

Loomis Union School District Budget Fact Sheet

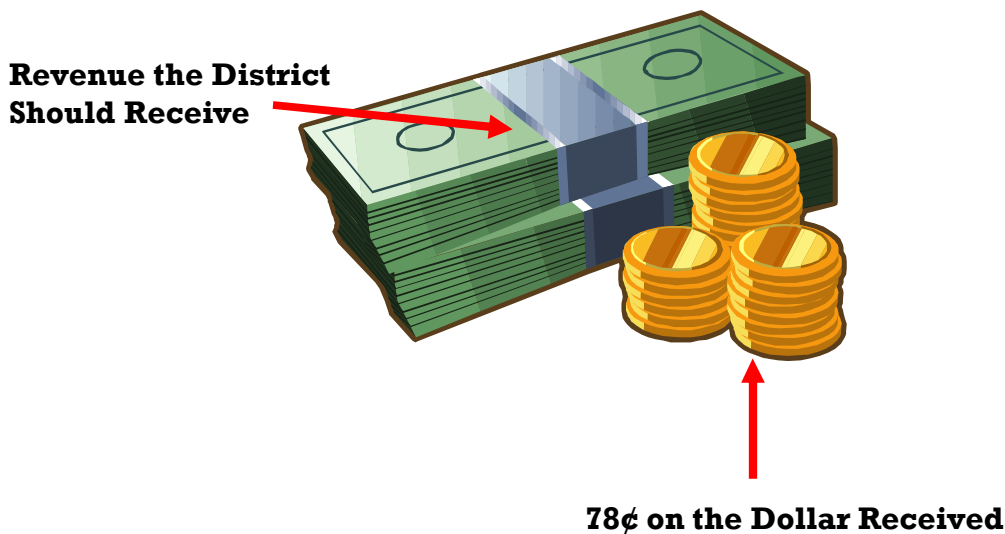
From the perspective of the Board of Trustees

These are unprecedented economic times for our school district and the entire state. Not since the Great Depression has our District been faced with such a challenging economic crisis.

Despite these unique and challenging budgetary circumstances, the District strives to retain as many high quality teachers as possible; because high quality, passionate teachers are imperative to quality education and a key component to implementing the District's Strategic Plan.

Here are some basic facts:

- Over the past two fiscal years (2008/2009 and 2009/2010), the State has cut 18% of the District's revenue.
- This cut is projected to be 21.7% next year (2010/2011).
- In simple terms, as compared to 2007/2008, the District will only receive around 78¢ on the dollar next year.



- About 82% of the LUSD budget is spent on staff salaries and benefits. In short, 82¢ of every dollar.

What does this mean?

If the district were to take the total revenue from the State (78¢), this is not enough to pay for employee salaries. We would come up short by 4¢ plus we have no funds to pay for

utilities, upkeep, operations, etc...(currently another 18¢). **We cannot pay 82¢ for salaries when we're given 78¢ in total.**

What must be done?

To live within the incoming 78¢, the District must reduce its budget or face insolvency.

GOAL: Collectively share the pain of the budget crises across all employee groups and budgets so as to:

- 1) **Preserve as many teaching jobs as possible, thus striving to keep class sizes lower; and**
- 2) **Preserve as many special/unique LUSD programs as possible (i.e. PE, music, etc...)**

The District is committed to standing strong on doing what is best for the community and students.

Next year's budget shortfall is projected at \$1.7 million. The only way to hold onto lower class sizes and special LUSD programs is for all employee groups to collectively share in the pain of the economic recession.

What about negotiations?

- The district has met five times with the teachers' union (LTA) for approximately 25 hours over a three month period in order to reach a successor agreement.
- The district has offered several financial proposals to LTA.
- To date, LTA has offered no meaningful financial proposal to the District.
- Unfortunately, the District and LTA have reached a point in meeting and negotiating at which their differences in positions are so substantial and prolonged that further meetings would be futile.
- On January 12, 2010, the Public Employee Relations Board (PERB) agreed and declared the parties to be at impasse.
- A state mediator has been appointed to assist the parties in reaching agreement.
- The District looks forward to the assistance of the state and is hopeful that LUSD and LTA will reach a mutually acceptable resolution.

What about the District's financial reserves?

- The district recently offered \$744,000 from its reserves (\$186,000 each year over a four year period) to help meet the budget shortfall.
- The district will continue to look at all reserves, programs, and funds to help solve the budget crises.

What priorities drive the District's decision making in labor negotiations?

- 1) Retain fiscal solvency
- 2) Retain quality teachers and do our best to preserve lower class sizes
- 3) Preserve as many extra-curricular programs as possible (i.e. PE, music)
- 4) Reverse declining enrollment to preserve or grow ADA money received from the State.

What happens if employment contracts are not changed?

The District must cut costs. In the absence of a change to collectively bargained agreements, the District will be forced to significantly reduce certificated staff (layoffs). Some likely outcomes of teacher layoffs include:

- * Increased Class Sizes
- * Combined Classes
- * Student transfers between district schools
- * Elimination of PE, Music, and other programs

What lies on the horizon?

While no one can predict the future, the fiscal crisis is projected to affect schools through the 2013-2014 school year.