

**FEBRUARY 14, 2017**

Dear TeamPUSD,

I wanted to update you following my last communication regarding PUSD's budget situation. I understand the concern and uncertainty that the last email may have caused for you, but I believe it is vital to keep you informed with all the facts as we receive them, as we move forward together.

For the past several weeks, District leaders have been meeting with principals, directors, and employee group leadership to discuss priorities in guiding our budget work. Individual school sites have been holding LCAP forums to gather input from stakeholders on funding priorities as well. Thank you for your hard work on this.

In the meantime, the Finance Department has been working around the clock to go over the budget with a fine-tooth comb, looking for any revisions that might reduce the amount of projected cuts. This includes unfilled positions and vacancies, unspent monies, and wherever else savings could be identified. As a result, at the February 14, 2017, board meeting, staff presented a **revised budget report** with **proposed cuts of \$5 million for 2017-18 and \$8.3 million for 2018-19**.

While this is still a significant amount of money, this is lower than what was first proposed (\$7.5 million for 2017-18 and \$17 million for 2018-19). We are hopeful that the Governor's revised budget in May will even further decrease the amount of cuts we need to make. But for now, the District needs to move forward with a plan to present a balanced budget to the County by March 15, 2017.

That is why, in the attached presentation, you will also see a list of proposals to balance the budget. I want to emphasize that these are still in the proposal stage only. No decisions on cuts have been made, and all budget decisions are subject to Board approval. Our goal is to preserve positions for 2017-18. However, staff, program, and service reductions will be unavoidable in 2018-19 unless State funding increases.

In the meantime, we are asking any individuals who plan to retire or will remain on leave of absence, or intend to request a leave of absence to provide notice to the District as soon as possible. This will provide a clearer picture to our Finance department as budget revisions continue. Keep in mind that this is an evolving process as we try to protect staffing levels, programs and services.

The Board of Education will explore these proposals and others at an upcoming Board of Education Budget Workshop. You can submit questions or suggestions via this email address: [PUSDBudget@powayusd.com](mailto:PUSDBudget@powayusd.com).

Tony