

SMMUSD Financial Oversight Committee Meeting Minutes

Date: Tuesday, September 21, 2021

Time: 6:00 pm to 8:00 pm

Location: Zoom

https://drive.google.com/file/d/11NzaQOQVaJUMKyOWJyeBZzrBWg9m7koC/view?usp=sharing

I. Call to Order

6:04 pm Committee Members: Matthew Crawford Matthew Covington

> Alex Farivar Seth Jacobson Michael Kremer Shawn Landres

Paval Maniar Renu Mevasse - departed @ 8:12 p.m.

JW Beekman Michael Rotgin

Amanda Del Pozo Cucumides, SAMOHI student rep

Zoe Pollack, Malibu student rep

Melody Canady Staff: Mark Kelly – departed @ 7:26 p.m.

> Gerardo Cruz **David Chiang** Kim Nguyen Bonnie Kung

Board Liaison: Jon Kean Keith Coleman – joined @ 6:16 p.m.

Craig Foster – arrived @ 6:05 p.m.

Public: Karen Lookingbill, CalPERS – CERBT – departed @ 6:41 p.m.

II. Welcome

The FOC welcomed new members JW Beekman and Michael Rotgin. The committee also 6:04 pm welcomed Student Members Zoe Pollack from Malibu High, and Amanda Del Pozo

Cucumides from SAMOHI, who was present as an alternate for Denise Rosa. The committee also welcomed new staff member David Chiang, Assistant Director of Fiscal Services.

III. Approval of Agenda

A motion was made by Mr. Jacobson and seconded by Mr. Crawford to approve the meeting 6:10 pm

agenda.

AYES: Ten (10) (Mr. Beekman, Mr. Covington, Mr. Crawford, Mr. Farivar, Mr. Jacobson,

Mr. Kremer, Mr. Landres, Ms. Maniar, Ms. Mevasse, Mr. Rotgin)

NOES: None (0) ABSENT: None (0) ABSTAIN: None (0)

IV. Approval of FOC Meeting Minutes

6:11 pm A motion was made by Mr. Landres and seconded by Mr. Jacobson to approve the June 23, 2021 meeting minutes as amended.

Under V.B. Committee report to the Board of Education on July 15, 2021:

The committee discussed their concerns and clarified the subcommittee's focus on clarity and accuracy, rather than promotion.

AYES: Eight (8) (Mr. Beekman, Mr. Crawford, Mr. Farivar, Mr. Jacobson, Mr. Kremer,

Mr. Landres, Ms. Maniar, Ms. Mevasse)

NOES: None (0)

ABSENT: One (1) (Mr. Covington) ABSTAIN: One (1) (Mr. Rotgin)

Mr. Rotgin abstained as he was not a committee member at the time of the meeting.

A motion was made by Mr. Rotgin and seconded by Mr. Jacobson to approve the September 14, 2021 meeting minutes.

AYES: Seven (7) (Mr. Beekman, Mr. Crawford, Mr. Farivar, Mr. Jacobson, Ms. Maniar,

Ms. Mevasse, Mr. Rotgin)

NOES: None (0)

ABSENT: One (1) (Mr. Covington)

ABSTAIN: Two (2) (Mr. Kremer, Mr. Landres)

Mr. Kremer and Mr. Landres abstained as they were not present at the meeting.

V. Annual CERBT Update Presentation: Karen Lookingbill, CalPERS-CERBT Program

Ms. Lookingbill provided the committee with an annual update. She answered the committee's questions and provided clarification on the OPEB Valuation Report Summary. The Total OPEB Liability (TOL) for 2021 was unavailable at the time of the presentation as the district is still in the process of finalizing the report.

The presentation may be found at:

 $\underline{https://www.smmusd.org/cms/lib/CA50000164/Centricity/Domain/300/FinReports/CERBTAccountUpdate092121.pdf}$

VI. Student Enrollment – Assistant Superintendent, Human Resources: Dr. Mark Kelly

6:43 pm Dr. Kelly provided the committee with a presentation regarding the district's student enrollment. The committee requested enrollment data by school site and suggested tracking average class sizes for each site. The committee questioned how the decline in

enrollment affected allocation of facilities and staffing decisions. The committee also inquired if the district was planning any forward-looking study to analyze the rate of change and its effect on the projections for future class sizes.

The presentation and supplemental documents may be found at the end of these minutes.

VII. Assistant Superintendent, Business and Fiscal Report: Melody Canady (30 min)

7:26 pm A. Unaudited Actual Report – September 2, 2021 Board meeting

Ms. Canady provided the committee with an overview of the unaudited actuals presentation from the September 2, 2021 Board of Education meeting. Ms. Canady and Mr. Cruz provided clarification regarding the changes in the multi-year projections pertaining to certificated salary and Measure Y & GSH

The committee requested that they receive the draft financials as soon as possible to have sufficient time to review.

The following unaudited actual documents may be found at the links below:

Report: https://simbli.eboardsolutions.com/Meetings/Attachment.aspx?S=36030435&AID=160123&MID=7633

Presentation: https://simbli.eboardsolutions.com/Meetings/Attachment.aspx?S=36030435&AID=160123&MID=7633

VIII. Discussion/Action Items

7:58 pm A. Vacancy in FOC

Ms. Maniar informed the committee that Ms. Melinda Newman had resigned from the FOC due to her move out of the district boundaries. Mr. Crawford provided the committee with an update on the nominations process. From last spring's application process, six (6) applicants remain for consideration, as applications are valid for a year. A new nominations subcommittee will be determined during item VIII.C. The subcommittee will proceed with interviews and make recommendations at the next meeting.

8:01 pm B. FOC Charges and Board of Education mandates for 2021-2022

The committee received the 2021-22 FOC Charges approved at the August 12, 2021 Board of Education meeting. Revisions were made to clarify the language of the Financial Communication and Reporting Subcommittee Charge.

The committee discussed the founding documents and clarified the role of the FOC from its original establishment to their current understanding of the FOC's scope of work as charged by the Board. The committee suggested an informal review of the current statement of purpose and the possibility of revisiting for clarification at a future meeting.

The Board's meeting minutes, the final version of the FOC report and presentation, and the founding documents may be found at the end of these minutes. The FOC Statement of Purpose may be found at: https://www.smmusd.org/Page/3901.

A motion was made by Mr. Landres and seconded by Mr. Crawford to submit the final version of the recommended 2021-22 FOC charges as an informational item to the Board of Education.

AYES: Nine (9) (Mr. Beekman, Mr. Covington, Mr. Crawford, Mr. Farivar, Mr. Kremer,

Mr. Landres, Ms. Maniar, Ms. Mevasse, Mr. Rotgin)

NOES: None (0)

ABSENT: One (1) (Mr. Jacobson)

ABSTAIN: None (0)

8:25 pm C. Election of Ad hoc Subcommittee Membership

The subcommittee membership are as follows:

- 1. Budget Recommendations: Mr. Covington, Mr. Beckman, Mr. Jacobson, Mr. Rotgin
- 2. Tax Revenue and Assessed Valuation: Mr. Crawford, Mr. Farviar, Mr. Kremer
- 3. Bond Oversight: Mr. Kremer, Mr. Crawford, Ms. Mevasse
- 4. Measure R Reporting and Process Review: Mr. Landres, Mr. Crawford, Ms. Maniar
- 5. Financial Communication and Reporting Subcommittee: Mr. Landres, Ms. Maniar, Mr. Rotgin, Mr. Beekman, Mr. Jacobson
- 6. Nomination: Mr. Kremer, Ms. Maniar, Ms. Mevasse

8:39 pm D. Update Refunding Bonds

This item was tabled for the October 28, 2021 meeting.

8:40 pm E. Future Meetings - Formats and Time

The committee discussed the requirements pursuant to AB 361 to continue meeting remotely. Staff will notify the committee once clarification is received from district counsel regarding the resolution.

A motion was made by Mr. Landres and seconded by Ms. Maniar to agendize a resolution pursuant to AB 361 to make findings related to the state of emergency and authorize remote teleconference meetings as the first item at its next meeting.

AYES: Nine (9) (Mr. Beekman, Mr. Covington, Mr. Crawford, Mr. Farivar, Mr. Jacobson,

Mr. Kremer, Mr. Landres, Ms. Maniar, Mr. Rotgin)

NOES: None (0)

ABSENT: One (1) (Ms. Mevasse)

ABSTAIN: None (0)

IX. Receive and File (Limited Discussion)

8:50 pm

- A. Learning Continuity & Attendance Plan: Projected Expenditures presented by Dr. Mora https://simbli.eboardsolutions.com/Meetings/Attachment.aspx?S=36030435&AID=127826&MID=6286
- B. 2020-21 Covid-19 Funds presented by Melody Canady https://simbli.eboardsolutions.com/Meetings/Attachment.aspx?S=36030435&AID=126554&MID=6286
- C. 2020-21 First Interim Budget Traditional vs. Covid-19 Budget Line Items https://simbli.eboardsolutions.com/Meetings/Attachment.aspx?S=36030435&AID=81819&MID=4504
- D. 2020-21 Second Interim Budget Traditional vs. Covid-19 Budget Line Items https://simbli.eboardsolutions.com/Meetings/Attachment.aspx?S=36030435&AID=104433&MID=5506
- E. 2020-21 Third Budget Revision Traditional vs. Covid-19 Budget Line Items https://simbli.eboardsolutions.com/Meetings/Attachment.aspx?S=36030435&AID=126772&MID=6286
- F. Final Official Statement General Obligation Bonds of School Facilities Improvement District No. 1 (Santa Monica Schools) Election of 2018, Series B 06/16/21 https://www.smmusd.org/cms/lib/CA50000164/Centricity/Domain/300/FinReports/SFID1FinalOfficialStatement061621.pdf
- G. Final Official Statement General Obligation Bonds of School Facilities Improvement District No. 2 (Malibu Schools) Election of 2018, Series B 06/16/21 https://www.smmusd.org/cms/lib/CA50000164/Centricity/Domain/300/FinReports/SFID2FinalOfficialStatement061621.pdf
- H. Post-Pricing Book School Facilities Improvement District No. 1 (Santa Monica Schools) and No. 2 (Malibu Schools) Election of 2018, Series B 07/02/21 https://www.smmusd.org/cms/lib/CA50000164/Centricity/Domain/300/FinReports/PostPricingBook-080221.pdf
- I. Arbitrage Certificate General Obligation Bonds of School Facilities Improvement District No. 1 (Santa Monica Schools) Election of 2018, Series B – 07/01/21 https://www.smmusd.org/cms/lib/CA50000164/Centricity/Domain/300/FinReports/SFID1CertificateastoArbitrage.pdf
- J. Arbitrage Certificate General Obligation Bonds of School Facilities Improvement District No. 2 (Malibu Schools) Election of 2018, Series B – 07/01/21 https://www.smmusd.org/cms/lib/CA50000164/Centricity/Domain/300/FinReports/SFID2CertificateastoArbitrage.pdf
- K. Preliminary Official Statement 2021 Refunding General Obligation Bonds dated 07/30/21 https://www.smmusd.org/cms/lib/CA50000164/Centricity/Domain/300/FinReports/POS2021-RefundingGOB073021.pdf
- L. 2021 Refunding General Obligation Bonds Bond Purchase Agreement 8/3/21 https://www.smmusd.org/cms/lib/CA50000164/Centricity/Domain/300/FinReports/BPA-FullyExecuted080321.pdf
- M. 2021 Refunding General Obligation Bonds Final Numbers 8/3/21 https://www.smmusd.org/cms/lib/CA50000164/Centricity/Domain/300/FinReports/2021GOBondsDBCResults080321.pdf
- $N. \ CERBT \ Asset \ Class \ Fact \ Sheet 6/30/21 \\ \underline{https://www.smmusd.org/cms/lib/CA50000164/Centricity/Domain/300/FinReports/CERBTAssetClassFactSheets063021.pdf}$
- $O. \ \ Final\ Official\ Statement\ 2021\ Refunding\ General\ Obligation\ Bonds 8/3/21 \\ \underline{https://www.smmusd.org/cms/lib/CA50000164/Centricity/Domain/300/FinReports/2021RefundingGOBFinalOfficialStatement080321.pdf}$
- P. Post-Pricing Book for 2021 Refunding General Obligation Bonds 9/1/21 https://www.smmusd.org/cms/lib/CA50000164/Centricity/Domain/300/FinReports/Post-PricingBook2021RefundGOBonds090121.pdf
- Q. Joint Meeting Minutes / Study Session with the Board of Education: July 15, 2021
- R. Urgency Bill Allowing Virtual Meetings Signed by Governor Newsom 9/17/21

X. Public Comments None

XI. Committee Comments None

XII. Next Meeting: Thursday, October 28, 2021

XIII. Adjournment: The meeting adjourned at 8:52 p.m.



Financial Oversight Committee Enrollment Presentation

September 21, 2021



Definitions

Regular Education (Program 01)

All students in general education plus all students with IEPs who spend less than 50% of their day in special education.

Special Education (Program 02)

All student with IEPs who spend 50% or more of their day in special education.

Independent Study Program

All students in long-term independent study.

OCLC

All students in the Off Campus Learning Center program.

District School

All students in a Non-Public School (NPS) or Residential Treatment Facility (RTC) who maintain active enrollment in SMMUSD.



Enrollment History

- 9,200 As of September 17, 2021, 9,200 students are enrollment in SMMUSD.
 - O District staff are continuing to resolve enrollment in specific program identifiers (Regular Program, Special Education Program, Independent Study Program (long-term), Off Campus Learning Center).
 - O Census Day is Wednesday, October 6, 2021
- Five years of data reflect a 15% decline in enrollment.
- Enrollment Historical Analysis.9.17.21



Introduction

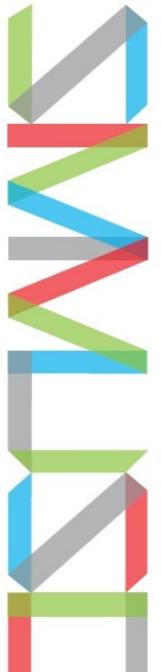
The Work of the District

The focus of the District, our initiatives and our priorities are what resonate most with prospective employees.

- Social Justice Standards
- Restorative Justice/Restorative Practices
- Bias Training/Bias Awareness
- Anti-Racism Efforts
- American Cultures & Ethnic Studies
- Professional Development & Professional Collaboration



	Cert	Class	Mngmt	Total	Students
African American	4.2%	22.8%	16.5%	15.2%	6.2%
Native American	0.3%	0.4%	0.0%	0.3%	0.2%
Asian	5.4%	4.8%	3.3%	4.9%	6.9%
Pacific Islander	4.0%	1.4%	0.0%	2.3%	0.2%
Latinx/Hispanic	16.1%	34.1%	24.2%	26.5%	30.0%
White	66.0%	23.9%	50.5%	41.7%	48.7%
Two or More	4.0%	6.4%	5.5%	5.4%	7.1%
Not Reported	0.0%	6.3%	0.0%	3.5%	0.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%



Staff Race/Ethnicity Demographics

Staff Race/Ethnicity				
	Cert	Class	Total	Students
African American	17.1%	14.3%	16.5%	6.2%
Native American	0.0%	0.0%	0.0%	0.2%
Asian	4.3%	0.0%	3.3%	6.9%
Pacific Islander	0.0%	0.0%	0.0%	0.2%
Latinx/Hispanic	20.0%	38.1%	24.2%	30.0%
White	51.4%	47.6%	50.5%	48.7%
Two or More	7.1%	0.0%	5.5%	7.1%
Not Reported	0.0%	0.0%	0.0%	0.8%
Total	100.0%	100.0%	100.0%	100.0%



Certificated Staff Race/Ethnicity Demographics					
2018 - 2019				2018 - 19	2020 - 21
	CA	LA County	SMMUSD	Students	Students
Black/African American	4.3%	8.2%	6.0%	6.4%	6.2%
Native American	0.5%	0.4%	0.4%	0.2%	0.2%
Asian	7.3%	10.4%	5.0%	6.8%	6.9%
Pacific Islander	0.3%	0.5%	3.7%	0.2%	0.2%
Latinx/Hispanic	21.5%	33.4%	15.9%	28.8%	30.0%
White	60.5%	41.7%	66.4%	50.8%	48.7%
Two or More	1.0%	0.9%	2.4%	6.1%	7.1%
Not Reported	4.6%	4.5%	0.1%	0.6%	0.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Staff Race/Ethnicity Demographics

Staff Race/Ethnicity Demographics							
2018 - 2019						2018 - 19	2020 - 21
	CA	CA Students	LA County	LAC Students	SMMUSD	SMMUSD Students	SMMUSD Students
Black/African American	4.3%	5.4%	8.2%	7.5%	6.0%	6.4%	6.2%
Native American	0.5%	0.5%	0.4%	0.2%	0.4%	0.2%	0.2%
Asian	7.3%	11.7%	10.4%	10.1%	5.0%	6.8%	6.9%
Pacific Islander	0.3%	0.5%	0.5%	0.3%	3.7%	0.2%	0.2%
Latinx/Hispanic	21.5%	54.6%	33.4%	65.2%	15.9%	28.8%	30.0%
White	60.5%	22.9%	41.7%	14.1%	66.4%	50.8%	48.7%
Two or More	1.0%	3.6%	0.9%	1.9%	2.4%	6.1%	7.1%
Not Reported	4.6%	0.9%	4.5%	0.7%	0.1%	0.6%	0.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%



Staff Race/Ethnicity Demographics

Observations

- Certificated When compared to the student demographics White, Latinx/Hispanic, Asian and African American – White exceed representation, while Asian, Latinx/Hispanic and African American are represented in lower proportions.
- Management When compared to the student demographics White, Latinx/Hispanic, Asian and African American – African American and White exceed representation, while Latinx/Hispanic and Asian are represented in lower proportion. Management demographics more closely align to student demographics.
- Comparison to California, Los Angeles County and SMMUSD SMMUSD's certificated staff demographics more closely align to California than that of Los Angeles County. Additionally, while areas for growth, SMMUSD staff is more aligned to students that both California and the County.



