

# CVHS PTSA Legislation Report

Governor Arnold Schwarzenegger announced his State Budget for 2008/09 on Thursday, January 10, 2008. He proposes a \$101 billion spending plan with 10% “across the board cuts” to all state departments, including Education, in order to close a \$14.5 billion projected revenue shortfall. The governor is resistant to tax increases, insisting that not enough support exists among legislators and voters. He has also declared a “fiscal emergency”, calling the Legislature into a 45-day special session in order to take immediate action and produce legislation to respond to the state’s budget deficit.

CUSD made \$13 million in cuts this year, and \$7.5 million of next year’s cuts were planned before the governor announced billions of dollars in cuts to public schools earlier this month. We these newly announce state cuts the Capistrano Unified School District Board of Trustees will meet Feb. 11 to take its first look at possible ways to cut as much as \$28 million from its \$422 million budget. Parents are encouraged to provide input in the discussions. Listed below is information about the budget process.

## **Factors Impacting CUSD Budget:**

- Enrollment Growth has flattened out
- Deficit Spending in 4 out of the past 5 years
- General Fund contributions for Home-to-School transportation=\$3,620,519 in 2006/07 and Special Education=\$40,449,455 in 2006-07

## **Impact on CUSD projected 2008/09 Budget:**

- Revenue Limit Reduction= (\$20,938,386)
- Categorical Funding Reduction=(\$7,839,681)
- Budget Reductions Required=28 Million

## **Potential 2008/09 Budget Reductions:**

- District wide reductions
- Employee related reductions
- Departmental reductions
- Educational program reductions-Superintendent would like to keep the reductions away from the classrooms, if possible

## **2008/09 Budget Development Timeline:**

- February 11, 2008-Presentation of Budget Revision
- February 25, 2008-Budget Workshop to review reduction proposals and decrement list
- March 10, 2008-Presentation of 2<sup>nd</sup> Interim Report with Budget revisions and Certificated Layoff Notices
- March-May 2008-Incorporate Budget Revision Changes
- June 9, 2008-Tentative 2008/09 Budget
- June 30, 2008-Final 2008/09 Budget Approval and Public Hearing

## **Actions already taken:**

- District wide spending freeze on all non-essential purchases
- Hiring freeze-decisions to be made on a case by case basis by the Superintendent