



STATE OF ARIZONA

June 20, 2013

JANICE K. BREWER
GOVERNOR

EXECUTIVE OFFICE

The Honorable Ken Bennett
Secretary of State
Capitol Executive Tower, 7th Floor
1700 W. Washington
Phoenix, Arizona 85007

RE: House Bill 2018 (school district budget errors; repayment)

Dear Secretary Bennett,

Today, I vetoed House Bill 2018, which would have extended Saddle Mountain Unified School District's repayment of past overexpenditures through FY 2026. I sympathize that this district is in financial trouble. However, Saddle Mountain has already received three extensions on its repayment, and House Bill 2018 would simply push resolution of its obligation too far into the future.

From school years 2004 through 2007, Saddle Mountain over-expended its budget limit by about \$4.4 million. In 2007, legislation was passed that enabled the district to pay off the debt over five years rather than two years. In 2008, Saddle Mountain was placed in receivership, and made sweeping personnel changes. That year, and again in 2010, the debt repayment was extended. Had the district completed its original plan, the debt would have been paid off by now. Even without this legislation, Saddle Mountain has until FY 2020 to resolve its debt. Expenditure limits must mean something.

There are many dedicated teachers and staff in Saddle Mountain who have made significant sacrifices to remedy the financial issues facing the district. I thank them for their efforts, and ask that administrators and voters within the district make the decisions necessary to pay down the debt.

Sincerely,

A handwritten signature in black ink that reads "Janice K. Brewer".

Janice K. Brewer
Governor

cc: The Honorable Andy Tobin
The Honorable Andy Biggs
The Honorable Steve Montenegro