Certificated Hiring

Process (Non-management)

- Principals and Department Heads serve as hiring managers. Human Resources supports hiring managers with the process. Hiring managers, with assistance from designees:
 - O Request that Human Resources post vacant position(s).
 - O Review applications and select applicants for interviews.
 - O Conduct interviews, which include, whenever possible, demonstration lessons.
 - Conduct reference checks.
 - O Inform Human Resources of selection and request Human Resources to make an offer of employment.
- Hiring managers, and/or designees, whenever possible, engage teams in the selection process.



Certificated Hiring

Process (Management)

- At the Direction of the Superintendent, the Assistant Superintendent, Human Resources serves as the hiring manager. The hiring manager, with assistance from designees:
 - O Posts vacant position(s).
 - O Engages department head and site/department members in application screening.
 - O Selects applications for interviews.
 - O Facilitates first-round interviews. First-round interviews typically include certificated, classified, parent/community, and student (secondary) representatives.
 - O Facilitates second-round interviews with Superintendent, Assistant Superintendents, and any other designee requested by the Superintendent.
 - Conducts reference checks.
 - O Conducts additional activities as deemed necessary.
- The Superintendent retains the right to forego the process and recommend a candidate for hire.



Recruitment

Certificated

- Ed Join (online application) Recruitment (Certificated)
- Association of California School Administrators
- CA Association of African American School Administrators
- CA Association of Latino School Administrators
- CA Association for Bilingual Education
- University Contacts
- Internal Networks
- District Priorities & Initiatives



Retention

- Induction Program
 - Allows teachers with a preliminary credential to obtain a clear credential. A program of reflective self-study done with the mentorship of an experienced educator.
- New Administrators Group
- Job-Alike Groups
 - Co-administrators, counselors/advisors, psychologists, nurses, speech & language, departments, grade-levels.



Challenges

- Declining enrollment
 - Low teacher recruitment
- Teacher credentialing programs are generating smaller candidate pools
- Traditional shortage areas
 - Special education, Mathematics, and Science
- Housing and cost of living
- Timing
- Perceptions of Santa Monica & Malibu
 - O Do I see me in these communities?
- Staff capacity



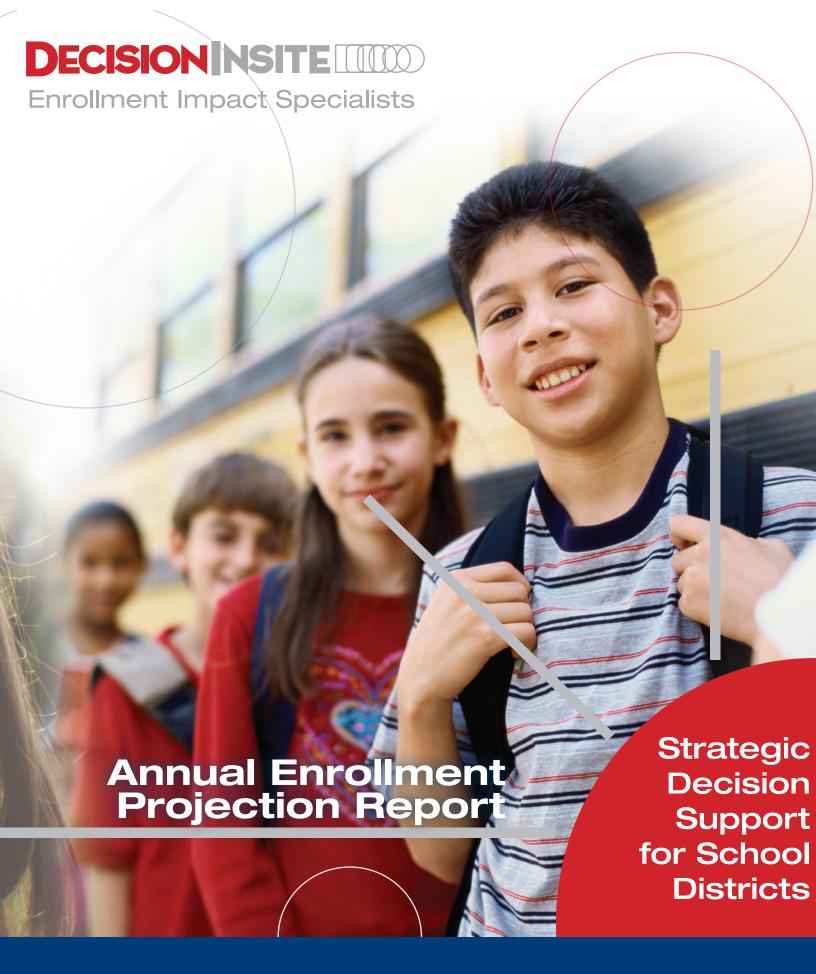
Staff Diversity Report

Board Member Questions, Comments, Requests and Recommendations for Staff

SMMUSD								
	10/7/2015	10/5/2016	2010/4/2017	10/3/2018	2010/2/2019	10/7/2020	9/17/21*	
	20	20	20	20	20	20	20	
Actual Enrollment								
	10005							
Program 01	10833	10636	10429	10225	9963	9332	0	
Program 02	312	304	318	321	329	275	0	
Total	11145	10940	10747	10546	10292	9607	0	*TBD
Independent Study	48	37	50	44	28	26	0	
Off Campus Learning Center	22	19	14	18	10	17	0	
Total (On Campus) Enrollment	11215	10996	10811	10608	10330	9650	0	*TBD
District School (NPS/RTC)	29	17	16	17	19	16	0	*TBD
Total District Enrollment	11244	11013	10827	10625	10349	9666	9200	
% Change from Previous Year		-2.05%	-1.69%	-1.87%	-2.60%	-6.60%	-4.82%	
Actual Change from Previous Year		-231	-186	-202	-276	-683	-466	
% Change in Last five (5) Years	-15.03%							
2017 - 2018 to 2021 - 2022								

SMMUSD																		
									8									
	Edison	Franklin	Grant	Malibu	McKinley	Muir	Rogers	Roosevelt	SMASH (K-8)	Webster	JAMS	LMS	MMS	MHS	Samohi	PBL	Olympic	Total
DecisionInsite - Cnsv.																		
Projection 2/5/2020																		
Program 01	428	682	565	238	420	237	460	713	216	265	917	1002	307	468	2648	100	36	9702
Program 02	0	18	24	7	31	22	8	15	10	5	28	43	4	6	91	0	4	316
Total	428	700	589	245	451	259	468	728	226	270	945	1045	311	474	2739	100	40	10018
Rollover Projections																		
2/5/2020																		
Program 01	443	689	562	241	425	235	465	734	217	268	911	1028	301	460	2651	100	27	9757
Program 02	0	15	28	6	32	22	7	11	10	2	22	49	8	3	70	0	7	292
Total	443	704	590	247	457	257	472	745	227	270	933	1077	309	463	2721	100	34	10049
District 01 <i>DI</i>	428	682	565	238	420	237	460	713	216	265	917	1002	307	468	2648	100	36	9702
Projection																		
District 01 Rollover	443	689	562	241	425	235	465	734	217	268	911	1028	301	460	2651	100	27	9757
2/5/2020																		
Difference (Roll - DI)	15	7	-3	3	5	-2	5	21	1	3	-6	26	-6	-8	3	0	-9	55
Actual Enrollment																		
10/7/2020																		
Program 01	425	627	536	205	401	227	457	639	218	220	906	980	294	464	2628	72	33	9332
Program 02	0	16	21	6	7	24	0	13	11	2	24	41	4	5	91	0	10	275
Total	425	643	557	211	408	251	457	652	229	222	930	1021	298	469	2719	72	43	9607
												<u> </u>	301	483	2742		46	
District 01 <i>DI</i>	428	682	565	238	420	237	460	713	216	265	917	1002	307	468	2648	100	36	9702
Projection																		316
District 01 Actual	425	627	536	205	401	227	457	639	218	220	906	980	294	464	2628	72	33	9332
10/7/2020																		275
Difference (Actual - DI)	-3	-55	-29	-33	-19	-10	-3	-74	2	-45	-11	-22	-13	-4	-20	-28	-3	-370
Independent Study													3	14	9		0	26
Off Campus Learning Cntr															14		3	17
Total (On Campus) Enrollment																		9650
District School (NPS/RTC)																		16
Total District Enrollment																		9666

SMMUSD																		
									<u>@</u>									
	Edison	Franklin	Grant	Malibu	McKinley	Muir	Rogers	Roosevelt	SMASH (K-8)	Webster	JAMS	LMS	MMS	MHS	Samohi	PBL	Olympic	Total
DecisionInsite - Cnsv.																		
Projection 1/5/2021																		
Program 01	443	629	571	189	362	239	447	678	227	231	898	928	254	444	2562	120	41	9263
Program 02	0	16	22	6	6	25	0	14	11	2	24	39	3	5	90	0	5	268
Total	443	645	593	195	368	264	447	692	238	233	922	967	257	449	2652	120	46	9531
Rollover Projections																		
1/5/2021																		
Program 01	421	563	513	178	371	221	424	613	218	207	889	941	259	412	2590	120	23	8963
Program 02	0	14	25	6	7	23	0	8	5	2	16	29	2	5	93	0	8	243
Total	421	577	538	184	378	244	424	621	223	209	905	970	261	417	2683	120	31	9206
District 01 <i>DI</i>	443	629	571	189	362	239	447	678	227	231	898	928	254	444	2562	120	41	9263
Projection																		
District 01 Rollover	421	563	513	178	371	221	424	613	218	207	889	941	259	412	2590	120	23	8963
1/5/2021																		1
Difference (Roll - DI)	-22	-66	-58	-11	9	-18	-23	-65	-9	-24	-9	13	5	-32	28	0	-18	-300
Actual Enrollment																		
9/17/2021																		
Program 01	383	547	545	202	373	243	400	587	219	212	867	911	271	416	2819	0	32	9027
Program 02	3	13	0	5	3	0	1	1	0	0	4	1	0	0	2	0	0	33
Total	386	560	545	207	376	243	401	588	219	212	871	912	271	416	2821	0	32	9060
													271	416	2821		32	<u>i </u>
District 01 <i>DI</i>	443	629	571	189	362	239	447	678	227	231	898	928	254	444	2562	120	41	9263
Projection																		268
District 01 Actual	383	547	545	202	373	243	400	587	219	212	867	911	271	416	2819	0	32	9027
9/17/2021																		33
Difference (Actual - DI)	-60	-82	-26	13	11	4	-47	-91	-8	-19	-31	-17	17	-28	257	-120	-9	-236
Independent Study																		119
Off Campus Learning Cntr																		0
Total (On Campus) Enrollment																		9179
District School (NPS/RTC)																		14
Total District Enrollment																		9193



ANALYSIS OF ENROLLMENT PROJECTIONS

FALL 2021

PREPARED FOR: SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT

PREPARED BY:

DECISION NSITE CONTROL SPECIAL STATES AND STATES AND

SUBMITTED: FEBRUARY 5, 2021

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SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT

EXECUTIVE SUMMARY

ENROLLMENT PROJECTIONS - FALL 2021

DecisionInsite is pleased to present this report of findings to the Board of Education and Executive Staff of Santa Monica-Malibu Unified School District. Both a Conservative and Moderate projection have been generated for the district. Assuming district revenue is generated on a per pupil basis, the Conservative projection is more suitable for budget planning purposes while the Moderate projection is more suitable for facilities planning purposes.

KINDERGARTEN ENROLLMENT

In general, Kindergarten enrollment over the past three years has been somewhat erratic. The data also show that the difference between the graduating cohort and the incoming cohort has been decreasing. Note that both studies project an increase at the Kindergarten level.

COHORT PATTERNS

A typical student cohort ages from grade to grade relatively unchanged from the previous year. Historically, no cohorts show more than a 5% annual change.

NEW HOUSING DEVELOPMENT

Approximately 3,000 new residential units are projected to be occupied over the next 10 years. During that period, the annual impact in any given year, based on the Moderate Study, is estimated in peak years to be 198 students.

DISTRICT-WIDE ENROLLMENT PROJECTION

Overall the projections forecast a significant decline across the 10-year period based upon the historical enrollment trends and any projected new residential development.

MORE INFORMATION

A richer and more comprehensive review of both studies is contained in the Final Report accompanying this Executive Summary. A wealth of more detailed information and analysis regarding both studies is also quickly and easily accessible online.

Respectfully Prepared and Submitted by:

The **DecisionInsite** Team

February 5, 2021

SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT

DISTRICT ENROLLMENT PROJECTIONS

RECENT CHANGES IN ENROLLMENT

Familiarity with recent historical enrollment patterns and trends establishes the foundation for understanding projected enrollment. Percentages in the table below compare the current year enrollment to that of three years ago.

4 Year History Change									
Kindergarten	76%								
Gr K-5	85%								
Gr 6-8	92%								
Gr 9-12	99%								
District (K-12)	91%								

FIGURE 1

KINDERGARTEN IMPACT

Kindergarten enrollment is a significant driver of overall future district-wide enrollment. A trend at Kindergarten from year to year, or a trend in the difference between the district's graduating cohort in a given year and the Kindergarten cohort the subsequent year, will eventually be reflected in the total district enrollment count. (Note that these projections reflect changes in age eligibility for California Kindergarten. The result is a diminished Kindergarten cohort in years 2012-2014, with similar reductions in other grade levels as those cohorts age through the system.)

In general, Kindergarten enrollment over the past three years has been somewhat erratic. The data in the table below also show that the difference between the graduating cohort and the incoming cohort has been decreasing.

[More details: Enrollment > Historical > District-Wide > History Years Enrollment]

Percent Change of Previous Year									
2018 2019 2020									
Kindergarten	96%	96%	83%						
Grade 12 to K	82%	75%	66%						
Total K-12	99%	98%	94%						

FIGURE 2

Transition K enrollment is forecast as a separate grade level. Transition K is projected to be as much as three times the enrollment of the first year of the program, but never to exceed 25% of the projected Kindergarten enrollment.

[All data in this report excludes Transition K unless specifically noted. More details: Reports > Projections > District-wide > Transition Kindergarten]

LIVE BIRTH TRENDS

Live birth trends have an impact in large geographies, and on long range projections. However, in smaller areas of study, such as a school district, population mobility is often a mitigating if not an overriding factor, thereby reducing

the effectiveness of live births as a predictor of enrollment. Consequently, DecisionInsite has found that recent Kindergarten enrollment trends by sub-geographies to be a better, more reliable predictor of future Kindergarten enrollment.

COHORT IMPACT

A typical student cohort ages from grade to grade relatively unchanged from the previous year. By contrast, the cohort matriculating from Kindergarten to Grade 1 is a common example of a cohort increase, typically attributable to students returning from a private school.

In the following table, cohort changes with more than a 2% variance from static are marked accordingly. Those with more than a 5% changed are marked as 'Significant'.

Average Cohort Change Past Three Years									
Cohort	Percent	+/-	Significant						
K > 1	98%								
1 > 2	99%								
2 > 3	97%								
3 > 4	100%								
4 > 5	98%								
5 > 6	99%								
6 > 7	98%								
7 > 8	100%								
8 > 9	99%								
9 > 10	100%								
10 > 11	98%								
11 > 12	101%								

FIGURE 3

INCOMING OUT-OF-DISTRICT TRANSFER IMPACT

The number of students served from outside the district boundaries can impact enrollment. It is a factor over which the district may have some control. For the past two years, the number of out-of-district students served annually has been approximately 1,485, and has been relatively stable.

[More details: Enrollment > Historical > District-Wide > Out of District]

KEY VARIABLES IN PROJECTING DISTRICT ENROLLMENT

Both a Conservative and Moderate projection have been generated for the district. Assuming district revenue is generated on a per pupil basis, the Conservative projection is more suitable for budget planning purposes while the Moderate projection is more suitable for facilities planning purposes.

As a matter of standard practice, DecisionInsite does not typically include specialized schools or programs such as Home and Hospital Programs, Community Day Schools or Independent Study Programs in the Enrollment Projections. Our work is focused on projecting grade level enrollment for typical schools that are reported to the state.

The major variables that distinguish the Conservative projection from the Moderate are described in the table below.

Key Varia	bles Controlling the Projections Algorithm
Kindergarten Enrollment Change	Applies the lesser or greater of 3-4 year history trend in each studyblock
	to the appropriate study.
Cohort Change	Applies the lesser or greater of 3-4 year history trend in each studyblock
	to the appropriate study.
K Enrollment Change Cap	Restricts the effect of anomalous spikes in Kindergarten history
K Enrollment Change Floor	Restricts the effect of anomalous spikes in Kindergarten history
Incoming Out-of-District Transfers	For each grade level span, applies the lesser or greater of 1-2 year history
	to the lograde; ages through existing students.
Dwelling Units	Moderate study assumes developer's phasing calendar. Conservative
	study shifts the developer's calendar toward the out-years.
Student Generation Rates	Typical of recent history by product type.

FIGURE 4

IMPACT OF PROJECTED NEW DWELLING UNITS

PROJECTED OCCUPANCY

Approximately 3,000 new residential units are projected to be occupied over the next 10 years. The tables below show the mix of proposed units across the three dwelling unit types. The Moderate table summarizes the plans described by developers while the Conservative table estimates a more likely scenario based on anticipated market conditions. The most recent residential research was completed in September 2020 by Madelynn Vesque.

[More details: Enrollment > Residential > District-Wide > Proposed Dwelling Units]

New Dwelling Units Projected to be Occupied by Year (Moderate)										
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Multi-family	538	326	357	589	448	162				
Attached				110	305	170				
Detached										
Totals:	538	326	357	699	753	332	0	0	0	0

FIGURE 5

New Dwelling Units Projected to be Occupied by Year (Conservative)										
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Multi-family	350	366	375	452	426	309	122	20		
Attached				72	183	178	118	34		
Detached										
Totals:	350	366	375	524	609	487	240	54	0	0

FIGURE 6

The graph below depicts visually the differences between the phasing projected in the Moderate and Conservative studies.

