

Ontario-Montclair

School District

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James Q. Hammond, Ed.D.
Superintendent

June 1, 2020

Dear OMSD students, staff, families, and community:

On May 14, 2020, California Governor Gavin Newsom submitted his proposed revision of the state budget to the California Legislature. The unforeseen, immediate and drastic impact of the COVID-19 pandemic has now created a global, national and state economic recession at an immense level not seen by our generation. As a result, Governor Newsom's newly revised budget this May now projects a current year (2019-2020) budget deficit of \$9.1 billion and a forecasted budget deficit for the state of California next fiscal year (2020-2021) of \$32.2 billion, totaling an astronomical \$41.3 billion deficit.

The impact to public education in the state of California is estimated at \$4.2 billion for the current year (2019-2020) and a projected drop in anticipated revenue for the upcoming school year (2020-2021) of approximately \$17.7 billion. This simply equates to approximately \$21.9 billion fewer dollars to support public schools in California this year and next year.

Here in OMSD, the local impact will be an ongoing structural budget deficit of \$21 million for our schools beginning in the 2020-2021 school year. This does not include OMSD's recent one-time \$6.2 million dollar commitment to purchase a laptop for every OMSD student.

The federal government's support with the CARES Act will help mitigate this dramatic cut in funding for our school district during the 2020-2021 school year by providing one-time financial support in the range of \$20.4 million to \$25.4 million. However, by state law, school districts must demonstrate solvency over the course of 3 school years, and an ongoing budget deficit of \$21 million for OMSD (which includes an assumed state funded cost of living adjustment), creates a significant fiscal problem for our school system beginning in the 2021-2022 and 2022-2023 school years; and beyond.

School districts in California will build a multi-year budget based on Governor Newsom's May Revised Budget recommendations to the state legislature. The California State Constitution declares that a budget must be passed by the state legislature by June 15th, which in turn creates additional budget assumptions for OMSD (and other California school districts) to consider during the 2020-2021 school year.

"Our Community, Our Children, Our Commitment, Our Future"

In addition to this significant budget deficit, OMSD is dealing with “year over year” declining enrollment (OMSD’s primary source of revenue). Also, additional expenditures are anticipated in the months ahead as we begin to make plans and have a pending decision on how to best open school this upcoming August. These expenditures will be based on input received from our surveys, advisory groups and Return to School subcommittees.

With the goal of not eliminating any programs and services, this fiscal landscape will force OMSD to evaluate areas to make strategic reductions to maintain multi-year solvency. This unfortunately means that OMSD must now strongly consider eliminating some administrative positions, reducing classified support staff and lowering the number of temporary teachers during the 2020-2021 school year.

During the upcoming months of June, July and August, I will be making recommendations to the OMSD Board of Trustees on what positions could be eliminated that can ensure the District’s solvency and still allow us to offer the range of programs and services OMSD students and families have been accustomed to.

As I consider these recommendations, I will be evaluating strategic areas related to attrition and job vacancies that can help lessen the number of personnel cuts to our dedicated employees. Other factors that will influence the number of staff impacted by OMSD’s budget reduction efforts will be:

- A final decision in the summer on how OMSD schools will open
- Any additional Federal Stimulus Dollars (Proposed HEROES Act money)
- Final actions from the state legislature on school funding
- Possible support for schools from a tax or fee measure on the upcoming November election ballot

This devastating economic recession, which is forcing these type of gut-wrenching decisions, was created by a global pandemic. I, again, ask for your patience and understanding as we begin to navigate through this difficult process and keep the welfare of our students, staff and local community the primary focus of our future actions.

Sincerely,
James Q. Hammond, Ed.D.
Superintendent