



BEVERLY HILLS EDUCATION ASSOCIATION

Educational Employees Working Together

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Speech on furloughs delivered by BHEA Pres. Chris Bushee at the April 14, 2010 Board of Education meeting:

“Good evening. While the general economic conditions of the state are not good right now, our district boasts revenue enhancers that make us the target of envy. The district will receive \$3 million more this year under basic aid than under revenue-limit funding. Next year, we’re projected to receive \$5 million more. Yes, we give a portion of this back to the state under a fair share agreement, but we’d be that much worse off if we continued to be revenue-limit. It’s still a \$8 million difference. I reject the administration’s sudden concern that our 4.5% projected property tax increase may not materialize. This is all too convenient of a fear to conjure up now and is suspiciously timed to create uncertainty so as to persuade this Board into the notion of “flexibility.” It begs the question: If the administration is worried about achieving 4.5% now, then why did it incorporate this number into the district’s projections in the first place? Answer the tough budget questions first, before calling for flexibility. We will receive \$11 million this year and another \$11 million next year through our joint powers agreement with the City. Add it up, and you discover that we will receive \$30 million more over two years than similar-sized revenue-limit districts without a JPA, districts that do find themselves under legitimate pressure to negotiate take-backs. But there’s nothing legitimate about this resolution for Beverly Hills. For example, this transmittal stokes fears about deficits affecting the state budget. But because we’re basic aid, we’re largely shielded from the chaos in Sacramento. Yes, there is some negative impact with fair share and categoricals, but it’s minimal compared to the additional revenue from basic aid. My members come to work each day and educate students. We are not responsible for managing the district’s budget. We rely on the administration working in concert with the Board to spend money so wisely that the terms layoffs, furloughs, and salary cuts shouldn’t even appear in our lexicon. Does it make sense to you that our district could squander \$30 million of additional revenue over two years to the point that it says \$720,000 of layoffs and \$330,000 of salary cuts are necessary to balance a budget that is the envy of districts across the state?”

So that leads us to the question of credibility. Regrettably, BHEA has lost faith in the budget numbers presented by the district. There have just been too many errors. In February, the district found a \$900,000 mistake caught in an audit. In March, it found a \$400,000 food services mistake. What’s it going to be this month? Maybe we’ll find a million dollars for all we know! Board, insist on a line-by-line, dollar-for-dollar display of all revenues and all expenditures in an easy-to-read, user-friendly format. We can’t keep bouncing back and forth. You know why? Because it creates uncertainty and fear. The administration is using uncertainty and fear to persuade you into making decisions that have a negative effect on the progress of our district. Demand clarity before you act. Layoffs, furloughs, salary cuts. It’s the easy way out. What incentive will the administration have to get our budget in order if this Board enables it to paper over its mistakes with layoffs and salary cuts? Don’t give the administration a pass on its subpar management of the funds of our district. Hold the administration accountable. It’s BHEA’s job to shield our members from the deleterious effects of decisions with which we had no involvement.

I need to mention that 60% of our members cannot move a step on the salary schedule next year because they're maxed out in experience. 56% of our members cannot move a column next year because they're maxed out in education. So, contrary to what some may believe, a majority of our members do not receive an automatic pay raise each year based on step and column.

Lastly, I call to your attention that the administration officially transmitted this resolution to you without a recommendation to approve.

Look, if these were a different set of financial circumstances, then this would be a different conversation. But furloughs and, for that matter, layoffs just don't make any sense in Beverly Hills. BHUSD does not need to jump on a bandwagon led by other revenue-limit funded, non-JPA-receiving districts. Don't chase mediocrity. Instead, set the standard that others will look up to. We're Beverly Hills and we can do much better than this. I urge you to defeat this resolution and instead, resolve to bolster confidence in the district's budget figures, figures that, after all, belong to the public. Thank you."