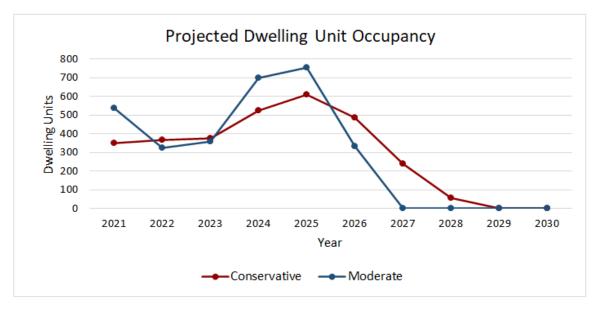


FIGURE 7

STUDENTS GENERATED

Over the period of years during which these units will become occupied, the impact, based on the Moderate scenario, is shown in the table below. The "Annual" row projects the number of students new to the district from these units each year. The "Aggregate" row projects the accumulated increase in students served by the district through the year indicated.

Students Generated by Residential Development (Moderate)										
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Aggregate		99	177	351	549	654	663	670	683	698
Annual	67	32	78	174	198	105	9	7	13	15

FIGURE 8

The table below reflects the students generated using the Conservative estimate of projected Dwelling Units.

Students Generated by Residential Development (Conservative)										
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Aggregate		83	131	197	291	384	445	468	476	485
Annual	43	40	48	66	94	93	61	23	8	9

FIGURE 9

STUDENT GENERATION RATES

Moderate student generation rates are typical of students enrolled from existing developments of similar product type. Conservative student generation rates, if different, are designed to anticipate a diminution in family size.

[More details: Enrollment > Residential > District-Wide > Student Generation Rates]

A complete report regarding new residential development is available online in our StudentView system under 'Home > Administration and Tools > District Documents'. This report includes a map of proposed dwelling unit projects, the phasing by dwelling unit type in each project, students generated by new development by studyblock, student generation rates. Additional individual reports can be found online in our StudentView system under 'Enrollment > Residential'.

PROJECTED ENROLLMENT CHANGES BY LEVEL

The tables below display the five-year district-wide projections by grade level and allow a comparison to enrollment in the current year.

CONSERVATIVE 5 YEAR DISTRICT-WIDE PROJECTION BY GRADE LEVEL

Grade	2020	2021	2022	2023	2024	2025
TK	96	105	102	100	100	100
K	525	577	559	548	546	545
1	601	581	565	549	540	541
2	629	635	582	566	552	547
3	631	659	628	577	563	553
4	671	686	665	633	585	572
5	719	703	678	658	628	586
6	659	718	686	672	656	622
7	791	646	704	672	661	651
8	805	787	644	700	668	661
9	784	813	771	636	691	662
10	786	778	806	765	635	693
11	813	769	762	789	751	631
12	852	806	762	755	782	748
Subtotals:	9362	9263	8914	8620	8358	8112
Pct Chg:	-6.0%	-1.1%	-3.8%	-3.3%	-3.0%	-2.9%
SDC:	275	269	256	248	240	234
Totals:	9637	9532	9170	8868	8598	8346

FIGURE 10

MODERATE 5 YEAR DISTRICT-WIDE PROJECTION BY GRADE LEVEL

Grade	2020	2021	2022	2023	2024	2025
TK	96	108	105	103	105	107
K	525	592	574	566	572	586
1	601	595	582	569	570	580
2	629	642	596	587	582	587
3	631	665	635	593	592	595
4	671	695	670	643	610	610
5	719	714	687	666	646	620
6	659	730	705	690	676	651
7	791	652	719	697	691	684
8	805	794	654	723	704	699
9	784	823	785	657	727	709
10	786	787	821	788	670	740
11	813	774	772	810	786	676
12	852	816	776	775	815	792
Subtotals:	9362	9387	9081	8867	8746	8636
Pct Chg:	-6.0%	0.3%	-3.3%	-2.4%	-1.4%	-1.3%
SDC:	275	273	261	255	251	248
Totals:	9637	9660	9342	9122	8997	8884

FIGURE 11

As the following graph illustrates, overall the projections forecast a significant decline across the 10-year period based upon the historical enrollment trends and any projected new residential development.

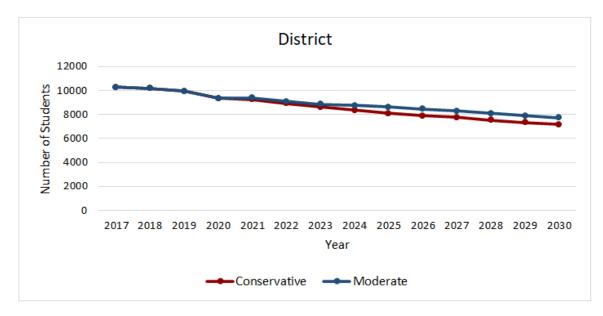


FIGURE 12

The tables below compare the Conservative and Moderate enrollment projections by key grade level groupings. Projected changes in enrollment at Kindergarten or lower grade level groupings will eventually impact total district enrollment.

5 YEAR ENROLLMENT TRENDS: MODERATE AND CONSERVATIVE COMPARED

Change by Level	Cnsv	Mod
Kindergarten	545	586
Change	104%	112%
Gr K-5	3344	3578
Change	89%	95%
Gr 6-8	1934	2034
Change	86%	90%
Gr 9-12	2734	2917
Change	85%	90%
District (K-12)	8012	8529
Change	86%	92%

FIGURE 13

Note that an averaging of both studies project an increase at the Kindergarten level.

The table below compares the ten-year projections. In the 10-year future at Kindergarten, both studies, averaged together, project a slight increase.

10 YEAR ENROLLMENT TRENDS: MODERATE AND CONSERVATIVE COMPARED

Change by Level	Cnsv	Mod
Kindergarten	516	571
Change	98%	109%
Gr K-5	3134	3428
Change	83%	91%
Gr 6-8	1611	1734
Change	71%	77%
Gr 9-12	2320	2485
Change	72%	77%
District (K-12)	7065	7647
Change	76%	83%

FIGURE 14

The graphs below compare the Conservative and Moderate enrollment projections by key grade level groupings.

ELEMENTARY SCHOOL LEVEL

The projected elementary school enrollment shows a significant decline.

[More details: Enrollment > Projections > Selected Schools > All Elementary Schools]

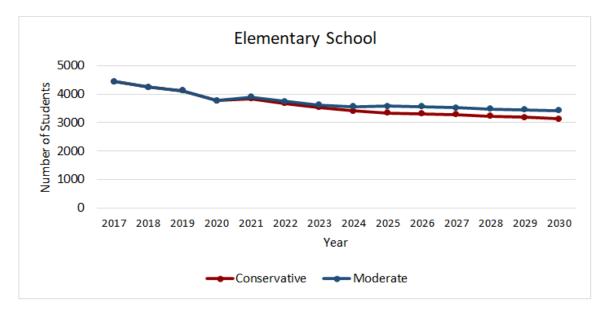


FIGURE 15

MIDDLE SCHOOL LEVEL

The projected middle school enrollment shows a significant decline.

[More details: Enrollment > Projections > Selected Schools > All Middle Schools]

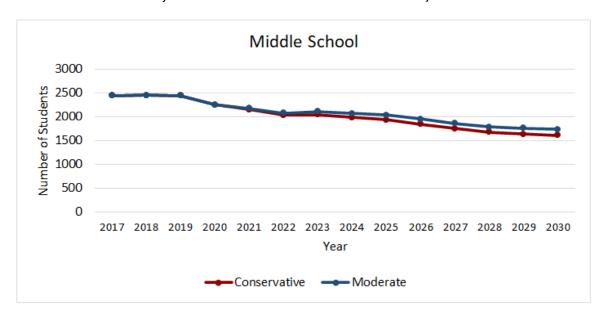


FIGURE 16

HIGH SCHOOL LEVEL

The projected high school enrollment shows a significant decline.

[More details: Enrollment > Projections > Selected Schools > All High Schools]

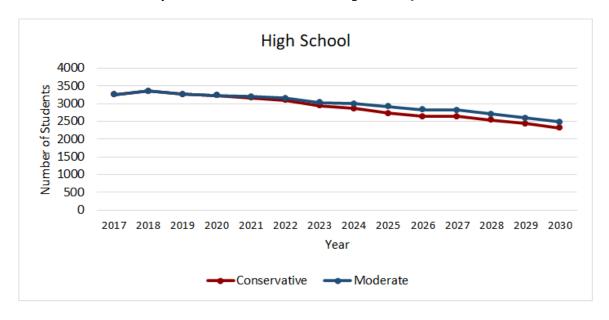


FIGURE 17

SUMMARY OF DISTRICT PROJECTIONS BY YEAR

The complete district-wide projection table for each study is available online. Corresponding sets of individual School Projections are available online as well.

The tables below present a more detailed annual view of projected changes by grade level clusters for both projections. The "Pct Previous Year" row represents the percent of the previous year's enrollment in each grade cluster that is projected in the subsequent year. The "Five Year Change" row represents the percent change projected over the enrollment five years prior.

CONSERVATIVE PROJECTION

Change by Level	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Kindergarten	525	577	559	548	546	545	544	540	533	524	516
Pct Prev Yr	83%	110%	97%	98%	100%	100%	100%	99%	99%	98%	98%
5-Yr Change						104%					95%
Gr K-5	3776	3841	3677	3531	3414	3344	3313	3279	3234	3184	3134
Pct Prev Yr	92%	102%	96%	96%	97%	98%	99%	99%	99%	98%	98%
5-Yr Change						89%					94%
Gr 6-8	2255	2151	2034	2044	1985	1934	1848	1754	1679	1638	1611
Pct Prev Yr	92%	95%	95%	100%	97%	97%	96%	95%	96%	98%	98%
5-Yr Change						86%					83%
Gr 9-12	3235	3166	3101	2945	2859	2734	2637	2640	2542	2434	2320
Pct Prev Yr	99%	98%	98%	95%	97%	96%	96%	100%	96%	96%	95%
5-Yr Change						85%					85%
		-								-	
District (K-12)	9266	9158	8812	8520	8258	8012	7798	7673	7455	7256	7065
Pct Prev Yr	94%	99%	96%	97%	97%	97%	97%	98%	97%	97%	97%
5-Yr Change						86%	·	·			88%

NOTE: Gray column most recent history year.

FIGURE 18

MODERATE PROJECTION

Change by Level	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Kindergarten	525	592	574	566	572	586	590	585	580	576	571
Pct Prev Yr	83%	113%	97%	99%	101%	102%	101%	99%	99%	99%	99%
5-Yr Change						112%					97%
Gr K-5	3776	3903	3744	3624	3572	3578	3570	3523	3486	3456	3428
Pct Prev Yr	92%	103%	96%	97%	99%	100%	100%	99%	99%	99%	99%
5-Yr Change						95%					96%
Gr 6-8	2255	2176	2078	2110	2071	2034	1952	1858	1790	1759	1734
Pct Prev Yr	92%	96%	95%	102%	98%	98%	96%	95%	96%	98%	99%
5-Yr Change						90%					85%
Gr 9-12	3235	3200	3154	3030	2998	2917	2828	2815	2708	2595	2485
Pct Prev Yr	99%	99%	99%	96%	99%	97%	97%	100%	96%	96%	96%
5-Yr Change						90%					85%
District (K-12)	9266	9279	8976	8764	8641	8529	8350	8196	7984	7810	7647
Pct Prev Yr	94%	100%	97%	98%	99%	99%	98%	98%	97%	98%	98%
5-Yr Change						92%					90%

NOTE: Gray column most recent history year.

FIGURE 19

GRADE LEVEL PROFILE COMPARISON

Another view of grade level enrollment can be seen in the chart below. The current grade level enrollment profile is compared with the projected grade level profile in the five and ten-year future.

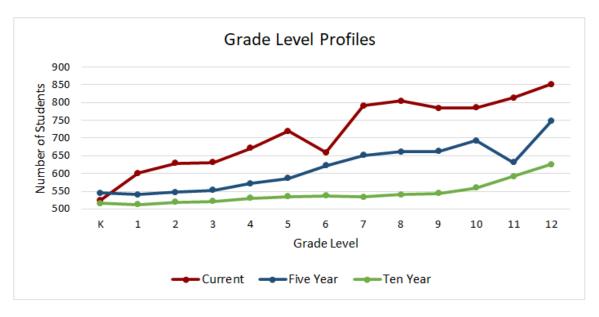


FIGURE 20

PROJECTING SCHOOL ENROLLMENT

School projections are primarily a function of the proportion of district students who enroll at a given school, modified by intra-district transfers within a given school level that may occur subsequent to initial enrollment, and augmented by inter-district transfer students.

SCHOOL DRAW IMPACT

A draw rate is the percentage of students who enroll in a grade level in a school from a specified geographic area. Open enrollment among district schools is projected using this concept. Except for changes in school boundaries or other changes in policy, historical draw rates from a given geographic area to a specific school (including out-of-district students) are assumed in the projections.

INTRA-DISTRICT TRANSFERS

Transfers within the district are incorporated into the projections in order to anticipate the movement of students from one district school to another within the same level, e.g., transfer from a neighborhood school to a special school. Recent historical transfer patterns are typically assumed in the projections.

[More details: Enrollment > Historical > All Schools > Open Enrollment]

INTER-DISTRICT TRANSFERS

Transfers into the district by out-of-district students, sometimes referred to as 'permit students', are an integral part of the district and school projections. Recent historical transfer patterns are typically assumed in the projections.

[More details: Enrollment > Historical > District-Wide > Out of District]

INDIVIDUAL SCHOOL PROJECTION TABLES

The complete set of individual school projection tables for each study is available online.

[More details: Enrollment > Projections > All Schools > Projections]

MySchoolLocator

MySchoolLocator is a web-based service accessible to DecisionInsite clients. This service allows Internet users to enter a residential address and find out which district schools are assigned to serve them. Public access to MySchoolLocator is via a unique URL on the District's web site. The URL for integration into your district's website can be found by opening the appropriate Locator study from within the DI system. Once open, select "Run MySchoolLocator" from the District Admin menu. The MySchoolLocator app will open in a new browser window and the link can be copied from the address bar in the browser. Specialized district users have access to customize the messages seen by those using MySchoolLocator.

IMPACT OF THE PROJECTIONS ON SCHOOL CAPACITY

Facility challenges, if any, may exist if projected numbers exceed the current school capacity data. These challenges may also manifest differently in a Moderate or Conservative projection. Because school capacity data has not yet been entered into the system, all schools are shown as exceeding capacity.

[More details: Enrollment > Projections > All Schools > Over Capacity]

The table below lists up to five schools that are projected to experience the most change in enrollment in the 5-year future based on the Conservative projection.

[More details: Enrollment > Projections > All Schools > Ten Percent Change]

School	5-Yr Pct Change	10-Yr Pct Change
Malibu ES (formerly Point Dume ES)	-35%	-39%
Malibu MS	-33%	-50%
Malibu HS	-31%	-53%
McKinley ES	-26%	-21%

FIGURE 21

IMPACT OF SDC STUDENTS ON CAPACITY

Relative to the impact of SDC students on school capacity, note that SDC students are not included in the grade level counts, but are included in the capacity calculation as taking up one seat each.

ANALYZING/STUDYING/REVIEWING THE ENROLLMENT PROJECTIONS

The projections of district and school enrollment are based on a complex mix of historical data, the projection of recent trends, and specific assumptions regarding the future. At DecisionInsite, we strongly encourage our clients to actively engage with the data with the aim of better understanding, further refining, and using the results to inform decisions about to be made. We believe increased effectiveness for both the district and DecisionInsite comes with increased and welcome dialogue.

Graphs or tables may be copied from the PDF version of this document using the Snapshot Tool inside PDF Reader.

Please do not hesitate to contact DecisionInsite regarding any questions or suggestions that may arise regarding these studies.

Respectfully Prepared and Submitted by:

The **DecisionInsite** Team

February 5, 2021

APPENDIX

COVID STATEMENT

Since the beginning of the COVID-19 pandemic, schools have faced unprecedented challenges. With regard to student enrollment for the 2020-21 school year, we continue to see the deleterious effects across the country. An inherent assumption in any projections is that historical trends are likely to continue unless there is evidence to the contrary. The disruption of the COVID-19 pandemic resulted in anomalous enrollment patterns for nearly all of our clients this year.

While each district is unique, many have seen large enrollment declines especially in Kindergarten. In our projections this year, we have carefully reviewed your district's enrollment data to identify any anomalies or oddities. We have then adjusted our methodologies to account for these using the following assumptions:

- with the proviso that medical advancements in the treatment and prevention of Covid-19 occur in the next twelve months, a return to on-site education is both desirable and probable for the majority of school districts across the country, and
- 2. many students who opted out of public education due to Covid-19 will return to schools over time as the health threat subsides.

In the next several years, the long-term impact of the pandemic will present itself in the data. For now, the key is in determining a new normal versus an annual anomaly. In the absence of reliable comparatives due to the unique nature of this event, we are proceeding cautiously but optimistically in our moderate and conservative projection studies.

ASSUMPTIONS AND METHODOLOGY

All projections are based on assumptions, and when read or shared are best prefaced with the phrase, "Based on these assumptions...", or "Based on these historical trends...". Particularly for projections more than 5 years out, "Enrollment Trend" is a far more accurate descriptor.

Three major factors drive district-wide student enrollment projections. These include:

- 1. recent kindergarten enrollment trends, modified by live birth data, if applicable,
- 2. changes in the grade level cohorts of students served as they age through, and
- 3. changes in the number of residential units within the district.

District-wide projections are disaggregated to school projections based on the historical patterns of:

- 1. the rates at which each school draws enrollment from various sections of the district, and
- 2. the pattern of transfers within the district at a given level from one school to another.

DISTRICT PROJECTIONS

Studvblocks

For enrollment projections the district is divided into studyblocks. A studyblock is a custom unit of geography created by DecisionInsite for the purpose of generating reliable projections. They are generally based on elementary boundaries or some portion thereof. A studyblock serves as the basis for the analysis of students served by the district and by schools. The objective is to do analysis with a small enough geographic unit to sense small area changes but large enough to allow for reliable projection. Studyblocks typically encompass 500–1000 students.

Kindergarten Enrollment

The projected Kindergarten enrollment is a key variable in projecting K–12 enrollment. The base Kindergarten projection is determined by the trend of Kindergartners served in each studyblock in the previous 3 or 4 years. Depending on the circumstances, a growth trend in Kindergarten enrollment may be capped. Steep straight-line trends are mathematically moderated to avoid unrealistic results.

School Capacities

School capacities provided by the district are compared to projected enrollments. Districts are invited to calculate school capacities in a manner that best serves the enrollment projection environment and provide them to DI staff for entry into our StudentView system.

