

Budget News for December 2, 2008

As predicted, with the new legislators taking office yesterday, Governor Schwarzenegger has declared a fiscal emergency and called the legislators into special session. At issue is the revenue shortfall to cover the state debt, a projected \$11 billion this year and a total of \$28 billion in the next 18 months. The shortfall has been due to decline in revenue from taxes on personal income, sales and corporate profits. Now our property taxes are coming due. Beacon Economics, a private economic consulting group, suggest that property taxes will decline for the first time in a quarter century. Property taxes have been the most stable revenue source for local government. Property tax revenue statewide grew from \$23 billion in 2000 to an estimated \$47 billion in 2008. With the decline in housing values of more than 30%, many houses that changed hands during those upswing years are being reassessed at lower values, not higher values, when they are sold again, often due to foreclosures. Some property owners are having their houses reassessed at the lower value, and consequently lowering their tax bill. With these and other factors, Beacon Economics project a 10% decline in property tax revenues.

We see these economic factors as very serious and are in the process of implementing cost saving measures in the district for the remainder of 2008-2009. We maintain the guiding principle of providing the best possible education for our students while being mindful of our responsibility to remain fiscally solvent.

Highlights of the Upcoming Board Meeting of Thursday, December 4, 2008

Note: Location Wade Thomas School Multipurpose Room

- The Board will hear a report from Jack Schreder & Associates on the District's facilities and enrollment projections. The Facilities Planning Advisory Committee (FPAC) will be present to hear the report. The FPAC is a group of parents, representatives from Fairfax and San Anselmo Town Councils and Business Community, teachers, classified staff and administrators from the district. The Board of Trustees will discuss options for facilities they would like the FPAC to consider.

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.***