

1/13/09

School districts expect big hit from state budget woes

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Local school district officials know they're going to get whacked.

Problem is, they don't know how much worse off the state's budget crisis will leave them.

"We're just in limbo," said Richard Pierucci, superintendent of the Roseville City School District.

Legislators and Gov. Arnold Schwarzenegger have yet to agree on how to close an eye-popping \$42 billion shortfall, but education is expected to take a major hit.

The governor's most recent proposed solution, introduced Dec. 31, would slash funding for K-12 education by 5 percent this year and 3.5 percent the next, in addition to holding off payments to schools that were supposed to be made this year. Cutting the school year by five days could also be made mandatory, officials say.

Districts contacted this week said they're planning for the midyear cuts and preparing to make even more reductions as they ready next year's budgets. At the same time, they want to avoid hurting student learning. But they acknowledge it's a tricky balancing act, and some anticipate teacher layoffs.

The Roseville City School District has already frozen some spending, and the Dry Creek Joint Elementary School District is preparing to do the same, officials said. In the Eureka Union School District, officials are moving now to reduce or eliminate programs and expect to bring recommendations to the board in February.

Tony Monetti, superintendent of the Roseville Joint Union High School District, called the current budget stalemate the worst he could remember.

Last June, trustees cut \$3.3 million from its \$76 million budget, and they're now faced with perhaps an additional \$2.7 million in midyear cuts and \$3 million for next year's.

Although the district managed to avoid layoffs last time around, Monetti said this week there's a good chance they'll be necessary now; officials have until March 15 to notify affected employees.

Still, Monetti said, "We're trying to keep them as far away from the classroom as we can."

The situation is also tough in Roseville's largest elementary district.

Last year, RCSD cut operating budgets by 10 percent, in addition to eliminating aides and bus transportation for kindergartners. Now, officials believe they're going to have to go back to that budget and cut an additional \$1.2 million.

Cautioning it's still early in the process, Pierucci said he thinks the district can weather the midyear cuts "without hurting people or programs" by dipping into reserves. An unexpected boost in enrollment this year of more than 6 percent will also automatically increase some state funding.

"That translates into more revenue than we expected because we built our budget on only 2 percent growth," he said.

But the threat has had some impact already. Some enrichment programs funded by so-called categorical and block-grant money are being frozen.

"The programs will operate, but if a school's wanting to use art or music money to buy equipment, we're asking them to wait," Pierucci said. "No one likes doing that."

Other options no one likes could be around the corner, including increasing kindergarten class sizes. No decisions have been made yet, he said.

Mark Geyer, superintendent of Dry Creek, said the district faces about \$1 million in midyear cuts. Belt-tightening is currently under way, and budget planners are prioritizing programs and staffing levels that could be affected by further cuts.

The problem is a lot of cuts have already been made, so there's not a whole lot of "fat," Geyer said. That means some programs could be given less money or eliminated.

"We're looking at programs, and trying to have the least impact on student learning," he said. "Do we run summer school? We'll look at programs we don't run quite as often, some enhancement programs. We just try to be really careful with that and be as judicious as we can."

The added burden of declining enrollment means teacher layoffs are likely, Geyer said, and class sizes could go up a bit.

"Teacher layoffs are unfortunately a function of declining enrollment and budget cuts," Geyer said.

Eureka officials expect they will have to slash \$3 million over a three-year timeframe. It's a major impact to a budget that's only \$30 million, and layoff notices could be likely, according to district documents.