A Special Day Class (SDC) student at the elementary level is calculated by default as requiring 1 seat. This value, at district option, may be changed to 3, on the assumption that a class of 10 SDC students will occupy a typical classroom.

Students in the Projections

Enrollment projections are limited to typical K–12 students. SDC students are projected as a stable percentage of the typical population unless all SDC students are mainstreamed. Excluded from the projections are students enrolled in Non-Public School (NPS), Adult High School, Home School, Adult Ed, Independent Study programs and other special schools.

Attendance Boundaries

Attendance boundaries are assumed to remain constant, unless otherwise noted by the district.

Closed Schools

Opportunities for open enrollment (intra-district) are assumed to remain unchanged, unless otherwise noted by the district.

Inter-district Enrollment

Students enrolled from other school districts are treated in aggregate in separate studyblocks. Students in Kindergarten and the initial grade at each level are projected only to the extent they exist in recent years. Students enrolled in other grade level cohorts are aged through to the highest grade at each level. These defaults may be modified at district request.

Cohort Percent Change

Cohort percentage changes are calculated in order to assure sensitivity to perennial changes in students served by the district as they age from one grade level to the next. If every cohort were stable as it ages, the cohort percent change, from one grade to the next in each studyblock, would be calculated as 100%. For each studyblock, a cohort weighted average percent change over a defined number of years is calculated based on the change in the enrollment served as it ages from the previous grade level.

Average cohort percentages above 100% might, for example, reflect students returning from private schools. Cohort percentages below 100% might reflect drop-outs.

Growth studyblocks are those showing unusually high increases in enrollment and/or cohort percent change in recent years—due, typically, to new housing development. Once growth studyblocks are identified, their default cohort percent change rate is set to 100% so as not to over-project new residential growth. By default, growth is not predicted to continue unless new occupied dwelling units are projected.

Dwelling Unit Impact

The predicted impact of new dwelling units on school enrollment is based on three factors: 1) new dwelling units, 2) the student generation rate for each unit type, and 3) the grade level distribution of newly generated students.

1. Dwelling Units

New dwelling units are categorized into 3 housing types: Single Family Detached, Single Family Attached, and Multifamily. Developers and builders are contacted for information relative to their plans for occupancy of new dwelling units.

2. Student Generation

Student generation rates are determined for each product type for each level: elementary, middle school and high school. Student generation rates are based on similar products types where such exist; otherwise, a default generation rate is used.

3. Grade Level Distribution

For each level, students generated by new dwelling units are distributed across grade levels. These percentages are based on historical patterns where they exist; otherwise, default percentages are used.

SCHOOL PROJECTIONS

Projecting enrollment at the school level is based on the concept of a school draw rate, i.e., the percent of students from a given studyblock who enroll in a given school at its lowest grade. Draw rates reflect the impact of open enrollment within a district. For example, if one-half the sixth graders from a given studyblock enroll in a particular 6–8 middle school, that school has a draw rate of 50% from that studyblock.

The draw rate for the most recent year is applied by default to the projected district enrollment for that grade from a given studyblock. The draw rate ages with the cohort. In this way, if the underlying cohort changes, the number of students enrolled at the school will change accordingly.

Draw rates can be adjusted if necessary. Manipulation of draw rates is used, for example, to project the impact of changes in attendance boundaries, or the impact of closing a school to open enrollment.

Intra-district Transfers

Grade-level transfers within or across schools are included in the projections to accommodate fluctuations like retention, transfer to continuation school, or any other special programs a district may offer that result in students changing schools at other than the typical grade configuration shifts. Transfers are calculated by applying the percent of a grade level population at one school that is transferred in the following year to another school or continued at the same grade level at a given school in the following year.

CAVEATS ON PROJECTIONS AND METHODOLOGY

On Projections

Enrollment projections are based upon two critical factors: the student and school data from the school district and the mathematical formulas that are applied to those data. Projections fundamentally look at recent history as reflected in the student data and assume that past patterns and trends will continue. The calculations assume that the historical data provided is at one-year intervals based on enrollment at the beginning of each school year.

DecisionInsite takes great care in preparing a district's projections. A range of unpredicted anomalies, however, can cause reality to vary from the historical patterns. These include, but are not limited to, rapid changes in the economy, mortgage interest rates, the housing market, the job market, residential development plans, rental rates, etc. Anomalous changes that occur between the last set of student data and the first projection are not reflected in the projections unless the district works with DecisionInsite to amend the projections.

In the projections, calculations are mathematically precise. Each result is rounded to a whole number for ease of reading. This rounding sometimes results in the displayed whole numbers in a column not adding exactly to the displayed total of the column. This phenomenon, which is a result of rounding and not of any inaccuracy in the calculations, occurs both in the enrollment projections and in the community demographics.

On Student Data

DecisionInsite obtains historical student data files from the district. To the extent that the student data files are internally inconsistent from year to year, or the count of students in the files does not reflect the count of actual enrollees, errors are introduced to the projection calculations. For optimum results, the student data files must also consistently capture the same categories of students annually.

The calculations assume that the historical data provided is at one-year intervals based on enrollment at the beginning of each school year. It is important that the student files obtained from the district are close to a common date each year, typically near the beginning of the school year. The snapshot of historical data near the beginning of the school year is best suited to our goal of projecting enrollment for the beginning of subsequent school years. To the extent the historical student data provided is not at one year intervals or is not at a common date near the beginning of the school year, projections may reflect monthly fluctuations in enrollment that will diminish the accuracy of the projections.



DECISION NSITEEnrollment Impact Specialists

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SMMUSD Enrollment History Grades TK - 12

SMMUSD						
Enrollment on the first Wednesday of October	- 201610/7/2015	- 2017 10/5/2016	- 2018 10/4/2017	- 201910/3/2018	- 2020 10/2/2019	2020 - 2021 10/7/2020
	2015 - 201	2016 - 201	2017 - 201	2018 - 201	2019 - 202	2020 - 202
Malibu High School						
Program 01	636	592	570	560	511	464
Program 02	15	20	19	20	5	5
Total	651	612	589	580	516	469
Independent Study	22	15	27	25	12	14
Total Enrollment	673	627	616	605	528	483
% Change from Previous Year		-6.84%	-1.75%	-1.79%	-12.73%	-8.52%
Actual Change from Previous Year		-46	-11	-11	-77	-45
Malibu Middle School						
Program 01	423	371	333	334	330	294
Program 02	6	4	2	6	2	4
Total	429	375	335	340	332	298
Independent Study	3	2	1	0	2	3
Total Enrollment	432	377	336	340	334	301
% Change from Previous Year	102	-12.73%	-10.88%	1.19%	-1.76%	-9.88%
Actual Change from Previous Year		-55	-41	4	-6	-33
Cabrillo						
Program 01	185	185	181	179		
Program 02	9	10	14	18		
Total Enrollment	194	195	195	197	0	
% Change from Previous Year		0.52%	0.00%	1.03%	-100.00%	
Actual Change from Previous Year		1	0	2	-197	
Pt. Dume						
Drogram 04	105	105	100	174		
Program 01	195	195	196	171		

SMMUSD Enrollment History Grades TK - 12

Program 02	0	0	0	0		
Total Enrollment	195	195	196	171	0	
% Change from Previous Year		0.00%	0.51%	-12.76%	-100.00%	
Actual Change from Previous Year		0	1	-25	-171	
Webster						
Program 01	291	296	277	266	265	220
Program 02	1	1	1	1	5	2
Total Enrollment	292	297	278	267	270	222
% Change from Previous Year		1.71%	-6.40%	-3.96%	1.12%	-17.78%
Actual Change from Previous Year		5	-19	-11	3	-48
Malibu Elementary						
Program 01					263	205
Program 02					9	6
Total Enrollment					272	211
% Change from Previous Year					-26.09%	-22.43%
Actual Change from Previous Year				,	-96	-61
Malibu Schools						
Program 01	1730	1639	1557	1510	1369	1183
Program 02	31	35	36	45	21	17
Total	1761	1674	1593	1555	1390	1200
Independent Study	22	15	27	25	12	14
Total Enrollment	1783	1689	1620	1580	1402	1214
% Change from Previous Year		-5.27%	-4.09%	-2.47%	-11.27%	-13.41%
Actual Change from Previous Year		-94	-69	-40	-178	-188

Santa Monica-Malibu Unified School District



Projections (SMM21Cnsv) (2021)

[Cabrillo ES]

Grade	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
TK	7	11	0	0	0	0	0	0	0	0	0	0	0	0
K	27	16	0	0	0	0	0	0	0	0	0	0	0	0
1	25	22	0	0	0	0	0	0	0	0	0	0	0	0
2	20	27	0	0	0	0	0	0	0	0	0	0	0	0
3	28	21	0	0	0	0	0	0	0	0	0	0	0	0
4	36	22	0	0	0	0	0	0	0	0	0	0	0	0
5	33	39	0	0	0	0	0	0	0	0	0	0	0	0
Subtotals:	176	158	0	0	0	0	0	0	0	0	0	0	0	0
Pct Chg:	0%	-10.2%	-100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
SDC:	16	17	0	0	0	0	0	0	0	0	0	0	0	0
Totals:	192	175	0	0	0	0	0	0	0	0	0	0	0	0
Capacity:	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Open Seats:	-192	-175	0	0	0	0	0	0	0	0	0	0	0	0

Edison ES

Grade	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
TK	18	24	22	16	18	17	17	17	17	17	16	16	16	16
K	73	70	68	65	65	64	64	64	64	64	64	63	63	62
1	67	71	70	71	70	65	64	64	64	64	64	64	63	62
2	68	66	68	70	76	71	66	65	65	65	65	64	64	63
3	66	65	66	67	73	75	70	65	65	65	65	65	64	63
4	72	66	68	65	72	74	77	71	66	66	66	66	65	64
5	76	71	67	67	69	72	75	77	71	67	66	66	65	65
Subtotals	s: 440	433	429	421	443	438	433	423	412	408	406	404	400	395
Pct Cho	g: 0%	-1.6%	-0.9%	-1.9%	5.2%	-1.1%	-1.1%	-2.3%	-2.6%	-1%	-0.5%	-0.5%	-1%	-1.2%
SDC	: 2	2	0	0	0	0	0	0	0	0	0	0	0	0
Totals	s: 442	435	429	421	443	438	433	423	412	408	406	404	400	395
Capacity	<i>y</i> : 0	0	0	0	0	0	0	0	0	0	0	0	0	0

Open Seats: -442 -435 -429 -421 -443 -438 -433 -423 -412 -408 -406 -404 -400 -395

Franklin ES

Grade	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
К	111	117	114	76	96	93	90	89	87	86	85	83	82	80
1	98	113	119	103	88	94	91	88	87	86	84	83	81	80
2	136	99	114	113	111	88	93	90	88	87	86	84	83	81
3	126	133	101	103	120	107	84	90	88	86	85	84	82	81
4	149	126	132	97	112	119	106	84	90	88	86	85	83	81
5	146	138	128	134	102	111	118	105	83	89	88	85	84	82
Subtota	ls: 766	726	708	626	629	612	582	546	523	522	514	504	495	485
Pct Ch	g: 0%	-5.2%	-2.5%	-11.6%	0.5%	-2.7%	-4.9%	-6.2%	-4.2%	-0.2%	-1.5%	-1.9%	-1.8%	-2%
SD	C: 16	17	19	16	16	16	15	14	13	13	13	13	13	12
Tota	ls: 782	743	727	642	645	628	597	560	536	535	527	517	508	497
Capaci	ty: 0	0	0	0	0	0	0	0	0	0	0	0	0	0
Open Sea	ts: -782	-743	-727	-642	-645	-628	-597	-560	-536	-535	-527	-517	-508	-497

Grant ES

Grade	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
TK	21	19	17	17	19	18	18	18	18	18	17	17	17	17
K	88	89	86	73	80	77	74	73	72	70	69	68	67	65
1	96	91	88	87	86	81	77	75	73	72	71	69	68	67
2	88	94	96	85	95	88	82	79	76	74	73	72	70	69
3	81	90	97	87	91	96	89	84	80	77	75	74	73	71
4	96	81	91	94	97	94	100	93	86	82	79	77	76	74
5	107	91	83	92	103	98	95	100	93	87	82	79	78	76
Subtotals:	577	555	558	535	571	552	535	522	498	480	466	456	449	439
Pct Chg:	0%	-3.8%	0.5%	-4.1%	6.7%	-3.3%	-3.1%	-2.4%	-4.6%	-3.6%	-2.9%	-2.1%	-1.5%	-2.2%
SDC:	20	18	24	21	22	22	21	20	19	19	18	18	17	17
Totals:	597	573	582	556	593	574	556	542	517	499	484	474	466	456
Capacity:	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Open Seats:	-597	-573	-582	-556	-593	-574	-556	-542	-517	-499	-484	-474	-466	-456

Malibu ES (formerly Point Dume ES)

Grade	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
К	24	21	36	20	26	25	24	24	24	23	23	22	22	22
1	37	21	34	33	22	25	24	23	23	23	22	22	22	21
2	28	30	41	26	31	21	24	23	22	22	22	21	21	21
3	34	21	52	36	26	30	20	23	22	22	21	21	21	20
4	34	33	46	48	37	25	29	19	22	22	21	21	21	20
5	39	30	52	40	47	36	25	28	19	22	21	21	20	20
Subtotals:	196	156	261	203	189	162	146	140	132	134	130	128	127	124
Pct Chg:	0%	-20.4%	67.3%	-22.2%	-6.9%	-14.3%	-9.9%	-4.1%	-5.7%	1.5%	-3%	-1.5%	-0.8%	-2.4%
SDC:	0	0	8	6	6	5	4	4	4	4	4	4	4	4
Totals:	196	156	269	209	195	167	150	144	136	138	134	132	131	128
Capacity:	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Open Seats:	-196	-156	-269	-209	-195	-167	-150	-144	-136	-138	-134	-132	-131	-128

McKinley ES

Grade	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
TK	21	22	20	18	20	19	19	19	19	19	19	18	18	18
K	69	62	63	50	49	49	48	49	50	52	53	53	52	52
1	70	66	65	65	48	47	47	47	49	51	53	53	52	51
2	85	70	61	68	63	47	46	46	48	51	52	52	51	51
3	59	86	65	58	65	61	45	44	46	49	51	52	51	50
4	79	56	84	61	56	63	58	43	44	47	49	50	50	49
5	83	82	57	81	61	56	63	58	44	46	49	50	50	50
Subtotals:	466	444	415	401	362	342	326	306	300	315	326	328	324	321
Pct Chg:	0%	-4.7%	-6.5%	-3.4%	-9.7%	-5.5%	-4.7%	-6.1%	-2%	5%	3.5%	0.6%	-1.2%	-0.9%
SDC:	22	26	31	7	6	6	6	5	5	5	6	6	6	6
Totals:	488	470	446	408	368	348	332	311	305	320	332	334	330	327
Capacity:	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Open Seats:	-488	-470	-446	-408	-368	-348	-332	-311	-305	-320	-332	-334	-330	-327

Muir ES

Grade	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
К	47	43	36	35	35	34	34	33	34	34	33	33	33	32
1	43	38	41	31	41	35	34	34	34	34	33	33	33	32
2	48	42	39	44	34	42	37	36	35	35	35	34	34	33
3	43	44	42	34	47	34	43	38	37	36	35	35	34	34
4	44	42	44	42	38	48	35	44	39	37	36	35	35	34
5	47	47	42	41	44	37	48	35	44	38	37	35	35	34
Subtotals:	272	256	244	227	239	230	231	220	223	214	209	205	204	199
Pct Chg:	0%	-5.9%	-4.7%	-7%	5.3%	-3.8%	0.4%	-4.8%	1.4%	-4%	-2.3%	-1.9%	-0.5%	-2.5%
SDC:	22	18	23	24	25	24	24	23	24	23	22	22	21	21
Totals:	294	274	267	251	264	254	255	243	247	237	231	227	225	220
Capacity:	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Open Seats:	-294	-274	-267	-251	-264	-254	-255	-243	-247	-237	-231	-227	-225	-220

Rogers ES

Grade	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
TK	23	20	23	18	20	19	19	19	19	19	19	18	18	18
K	71	66	61	72	67	67	67	67	66	65	64	63	62	61
1	67	77	67	61	79	66	66	66	66	65	64	62	61	60
2	86	68	80	62	64	80	67	67	66	66	65	64	63	62
3	74	86	72	73	64	63	78	65	66	65	65	64	63	62
4	97	76	103	70	79	66	66	82	68	68	67	67	66	65
5	85	101	77	101	74	79	66	66	82	68	68	67	67	66
Subtotals	: 503	494	483	457	447	440	429	432	433	416	412	405	400	394
Pct Chg	: 0%	-1.8%	-2.2%	-5.4%	-2.2%	-1.6%	-2.5%	0.7%	0.2%	-3.9%	-1%	-1.7%	-1.2%	-1.5%
SDC	: 16	21	8	0	0	0	0	0	0	0	0	0	0	0
Totals	: 519	515	491	457	447	440	429	432	433	416	412	405	400	394
Capacity	: 0	0	0	0	0	0	0	0	0	0	0	0	0	0
Open Seats	: -519	-515	-491	-457	-447	-440	-429	-432	-433	-416	-412	-405	-400	-394

Roosevelt ES

Grade	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
тк	22	21	21	18	20	19	19	19	19	19	19	18	18	18
K	113	120	112	87	100	95	92	94	95	97	97	95	94	92
1	121	115	115	100	96	95	90	90	91	93	93	91	90	88
2	115	131	121	100	108	97	95	93	92	93	93	92	90	89
3	102	115	133	106	109	108	97	98	95	95	94	93	91	90
4	136	113	119	119	121	109	108	99	99	97	95	93	92	90
5	145	135	116	108	124	116	105	106	98	98	95	92	90	89
Subto	tals: 754	750	737	638	678	639	606	599	589	592	586	574	565	556
Pct	Chg: 0%	-0.5%	-1.7%	-13.4%	6.3%	-5.8%	-5.2%	-1.2%	-1.7%	0.5%	-1%	-2%	-1.6%	-1.6%
S	DC: 31	14	16	13	14	13	12	12	12	12	12	12	11	11
To	tals: 785	764	753	651	692	652	618	611	601	604	598	586	576	567
Сара	city: 0	0	0	0	0	0	0	0	0	0	0	0	0	0
Open Se	eats: -785	-764	-753	-651	-692	-652	-618	-611	-601	-604	-598	-586	-576	-567

