

Comal Budget Update

January 27, 2011

Dear Comal ISD Family,

As previously reported, we are looking at significant budget cuts for the 2011-12 school year. Unfortunately, the overall outlook has become increasingly worse over the past week, as the proposed budgets from both the Texas House and Senate have emerged; both reduce funding for public schools by \$9.2 to \$9.5 billion.

Keep in mind the state's projected deficit is \$27 billion, plus a \$4.3 billion shortfall in the current budget, and public education makes up 44 percent of the state budget.

We have been given three funding scenarios on which to create a 2011-12 budget. The reduction in funds ranges from \$17.6 million to \$29.5 million. Currently, we are preparing to use the most liberal number and cut an estimated \$17.6 million from next year's budget, with the possibility of additional cuts later in the year when the State passes a budget. Unfortunately, we must further reduce expenditures in the 2012-13 budget by a similar amount. These projected cuts are the direct result of the state tax shortfall, among other economic factors.

District staff has begun to identify programs and positions that may be reduced or eliminated to balance the district's budget. Initially we had hoped to address staff reductions through attrition and reassignment, but this alone will not be enough to offset the budget shortfall. We will need to consider eliminating and/or significantly scaling back programs and departments.

Guiding Principles

The cabinet, principal representatives and various directors and coordinators developed these principles to guide the budget reduction process:

- Budget reductions will be considered in all areas and will be shared among all schools, programs and departments. Decisions will be driven by the district's mission, vision, beliefs, goals, stakeholder's input and data.

- Efforts will be made to protect the core business of schools, which is classroom instruction and accountability requirements.
- State and federal mandates must be met in the budget process.
- Adoption and implementation of new personnel, programs and initiatives will not be considered. Where new investments are necessary, offsetting savings from current programs will likely be required.
- Budget reductions and the rationale will be communicated clearly and thoroughly to all stakeholders.

Some examples of budget line items that we have already eliminated or dramatically reduced are: capital improvements, maintenance, new technology, transportation, and staff development. We are also anticipating an increase in class size at all grade levels. Since 85 percent of the budget is personnel, we will have to reduce staff in all areas in order to reach the projected \$17.6 million reduction. Historically, we have had approximately 100 retirements and resignations per year. If that trend continues, we will still be far short of the number we need to balance the budget. We have already frozen all hiring for the year and we are working to reorganize all departments so they are as efficient as possible. No area will be exempt from budget reductions.

We have a difficult road ahead and we must work together to ensure that our 18,000 students continue to have access to all necessary programs. It might be small comfort to know that we are all in this together; every school district in Texas is facing tough economic times.

We will do our best to keep you informed.

Sincerely,

Dr. Marc Walker
Superintendent

