

March 10, 2010

Superintendent Dr. Steve Whatley's Address
to Employees Regarding Budget Cuts

Thank you for your time and attention. You need to be informed of the financial concerns affecting the Newton County Schools for the school year 2010-2011. It is not to alarm you but to give you information to be forewarned. You may have heard or read about the state's financial crisis and the turmoil existing at the state level over the funding of state programs of which k-12 education is a part. You also may have heard or read about the cuts other school systems are reviewing for FY 11 namely DeKalb, Cobb, Fulton, Henry, Haralson, and others.

The school system receives its revenue for operation from two sources: local property taxes and state Quality Basic Education funding. The funding from both sources is complicated and built on formulas. The Board of Education, on the Superintendent's recommendation, sets the local school millage based on the tax digest in order to raise the local revenue we need for operation. You may have heard or read that the tax digest for Newton County could be down from 10 to 12% for next year. For the school system, that would mean we would not receive 4.5 to 5.5 million dollars to operate our school system next year.

As to state funding, we know that the state will be reducing our money earned through the QBE formula. We have been told that the funding loss could be as high as a 20% reduction in QBE, a potential loss of over \$17,000,000. We do not know what the final numbers will be or when those will be available. Those decisions are in the hands of the legislature and Governor.

We do know that there will be major cuts for the school system and that all expenses are being reviewed—personnel, benefits, class sizes, programs and services. Meanwhile our system operations must move forward in the process of determining through budget planning what will be required and what will be eliminated, thus affecting the issuing of contracts.

Times like these really push us all to our limits. We appreciate your patience and understanding through this crisis and your continuing efforts in giving our students your best. As we receive information and make decisions you will be informed of actions in a timely manner.