Webster ES

Grade	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
TK	9	8	16	9	10	10	9	9	9	9	9	9	9	9
K	40	34	36	23	33	31	30	30	29	29	28	28	28	27
1	46	43	45	27	24	32	31	30	29	29	28	28	28	27
2	32	49	45	38	28	24	31	30	29	29	28	28	27	27
3	37	34	47	42	40	29	24	31	30	29	29	28	28	28
4	51	39	38	47	47	41	30	24	32	30	30	29	29	28
5	59	52	34	34	49	45	40	29	24	31	30	29	29	28
Subtotals:	274	259	261	220	231	212	195	183	182	186	182	179	178	174
Pct Chg:	0%	-5.5%	0.8%	-15.7%	5%	-8.2%	-8%	-6.2%	-0.5%	2.2%	-2.2%	-1.6%	-0.6%	-2.2%
SDC:	1	1	5	2	2	2	2	2	2	2	2	2	2	2
Totals:	275	260	266	222	233	214	197	185	184	188	184	181	180	176
Capacity:	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Open Seats:	-275	-260	-266	-222	-233	-214	-197	-185	-184	-188	-184	-181	-180	-176

Adams MS

Grade	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
6	331	332	321	273	310	277	289	286	259	265	238	232	228	226
7	326	339	321	316	272	307	275	286	286	258	264	236	231	226
8	357	338	335	317	316	272	309	276	287	286	258	264	236	231
Subtotals	1014	1009	977	906	898	856	873	848	832	809	760	732	695	683
Pct Chg.	0%	-0.5%	-3.2%	-7.3%	-0.9%	-4.7%	2%	-2.9%	-1.9%	-2.8%	-6.1%	-3.7%	-5.1%	-1.7%
SDC	12	11	29	24	24	23	23	22	22	21	20	19	18	18
Totals	1026	1020	1006	930	922	879	896	870	854	830	780	751	713	701
Capacity	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Open Seats	-1026	-1020	-1006	-930	-922	-879	-896	-870	-854	-830	-780	-751	-713	-701

Lincoln MS

Grade	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
6	365	375	351	284	321	300	279	282	279	243	249	244	241	238
7	326	344	376	337	274	310	289	270	278	275	240	243	238	234
8	351	338	343	359	333	271	306	287	270	279	274	238	240	235
Subtotals:	1042	1057	1070	980	928	881	874	839	827	797	763	725	719	707
Pct Chg:	0%	1.4%	1.2%	-8.4%	-5.3%	-5.1%	-0.8%	-4%	-1.4%	-3.6%	-4.3%	-5%	-0.8%	-1.7%
SDC:	29	43	46	41	39	37	37	35	35	33	32	30	30	30
Totals:	1071	1100	1116	1021	967	918	911	874	862	830	795	755	749	737
Capacity:	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Open Seats:	-1071	-1100	-1116	-1021	-967	-918	-911	-874	-862	-830	-795	-755	-749	-737

Malibu MS

Grade	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
6	104	107	112	76	65	78	77	63	60	43	52	50	49	48
7	105	104	109	114	75	65	78	77	63	59	42	52	50	49
8	115	106	106	105	114	74	64	77	76	62	59	42	51	50
Subtotals:	324	317	327	295	254	217	219	217	199	164	153	144	150	147
Pct Chg:	0%	-2.2%	3.2%	-9.8%	-13.9%	-14.6%	0.9%	-0.9%	-8.3%	-17.6%	-6.7%	-5.9%	4.2%	-2%
SDC:	2	5	4	4	3	3	3	3	3	2	2	2	2	2
Totals:	326	322	331	299	257	220	222	220	202	166	155	146	152	149
Capacity:	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Open Seats:	-326	-322	-331	-299	-257	-220	-222	-220	-202	-166	-155	-146	-152	-149

SMASH Alternative

Grade	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
К	24	22	22	24	25	24	24	24	24	24	24	24	23	23
1	24	25	23	23	26	25	24	24	24	24	24	24	23	23
2	21	25	25	23	24	27	25	24	24	24	24	24	24	23
3	26	22	28	25	24	24	27	25	24	24	24	24	24	23
4	25	26	22	28	27	25	25	27	25	25	25	24	24	24
5	25	23	25	21	29	27	25	24	27	25	25	25	24	24
6	23	25	25	26	22	30	27	25	25	27	25	25	25	24
7	24	24	24	24	26	22	29	27	25	26	27	25	25	24
8	21	24	23	24	24	26	22	29	28	25	26	27	25	25
Subtotals:	213	216	217	218	227	230	228	229	226	224	224	222	217	213
Pct Chg:	0%	1.4%	0.5%	0.5%	4.1%	1.3%	-0.9%	0.4%	-1.3%	-0.9%	0%	-0.9%	-2.3%	-1.8%
SDC:	10	9	10	11	11	12	11	12	11	11	11	11	11	11
Totals:	223	225	227	229	238	242	239	241	237	235	235	233	228	224
Capacity:	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Open Seats:	-223	-225	-227	-229	-238	-242	-239	-241	-237	-235	-235	-233	-228	-224

Malibu HS

Grade	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
9	156	126	108	108	121	113	81	69	81	81	66	64	46	55
10	154	154	123	109	106	120	111	80	68	80	81	66	63	45
11	143	139	141	116	102	100	112	104	76	65	77	77	63	61
12	147	146	143	144	115	100	99	111	103	76	65	76	77	63
Subtotals:	600	565	515	477	444	433	403	364	328	302	289	283	249	224
Pct Chg:	0%	-5.8%	-8.8%	-7.4%	-6.9%	-2.5%	-6.9%	-9.7%	-9.9%	-7.9%	-4.3%	-2.1%	-12%	-10%
SDC:	17	20	7	5	5	5	4	4	3	3	3	3	3	2
Totals:	617	585	522	482	449	438	407	368	331	305	292	286	252	226
Capacity:	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Open Seats:	-617	-585	-522	-482	-449	-438	-407	-368	-331	-305	-292	-286	-252	-226

Olympic HS (Continuation)

Grade	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
9	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	4	2	5	3	0	0	0	0	0	0	0	0	0	0
11	15	16	10	16	14	11	11	10	9	10	9	9	9	9
12	23	24	19	17	27	24	21	22	21	18	20	18	18	18
Subtotals:	42	42	34	36	41	35	32	32	30	28	29	27	27	27
Pct Chg:	0%	0%	-19%	5.9%	13.9%	-14.6%	-8.6%	0%	-6.2%	-6.7%	3.6%	-6.9%	0%	0%
SDC:	7	13	8	10	5	1	0	0	0	0	0	0	0	0
Totals:	49	55	42	46	46	36	32	32	30	28	29	27	27	27
Capacity:	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Open Seats:	-49	-55	-42	-46	-46	-36	-32	-32	-30	-28	-29	-27	-27	-27

Santa Monica HS

Grade	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
9	691	723	683	676	692	658	555	622	580	576	577	542	517	489
10	642	717	701	674	672	687	654	555	625	582	576	574	538	514
11	652	633	708	681	654	651	666	637	546	613	569	560	557	522
12	632	677	630	691	664	638	635	649	624	535	600	556	547	544
Subtota	s: 2617	2750	2722	2722	2682	2634	2510	2463	2375	2306	2322	2232	2159	2069
Pct Ch	g: 0%	5.1%	-1%	0%	-1.5%	-1.8%	-4.7%	-1.9%	-3.6%	-2.9%	0.7%	-3.9%	-3.3%	-4.2%
SD	D: 102	91	89	91	90	89	85	83	80	78	79	76	73	70
Tota	s: 2719	2841	2811	2813	2772	2723	2595	2546	2455	2384	2401	2308	2232	2139
Capaci	y: 0	0	0	0	0	0	0	0	0	0	0	0	0	0
Open Sea	s: -2719	-2841	-2811	-2813	-2772	-2723	-2595	-2546	-2455	-2384	-2401	-2308	-2232	-2139

Totals

Grade	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
TK	121	125	119	96	107	102	101	101	101	101	99	96	96	96
К	687	660	634	525	576	559	547	547	545	544	540	532	526	516
1	694	682	667	601	580	565	548	541	540	541	536	529	521	511
2	727	701	690	629	634	585	566	553	545	546	543	535	527	519
3	676	717	703	631	659	627	577	563	553	548	544	540	531	522
4	819	680	747	671	686	664	634	586	571	562	554	547	541	529
5	845	809	681	719	702	677	660	628	585	571	561	549	542	534
6	823	839	809	659	718	685	672	656	623	578	564	551	543	536
7	781	811	830	791	647	704	671	660	652	618	573	556	544	533
8	844	806	807	805	787	643	701	669	661	652	617	571	552	541
9	847	849	791	784	813	771	636	691	661	657	643	606	563	544
10	800	873	829	786	778	807	765	635	693	662	657	640	601	559
11	810	788	859	813	770	762	789	751	631	688	655	646	629	592
12	802	847	792	852	806	762	755	782	748	629	685	650	642	625
Subtotals	10276	10187	9958	9362	9263	8913	8622	8363	8109	7897	7771	7548	7358	7157
Pct Chg	: 0%	-0.9%	-2.2%	-6%	-1.1%	-3.8%	-3.3%	-3%	-3%	-2.6%	-1.6%	-2.9%	-2.5%	-2.7%
SDC	325	326	327	275	268	258	247	239	233	226	224	218	211	206
Totals	10601	10513	10285	9637	9531	9171	8869	8602	8342	8123	7995	7766	7569	7363
Capacity	: 0	0	0	0	0	0	0	0	0	0	0	0	0	0
Open Seats	-10601	-10513	-10285	-9637	-9531	-9171	-8869	-8602	-8342	-8123	-7995	-7766	-7569	-7363



BOARD OF EDUCATION MEETING MINUTES – HYBRID FORMAT

August 12, 2021

H. CONSENT ITEMS

Minutes:

Time Start: 6:41 p.m. Time End: 7:30 p.m.

The board approved Item Nos. 1.i-iv, 2.i-vi, 3.i-xxv, and 4.i-vii listed under the Consent Calendar by subsection. The board voted on Item Nos. 1.i and 2.1 separately.

Passed with a motion by Dr. Tahvildaran-Jesswein and a second by Ms. Leon-Vazquez.

Yes Mr. Keith Coleman

Yes Mr. Craig Foster

Yes Mr. Jon Kean

Yes Ms. Maria Leon-Vazquez

Yes Ms. Laurie Lieberman

Yes Ms. Jennifer Smith

Yes Dr. Richard Tahvildaran-Jesswein

Minutes:

Dr. Tahvildaran-Jesswein requested that a conversation about the Consent Calendar (from a legal and governance perspective) be addressed during next week's retreat.

1. Curriculum and Instruction Items

i. Approval of Independent Contractors 2021-22

Motion Passed: It is recommended that the Board of Education enter into an agreement with the following Independent Contractors, postponing the COVID Testing MD and Dr. Angela Clark Loque contracts. Passed with a motion by Ms. Leon-Vazquez and a second by Dr. Tahvildaran-Jesswein.

Yes Mr. Keith Coleman

Yes Mr. Craig Foster

Yes Mr. Jon Kean

Yes Ms. Maria Leon-Vazquez

Abstain Ms. Laurie Lieberman

Yes Ms. Jennifer Smith

Yes Dr. Richard Tahvildaran-Jesswein

Minutes:

Public Comment:

Nikki Kolhoff addressed the board regarding this item.

Ms. Lieberman explained that she was abstaining from this item because her husband volunteers on the Santa Monica Boys' and Girls' Club board.

Staff clarified that COVID Testing MD was hired to conduct antigen testing after spring break and during this summer. Because the fiscal year ended on June 30, this contract must be extended through the end of August to pay the vendor for the work they performed this summer. Staff further clarified that the not-to-exceed amount reflected the total grant funds provided by the county for testing, but in reality, the district has only paid the vendor \$4,692.50 and has \$3,760 plus this week's invoice left to pay. Dr. Drati clarified his earlier comments that while the district will not need to pay for testing, we most likely will need to pay for testing staff, and that money would come from the grant from the county. Ms. Brown explained how the testing billing would most likely work.

Staff also answered board members' questions regarding the Dr. Angela Clark Loque contract, including plans for family engagement.

Staff postponed both the COVID Testing MD and Dr. Angela Clark Loque contracts until the August 19, 2021, special meeting agenda.

- ii. Conference and Travel Approval/Ratification-2021/2022
- iii. Child Development Services Parent Handbook
- iv. Renaissance Star Math Subscription
- v. Special Education Contracts

2. Business and Fiscal Items

i. Award of Purchase Orders PO List 6/17/21-7/7/21

Motion Passed: It is recommended that the Board of Education approve the following Purchase Orders and Changed Purchase orders from July 8, 2021, through August 4, 2021. Passed with a motion by Mr. Keith Coleman and a second by Ms. Smith.

Yes Mr. Keith Coleman

Yes Mr. Craig Foster

Yes Mr. Jon Kean

Abstain Ms. Maria Leon-Vazquez

Yes Ms. Laurie Lieberman Yes Ms. Jennifer Smith

Abstain Dr. Richard Tahvildaran-Jesswein

Minutes:

Public Comment:

Nikki Kolhoff addressed the board regarding this item.

Dr. Tahvildaran-Jesswein and Ms. Leon-Vazquez abstained, as their employer, SMC, was listed in the PO list.

ii. Acceptance of Gifts - 2020/2021

Minutes:

Public Comment:

Nikki Kolhoff addressed the board regarding this item.

- iii. Award of Contract Malibu High School Parking Lot A HMC Architects
- iv. Correction to Waterford Unified School District Bid No. 01/17 for the Replacement of School Bus #2 to AZ Bus
- v. 2021-22 Financial Oversight Committee (FOC) Charges

Minutes:

Public Comments:

Lydia Muraro addressed the board regarding this item.

Dr. Tahvildaran-Jesswein, board liaison to the VAPA DAC, expressed that DAC's request to have one of their members sit on the FOC's Measure R subcommittee. Mr. Kean, Mr. Foster, and Mr. Coleman, board liaisons to the FOC, cautioned against having a non-FOC member on the FOC subcommittee, given how the FOC is comprised differently than other DACs, but wondered about the potential for "cross pollination" of committees.

vi. Correction to Contract Award – Districtwide Asphalt Repair Bid # 21.22 – Universal Asphalt Co. Inc.

3. Facilities Improvement Project Items

i. Approval of FIP Independent Contractors

Minutes:

Public Comment:

Nikki Kolhoff addressed the board regarding this item.

- ii. Amendment #07 to Agreement Districtwide FF&E Project Reuse Services Crown Worldwide Moving & Storage Measure SMS
- iii. Assignment of Awarded Contracts & Approval of Equipment Purchase Safety & Security Projects Avidex Industries, LLC Measure SMS
- iv. Amendment #50 to Agreement Grant Elementary School HVAC Project Hazardous Materials Professional Services Alta Environmental Measure SMS
- v. Amendment #01 to Agreement Roosevelt Elementary School HVAC
 Project Building A Move Management Services King Office Services –
 Measure SMS
- vi. Award of Purchase Districtwide Furniture, Fixtures & Equipment (FF&E)
 Project Roosevelt Elementary School Sierra School Equipment
 Company (Sierra) Measure SMS
- vii. Amendment #51 to Agreement –SMASH & John Muir Elementary School HVAC Project Hazardous Materials Professional Services Alta Environmental Measure SMS
- viii. Amendment #03 to Agreement John Adams Middle School Performing Arts Complex Project Furniture, Fixtures & Equipment (FF&E) Pacific Office Interiors (POI) Measure ES

 Minutes:

Public Comment:

- Nikki Kolhoff addressed the board regarding this item.
- ix. Amendment #06 to Agreement John Adams Middle School Performing
 Arts Complex Project Special Inspection and Materials Testing Services –
 Ninyo & Moore Measure ES
- x. Amendment #06 to Agreement Malibu Middle & High School Campus Improvements Project Furniture, Fixture & Equipment (FF&E) Pacific Office Interiors (POI) Measure BB
- xi. Amendment #77 to Agreement Malibu Middle & High School Campus Improvements Project Architectural Services HMC Architects Measure BB
- xii. Amendment #05 to Contract Malibu Middle & High School Campus Improvements (Phase 3, 4 & 5) Project Lease-Leaseback (LLB) Construction Contract Bid #18.05.BB.ES McCarthy Building Companies, Inc. Measure BB
- xiii. Correction to Amendment #04 Malibu Middle & High School Campus Improvements (Phase 3, 4, & 5) Project Lease-Leaseback (LLB) Construction Contract Bid #18.05.BB.ES McCarthy Building Companies, Inc. Measure BB, Measure ES & Measure M
- xiv. Amendment #21 to Agreement Malibu Middle & High School Campus Improvements Project Geotechnical Observation/Testing, Special Inspection & Materials Testing Services Leighton Consulting, Inc. Measure BB
- xv. Amendment #20 to Agreement Malibu Middle & High School Malibu Campus Plan Geotechnical Observation/Testing, Special Inspection & Materials Testing Services Leighton Consulting, Inc. Measure M
- xvi. Amendment #05 to Agreement Malibu High School New Malibu High School Building Phase 1 Architectural Design Services NAC Architecture Measure M
- xvii. Amendment #06 to Agreement Malibu High School New High School Building Phase 1 Architectural & Wastewater Design Services NAC Architecture Measure M
- xviii. Amendment #3 to Agreement Malibu High School Campus Plan Project (Malibu New High School -Phase 1) – Geotechnical Consultant Services – Leighton Consulting, Inc. – Measure M

- xix. Change Order #09 to Contract Santa Monica High School HVAC Project Business, English & Art Buildings Construction Contract Bid #19.14.ES The Nazerian Group Measure ES
- xx. Amendment #04 to Agreement Santa Monica High School Campus Plan Project Phase 3 – Exploration and Gold Gym - Geotechnical Consultant Services – Leighton – Measure SMS
- xxi. Amendment #03 to Agreement Santa Monica High School Exploration & New Gym Project (Phase 3) Geotechnical Consultant Services Leighton Measure SMS
- xxii. Amendment #22 to Agreement Santa Monica High School Discovery Building Project Inspector of Record Services Sandy Pringle Associates, Inc. Measure ES

Minutes:

Public Comment:

- Nikki Kolhoff addressed the board regarding this item.
- xxiii. Award of Purchase Santa Monica High School Discovery Building Project Furniture, Fixtures & Equipment (FF&E) Lyon, LLC Measure ES
- xxiv. Amendment #03 to Agreement Santa Monica High School Exploration & New Gym Project (Phase 3) Project Development Assistance Architectural Services Chan Young Architects Measure SMS.

