

For Your Information

Lowell Joint School District "A Tradition of Excellence"

Board of Trustees: Janet B. Averill, Darin W. Barber, James A. Najera, Gayle K. Rogers, Fred W. Schambeck
Superintendent: Patricia A. Howell, Ed.D.

Special Election Propositions Fail – Further Cuts to Education for 2008/09 and 2009/10 Expected May 21, 2009

It is now official, on May 19, 2009, voters defeated Propositions 1A through 1E. With the exception of Proposition 1F, which places a freeze on salaries for elected officials during bad budget years, the remaining five measures failed by predictably wide margins. None of Propositions 1A through 1E received more than 40 percent of the vote. With the measures going down in defeat, the State budget deficit grows from a projected \$15.4 billion to \$21.3 billion.

Proposed K-14 Education Cuts

The Governor presented the outlines of his proposed budget plan with the release of the May Revision late last week. Based on the Governor's proposal, the reductions for education in 2008/09 are proposed to be \$1.3 billion and grow to an ongoing \$1.4 billion in 2009/10. The Governor's plan also calls for increasing deferrals of education funding to school districts by \$1.7 billion.

Courtesy of School Services of California, Inc., below is a summary of how the Governor's proposed cuts would apply to K-14 education.

Proposed Reductions	Dollar Amount of Proposed Reductions
2008/09 Base Revenue Limit (one-time reduction)	\$1.3 billion
2009/10 Base Revenue Limit	\$1.4 billion
Deferrals, Apportionments (2009/10 to 2010/11)	\$1.7 billion
Eliminate High Priority Grant Funding for 2008/09	\$114 million
Length of the School Year	Option to reduce by up to seven days for up to three years
Community College Adjustments	\$242 million in 2008/09, and \$698 million in 2009/10
Total Proposition 98 Reductions	\$1.6 billion in 2008/09, and \$3.1 billion in 2009/10

The level of cuts proposed by the Governor translates into a potential loss of around \$215 per ADA (Average Daily Attendance) in 2008/09. The 2008/09 base revenue limit loss would continue in 2009/10 and an additional \$18 per ADA would be lost in 2009/10. **For the District, this translates into a potential loss of approximately \$632,000 in 2008/09 and approximately \$685,000 in 2009/10.** The loss in the current school year will be softened by the anticipated receipt of approximately \$768,000 in State Fiscal Stabilization Funds (Federal Stimulus Funds) that should be received sometime late this month. It is anticipated that the District will receive additional State Fiscal Stabilization Funds sometime in the Fall of 2009, but the amount is not known at this time.

The Governor's proposed budget cuts must be approved by the State Legislature; and therefore, could change significantly when finalized. This could result in additional budget cuts for the District in the 2009/10 school year. It is still too early to determine if further cuts, as proposed by the Budget Advisory Committee, will need to be implemented. Please be assured that the Board of Trustees, the Superintendent, and all of the District Administrators are keeping a very close eye on the budget and only necessary purchases are being approved. All decisions will continue to be made based on what is best for our students. Working together, we can accomplish these challenging goals.