

Comments to the Board on February 6, 2012

Good evening President Cloud, Dr. Miller, and members of the board. It is good to be here this evening.

At CTA's State Council last weekend in Los Angeles, the decision was made to endorse Governor Brown's Tax Initiative over the other tax initiatives designed to shore up support for public education. We chose the governor's initiative for some of the following reasons:

- Although the projected annual revenue increase of roughly \$7 billion is a bit less than projections of the other initiatives, it is a progressive tax in nature and helps to promote tax fairness.
- The governor's initiative puts money into an account designated for K-14 education, but because the money is also part of the Prop. 98 minimum funding guarantee, it frees up additional dollars in the general fund to be spent on higher education and other essential public services.
- It begins to pay back money owed to school districts by addressing the issue of deferrals. In our case, this will provide an important increase in cash flow for the 2012-2013 and 2013-2014 school years.
- The governor's initiative directly helps to reduce the state budget deficit.
- Because the governor's initiative has support from a broad coalition of citizen groups, governmental agencies, and those involved in public health and safety service and public education, we believe it is very winnable.

Tonight, as I did two weeks ago, I suggest that RCTA, CSEA, PTA, and RUSD leadership and management work together in the months ahead to raise awareness and support for the Governor's Tax Initiative as the best first step toward avoiding more catastrophic funding issues for our schools next year and bringing some stability to funding public education in the years ahead.

Later in tonight's board meeting, Mr. Fine will provide analysis of the governor's proposed budget for next year and two different district responses to his budget proposals: Plan A and Plan B. Plan A assumes voter approval of the governor's tax initiative in November, Plan B assumes voter rejection of that initiative. Both plans make projections for the 2012-2013 school year and the 2013-2014 school year.

I would like to address two issues: that of the fund balance projections, and Mr. Fine's concerns about the moral implications facing us as you make decisions about the financial and instructional direction of our district for next year and the following year.

First, the fund balance:

- Mr. Fine projects that the fund balance at the end of this school year will be \$69.8 million in both Plan A and Plan B.
- At the end of the 2012-2013 school year, if the governor's initiative passes, the ending fund balance will be \$51.2 million; if it fails-\$36.3 million.
- At the end of the 2013-2014 school year, Plan A projects a fund balance of \$28.9 million; Plan B \$.7 million.

Mr. Fine will also make a comment about the moral nature of the decisions facing us as a district. I think we are all concerned about this.

I am concerned that a decision is being considered that will increase the staffing ratio in first through third grades for next year as a way to save money. As I stated two weeks ago, it does not make

sense to me that we would choose to implement full day kindergarten with a staffing ratio of 24 while simultaneously making a decision to increase all class sizes for six, seven, and eight year olds to 32.

It is especially troubling to me that a decision is about to be made by the district that does not need to be made and will likely eliminate smaller class size for our youngest students for many, many years to come.

Mr. Fine's staffing projection is that increasing class size at grades one through three would eliminate 27 teaching positions-saving the district between \$2.0 and \$2.5 million. By maintaining the current staffing ratio at first through third grades, the fund balance at the end of the 2012-2013 school year if the governor's initiative passes would be \$48.7 million, and if it fails, \$33.8 million.

Even given the worst case scenario, Mr. Fine's Plan B, we would still have time to make decisions for the 2013-2014 school year that would need to be made to address the financial challenges posed by a failure of the governor's initiative.

If we undo small class size now, it is unlikely we will redo it later.

It has been suggested to me that the district would be glad to maintain the current staffing ratio at first through third grades, as well as continued support for other services offered to our students, in exchange for furlough days. It would be simple-continue the current MOU one more year that addresses these issues.

I would like to re-define furlough days. For many a furlough day is a non-work day. For certificated staff, for teachers, a furlough day is a non-instruction day; one furlough day, one less day for students to learn; two furlough days, two less instruction days; three and four furlough days-three and four less days for instruction; a fifth furlough day-one less day for teacher-parent communications or teacher assessment of student progress.

I do not believe we need to hurt all of our students to help some. We have the resources to keep a full instructional year while keeping class size smaller at the earliest grade levels.

I ask you again to delay making a decision that will hurt our students and the programs we offer until there is an absolute certainty that decision needs to be made. Now does not feel like that time.

Who knows? Perhaps we will not even need to make that decision in November of 2012.