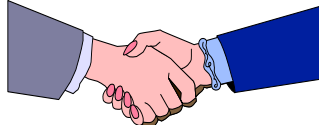


GARDEN GROVE EDUCATION ASSOCIATION
NEGOTIATIONS UPDATE



September 10, 2007

STATE BUDGET PASSED FINALLY!!

California Legislators finally passed a 2007-08 state budget on August 21st. The Assembly had approved the budget in July, but the measure became stalled in the Senate. Finally, the Senate approved the measure with the required two-thirds majority. With most schools starting this week, the budget was passed just in time.

Under the terms of the Budget, schools will receive full funding to cover the statutory Cost of Living Adjustment (COLA) of 4.53%. This year's budget does meet the Proposition 98 funding guarantee, but at a "bare-bones" level. A budget trailer bill (SB 78) reduces the Proposition 98 appropriation by \$427 million. This money is replaced with "one-time" money in the same amount. However, this funding will not be on-going and therefore the Proposition 98 funding for future years has been decreased.

Since most of our elementary schools are experiencing a decline in enrollment, we will have fewer students this year overall. This means that our funding from the State will not increase at the same rate as the State COLA. The declining enrollment trend is expected to last for several years. GGEA's Negotiations Team will be analyzing the District budget in light of declining enrollment in order to properly prepare the Association's position on the budget.

NEGOTIATIONS SESSIONS TO RESUME

The two negotiating teams will be resuming their sessions on September 24. They will continue their discussions of stipends for elementary teachers, special education teachers and other miscellaneous groups. With the state budget finally in place now, the teams will now be able to address salary increases for this school year.

GGEA's team members are Armon Akerboom, Chris Francis, Lucy Farmer, Dave Brewer, Heidi Brown and Judy Harrison. The District's team members are Joli Armitage, Margaret Feliciani, Beth Cusimano and Jason Bevacua.