

**Burbank Unified School District  
Administrative Services**

**REPORT TO THE BOARD**

TO: Members of the Board of Education

FROM: Debbie Kukta, Assistant Superintendent, Administrative Services

PREPARED BY: Alyssa Low, Director of Fiscal Services

SUBMITTED BY: Ruthie DiFonzo, Senior Administrative Assistant

DATE: December 14, 2020

SUBJECT: Adoption of Resolution 21 for Fiscal Solvency

---

**Background:**

The Burbank Unified School District must prepare a first interim budget that reflects actual revenues and expenses from July 1 through October 30 which must be reviewed, approved and submitted to the Los Angeles County Office of Education (LACOE) on or before December 15 of the fiscal year. This budget is based upon assumptions regarding projected enrollment, State and Federal funding. The impact of COVID-19 on the global economy has brought about a recession becoming a significant factor of change to the budget projections which adversely affects K-12 funding.

**Discussion/Issues:**

Due to these changes, in order to remain fiscally solvent, the District will need to make drastic cuts to reach the required 3% Reserve for Economic Uncertainty in fiscal year 2022-2023. The Board recognizes its fiduciary responsibility to maintain fiscal solvency and the resolution provides acknowledgement of the potential reductions and cuts necessary to make in order to remain fiscally solvent in 2022-2023.

**Fiscal Impact:**

There is no fiscal impact in adopting this resolution.

**Recommendation:**

Debbie Kukta, Assistant Superintendent, Administrative Services, recommends that the Board of Education adopt Resolution 21 for Fiscal Solvency, as presented.



**RESOLUTION 21**

**RESOLUTION OF THE BOARD OF EDUCATION OF THE  
BURBANK UNIFIED SCHOOL DISTRICT  
APPROVING THE DEVELOPMENT OF A FISCAL STABILIZATION PLAN AND  
IMPLEMENTATION TIMELINE FOR FISCAL YEAR 2022-2023**

**IN SUBMITTING**, the 2020-2021 Burbank Unified School District First Interim Budget, the Board understands its fiduciary responsibility to maintain fiscal solvency for the current and subsequent two fiscal years pursuant to Education Code 42127. At this time, there is a high degree of uncertainty due to COVID-19, the State’s delay of District’s revenue, declining enrollment, and the rate of economic recovery, all of which impact the level of proposed reductions for the 2022-2023 fiscal year. With the 2020-2021 First Interim Budget submission, the Board is approving the development of a fiscal stabilization plan along with an implementation timeline for fiscal year 2022-2023.

**WHEREAS**, in March 2020, the Board of Education approved a Fiscal Stability Plan for the 2020-2021 and 2021-2022 fiscal year. Of the projected \$3,844,354 of reductions approved to be made in the 2020-2021 fiscal year, \$3,899,223 was reduced and is reflected in the First Interim budget. Of the \$5,446,116 of reductions approved to be made in the 2021-2022 fiscal year, \$4,499,223 reductions have been projected as of First Interim; and

**WHEREAS**, for the 2022-2023 fiscal year, it is projected that the District will need to implement budget reductions of \$18,289,560; and

**WHEREAS**, while these actions must be taken to maintain the fiscal stability of the District, the Board of Education will continue to make every effort to sustain a high quality education program for our students; and

**BE IT FURTHER RESOLVED**, that the District will submit a detailed plan of budget reductions for 2022-2023 and a timeline for implementation at Second Interim Report.

**PASSED AND ADOPTED** by the Board of Education of the Burbank Unified School District on this December 14, 2020, by the following vote:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

\_\_\_\_\_  
President of the Board of Education of the  
Burbank Unified School District

ATTEST: \_\_\_\_\_

\_\_\_\_\_  
Clerk of the Board of Education  
Burbank Unified School District