

**SANTA MONICA MALIBU UNIFIED SCHOOL DISTRICT  
BOARD OF EDUCATION**

**RESOLUTION TO IDENTIFY THE AMOUNT OF BUDGET REDUCTIONS NEEDED IN  
2020-21 AND 2021-22 AND TO REQUIRE THAT A LIST OF BUDGET REDUCTIONS FOR  
2020-21 AND 2021-22 BE INCLUDED IN THE 2019-20 SECOND INTERIM REPORT**

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

**WHEREAS**, current budget projections for 2020-21 show the District having a structural deficit of \$9 million; and

**WHEREAS**, in the absence of substantial budget reductions, current budget projections show that the District's ending fund balance of \$13.6 million in 2019-20 will decline to an ending fund balance of \$5.7 million by 2021-22, which leaves the District's reserve \$618,646 above the State required 3% Reserves for Uncertainties; and

**WHEREAS**, for 2020-21 through 2022-23 it is projected that the district will need to implement budget reductions or revenue enhancements that result in a cumulative amount of approximately \$9 million; and

**WHEREAS**, the Superintendent is creating a Budget Advisory Committee composed of district and community stakeholders to advise with respect to these necessary budget reductions/revenue enhancements and any other available options; and

**WHEREAS**, given the relative unpredictability of district revenues as SMMUSD becomes a "community-funded" district, these projections will need to be regularly re-visited; and

**WHEREAS**, the Board of Education will continue to sustain a high quality education program for our students despite the need for budget reductions necessary to maintain the fiscal stability of the district, and

**NOW, THEREFORE, BE IT RESOLVED**, if the fiscal condition of the District remains as currently projected, the district will implement necessary budget reductions and/or revenue enhancements in 2020-21 through 2022-23 that achieve full or substantial alleviation of the district's structural deficit; and

**BE IT FURTHER RESOLVED**, that the district will submit a detailed plan of proposed budget reductions and/or revenue enhancements for 2020-21, 2021-22, and 2022-23 and a timeline for implementation with the 2019-20 Second Interim Report and an update at Third Interim Report. This resolution supplements the District's 2019-20 First Interim Budget Report.

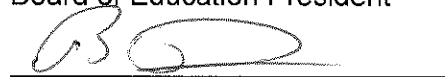
**PASSED AND ADOPTED** by the Santa Monica-Malibu Unified School District Board of Education on December 12, 2019, by the following vote:

AYES: 6  
NOES: 0  
ABSTAIN: 0  
ABSENT: 1



Mr. Jon Kean  
Board of Education President


12/12/19  
Date



Dr. Ben Drati  
Superintendent

12/12/19  
Date

I, Dr. Ben Drati, Clerk/Secretary of the Governing Board, 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 regularly called and conducted meeting held on said date.

  
Clerk/Secretary of the Governing Board