



BUDGET STUDY SESSION

***OCEAN VIEW
SCHOOL DISTRICT***

MARCH 11, 2008



Governor's Budget Proposal

- Governor's Budget Proposal for 2008-09
 - State Facing \$14.5 Billion Shortfall
 - 10% across the Board reductions to all State programs
 - Suspend Proposition 98
 - Eliminate 4.94% COLA on base revenue limit funding **and** reduce funding by 2.4%
 - Eliminate 4.94% COLA on categorical programs **and** reduce funding by 6.5%
 - Impact on OVSD – reduction of \$5.2 million in revenue in 2008-09

Legislative Analyst's Proposal

- Legislative Analyst's Response (2/20/08)
 - Deficit has grown to \$16 Billion
 - Proposes alternative budget plan
 - Suspend Proposition 98
 - Eliminate 4.94% COLA for revenue limits – no additional reductions
 - Eliminate 4.94% COLA for categorical programs – no additional reductions

Legislative Analyst's Proposal (continued)

- Fund ongoing mandates
- Make targeted program reductions/eliminations
- Defer selected programs
- Consolidate 43 State categorical programs into 4 block grants (local flexibility)

Fiscal Planning Team

- Superintendent convenes Fiscal Planning Team comprised of:
 - key District stakeholders who work together to identify possible budget reductions and revenue enhancements to address the District's budget shortfall brought on by the State's fiscal crisis

Fiscal Planning Team

- Core Values
 - Maintain Quality Core Instructional Program
 - Minimize Impact of Budget Reductions on People
 - Maintain Positive Working Environment

Fiscal Planning Team

- Fiscal Planning Team Members
 - Susan Atchison, CSEA/Business
 - Linda Axenroth, OVTA/Teacher
 - Lance Bidnick, CSEA/Maintenance
 - Pam Bridges, Director/Fiscal Services
 - Jan Carlile, OVTA/Teacher
 - Judy Carmichael, CSEA/Food Services
 - Margaret Dalley, OVTA/Teacher
 - Marcy Drum, OVTA/Teacher

Fiscal Planning Team

- Members (continued)
 - John Drake, Principal
 - Larry Hoskinds, Manager/M & O
 - Kathleen Jaquin, Principal
 - Leona Olson, Principal
 - Joie Phillips, CSEA/Human Resources
 - LeAnn Quick, Supervisor/Transportation
 - Sharon Richter, OVTA/Teacher
 - Anne Silavs, Director/Instruction
 - Carleen Wing Chandler, Consultant

Fiscal Planning Team

- Facilitators

- Alan Rasmussen, Superintendent
- Beverly M. Hempstead, Deputy Superintendent
- William V. Loose, Assistant Superintendent

Fiscal Planning Team

- **Core Instructional Program** determined by Instructional Services Support Team & Contributing Principals
 - Linda Collacott, Alice Fairchild, Christine Harrison, Joyce Horowitz, Rick Larson, Anne Silavs, Sue White, Liz Williams, John Drake, Kathleen Jaquin, Leona Olson, Colette Wright

Fiscal Planning Team

- Meetings
 - January 31 - Preliminary Meeting with Associations
 - February 14, 20, 25, March 5

Fiscal Planning for State Budget Crisis

- Second Interim Report identifies the magnitude of reductions district will be required to make over the next two years
- In order to receive a Positive Certification, OVSD must certify that it will make up to \$6.4 million in reductions when it adopts its 2008-09 Final Budget
- Reductions **may** occur over a two-year period

Fiscal Planning

- One - Two Year Process
 - On-going reductions in year one will mitigate the impact of reductions in year two
 - One-time reductions will likely necessitate additional reductions in 2009-10
 - Use of lease revenue should be considered a short-term option

Fiscal Planning

- Unknowns
 - Current year's ending fund balance
 - 2008-09 Actual Enrollment
 - May Revise (May 15) will likely change proposed State funding for education
 - State **may** adopt flexibility provisions in use of categorical funding sources

Fiscal Planning

- Goals
 - Allow careful consideration and analysis of reductions
 - Provide implementation time for reductions
 - Allow staff reductions through attrition if possible

Fiscal Planning

- Goals
 - Continue to monitor expenditures to increase the ending fund balance in 2007-08 and 2008-09 to help mitigate future reductions
 - Continue to explore options to increase revenue sources
 - Explore options for alternative funding sources

Budget Adoption Timeline

- May 15 - May Revise
- June 3 - Tentative Budget
- June 17- Final Budget Adoption
- Sept (?) - State Budget adopted

Issues For Consideration

- Instructional Program Impact
- Support Services and Programs
- Reduction – in - Force
- The impact of using one-time dollars
- Hiring Freeze
- Categorical Funds
- Reserve Level
- Timelines for decision making



Budget Adoption Timeline



Questions, Answers and Discussion