th at an Orange County Superintendent's Conference, Dr. Rasmussen, along with other county superintendents, spoke at length with three state legislators to address the current fiscal crisis' impact on education, forthcoming mid-year cuts, and major cuts anticipated for next year. Dr. Rasmussen urged the representatives to allow 100% flexibility of our currently restricted funds (which make up almost 16% of our budget), and to, "fully fund all mandates or suspend them during this crisis." Further, along with other superintendents, Dr. Rasmussen requested that the legislators, "untie our hands and let us make the prudent decisions that will lessen the impact on our students and community."

Other community members are being heard as well. District staff and community have been active through a letter writing campaign to our local representatives about the need to fully fund education and to allow local control over restricted funds.

Many Voices Will Guide Decisions

To address possible mid-year cuts and prepare for substantial cuts to next year's budget, we have re-activated the Fiscal Planning Team (FPT), and Community Budget Advisory Committee (CBAC), to meet consecutively to look at possible reductions to our District budget. As further information becomes known it will be reported out to staff and we will hold town hall meetings for our community to discuss how we can best navigate these financially difficult times. There will be a meeting of the FPT or CBAC every week starting January 7, 2009, along with Budget Bulletins published on a weekly basis to keep everyone informed of the status of the state's budget for this year and next.

Our Pledge to Our Community and Employees

As you go away for the holidays, the Board of Trustees and Administration pledge to you that we will do everything we can to maintain our quality core program for students and minimize the impact to our dedicated teachers and staff. We will continue to follow our guiding principles established last year and be transparent, informative and inclusive in our decision-making process. For now, take a break, enjoy your well-earned winter recess, and stay tuned.