

May 20, 2009

Dear Citizens of Piedmont:

We are writing to update you on the status of the School District budget. In the midst of the State budget crisis and deep cuts in education funding, we are considering a wide range of options to balance the budget. In anticipation of future cuts, we issued layoff notices to a large number of teachers and other support staff. Now that the state budget measures have failed, our final plans are dependent on the Governor's revised budget, the impact of Federal stimulus funds, and our upcoming parcel tax election. To plan for these contingencies, we have identified three levels of potential cuts, described below and detailed in the attached Fact Sheet. Note that all three scenarios assume a renewal of the existing parcel taxes (Measure B) which provide 27% of our total funding. Without Measure B, we will need to explore other solutions, including a plan for much deeper cuts beginning in the 2010/11 school year.

LEVEL I REDUCTIONS

The first level of cuts is based on the most optimistic scenario. This plan assumes that both parcel tax measures pass and total State and Federal funding will be close to previous projections. This might be possible if the additional cuts in State funding now proposed by the Governor are fully offset by Federal stimulus funds. However, in this scenario, we still plan to make cuts amounting to \$925,000, eliminating 10 full time equivalent (FTE) positions, including teachers, classroom aides, counselors, administrators and maintenance staff. These cuts will increase the student/adult ratio and the size of some classes, but we hope to maintain the depth and breadth of academic programs for all students.

LEVEL II REDUCTIONS

The next level of cuts will be needed if Measure E fails OR State and Federal funding is much worse than expected. In this scenario, we plan to eliminate up to 10 more FTE positions, including library assistants, classroom aides, counselors, administrators, and custodians. This plan would increase the total cuts to 20 FTE positions, \$1.7 million and 5.5% of the current budget. The impact on our educational program would be significant, with further reductions in aide time for elementary students, and more cutbacks in counseling, library, administrative and maintenance services.

LEVEL III REDUCTIONS

If Measure E fails AND State and Federal funding is much worse than expected, we will need to identify more budget cuts. These plans could include a reduction of the school year, as proposed by the Governor, and/or other salary and benefit cuts. But these alternatives would require the renegotiation of existing employee contracts, so we are not able to predict the actual dollar impact of these budget cuts right now.

As you can see, we are facing difficult financial decisions in the near future. We want to make sure the Piedmont community is fully informed about our current plans and contingencies and understands the potential impact of the budget crisis. Please feel free to contact us if you have any questions or comments.

Sincerely,

Constance Hubbard
Superintendent of Schools

June Monach
President, Board of Education

Ray Gadbois
VP, Board of Education

Martha Jones
Member, Board of Education

Richard Raushenbush
Member, Board of Education

Roy Tolles
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