

### **Budget News for November 18, 2008**

The Assembly Budget Committee convened a hearing last week on the special session proposals. Assembly Budget Chair John Laird pointed out three critical components that must be addressed. 1. We need a mix of both cuts and taxes. 2. It is critical that members act swiftly, hopefully this month. 3. We need fiscal relief from the federal government.

The Chief Deputy Finance Director and the state's new Legislative Analyst, focused on the magnitude of the problem; an estimated \$28 billion shortfall by June 30, 2010, if the Legislature took no action. The Department of Finance (DOF) said the biggest factor in the 2008-2009 \$11.2 billion revenue loss is the 50% decline in capital gains last year and this year.

The DOF also said that increased cost items could make the budget gap worse. Cost items likely to have increased include MediCAL, with families losing health care due to unemployment and increased demand on Cal WORKs. The state also sees increases in Corrections during economic downturns. Updated cost estimates will be provided by the DOF on December 1, 2008.

The Legislative Analyst's Office (LAO) stresses that the magnitude of the budget shortfall is too great to close on only one side of the ledger – revenues must be increased and expenditures must be decreased. The Governor's proposed budget suggests eliminating the 0.68% COLA for education for 2008-2009 school year and a 0% COLA for 2009-2010.

The Budget Advisory Committee will be working to identify budget reductions for the district for the 2009-2010 school year. We believe it will be important to be conservative in our spending this year in order to preserve funds for next year; we do not anticipate the need to make mid-year reductions to our programs.

### **Highlights from the Board Meeting of Thursday, November 13, 2008**

- The board heard a presentation of the Special Education finances and programs for RVSD students. Marin Special Education Local Planning Area (SELPA) presenters April Port and John Lenz reviewed the fiscal allocation plan. Director Dennis Riley discussed programs and services. The federal and state government provides approximately half of the funds required to provide these mandated services. RVSD will contribute about \$1.5 million dollars to the program in 2008-2009.
- The board approved the Guiding Principles for Facilities recommended by the District Leadership Council.
- The board approved the Holt math program for the middle school Math Adoption. The program is designed for 6<sup>th</sup> -8<sup>th</sup> grade and Algebra. Holt is also the textbook used at Drake High School in the Algebra classes.

*You can view the entire board packet and view all the topics the board will be addressing at <http://rvsd.csbaagendaonline.net>*

***If you have any questions, please contact the Superintendent's Office.  
Thank you for your continued support of the District.***