 Minutes:

Public Comment:

- Nikki Kolhoff addressed the board regarding this item.
- xxv. Amendment #02 to Agreement #02 Programwide Program Management Services – Massetti Consulting, LLC – Measure SMS, Measure M, General Fund

4. Personnel Items

- i. Certificated Personnel Elections, Separations
- ii. Classified Personnel Merit
- iii. Classified Personnel Non-Merit
- iv. Change in Range Payroll Specialist Classification
- v. Increase in Staffing (FTE) Special Education
- vi. Approval of Teaching Assignments Pursuant to Education Code
- vii. Student Teaching Agreements California State University-Chico, California State University-Los Angeles, and California State University-Long Beach

Hybrid Format in SM 08/12/2021 05:30 PM

District Office and Zoom 1651 16th St., Santa Monica, CA 90404

Printed: 9/15/2021 3:24 PM PT

ITEM: II.H.2.v. 2021-22 Financial Oversight Committee (FOC) Charges

Recommended Motion

It is recommended that the Board of Education approve the following charges for the Financial Oversight Committee (FOC).

Rationale

The Board of Education convened a joint session with members of the Financial Oversight Committee on <u>July 15, 2021</u>. During that joint meeting, the FOC presented proposed charges for 2021-22.

Comments

- <u>Budget Recommendations</u> This subcommittee will serve as FOC representation at Superintendent Budget Advisory Committee meetings as well as to provide research and guidance as requested on budget related issues.
- <u>Tax Revenue and Assessed Valuation</u> This subcommittee will research, follow and review Redevelopment (RDA) Fund calculations, the assessed valuation reports from the Cities of Malibu and Santa Monica, and the financial projections for sales tax revenue in the City of Santa Monica to help understand the budget implications of sales taxes on Prop YY and Measure GS.
- Bond Oversight This subcommittee will continue to be involved in evaluating and assisting with
 District financing issues including but not limited to the preparation of an updated debt policy as
 well as the bond authorizations for Measure ES, SMS, or M, or other contemplated district
 financing.
- <u>Measure R Reporting and Process Review</u> This subcommittee will review and update the process of data acquisition, planning and reporting for the Measure R annual plan.
- <u>Financial Communication and Reporting Subcommittee</u> This subcommittee will study and offer recommendations related to SMMUSD communications to the board and public regarding financial matters, project development and funding.

To: SMMUSD Board of Education

From: Seth Jacobson, Chair, Financial Oversight Committee

Subject: FOC Annual Report Date: REVISION 9-8-2021

The SMMUSD Financial Oversight Committee (FOC) was established to serve as the Measure R Independent Citizens Oversight Committee as well as to provide monitoring and review of the School District budget, the City of Santa Monica Joint Use Agreement, the City of Malibu Joint Use Agreement, the District Audit, enrollment projections, revenue and expenditure forecasts around capital programs and district finances.

The FOC accomplished a number of key tasks in the 2020-21 year, including:

- Development of a new draft reporting structure for Measure R funding
- Creation of a draft Bond Financing and Refinancing Debt policies
- Review and engagement with staff on the Fiscal Stabilization plan
- Development of a new policy for applications and selection of new FOC committee members

In addition to its regular oversight duties, the SMMUSD Financial Oversight Committee forms subcommittees to handle special finance-related issues posed by the Board and CBO. For the fiscal year 2020-21 we had three (3) subcommittees.

- <u>Budget Recommendations Subcommittee</u> Mr. Covington, Mr. Jacobson, Ms. Maniar, Ms Newman - This subcommittee will serve as FOC representation at Superintendent Budget Advisory Committee meetings as well as to provide research and guidance as requested on budget related issues.
- <u>Tax Revenue and Assessed Valuation</u> *Mr. Farivar, Mr. Crawford, Mr. Kremer, Ms. Newman* This subcommittee will research, follow and review Redevelopment (RDA) Fund calculations, the assessed valuation reports from the Cities of Malibu and Santa Monica, and the financial projections for sales tax revenue in the City of Santa Monica to help understand the budget implications of sales taxes on Prop YY and Measure GS.
- Bond Oversight Mr. Kremer, Mr. Crawford, Mr. Landres, Ms. Mevasse This
 subcommittee will continue to be involved in evaluating and assisting with District
 financing issues including but not limited to the preparation of an updated debt policy as
 well as the bond authorizations for Measure ES, SMS or M or other contemplated district
 financing.

Attached are the subcommittee reports. A summary of the findings and conclusions will be presented at the Board meeting on July 16, 2020.

2021-22 Suggested charges of study (Existing and New Charges)

As the SMMUSD transitions into a new educational model that includes in-person and remote learning, and as the district's finances continue to be challenging, the Financial Oversight Committee has developed a series of topics/charges that it believes would benefit the SMMUSD and assist the Fiscal team in its efforts to address the ongoing structural fiscal issues faced by SMMUSD. The topics listed below and the proposed summaries represent the collective recommendations of the Committee for topics/charges of study for the coming year. As you will see we have broken the topics into two areas "Existing Charges, which are a carryover from the 2020-21 year and new charges for the 2021-22 budget year. We have also included in our summary reporting a slide that covers a new process for solicitation and nomintating new FOC members, which was a task the Committee felt was important to add additional transparency to the FOC membership application process.

Recommended continued charges for 2021-22 include:

- Budget Recommendation Sub-committee
- Bond Oversight Sub-committee
- Tax Revenue and Assessed Valuation Sub-committee

Recommended new charges and topics for 2021-22 include:

- Measure R Reporting and Process Review Sub-committee
- Financial Communication and Reporting Sub-committee

Summary Subcommittee Reports for 2020-21 Budget Year

District Budget Recommendations

Submitted by: Ms. Maniar, Chair Mr. Covington, Mr. Jacobson, Ms Newman

The Budget Advisory Committee has over the last year, been dormant while the issues related to COVID 19 and the proposed realignment recommendations were paused due to increased state and federal revenue, and uncertainty as to future income. It is the intention of the Budget Advisory Subcommittee to expand and engage fully in the 2021-22 year with a focus on assisting the district staff in identifying revenue challenges and opportunities. The sub-committee intents to focus on the following key areas:

- Operating Budget Review. Assist staff in review and advise around the existing budget
 and assist in making recommendation as to possible cost savings and creative strategies to
 address the ongoing structural deficit and its impacts on the education of our students.
 The Committee will also work with fiscal staff on the proposed realignment
 recommendations and proposed budget cuts for 2021-22 year with Assistant
 Superintendent, Business and Fiscal Services Melody Canady to review these proposed
 cuts and recommendations.
- Fiscal Stabilization Efforts. Work closely with the fiscal staff to review in detail
 administrative and facility costs in an effort to identify new strategies and proposals for
 cost savings and program planning
- **Special Education**. The committee is also recommending that it monitor the Special Education realignment that is occurring and offer up possible suggestions for fiscal management based on staff recommendations.

Tax Revenue and Assessed Valuation

Submitted by: Mr. Farivar, Mr. Crawford, Mr. Kremer, Ms. Newman

The tax revenue & assessed valuation subcommittee was tasked by the Board to review and report back relevant updated information regarding the City's redevelopment funds, assessed valuation report, and sales tax revenue impacting YY and GSH funds. Property tax (82%) and YY & GSH (11%) comprise over 92% of the district's \$119M total revenue per the 3rd budget revision on April 30, 2021.

Top recommendations include:

- Execute the Tax Revenue Subcommittee recommendations made last year
- Segment RDA projections to better parse each component and help to improve the predictability of RDA funds
- Request the county auditor's property tax report directly when available to include adjustments prior to the 3rd interim report

Continue direct communication with the City regarding updated sales tax projections

Bond Oversight Subcommittee

Submitted by: Mr. Kremer, Mr. Crawford, Mr. Landres, Ms. Mevasse

The bond subcommittee is chaired by Michael Kremer. The committee meets to discuss topics related to any type of financing the district is planning, and most importantly this year took on the challenge of updating the Bond Financing and Refinancing Debt policies. (see attached documentation) This Committee has also engaged around Bond Authorizations, Measure BB, Measure ES, Measure SMS and any other contemplated district financing.

The committee also reviewed and debated in detail the proposed sale of Santa Monica-Malibu Unified School District SFID No. 1 (Measure SMS) & SFID No. 2 (Measure M) General Obligation Bonds Election of 2018, Series B. The sub-committee also reviewed the district's policies with regards to TRAN's (Tax Revenue Anticipation Notes).

We request that the Bond Subcommittee be continued as next year's FOC directive. That would include a revised Debt Policy in the spirit of the FOC's directive. It could be used as an additional measure to thwart any credit agency lack of confidence of the district's ability to act fiscally prudent.

Recommended New Charges:

- Financial Communications and Reporting Subcommittee. The School Board and staff are committed to improving communications about financial matters for the benefit of both the School Board and the public. The purpose of the Financial Communications and Reporting Sub-Committee is to work collaboratively with SMMUSD Fiscal and Facilities staff to provide assistance and to offer constructive recommendations related to SMMUSD communications to the School Board and the public regarding financial matters, including facilities improvements and capital projects.
- Proposed charges for FOC Financial Communications and Reporting Sub-committee:
 - Offer recommendations to fiscal, facilities and public communications staff to improve accessibility, intelligibility, and transparency of communications about district finances
 - Assist staff to identify communications best practices for major financial matters and develop specific templates for periodic communications related to financings, operating budget, facilities improvements and capital projects
 - Assess viability of appropriate digital reporting options to enhance constructive public engagement including the creation of an open data portal for district financial data
- Measure R Review and Process Analysis Committee The FOC at the Board of Education's request, reviewed and began the process of updating the data acquisition, planning, and

reporting process for the Measure R annual plan. In the process of reviewing the plan with the fiscal staff, the FOC provided several recommendations that included:

- The development of a joint district staff and FOC process to review all elements of the Measure R program including planning, engagement, and reporting
- Greater transparency around the planning and budgeting process
- Increased access by the public to the decision-making process on the use of Measure R funds
- Greater detail of the funding of educational programs and use in general fund efforts
- Reporting formats, provide counsel on the distribution of funds, and help in educating the general community about the Measure R program.

This process will focus on the mission statement that the "balance be used to preserve programs and replace funds lost due to inadequate state funding."





Financial Oversight Committee 2020-2021 Annual Report

Updated: Sep 09, 2021





2020 – 2021 Committee Members

- Seth Jacobson, Chair
- Michael Kremer, Vice-Chair
- Matthew Covington
- Matthew Crawford
- Alex Farivar
- Michael Kremer
- Shawn Landres

- Shawn Landres
- Marc Levis-Fitzgerald
- Renu Mevasse
- Melinda Newman
- Payal Maniar
- Natalie Ricciardulli, SAMOHI Student Representative





2020 – 2021 FOC Board and Staff Liaisons

- Craig Foster, Board Liaison
- Jon Kean, Board Liaison
- Keith Coleman, Board Liaison
- Melody Canady, Assistant Superintendent Business and Fiscal Services
- Gerardo Cruz, Director of Fiscal Services
- Kim Nguyen, Assistant to Melody Canady



2020 – 21 FOC Summary Report

The FOC accomplished a number of key tasks in the 2020-21 year, including:

- Development of a new draft reporting structure for Measure R funding
- Updating draft Bond Financing and Refinancing Debt policies
- Assistance in Tax Revenue and Asset Valuations
- Review and engagement with staff on the Fiscal Stabilization plan
- Development of a new policy for applications and selection of new FOC committee members





2020 – 2021 FOC Charges

- <u>Budget Recommendations Subcommittee</u> *Mr. Covington, Mr. Jacobson, Ms. Maniar*, Ms Newman - This subcommittee will serve as FOC representation at Superintendent Budget Advisory Committee meetings as well as to provide research and guidance as requested on budget related issues.
- Tax Revenue and Assessed Valuation Mr. Farivar, Mr. Crawford, Mr. Kremer, Ms. Newman This subcommittee will research, follow and review Redevelopment (RDA) Fund calculations,
 the assessed valuation reports from the Cities of Malibu and Santa Monica, and the financial
 projections for sales tax revenue in the City of Santa Monica to help understand the budget
 implications of sales taxes on Prop YY and Measure GS.
- Bond Oversight Mr. Kremer, Mr. Crawford, Mr. Landres, Ms. Mevasse This subcommittee will
 continue to be involved in evaluating and assisting with District financing issues including but
 not limited to the preparation of an updated debt policy as well as the bond authorizations for
 Measure ES, SMS or M or other contemplated district financing.





FOC District Budget Subcommittee

- Payal Maniar Subcommittee Chair
- Seth Jacobson Subcommittee Member
- Matthew Covington Subcommittee Member
- Melinda Newman

 Subcommittee Member

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Budget Subcommittee Recommendations to the Board

2020-21 Charge

To serve as FOC representation at Superintendent Budget Advisory Committee (SBAC) meetings and to provide guidance as requested on budget related issues.

- Due to the pandemic and related impact on the operating budget, the District's focus shifted and SBAC was discontinued.
- The Budget Recommendations Ad-Hoc Committee primarily worked with staff to review the proposed and interim budget and addressed relevant issues as and when they arose.





Budget Subcommittee Recommendations to the Board

Proposed areas of focus for 2021-22 Year

- Ongoing interim and operating budget Review: Review budgets and participate and offer input during budget workshops on factors impacting operating budget.
- Support Fiscal Stabilization Efforts: Work with staff to review current fiscal stabilization plans. Analyze ongoing work and make recommendations on additional areas that could address the structural deficit. Work with staff to conduct deeper analyses as needed on already identified areas for cost efficiencies. (e.g., Special Education, Food Services etc.)



Tax Revenue and Assessed Valuation Subcommittee

- Alex Farivar Subcommittee Chair
- Matt Crawford Subcommittee member
- Michael Kremer Subcommittee Member
- Melinda Newman Subcommittee Member





Tax Revenue Subcommittee Recommendations to the Board

Tax Revenue & Assessed Valuation Subcommittee Recommendations

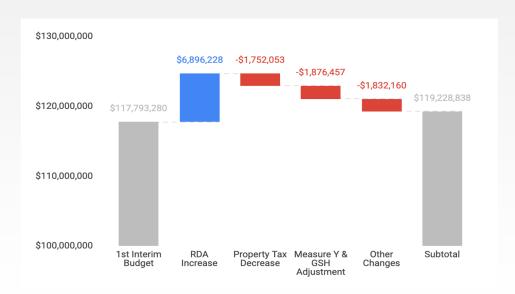
- Execute the Tax Revenue Subcommittee recommendations made last year
- Segment RDA projections to better parse each component and help to improve the predictability of RDA funds
- Request the county auditor's property tax report directly when available to include adjustments prior to the 3rd interim report
- Continue direct communication with the City regarding updated sales tax projections





Tax Revenue Subcommittee Recommendations to the Board

Total Revenue Bridge Graph







FOC Bond Oversight Subcommittee

- Michael Kremer

 Subcommittee Chair
- Matthew Crawford Subcommittee Member
- Shawn Landres Subcommittee Member
- Renu Mavassee Subcommittee Member





Bond Subcommittee Recommendations to the Board

- The Board adopted the five-page Debt Issuance and Management Policy (the "Policy") on May 4, 2017
- While the Policy fully complies with the minimum requirements of Senate Bill 1029 signed into law in Sept. 2016, it could be improved into a more robust, comprehensive example of best practices in debt management through implementation of the changes proposed by the FOC Bond Oversight Subcommittee
 - In its credit report dated June 11, 2021, Standard and Poor's commented "we view its guidelines as lacking significant quantitative constraints" in a reference to the Policy
- The FOC Bond Oversight Subcommittee's proposed changes would clarify some of the vagaries in the Policy and improve transparency regarding the District's debt issuance decision-making, yet maintain adequate flexibility for unforeseen circumstances





Overview of FOC Bond Oversight Subcommittee's Proposed Changes

- The Assistant Superintendent of Business & Fiscal Services is the designated Policy administrator with ultimate responsibility for analyzing debt issuance options and presenting recommendations to the Board
- The Policy's quantitative constraints regarding the following items should be more specific and assist with the decision-making process related to debt management and issuance
 - The financial burden of long-term lease obligations on the General Fund
 - The relevance of GO Bond tax rates presented to voters at election
 - Metrics and thresholds used to analyze bond refunding opportunities
- The three main methods of sale shall be considered for each debt issuance, and the preferred method shall be the
 method likely to result in the lowest all-in borrowing cost to the District
- When timing the issuance of debt, the District shall consider market conditions, the projected spend-down of bond proceeds, the cost of carry, and the amount of issued yet unexpended bond proceeds
- Municipal advisors, bond counsel, disclosure counsel, and underwriters will be selected through an RFP/RFQ process with any contracts limited to a maximum term of five years
- The Assistant Superintendent of Business & Fiscal Services will establish and maintain a system of record keeping and reporting to meet the IRS' arbitrage rebate compliance requirements

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Proposed 2021-22 FOC Charges

2021-22 Proposed Charges (continued from this year)

- Budget Recommendations
 Subcommittee
- Tax Revenue and Assessed Valuation
- Bond Oversight

2021-22 Proposed New Charges

- Measure R Reporting and Process Review Subcommittee
- Financial Communication and Reporting Subcommittee





New Charge: Measure R Subcommittee

Measure R Review and Process Analysis Committee

The FOC at the Board of Education's request, reviewed and began the process of updating the data acquisition, planning, and reporting process for the Measure R annual plan. In the process of reviewing the plan with the fiscal staff, the FOC provided several recommendations that included:

- The development of a joint district staff and FOC process to review all elements of the Measure R program including planning, engagement, and reporting
- Greater transparency around the planning and budgeting process
- Increased access by the public to the decision-making process on the use of Measure R funds
- Greater detail of the funding of educational programs and use in general fund efforts
- Reporting formats, provide counsel on the distribution of funds, and help in educating the general community about the Measure R program.





