

Budget News for December 16, 2008

The Governor announced on December 11 that plummeting revenues will raise the Budget deficit as high as \$41.8 billion by June of 2010. Talks among the Big 5 broke down on the same day with Senate Republican Leader Dave Cogdill saying that the process has been compromised as a result of the Governor's comments to the press, undermining faith in the process.

In a joint session of the Assembly and Senate, Legislative Analyst Mac Taylor, Department of Finance Director Mike Genest, Controller John Chiang and Treasurer Bill Lockyer addressed the newly seated legislature concerning the grim condition of California finances. Genest said "the problem is severe, and the need for a solution is urgent." He said that if the Governor's package of proposed actions is approved in December, it would reduce the deficit by \$9.2 billion. But if action is taken in February, the effect would be \$7.2 billion, and if action is taken in June, \$3 billion. He then said, "Delaying action points the gun very directly at schools."

Chiang says they are having difficulty finding buyers for state revenue anticipation notes. Potential buyers are worried about the state's ability to pay its bills in the spring. This does not bode well for construction projects of schools, highways and other projects. If those projects are stopped, "it will deepen and prolong the recession," Chiang said. With the poor market for state bonds, the state spending for school construction, highways, flood projects and others could stop as early as next week.

In last week's newsletter, we outlined the measures taken in the district to conserve cash and reduce spending in the current year. In the New Year, the Board, district staff and Budget Advisory Committee will begin work on budget reductions needed to balance the budget for 2009-2010.

Highlights from the Board Meeting of Thursday, December 11, 2008

- Thursday was the annual Board Reorganization at which Trustees voted for new leadership for the coming year. Trustee Sharon Sagar was unanimously elected for President for 2009 with Trustee Rick McCallum elected as Clerk. The Board then determined committee assignments for the coming year including representatives to serve as liaison to YES Foundation, Safe Routes to Schools, the Joint Legislative Action Committee and others. Congratulations to all. Thanks to outgoing President Gina Feiner and Clerk Jeanne Thompson. We appreciate all the trustees' dedication and service.
- The Board heard reports from the principals on the Single Plan for School Achievement. School Site Councils and site staffs analyzed STAR data and survey data last fall and revised their Single Plan goals based on the analysis.

Highlights of the Upcoming Board Meeting of
Thursday, January 8, 2009

- Closed Session begins at 4:00 p.m., one hour earlier than usual. The board will discuss the Superintendent's mid year evaluation and a student expulsion.
- The board will continue 2nd reading of Board Policies. They will review Interdistrict and Intradistrict policies for revision in light of the increased enrollment in the District.

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.