

## PVP Watch Newsletter – June 11, 2009

**To Our Friends & Supporters:**

### **PV Schools / Parcel Tax**

Parcel Tax Ballots (Measure V) are due back at the Los Angeles County Registrar-Recorder's office **NO LATER** than June 23rd, 2009.

To report that the Measure V parcel tax is being discussed / argued by many is a gross understatement. No one likes more taxes but reality is reality and Sacramento has (since May 19th) again cut the funds to PVPUSD. All are concerned about quality education and recognize school's need \$\$\$ to operate. However, taxes are being increased at both Federal & State levels and how much more can taxpayers absorb?

In an effort to provide readers information on this important matter, this Newsletter has two documents with differing views. First is the message from the Superintendents office. Following that message is a letter from a Peninsula resident, Craig Huey

*Following are excerpts from a June 8th message from the PVPUSD Superintendent's Office.*

The complete document is posted at [www.pvpwatch.com](http://www.pvpwatch.com) / PV schools page. PVP Watch has also posted the current revision of the school budget on the same page.

### **Superintendent Walker Williams:**

"**Three months ago:** The State supposedly fixed a \$42 billion budget shortfall through mid-year cuts to schools (2008-09), additional cuts in the next budget year (2009-10), passing State cash flow problems to school districts by deferring payments (both years), tax increases, and borrowing. Based on those cuts, the District identified \$6-7 million in reductions and shifts in order to remain solvent through 2010-11.

**The New Plan:** The Governor recently announced his latest plan for balancing the State budget. It includes:

- o Cutting school funding again for this year (2008-09), on top of the February cuts.
- o Cutting school funding for next year – again!
- o Deferring more payments to public schools, thereby forcing school districts to borrow cash in order to meet their financial obligations, including payroll.

### **What does all this mean to PVPUSD?**

- o We need to identify an **additional** \$6-7 million in reductions on top of the \$6-7 million in reductions that were already identified in February (a total of \$12-14 million). This loss of ongoing income has a dramatic compounding effect in later years.

o We are receiving federal stimulus money, but not an amount that will fully backfill for the new state cuts and it may come with regulations that dictate how the funds can be spent. These funds were originally designated for stimulating jobs, but are now needed by school districts to survive. We are losing ongoing state revenue in exchange for one time federal funds, which creates serious problems for multi-year budget projections.

o The June 23<sup>rd</sup> parcel tax election, if approved, will not make up for all of the above.

This is a complex multi-year problem without easy solutions. California's public schools have faced difficult financial times in the past, but nothing quite like this. Simplistic solutions such as "putting more students in classrooms" will not solve the entire problem. We want to minimize staff reductions, but it requires everyone to share in the pain in order to meet that goal.

District and employee organization representatives have met many times to explore solutions to the budget problem, but have been unable to reach agreements that would demonstrate true, shared sacrifice.

I am recommending that the Board approve a resolution reserving the District's right to reduce employee salaries, including administrators, in compliance with collective bargaining laws. It is also important to remember that there is another statutory deadline for certificated layoffs

– **August 15<sup>th</sup>** .

The District must explore all options in order to remain solvent. The District will survive and our schools will continue to offer quality instructional programs for students. I know that by working together we will find solutions for these financial problems, but it will not be easy

### **An Opposing Viewpoint.**

The following letter was written by Peninsula resident Craig Huey.

I have 7 reasons why I'm opposing Measure V. My opposition surprises many, but let me tell you why. As you know, quality education is critical to me. I am a strong advocate of better teachers, curriculum and administration. Having recently seen my youngest of five graduate from high school, I have a good personal sense of the good and bad of our educational system.

**Here are the 7 reasons...**

- 1. Your kids' and grandkids' education will not suffer if voters say no to the tax hike.** Forget the scare tactics, panicked political propoganda and emotional appeals by phone and mail. Most of the cuts are overdue and will actually help eliminate the fat and unnecessary spending. Some in the school system will find they have to work harder...but that's real life and should have been done before this. If anything, the waste and bureaucracy is still too big and even more accountability is needed.