New Charge: Create FOC Financial Communications and Reporting Sub-Committee

Purpose: The Financial Communications and Reporting Sub-Committee will work collaboratively with SMMUSD Fiscal and Facilities staff to implement and study recommendations regarding enhanced communications and reporting to the public on major financial matters facing SMMUSD, including facility improvement and capital projects

Proposed Focus for 2021-2022:

- Offer recommendations to fiscal, facilities and public communications staff to improve accessibility, intelligibility, and transparency of communications about district finances
- Assist staff to identify communications best practices for major financial matters and develop specific templates for periodic communications related to financings, operating budget, facilities improvements and capital projects
- Assess viability of appropriate digital reporting options to enhance constructive public engagement including the creation of an open data portal for district financial data





Appendix

- A. Bond Oversight Subcommittee's proposed changes to the District's Debt Issuance and Management Policy (Prepared June 20, 2021)
- B. FOC Nominations Subcommittee Actions Update





Appendix A: FOC Bond Oversight Subcommittee's Debt Policy Review

- The Board adopted the five-page Debt Issuance and Management Policy (the "Policy") on May 4, 2017
- While the Policy fully complies with the minimum requirements of Senate Bill 1029 signed into law in Sept. 2016, it could be improved into a more robust, comprehensive example of best practices in debt management through implementation of the changes proposed by the FOC Bond Oversight Subcommittee
 - In its credit report dated June 11, 2021, Standard and Poor's commented "we view its guidelines as lacking significant quantitative constraints" in a reference to the Policy
- The FOC Bond Oversight Subcommittee's proposed changes would clarify some of the vagaries in the Policy and improve transparency regarding the District's debt issuance decision-making, yet maintain adequate flexibility for unforeseen circumstances
- In the following pages, sections of the Policy are in italicized text and the FOC Bond Oversight Subcommittee's suggestions are indicated by bold, blue font





Overview of FOC Bond Oversight Subcommittee's Proposed Changes

- The Assistant Superintendent of Business & Fiscal Services is the designated Policy administrator with ultimate responsibility for analyzing debt issuance options and presenting recommendations to the Board
- The Policy's quantitative constraints regarding the following items should be more specific and assist with the decision-making process related to debt management and issuance
 - The financial burden of long-term lease obligations on the General Fund
 - The relevance of GO Bond tax rates presented to voters at election
 - Metrics and thresholds used to analyze bond refunding opportunities
- The three main methods of sale shall be considered for each debt issuance, and the preferred method shall be the method likely to result in the lowest all-in borrowing cost to the District
- When timing the issuance of debt, the District shall consider market conditions, the projected spend-down of bond proceeds, the cost of carry, and the amount of issued yet unexpended bond proceeds
- Municipal advisors, bond counsel, disclosure counsel, and underwriters will be selected through an RFP/RFQ process with any contracts limited to a maximum term of five years
- The Assistant Superintendent of Business & Fiscal Services will establish and maintain a system of record keeping and reporting to meet the IRS' arbitrage rebate compliance requirements





Policy Section: Introduction and Goals

The Governing Board is committed to long-term capital and financial planning and recognizes that the issuance of debt is a key source for funding the improvement and maintenance of school facilities and managing cash flow. Any debt issued by the district shall be consistent with law and this policy. This policy provides written guidelines for the issuance of indebtedness by the Santa Monica-Malibu Unified School District in satisfaction of the requirements of S.B. 1029, codified as part of Government Code Section 8855.

The Assistant Superintendent of Business & Fiscal Services is the designated administrator of the Policy and has overall responsibility, with the Board's approval, for decisions related to the structuring and sale of all District debt issues. While the District may engage outside municipal advisors, legal counsel, and underwriters, all applicable findings, recommendations, and decisions communicated to the Board shall be issued over his/her/the signature of the Assistant Superintendent of Business & Fiscal Services.

The Assistant Superintendent of Business & Fiscal Services will review this Policy on an annual basis. If there are proposed changes to the Policy, staff will submit an updated Policy to the Board for consideration.





Policy Section: Introduction and Goals (cont'd)

This Policy provides a framework for debt management and capital planning by the District. This Policy has been developed to meet the following goals:

- 1) Identifying the purposes for which the debt proceeds may be used.
- 2) Identifying the types of debt that may be issued.
- 3) Describing the relationship of the debt to, and integration with, the District's capital improvement program or budget.
- 4) Establishing debt policy goals related to the District's planning goals and objectives.
- 5) Implementing internal control procedures to ensure that the proceeds of the proposed debt issuance will be directed to the intended use upon completion of the issuance.
- 6) Maintaining full and complete financial disclosure and reporting.
- 7) Ensuring compliance with applicable State and Federal laws.





Policy Section: Purposes for Which Debt Proceeds May Be Used

The laws of the State of California (the "State") authorize the District to incur debt to make lease payments, contract debt, borrow money, and issue bonds for school improvement projects. The District is authorized to contract debt to acquire, construct, reconstruct, rehabilitate, replace, improve, extend, enlarge, and equip such projects; to refund existing debt; or to provide for cash flow needs.

Section 18 of Article XVI of the State Constitution contains the "debt limitation" formula applicable to the District.

There are a number of State laws that govern the issuance of general obligation bonds ("GO Bonds") by school districts. Sections 1(b)(2) (Proposition 46) and 1(b)(3) of Article XIII A (Proposition 39) of the State Constitution allow the District to issue GO Bonds. The statutory authority for issuing GO Bonds is contained in Education Code Section 15000 et seq. Additional provisions applicable only to Proposition 39 GO Bonds are contained in Education Code Section 15264 et seq. An alternative procedure for issuing GO Bonds is also available in Government Code Section 53506 et seq.





Policy Section: Purposes for Which Debt Proceeds May Be Used (cont'd)

The statutory authority for issuing Tax and Revenue Anticipation Notes ("TRANs") is contained in Government Code Section 53850 et seq. Authority for lease financings is found in Education Code Section 17455 et seq. and additional authority is contained in Education Code Sections 17400 et seq., 17430 et seq. and 17450 et seq. The District may also issue Mello-Roos bonds pursuant to Government Code Section 53311 et seq.

The District may deem it necessary to issue TRANs to finance cash flow requirements under certain conditions such as a projected negative cash position in anticipation of revenues to come from state or local sources. Such cash flow borrowing must be payable from taxes, income, revenue, cash receipts and other moneys attributable to the fiscal year in which the debt is issued.

General operating costs include, but are not limited to, those items normally funded in the District's annual operating budget.

The District's Superintendent, or designee, will review potential financing methods to determine which method is most prudent for the District. Potential financing sources include, but are not limited to tax and revenue anticipation notes, temporary borrowing from the Los Angeles County Treasurer and Tax Collector, and internal temporary interfund borrowing. The Superintendent shall consult with the Financial Oversight Committee on such financing methods for counsel on best practices.





Policy Section: Types of Debt That May Be Issued

- 1) Short-Term: The District may issue fixed-rate and/or variable rate short-term debt, which may include TRANs, when such instruments allow the District to meet its cash flow requirements. The District may also issue bond anticipation notes ("BANs") to provide interim financing for bond projects that will ultimately be paid from GO Bonds.
- Long-Term: Debt issues may be used to finance essential capital facilities, projects and certain equipment where it is appropriate to spread the cost of the projects over more than one budget year. Long-term debt will should not be used to fund District operations.

Long term debt in the form of GO Bonds may be issued under Article XIII A of the State Constitution, either under Proposition 46, which requires approval by at least a two-thirds (66.67%) majority of voters, or Proposition 39, which requires approval by at least 55% of voters, subject to certain accountability requirements and additional restrictions. GO Bonds issued pursuant to a Proposition 39 voter authorization have a maximum tax levy of \$60 per \$100,000 of taxable assessed value. There is no tax rate limitation for GO Bonds issued under Proposition 46. The District's total outstanding GO Bond debt is limited to 2.5% of the taxable assessed value within its boundaries.

School Facilities Improvement District ("SFID") bonds are GO Bonds approved by voters residing in a subset of a school district and repaid from taxes levied on the taxable assessed value of the SFID. On November 6, 2018, voters in Santa Monica authorized the issuance of \$485 million of GO Bonds for SFID No. 1 (Santa Monica Schools) and voters in Malibu authorized the issuance of \$195 million of GO Bonds for SFID No. 2 (Malibu Schools).





Policy Section: Types of Debt That May Be Issued (cont'd)

The District may also enter into long-term leases and/or participate in the sale of certificates of participation or lease revenue bonds for public facilities, property, and equipment. These obligations do not constitute indebtedness under the state constitutional debt limitation and, therefore, are not subject to voter approval.

- Jease/Equipment Financing: Lease-purchase obligations or appropriation leases are a routine and appropriate means of financing capital equipment and certain capital facilities. However, because lease obligations reduce may impact on budget flexibility, the District will seek to limit aggregate annual payments on all long-term leases to 3.0% of unrestricted general fund revenues. Therefore, efforts will be made to fund capital equipment with pay-as-you-go financing where feasible, and only the highest priority capital purchases will be funded with lease obligations. In particular, long-term lease financing for facilities is appropriate when there is insufficient time to obtain voter approval or in instances where obtaining voter approval is not feasible. The District will consider the future refinancing of long-term leases with GO Bonds.
- 4) Use of General Obligation Bonds: A significant portion of the District's capital projects are expected to be funded by GO Bond proceeds. Projects financed by the GO Bonds will be determined by the constraints of applicable law and the project list approved by voters. GO Bonds will be sized and repaid in accordance with the tax rate limits presented to voters at election. If unique circumstances dictate that projected tax rates exceed the presented limits, the District will provide an independent third-party analysis demonstrating a net financial benefit of this structure relative to alternative structures.





Policy Section: Policy Goals Related to District's Planning Goals and Objectives

In following this Policy, the District shall pursue the following goals:

- 1) The District shall strive to fund capital improvements from voter-approved GO Bond issues to preserve the availability of its General Fund for District operating purposes and other purposes that cannot be funded by such bond issues.
- 2) To the extent applicable, the District shall endeavor to attain the best possible credit rating for each debt issue in order to reduce interest costs, within the context of preserving financial flexibility and meeting capital funding requirements.
- 3) The District shall take all practical precautions and proactive measures to avoid any financial decision that will negatively impact current credit ratings on existing or future debt issues.
- 4) The District shall, with respect to GO Bonds, remain mindful of its statutory debt limit in relation to assessed value growth within the school district and the tax burden needed to meet long-term capital requirements.
- 5) The District shall consider market conditions and the projected spend-down of bond proceeds -District cash flows when timing the issuance of debt.
- 6) The District shall determine the amortization (maturity) schedule which will fit best within the overall debt structure of the District at the time the new debt is issued.





Policy Section: Policy Goals Related to District's Planning Goals and Objectives (cont'd)

- 7) The District shall match the term of the issue to the useful lives of assets funded by that issue whenever practicable and economical, while considering repair and replacement costs of those assets to be incurred in future.
- The District shall, when issuing debt, assess financial alternatives to include new and innovative financing approaches, including whenever feasible, categorical grants, revolving loans or other State/federal aid, so as to minimize the encroachment on the District's General Fund.
- The District may utilize taxable financing structures permitted by the federal government which are alternatives to the issuance of tax-exempt obligations, such as tax credit or tax subsidy obligations, if they are projected to result in sufficiently lower financing costs versus traditional tax-exempt obligations. The analysis shall consider the additional risks and compliance costs of the alternative financing structure, including the partial reduction or full loss of the federal tax subsidy.
- 10) The District shall, when planning for the sizing and timing of debt issuance, consider its ability to expend the funds obtained in a timely, efficient and economical manner in accordance with IRS "spend-down" requirements for tax-exempt obligations, as applicable.





Policy Section: Refunding and Restructuring

Periodic reviews of outstanding debt will be undertaken to identify refunding (refinancing) opportunities. Economic refundings, reducing overall debt service requirements for cost savings, will be considered when there is a net economic benefit of the refunding. Non-economic refundings (restructurings) may be undertaken to achieve objectives related to changes in covenants, repayment or optional redemption provisions, and operational flexibility.

A "current refunding" occurs when tax-exempt refunding bonds are issued 90 or fewer days before the optional redemption date of the refunded bonds. An "advance refunding" occurs when tax-exempt refunding bonds are issued 91 or more days in advance of the refunding bonds' optional redemption date. In 2017, the IRS code was modified to preclude the issuance of tax-exempt bonds to advance refund existing bonds when there was previously a one-time exception. There is no limit on the number of times that bonds may be current refunded.

The District shall consider the following when making a decision regarding refunding or restructuring existing debt.

1) <u>District's Best Interest.</u> Whenever deemed to be in the best interest of the District, the District shall consider refunding or restructuring outstanding debt if it will be financially advantageous or beneficial for debt repayment and/or structuring flexibility.





Policy Section: Refunding and Restructuring (cont'd)

- 2) <u>Net Present Value Analysis.</u> The District shall review a net present value (NPV) savings analysis of any proposed refunding to make a determination regarding the cost-effectiveness of the proposed refunding. The District will proceed with an economic refunding only when both of the requirements below are met. Refundings which do not meet these two requirements, but have the potential to achieve other financing objectives, will be considered on a case-by-case basis.
 - 1) The projected NPV savings, expressed as a percentage of the par amount of refunded bonds, are no less than three percent (3%) for a tax-exempt current refunding and five percent (5%) for a taxable or tax-exempt advance refunding. The higher NPV savings threshold for an advance refunding takes into consideration its often one-time only nature as well as the longer refunding escrow period wherein the escrow investment rate is usually less than the interest cost of the refunded debt, thereby creating negative arbitrage.
 - 2) The refunding must be minimally efficient with the projected NPV savings exceeding the amount of any negative arbitrage in the refunding escrow.
- 3) <u>Maximize Expected Net Savings.</u> Another consideration in deciding which debt to refinance and the timing of the refinancing shall be to maximize the District's expected net savings over the life of the debt.
 - This item #3 is unnecessary considering the preceding text.
- 4) <u>Comply with Existing Legal Requirements.</u> The refunding of any existing debt shall comply with all applicable State and Federal laws governing such issuance.
 - This item #4 is unnecessary as all debt issued by the District must comply with state and federal laws and regulations. See policy goal #7.





Policy Section: Internal Control Procedures for Issuance of Debt to Ensure Intended Use of Proceeds

- 1) Maturity of Debt: The duration of a debt issue shall be consistent, to the extent possible, with the economic or useful life of the improvement or asset that the issue is financing. In addition, the average life of tax-exempt financing shall not exceed 120% of the average life of the assets being financed. The District shall also consider the overall impact of the current and future debt burden of the financing when determining the duration of the debt issue.
- 2) Debt Structure:

A. GO Bonds:

- 1. <u>New Money Bond Issuances</u>: For tax-exempt new money bond issuances, the District shall size the bond issuance consistent with the "spend-down" requirements of the Internal Revenue Code, taking into account unexpended proceeds of prior issues at the time an issue is sized, and within any limits approved by the District's voters. To the extent possible, the District will also consider credit issues, market factors (e.g. bank qualification) and tax law when sizing the District's bond issuance.
- 2. <u>Refunding Bond Issuances</u>: The sizing of refunding bonds will be determined by the amount of money that will be required to cover the principal of, accrued interest (if any) on, and redemption premium for the bonds to be defeased on the call date and to cover appropriate financing costs.





Policy Section: Internal Control Procedures for Issuance of Debt to Ensure Intended Use of Proceeds (cont'd)

- 3. <u>Maximum Maturity</u>: All bonds issued by the District shall mature within the limits set forth in applicable provisions of the Education Code or the Government Code. The final maturity of tax-exempt bonds will also be limited to the average useful life of the assets financed or as otherwise required by tax law.
- 4. <u>Taxable Bonds</u>: Taxable bonds shall be considered for funding projects which do not satisfy the "spend-down" requirements of the Internal Revenue Code and for refunding when the issuance of tax-exempt refunding bonds is not a viable option in the near term.
- B. Lease-Purchase Obligations: The final maturity of equipment or real property lease obligations will be limited to the useful life of the assets to be financed. Unless required for structuring purposes, the District will avoid the use of capitalized interest which increases the bond size and interest expense. New money lease financings may require capitalized interest until the District has use and possession of the leased asset. However, the District may pledge assets other than the facility under construction using an asset-transfer structure to eliminate the need for capitalized interest.
- 3) Debt Service Structure: The District shall design the financing schedule and repayment of debt so as to take best advantage of market conditions, provide flexibility, and, as practical, to recapture or maximize its debt capacity for future use.





Policy Section: Internal Control Procedures for Issuance of Debt to Ensure Intended Use of Proceeds (cont'd)

- 4) Method of Sale: There are three primary methods of sale: competitive, negotiated, and private placement. The preferred method of sale shall be the method which is likely to result in the lowest all-in borrowing cost to the District. All three methods of sale shall be considered for all debt issuances, because each method has the potential to achieve the lowest financing cost given the right conditions. Any award through negotiation shall be subject to approval by the District, generally by the Assistant Superintendent of Business & Fiscal Services, to ensure that interest costs are in accordance with comparable market interest rates. When a competitive bidding process is deemed the most advantageous method of sale for the District, award will be based upon, among other factors, the lowest offered True Interest Cost ("TIC"). A private placement sale is appropriate when the financing can or must be structured for a single or limited number of purchasers or where the terms of the private placement are more beneficial to the District than either a negotiated or competitive sale.
- 5) Engagement of Financing Team Members: Municipal advisors, bond counsel, disclosure counsel, and underwriters will be selected through a Request for Proposals (RFP) or Request for Qualifications (RFQ) process. In isolated instances, such contracts may be awarded on a sole source basis if an RFP or RFQ process would not be in the District's interests. The term of the contracts for municipal advisors, underwriters, bond counsel and disclosure counsel will be for up to five years including extensions at the District's option.

