



**MT. DIABLO UNIFIED SCHOOL DISTRICT GOVERNING BOARD
RESOLUTION NO. 21/22-50
TO IDENTIFY THE AMOUNT OF BUDGET REDUCTIONS NEEDED IN
2022-25 TO MAINTAIN FISCAL SOLVENCY**

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, the District faces significant declining enrollment. Based on current projections, the student population in the District is expected to continue to decline over the next three years. During the 2019/2020 school year, there were approximately 30,724 students enrolled at District schools, and enrollment is expected to decline to 27,637 students by the 2024/25 school year; and

WHEREAS, the District is currently in labor negotiations with all its labor partners in a collective effort to increase the salaries for District employees in recognition of the District employees' continuing hard work in maintaining district operations and increasing student achievement, while remaining responsible fiscal stewards; and

WHEREAS, current budget projections for 2021/2022 show a continuing structural deficit of \$7.5 million for this year, increasing to \$17.8 million in 2022/2023; and

WHEREAS, in the absence of substantial budget reductions, and upon implementation of projected salary increases coupled with continuing declining enrollment, current budget projections show that the District's ending fund balance of \$81.9 million in 2021/2022 will decline to an ending fund balance of \$50.7 million by 2024/2025, which does not take into account any salary increases for staff; and

WHEREAS, for 2022/2023 it is projected that the District will need to implement budget reductions that result in a cumulative amount of approximately \$10 million to afford the current salary increases offered to our bargaining groups while maintaining a positive certification; 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,

NOW, THEREFORE, BE IT RESOLVED, the District will need to implement necessary ongoing budget reductions, and in the 2022/2023 fiscal year, that equates to \$10 million in reductions; and

BE IT FURTHER RESOLVED, that the District will promptly submit a detailed plan of proposed budget reductions and a timeline for implementation.

This Resolution shall take effect upon its adoption.

AYES: NOES: ABSENCES: ABSTENTIONS :

Debra Mason, Board President

Keisha Nzewi, Board Vice President

Cherise Khaund, Board Member

Linda Mayo, Board Member

Erin McFerrin, Board Member

Dr. Adam Clark, Superintendent

Resolution 21/22-50

Adopted at the meeting of the MDUSD Governing Board of Education on 02/09/2022