2. **Our property values will not be impacted with either a yes or no vote.** Good schools help our property values. But your property values will not be impacted by either a yes or no vote. Our education excellence will not be compromised, the kids will continue to excel and the children won't suffer any decline in receiving among the best education in L.A. County.
3. **In a recession, you don't raise taxes, you cut spending.** Raising our taxes again at this time is unwise. The taxpayers have generously given the schools extra money. Measure P over the past 6 years has already raised more than \$17 million extra tax dollars...and it was well spent. Measures R, S and K have raised over \$86 million extra for the schools, with much more costs to the taxpayers if you count the many millions of dollars extra in interest payments. The taxpayers need a rest, especially after the massive Sacramento pay hike that costs the average Peninsula resident an extra \$1,500 out of their pocket.
4. **Measure V would be a tax on a tax.** Each homeowner has sacrificed (apartment dwellers don't pay the parcel tax) for the past 6 years with Measure P lasting until 2012. That means if Measure V passes, you'll be paying M and V at the same time...plus all the bond money payments.
5. **Besides double taxation, Construction bond taxes are going up this year, more in the coming years.** The School Board just approved an increase in Measures R, S and K taxes. If you have a \$2 million home, your bond tax payment will go up again to about \$430 a year. This will go up again in 2010 and beyond.
6. **There are no meaningful teacher union concessions; everyone else must sacrifice.** Until the union becomes more flexible, I don't think more money should be spent by the taxpayers. For 9 months, many extra free days, a generous pension and retirement package, the top paid teachers get about \$86,495. I think we should pay the teachers well and attract the best. But families across the hill must sacrifice and compromise and the teachers need to also. Their attitude is compromise in words, not actions. It's an entitlement attitude. My wife has been a high school teacher for over 15 years, I have a secondary education credential...I love good teachers. But the teachers must face reality and be realistic.
7. **School expenditures in 1999–2000 were \$53,602,064 with 10,072 students—less than today.** School expenditures in 2004–2005 were \$79,633,953 with 11,805

students. School expenditures in 2008–2009 are \$99,145,300 (up from \$98,154,883 from last year!) with about 11,900 students. And in this year, school enrollment is down by about 100 students. The trend is expected to continue for years to come.

We must learn to live within our means.

It pains me to see what is happening to our educational funding from the state. I am tempted to vote yes on V, because of the inequities beyond the control of our school board or educational leadership:

- We should cut some programs, but they are mandated by the state and federal government...without proper funding for the programs.
- Some programs aren't cut for fear of lawsuits because of our frivolous lawsuit-friendly legal system.
- Hundreds of thousands—maybe millions—could be saved by outsourcing—but it's hard to do because the school unions have blocked this with an outrageous state law.
- Bad teachers can't be fired, only those new teachers—who might be the best for our kids—are fired due to the teacher union's protection of senior teachers regardless of their performance.
- More administration and bureaucracy cuts are needed, but they are the ones making the cuts—in their view, everything is needed, but no sacrifices in salary or benefits are acceptable. They are acting much like the union.
- Thousands of dollars have been spent on political surveys and professional political consultants who specialize in scaring voters. This money should be used for the kids, not sustaining a taxpayer-supported political machine.
- Sacramento funding is not fair to our district and the cuts are not fair—but our school board members supported Assemblymember Bonnie Lowenthal and State Senator Roderick Wright, (along with a string of past representatives) who helped create the Sacramento mess with overspending and who have not solved the unfairness to our district.

I'm frustrated. I am tempted to vote yes, but I will mail in a NO vote on Measure V for the reasons above. But our educational quality will be maintained. Our kids won't be hurt. Some

in the district will have to work harder—and are lucky their jobs aren't downsized or eliminated. Sorry for the long answer. But I'd suggest a NO vote on V.

Craig A. Huey

PVP Watch: Current times are tough for most everyone. It appears to PVP Watch that higher paid teachers could forgo salary increases for the next year to assist in keeping more newer teachers, or maybe the teachers' union could agree to a freeze on the whole salary schedule. We believe such an offer from the teachers union would make the Parcel Tax issue more palatable for taxpayers.

### **Some Good News**

For those who may have missed the announcement, Donald Trump announced on June 4th that Trump National will purchase, as planned, a parcel of land from PVP Unified for \$4,000,000. Escrow is scheduled to close on June 30th. By law, these funds cannot be used for salaries and must be used for school construction purposes. PVP Watch believes these funds will be used for classroom projects at Peninsula High. Thank you Mr. Trump for a beautiful venue and your support of local activities.

### **Clarification**

PVP Watch has been advised that only one family member (husband or wife) needs to be 65 to be eligible for senior exemption of PVPUSD parcel tax. Apparently application forms were not clear on that issue.

### **PVP Watch – Newsletter List**

A reminder to ALL PVP Watch supporters. Should you change your e-mail address, don't forget to advise PVP Watch of your new address. We suggest that pvpwatch.com be added to your computer address book to assure delivery of PVP Watch Newsletters.

### **PVP Watch – Contributions**

PVP Watch welcomes modest contributions and appreciates the many contributions received. Those desiring to contribute, please send checks to PVP Watch PO Box 7000-22, Palos Verdes Peninsula, CA 90274. We thank those who have contributed for helping to promote PVP Watch.

### **Subscribers**

The PVP Watch e-mail list continues to grow. For those who wish their addresses removed, please send notice to [info@pvpwatch.com](mailto:info@pvpwatch.com).

PVP Watch strives to bring current issues to [www.pvpwatch.com](http://www.pvpwatch.com). Those who have topics of community interest are encouraged to bring those issues to PVP Watch.

The Editorial Committee