All financing team members will be required to provide full and complete disclosure, under penalty of perjury, relative to any and all agreements with other financing team members and outside parties. The extent of the disclosure may vary depending on the nature of the transaction. Any financing team members involved in preparing proposed District debt issuances or who have outside agreements with members so involved may not provide independent analyses of said debt issuances. All financing team members shall abide by the Board's code of ethics.





Policy Section: Internal Control Procedures for Issuance of Debt to Ensure Intended Use of Proceeds (cont'd)

- by Securities and Exchange Commission Rule 15c2-12 and to ensure compliance with applicable laws, regulations and agreements. The Assistant Superintendent of Business & Fiscal Services shall be responsible for the District's disclosure compliance functions, in conjunction with the disclosure counsel engaged by the District.
- of record keeping and reporting to meet the arbitrage rebate compliance requirements as required by federal tax regulations. This effort shall include tracking investment earnings on bond proceeds, calculating rebate payments in compliance with tax law, and remitting any rebate earnings to the federal government in a timely manner in order to preserve the tax-exempt status of the District's outstanding tax-exempt obligations. The Assistant Superintendent of Business & Fiscal Services may retain a firm to prepare arbitrage rebate calculations and communicate with the IRS.
- 8) Rating Agency Relations: The District shall maintain effective relations with the rating agencies. The Assistant Superintendent of Business & Fiscal Services shall meet with, make presentations to, or otherwise communicate with the rating agencies on a consistent and as appropriate basis to keep the agencies informed about the District's capital plans, debt issuance program, and other appropriate financial information.





Policy Section: Use of Proceeds

The District shall be vigilant in using bond proceeds in accordance with the stated purposes at the time such debt was incurred. In furtherance of the policy, and in connection with the issuance of all GO Bonds:

- 1) As required by Government Code Section 53410, the District shall only use GO Bond proceeds for the purposes approved by the District's voters; and
- 2) District staff shall have the responsibility, no less often than annually, to provide to the District's Board of Education a written report which shall contain at least the following information: Note: If previously prepared in compliance with the Policy, these written reports are not publicly available.
 - i. The amount of the debt proceeds received and expended during the applicable reporting period; and
 - ii. The status of the acquisition, construction or financing of the school facility projects, as identified in any applicable bond measure, with the proceeds of the debt.
 - These reports may be combined with other periodic reports which include the same information, including but not limited to, periodic reports made to the California Debt and Investment Advisory Commission, or continuing disclosure reports or other reports made in connection with the debt. These requirements shall apply only until the earliest of the following: (i) all the debt is redeemed or defeased, but if the debt is refunded, such provisions shall apply until all such refunding bonds are redeemed or defeased, or (ii) all proceeds of the debt, or any investment earnings thereon, are fully expended.





Policy Section: Use of Proceeds (cont'd)

- 3) The District shall post on the District website the Annual Report of the District's Independent Bond Oversight Committee which has been given the responsibility to review the expenditure of GO Bond proceeds to assure the community that all GO Bond funds have been used for the construction, renovation, repair, furnishing and equipping of school facilities, and not used for teacher or administrator salaries or other operating expenses.
- 4) The District shall hire an independent auditor to perform an annual independent financial and performance audit of the expenditure of GO Bond proceeds, and to post such audits on the District website.





Appendix B: FOC Nominations Subcommittee

Going into the year, we were aware of three open seats, which increased to four as one additional FOC member resigned.

The subcommittee's goals were to attract a large, diverse candidate pool and select the best four candidates through a fair, transparent process.

Actions:

- Revised announcement to better communicate FOC function and desired skill sets.
- Attracted 10 applications, most of which were high quality applicants.
- Recommended 4 excellent nominees to the FOC and the Board in a written report containing a description of the process and summaries of the qualifications of the recommended nominees.

CITY OF SANTA MONICA

CITY COUNCIL MINUTES

FEBRUARY 29, 2000

An adjourned regular meeting of the Santa Monica City Council was called to order by Mayor Pro Tem O'Connor at 6:15 p.m., on Tuesday, February 29, 2000, at City Council Chambers, 1685 Main Street

Roll Call:

Present:

Mayor Pro Tem Pam O'Connor Councilmember Richard Bloom Councilmember Mıchael Feinstein Councilmember Robert T Holbrook Councilmember Kevin McKeown Councilmember Paul Rosenstein

Absent

Mayor Ken Genser

Also Present

City Manager Susan McCarthy City Attorney Marsha Jones Moutrie City Clerk Maria M Stewart

CLOSED SESSIONS

CLOSED SESSIONS On order of the Mayor Pro Tem. the City Council convened at 6 15 p m, with Mayor Genser absent, and then adjourned to consider closed sessions Action taken on closed sessions was reported at the end of the meeting

On order of the Mayor Pro Tem, the City Council reconvened at 7 10 p m., to the regular meeting, with Mayor Genser absent, to discuss the following:

BUDGET REVIEW AND **ASSISTANCE TO** SCHOOL DISTRICT

Councilmember McKeown was excused at 7 14 p m

CONTINUED MID-YEAR 9-A Continued Mid-year budget review proposal to provide financial assistance to the Santa Monica-Malibu Unified School District, discussion of conditions of grant, and allocation of funds for technical assistance - recommendation that the City Council approve funding for the School District in the amount of \$2.1 million in savings from the City's Year End 1998/99 budget, \$1 9M for Kindergarten through 12th grade programs and \$200,000 for childcare programs (Continued from February 22, 2000 Public hearing closed)

On order of the Mayor, discussion and deliberations on this matter continued. Councilmember McKeown advised he was recusing himself from this matter due to a conflict of interest.

Motion by Councilmember Rosenstein, seconded by Councilmember Holbrook, to approve staff recommendation of an allocation of \$2 1 million to the School District. The release of the grant is conditioned on the District publicly notifying the City Council by letter of its plan to 1) Establish an independent Financial Oversight Committee which will operate openly under the rules of the Brown Act. The Committee needs to be provided with support staff to assist in reviewing data and making recommendations to the Board of Education on financial matters and in developing a long-range financial strategy. 2) Commission an independent review of the District's budget projections and practices, enrollment projections and forecasting practices, and current financial condition

Motion to amend by Councilmember Bloom to change "is conditioned" to "The release of the grant is based upon the District having notified the City that it will . " The motion was not accepted as friendly

Motion to amend by Councilmember Holbrook, to change the phrase to: "The grant will be released when the School District publicly notifies the City Council that it has. ." The motion was accepted as friendly.

The main motion, as amended, was approved by the following vote

Councilmember McKeown returned at 8 05 p m

AYES:

Councilmembers Holbrook, Rosenstein. Feinstein, Bloom,

Mayor Pro Tem O'Connor

None

NOES:

ABSENT

Councilmember McKeown, Mayor Genser

PUBLIC INPUT

PUBLIC INPUT: Members of the public Joyce Fullmer and Art Casillas expressed various concerns.

CLOSED SESSIONS

On order of the Mayor Pro Tem, the City Council recessed at 8:10 p.m., to hear closed sessions, reconvened at 10:20 p.m., and reported the following action taken:

16-A: Appointment of Public Employee.

Title of Public Employee: Assistant City Manager

ACTION

Heard No reportable action taken

February 29, 2000

TO:

BOARD OF EDUCATION

<u>ACTION</u> 3/15/00

FROM:

SUPERINTENDENT

RE:

ESTABLISHMENT OF FINANCIAL OVERSIGHT COMMITTEE

RECOMMENDATION NO. A.14

(15 min)

Staff recommends that the Board of Education approve the establishment of an independent Financial Oversight Committee, which operates under the Brown Act and reports to the Board of Education.

COMMENT:

Section 54953(a) of the Brown Act states that "All meetings of the legislative body of a local agency shall be open and public...." The Brown Act definition of "legislative bodies" (Section 54952) includes the following: "A commission, committee, board, or other body of a local agency, whether permanent or temporary, decision making or advisory, created by charter, ordinance, resolution, or formal action of a legislative body."

District committees/councils, such as District Advisory Committees, Ad Hoc Advisory Committees and Site Governance Committees, which have been established by action of the Board of Education, fall, by definition, within the parameters of the Brown Act.

The size of the Oversight Committee would be 7-9 individuals who have expertise in financial and legal matters. They would meet on a regularly scheduled basis and would be appointed by the Board of Education. Staff will work with the Financial Task Force to establish criteria for the selection of the members, as well as to establish an initial charge, which may be modified after a performance audit has been completed.

PUBLIC COMMENTS: Ron Schlessinger, Lillie Schlessinger, John Petz, Peter Mezza, Gregg Heacock

DISCUSSION:

-staff will meet with members of the Financial Task Force and representatives from the Los Angeles County Office of Education to discuss criteria for selection of membership and the initial scope of work. A followup item will be placed on the April 6, 2000 agenda.

MOTION MADE BY: Mr. Pratt SECONDED BY: Mrs. Brady STUDENT ADVISORY VOTE: Aye

AYES: All (7) NOES: None (0) TO:

BOARD OF EDUCATION

<u>ACTION</u> 5/4/00

FROM:

SUPERINTENDENT

previously

4/6/00

RE:

FINANCIAL OVERSIGHT COMMITTEE/COMMITTEE COMPOSITION

CRITERIA FOR SELECTION INITIAL SCOPE OF WORK

RECOMMENDATION NO. A.17

(15 min)

It is recommended that the Board of Education approve the Committee Composition, Criteria for Selection of Membership and the Initial Scope of Work of the Financial Oversight Committee as follow:

COMMITTEE COMPOSITION

Members, appointed by the Board of Education. Appointments will be for three year terms and staggered. Initial appointments will be for two or three years, as determined by the Board of Education. Initial appointments will be as follows: four members appointed for three-year terms; three members appointed for two-year terms.

Additionally, the following would attend committee meetings in either a liaison or resource capacity:

- 1-2 Board Liaison, selected by the Board of Education
- 1 Superintendent
- 1 Assistant Superintendent of Fiscal and Business Services
- 1 Assistant Superintendents of Human Resources
- 1 Assistant Superintendent of Educational Services
- Representative from the City of Santa Monica and Malibu (Financial)
- 1 Representative from LA County Office of Education Business Department

The committee will select its chair, who will serve for a two-year term.

Consulting staff to assist in the work of committee would vary depending on data being requested/analyzed.

CRITERIA FOR SELECTION

- 1. Broad perspective
- Financial and/or management and/or legal expertise/experience.
- 3. Residing, employed or working within geographic boundaries of Santa Monica-Malibu Unified School District

- Business process orientation
- 5. Communicates clearly the information resulting from the committee's work
- 6. Not currently serving as an elected official
- 7. All attempts will be made to have the composition of the committee reflective of the student population.

INITIAL SCOPE OF WORK / ROLES AND RESPONSIBILITIES

- Work with staff in developing both the scope and criteria for an RFP for the selection of an auditing firm to conduct a performance audit, including performance review and organizational analysis.
- Submit a recommendation to the Board of Education regarding selection of an auditing firm to conduct the performance review.
- 3. Review report and recommendations of the Superintendent's Committee/Financial Task Force and look into areas of identified concern.
- Development of a long-term financial plan for the District, <u>consistent with District Goals</u>, which would include potential sources of additional revenue.
- 5. Identify and seek alternatives that provide better educational value for expenditures; find creative ways to deliver underfunded programs without compromising quality or the vision of the District.
- 6. Review annual audit and submit any recommendations to the Board of Education.
- 7. Review annual budget and enrollment projections and submit any recommendations to the Board of Education.
- 8. (A member of the Oversight Committee will) participate in the selection process for Senior Business Services personnel as positions open.
- Assist the District in educating the general public concerning school finance issues.
- 10. Assist the District in creating more reader-friendly budget information.
- 11. Review any matters potentially having an adverse impact on District finances before the Board of Education makes decisions on such matters, including matters affecting District income and District expenditures.

Further definition of roles and responsibilities will emerge as a result of the performance process.

COMMITTEE MEETINGS

The committee will meet regularly. A schedule of meetings will be determined at the first meeting. Additional meetings will be scheduled as needed. Meetings will be approximately two hours in length.

APPOINTMENT TIMELINE/PROCESS

May 4 Approval of Committee Compostion, Selection

Criteria, Charge

May 8-June 1 Application Period

June 14 Board appoints members to Oversight Committee

The application period will be open for four weeks, which will provide sufficient time to place notices in all local print and electronic media and to actively seek qualified candidates. All applicants will be asked to provide their professional resume, together with the application form and any other information they might deem relevant.

Application forms will be available at the switchboard of the District's administrative offices, 1651 - 16th Street in Santa Monica and upon request from the Superintendent's Office.

Approved as amended:

MOTION MADE BY: Ms. Quiñones SECONDED BY: Ms. Brownley

STUDENT ADVISORY VOTE: Aye

AYES: All (5) NOES: None (0)



July 15, 2021

2. TIME STAMP: 6:00 p.m. -- Joint Session with the Financial Oversight Committee (FOC) (60 mins)

Minutes:

Time Start: 6:14 p.m. Time End: 7 p.m.

Public Comments:

Nikki Kolhoff and Lydia Muraro addressed the board regarding this item.

Ms. Lieberman thanked the FOC for its work, and said she would share suggested changes to the financial communications and reporting charge to the FOC Chair and staff. She suggested looking more closely at the language in the proposed policy. Mr. Kean thanked Mr. Kremmer for the scope of work he put into that specific part of the presentation. He remarked that it was a lot of material and would like it to be examined in more detail at the next FOC meeting. Mr. Foster suggested finding the exact language connecting the existence of the FOC to the agreement with the City of Santa Monica in order to have clear expectations of the board and FOC. He suggested the Board President and FOC liaisons meet to discuss the FOC proposed charges to ensure they are what the board would like to adopt.

via Zoom

Printed: 7/12/2021 12:23 PM PT

ITEM: II.D.2. TIME STAMP: 6:00 p.m. -- Joint Session with the Financial Oversight Committee (FOC) (60 mins)

Rationale

As part of the requirements associated with the annual funds given to the School District from the City of Santa Monica, the Financial Oversight Committee (FOC) was appointed as an independent oversight committee regarding the financial matters of the District. This includes an annual report from the FOC to the School Board, reviewing the past year and offering its observations about the District's financial matters.

In addition, the FOC's charge was amended at the June 5, 2008, Board meeting (Item A.22) to include responsibilities associated with the Measure R parcel tax, approved by the voters at the February 2008 Special Election. Measure R requires that an Independent Citizens Oversight Committee monitor proposed and actual parcel tax expenditures each year.

Therefore, in compliance with the foregoing, the Board of Education will convene a joint session with members of the Financial Oversight Committee on July 15, 2021.

Supporting Documents

FOC Annual Report

FOC Joint Mtg PPT presentation

Click Here for COVID-19 Related Resources

FISCAL REPORT

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Urgency Bill Allowing Virtual Meetings Signed by Governor Newsom



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posted September 17, 2021

On Thursday, September 16, 2021, Governor Gavin Newsom signed <u>Assembly Bill (AB) 361</u> (Rivas, R., D-Salinas) into law, which gives local agencies, including local educational agency (LEA) governing boards, flexibility in conducting public meetings virtually during a declared state of emergency (wildfires, floods, pandemics, etc.). As an urgency measure, AB 361 went into effect immediately upon Governor Newsom's signature, meaning its provisions are currently law.

Governor Newsom's signing of AB 361 is timely, as the executive orders that provided local agencies flexibility to conduct public meetings remotely under the COVID-19 crisis are expiring on September 30, 2021 (see "Brown and Bagley-Keene Acts Flexibilities to End on September 30" in the June 2021 Fiscal Report). It is important to note that while AB 361 offers flexibilities similar to the expiring executive orders, there are number of key differences in regards to public comment and meeting operations, which we detail in the summary below.

How Can a Local Agency Trigger the AB 361 Teleconferencing Provisions?

AB 361 authorizes, until January 1, 2024, a local agency to use teleconferencing for public meetings, without complying with certain Brown Act requirements, in any of the following circumstances:

- The legislative body holds a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing
- The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining by majority vote whether, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees
- The legislative body holds a meeting during a proclaimed state of emergency and has determined by majority vote that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees

What Are the Virtual Meeting Requirements Under AB 361?

AB 361 specifies that if a local legislative body determines it is entitled to use the exemptions afforded to it in this bill, then it must abide by the following requirements when conducting a public meeting:

- Notice the meeting and post agendas as the Brown Act requires
- Allow the public to access the meeting and give notice for how the public can access the meeting and provide public comment
- Identify and include in the agenda an opportunity for all persons to attend via a call-in or an internetbased service option
- Conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties and the public appearing before the legislative body
- Provide a public comment period where the public can address the legislative body directly and allow for public comment up until the period is closed
- Prohibits limiting public comments to only those submitted in advance and specifies that the legislative body must provide an opportunity for the public to offer comment in real time
- In the event of a disruption that prevents the public agency from broadcasting the meeting or prevents members of the public from offering public comment, the legislative body is prohibited from taking action on items appearing on the meeting agenda until public access to the meeting via the teleconferencing option is restored

The bill stipulates that if the state of emergency remains active for more than 30 days, a local agency must make the following findings every 30 days by majority vote in order to continue utilizing the bill's teleconferencing provisions:

- The legislative body has reconsidered the circumstances of the state of emergency
- Any of the following circumstances exist:
 - The state of emergency continues to directly impact the ability of the members to meet safely in person
 - State or local officials continue to impose or recommend measures to promote social distancing

Are the Teleconferencing Flexibilities Under AB 361 Permanent?

The teleconferencing flexibilities for local agencies under AB 361 sunset on January 1, 2024. This means that unless subsequent legislation extends the provisions of AB 361 for local agencies, they will expire on January 1, 2024, and that local agencies would be expected to follow all of the rigid Brown Act requirements regardless of an emergency beginning in 2024.

Intent of the Bill

While this bill will provide local agencies flexibility and safe harbor to conduct public meetings virtually during an emergency, it is important to emphasize that the bill's provisions are only to be operative in circumstances when it is unsafe for members of the legislative body to meet in person. Additionally, the bill's provisions are only able to be utilized pursuant to a formal state of emergency, and the declared emergency must directly threaten the safety of the agency members, staff, or the public.

We recommend LEAs that plan to utilize the teleconference provisions under AB 361 work closely with their legal counsel in order to ensure they are in full compliance with this new law.