



June 26, 2009

Dear Key Communicator:

The Board adopted the 2009-2010 budget on June 25, 2009. In order to balance the budget and to address budget deficits created by a state funding system that was not equitable for Cypress-Fairbanks ISD, the Board took action that resulted in retaining the 20-percent optional homestead exemption for our homeowners. In order to balance the budget and maintain the OHE, budget reductions in the amount of \$14.2 million will be required, which includes the elimination of approximately 75 employee positions. The budget that was approved by the Board does not include a salary increase for employees, other than the potential salary increase that is included in HB 3646 for teachers, counselors, librarians, nurses and speech pathologists. That raise will be provided when, and if, the US Department of Education approves the use of stimulus funds to provide the raise. As you probably are aware, the source for all of the new funding provided to school districts in Texas by the Legislature is the stimulus/stabilization funds, which were originally intended to flow directly to school districts.

We will be working on the budget reductions during the next four weeks in an effort to minimize terminations and to eliminate open positions. However, the fact remains that the budget must be reduced by \$14.2 million prior to beginning the 2009-10 school year. As you have already determined, 75 positions do not add up to \$14.2 million. We will be decreasing the number of new hires and we will be eliminating services in an effort to prevent the termination of our dedicated employees. This is a most difficult financial time for everyone and we are having to make difficult decisions.

We have postponed the publication of the electronic district's newspaper until August in order to include a more detailed description of the reduction in services that will impact our schools and community. The paper will be published electronically and distributed to key communicators and will also be posted on the district website.

The lack of state funding will continue to be an issue that we must address each year until the state changes its funding formulas. The budget that was adopted addresses the financial issues that we will face during the 2009-10 school year, but it does not adequately prepare us for the following years. We must begin immediately to determine how services and jobs can be consolidated and streamlined in order to guarantee the solvency of the district, without permanently impacting the effectiveness of our instructional program.

The reduction in services and opportunities for students, employees and parents will require that we adapt to changes that will become the standard in CFISD. I am not naive enough to believe that these changes will be painless, but the ultimate goal is to maintain our district's great reputation, while ensuring that we are solvent and viable.

I do regret that we will not be able to provide a salary increase for all employees for the second year in a row, but I will continue to make every effort to end this streak that we are riding. As we become more streamlined, I hope to target any savings for employee benefits. It will take all of us working together to overcome this temporary environment in which we find ourselves.

Thank you for making this year a great one in CFISD. To the CFISD employees, I wish that the circumstances were different, but they are what they are.

Sincerely,
David Anthony, Ed.D.
Superintendent of Schools