



BEVERLY HILLS EDUCATION ASSOCIATION

Educational Employees Working Together

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Speech on budget cuts delivered by BHEA Pres. Chris Bushée at the February 10, 2010 Board of Education meeting:

“Good evening to all. I rise in support of the early retirement incentive being presented at tonight’s meeting. BHEA encourages our members to learn about the plan and make decisions that best meet each individual member’s financial and personal life goals. Certainly, each voluntary retirement gives the Board more budgetary options, and so an incentive program can help expand these options.

I rise in opposition to the administration’s proposal to cut teachers, counselors, and security staff. It is unnecessary from a fiscal standpoint and it is unsound from an educational standpoint. Remember, in basic aid, less students does not mean less revenue. The imperative to lay off is relieved.

BHEA offers you tonight a menu of at least \$2.9 million of options to pick from that spare the classroom, students, teachers, counselors, and security staff.

Option #1: Reduce the reserve. Each one-half percent reduction of the reserve gets you \$260,000. Changes in state law allow our district to drop the reserve to as low as 1.5% to deal with the state’s economic downturn. The district’s currently projected reserve of 3.6% could be reduced to 1.5% for a maximum savings of \$1,092,000.

Option #2: Reduce expenditures in the \$7.5 million budget category titled “Services and Other Operating Expenses.” Each 1% reduction in this category gets you \$75,000. With good belt-tightening, a reasonable target of a 7% reduction in this category would produce a savings of \$525,000.

Option #3: Reduce the number of administrators in the district. Let’s use the K-8 assistant principal compensation, listed by the administration as \$125,000, as an example of potential per-administrator savings, knowing that this is a conservative estimate of the average administrator compensation district-wide. In the extreme, elimination of all of the following positions: four K-8 assistant principals, one high school assistant principal, director of curriculum, coordinator of special projects, interim director of child welfare and attendance, director of business services, purchasing agent, director of maintenance and operations, and custodial manager would free up \$1,250,000, and this estimate is probably low by at least two- or three-hundred thousand dollars. The bottom line is that you have a lot of administrative positions to pick from.

In summary, BHEA has presented you tonight a menu of reductions totaling \$2.9 million to pick from. Picking only from the cuts BHEA has presented tonight, the district could pay for its perceived \$1.5 million budget shortfall and still have \$1.4 million leftover without cutting a single teacher, a single counselor, or a single security guard.

It is absolutely prudent to take the reserve below 3%. In this poor economy, Sacramento has given you this flexibility precisely to avoid having to make the classroom cuts the administration is presenting you with.

It is absolutely prudent to take pruning shears to the amorphous budget category called "Services and Other Operating Expenses." You owe it to the students of our district to publicly and transparently present a line-by-line, dollar-for-dollar accounting of this entire \$7.5 million category to squeeze out as much waste as possible. Hold it up to the light of day.

It is absolutely prudent to reduce administrator positions before teacher, counselor, and security positions. Not only does each administrator reduction result in greater savings, but the cuts aren't felt as directly by the student in the classroom. Therefore, it makes sense both financially and educationally.

BHEA is dismayed to learn that \$930,000 of this \$1.5 million perceived deficit was created by administrators who did not account properly for the district's money. It is abjectly and undeniably wrong for the administration to hand off this liability to students in the form of larger class sizes and to teachers in the form of layoffs. Hold the decision-makers accountable for the mess they've created, not the students, not the teachers.

So there you have it. I hope that you don't reject BHEA's options out of hand. We're here tonight sticking up for students and for our own members. We've given you at least \$2.9 million of options to pick from. Budgets speak to priorities. BHEA believes that if cuts need to be made, then students, teachers, counselors, and security guards must come before reserves, unitemized budgets, and administration. Thank you."