

**BEFORE THE BOARD OF EDUCATION
WILLOWS UNIFIED SCHOOL DISTRICT
COUNTY OF GLENN, STATE OF CALIFORNIA**

RESOLUTION #2019-20-15

**RESOLUTION REGARDING FISCAL SOLVENCY
2021-2022 AND 2022-2023**

WHEREAS, the Board of Education of the Willows Unified School District has a fiduciary duty to meet its financial obligations in the current and two subsequent fiscal years pursuant to Education Code 42127; and,

WHEREAS, the revenues provided to education in the Governor's 2020-21 May Revision Budget propose an immediate 10% reduction to the Local Control Funding Formula and to other state revenues, resulting in increased deficit spending of a like amount, and reducing General Fund unrestricted reserves to 8.7% in the budget year and resulting in fiscal insolvency in the two future years; and,

WHEREAS, negotiations between the Governor and the Legislature are ongoing at the time of budget adoption, making it unclear what the actual state revenues to school districts will be; and,

WHEREAS, the Board has previously resolved to maintain General Fund unrestricted fund balances in excess of the required 3% minimum reserve and may use those funds to offset future expenditure reductions; and,

WHEREAS, while these actions may be necessary to maintain the fiscal solvency of the district, the Board will continue to make every effort to sustain a high-quality education program for our students;

NOW, THEREFORE, BE IT RESOLVED, the District formally commits itself to implement the necessary budget reductions in order to maintain fiscal solvency once a final 2020-21 state budget is known; and,

BE IT FURTHER RESOLVED, should the final state budget indicate the need for expenditure reductions, the District will prepare a plan of budget reductions for 2021-22 and 2022-23 and a timeline for implementation with the 2020-21 First Interim Report and an updated plan, as necessary, with the Second Interim Report.

This resolution becomes supplemental to the District's 2020-21 Adopted Budget report.

PASSED AND ADOPTED by the Governing Board on this 24th of June, 2020 by the following vote:

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____

President, Board of Education

ATTEST:

I, _____, Clerk/Secretary of the Board of Education of the Willows Unified School District, County of Glenn, do hereby certify that the foregoing is a full, true and correct copy of a resolution duly passed and adopted by said Board at a meeting held at its regular meeting place on June 24, 2020, which action is contained in the minutes of the meeting of the Board.

Clerk/Secretary, Board of Education