

**PLUMAS UNIFIED SCHOOL DISTRICT, BOARD OF EDUCATION**

**RESOLUTION No. 1678**

**REQUESTING AN EMERGENCY ADVANCE APPORTIONMENT**

**PURSUANT TO ARTICLES 2.0 OF CHAPTER 2 OF PART 2 AND ARTICLES 2.0, 2.5 and 2.7 OF  
CHAPTER 3 OF PART 24 OF THE CALIFORNIA EDUCATION CODE, AS APPLICABLE**

**WHEREAS**, pursuant to Education Code Section 1240, the Plumas Unified School District (“District”) filed a negative certification for both the 2024-25 first and second interim financial reports indicating that it will not be able to meet its financial obligations in the current or subsequent fiscal year; and

**WHEREAS**, in response to the negative certification the District and the California Department of Education jointly requested that the Fiscal Crisis and Management Assistance Team conduct a multiyear financial projection and cash flow projection review; and

**WHEREAS**, the Fiscal Crisis and Management Assistance Team published its multiyear financial projection and cash flow projection review on April 6, 2025, projecting a deficit of \$8,026,718 in the current 2024-25 fiscal year, a deficit of \$8,248,902 in the first subsequent 2025-26 fiscal year, and a deficit of \$7,869,128 in the second subsequent 2026-27 fiscal year; and

**WHEREAS**, the deficit amounts above result in a projected negative \$4,727,146 general fund ending fund balance as of June 30, 2025, a negative \$12,976,048 general fund ending fund balance as of June 30, 2026, and a negative \$20,845,176 general fund ending fund balance as of June 30, 2027; and

**WHEREAS**, the negative fund balances above do not include the three percent standard reserve amount of approximately \$1,300,000 for each fiscal year; and

**WHEREAS**, based on the above projections, the Fiscal Crisis and Management Assistance Team further projects that the District will have a negative month end general fund cash balance of \$1,747,979 as of August 30, 2025, growing to a negative month end cash balance of \$10,632,289 as of November 30, 2025, and ending the 2025-26 fiscal year on June 30, 2026 with a negative month end general fund cash balance of \$5,175,078; and

**WHEREAS**, the District has exhausted all of its sources of alternative liquidity and any external sources of short-term cash sources; and

**WHEREAS**, the District’s Board of Education has a fiduciary duty and desires to meet its financial obligations; and

**WHEREAS**, the District’s Board of Education acknowledges its ability to voluntarily seek protection from its creditors as a financially-distressed municipality under Chapter 9 of the United States Bankruptcy Code; and

**WHEREAS**, Articles 2.0, 2.5 and 2.7 of Chapter 3 of Part 24 of the Education Code (commencing with Sections 41320, 41325 and 41329.50, respectively), as applicable, known collectively as the receivership statutes, provide for an emergency advance apportionment, and the required prerequisites, conditions, consequences, and funding mechanisms of such emergency advance apportionment; and

WHEREAS, on April 28, 2025 at a special meeting of the District’s Board of Education, the District’s Board of Education discussed the need for the emergency apportionment, and opened the floor to public comment to receive testimony regarding the emergency apportionment from parents, exclusive representatives of employees of the District, and other members of the community, pursuant to Education Code section 41326(a).

**NOW, THEREFORE**, the Board of Education of the Plumas Unified School District finds, determines, declares, orders and resolves as follows:

1. That all of the recitals set forth above are true and current.
2. That the Board of Education of the Plumas Unified School District determines that the District’s revenues are less than the amount necessary to meet its current year expenditure obligations, pursuant to Education Code section 41320.2(a).
3. That the Board of Education of the Plumas Unified School District voluntarily requests the State of California provide an emergency advance apportionment, in an amount to be determined but not to exceed twenty million dollars (\$20,000,000), pursuant to Articles 2.0, 2.5 and 2.7 of Chapter 3 of Part 24 of the Education Code (commencing with Sections 41320, 41325 and 41329.50, respectively), as applicable.
4. This resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the Board of Education on April 28, 2025, by the following votes:

AYES:

NOES:

ABSENT:

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JoDee Read, Governing Board President