



## **SMMUSD Financial Oversight Committee Minutes**

**Date: Wednesday, November 7, 2012**

**Time: 7:00 pm to 9:00 pm**

**Location: Testing Room, SMMUSD Administrative Offices  
1651 16th Street, Santa Monica, CA 90404**

### **I. Call to Order**

The meeting was called to order at 7:04p.m. by Ms. Wagner.

Committee Members: Carrie Wagner  
Tom Larmore  
Daniel McGee

Craig Foster arrived @ 7:22pm  
Gordon Lee  
Shelly Slaugh Nahass arrived @ 7:11pm

Board Liaisons: Jose Escarce

Laurie Lieberman

Student Members: Emma London, Malibu HS

Staff: Jan Maez

Kim Nguyen

Absent: Craig Hamilton  
Nimish Patel  
Cynthia Torres  
Elliot Baumohl, SAMOHI

Patricia Hoffman  
Paul Silvern  
David Vukadinovich (excused-SAC mtg)

Public: Gerardo Cruz

Heidi Kleis arrived @ 7:09pm

### **II. Approval of Minutes**      October 11, 2012 meeting

A motion was made by Mr. McGee and seconded by Mr. Lee to approve the October 11, 2012 Minutes. The motion passed (Mr. Larmore abstained). Mr. Hamilton, Ms. Hoffman, Mr. Silvern, Ms. Torres, and Mr. Vukadinovich were absent.

### **III. Staff Report: Chief Financial Officer Janece L. Maez (*Limited Discussion*)**

- A. Budget Update: Ms. Maez reported that Proposition 30 passed. However, even with the passage of the proposition, the District still needs to make reductions beginning in 2013-14. There was a Budget Webinar held on November 2, 2012 by Ms. Maez and the Superintendent with approximately one hundred (100) people logged into the event. A link to the webinar presentation was posted to the District's website. The presentation illustrated each category in detail of classified salaries, benefits, and other operating services. Pathway meetings have been scheduled and will be an input process based on priorities in five different areas: school site operations, district-wide operations,

instructional programs, student support services (e.g. nursing, counseling), and extra-curricular activities. The four questions that would be considered include whether the program is essential to student learning; essential to health and safety of students and staff; insure equity; and whether it is a smooth and safe operation to the schools and district.

- B. Measure ES Update: Ms. Maez reported that Measure ES passed with more than two-thirds vote. The next steps include going to the Board for direction on how to meld the two processes of Measure BB and Measure ES together. The technology endowment piece of Measure ES needs a plan. Measure ES is not expected to be issued anytime soon. The Measure BB election was held in 2006 but it was not issued until around the end of 2007. Keygent's role is to ensure that the District stays in compliance with IRS tax rules and the promise of actual issuances not exceeding \$30/year made to voters during the election are met and maintained. The FOC has a bond subcommittee who meets with Keygent to understand each issuance. The District is preparing to issue the 4<sup>th</sup> and final series of Measure BB that has the same \$30/year limit.
- C. Measure BB Update: Ms. Maez stated that a resolution authorizing the issuance of SMMUSD Election of 2006 General Obligation Bonds, Series D and resolution on the issuance of SMMUSD 2012 General Obligation Refunding Bonds and Approving the Forms of Purchase Contract, Escrow Agreement, and Preliminary Official Statement for such Refunding Bonds were brought to the Board at the November 15, 2012 Board Meeting for approval. Refunding the previous issuances due to lower interests will help maintain below the \$30 limit (not a hard cap but a commitment) although the legal limit is \$60 for school districts. Bonding capacity is determined by property values which in this district, are increasing faster than the state and local averages. The values are increasing more quickly than how much the District are using. Future capacity is determined by the future assessed value and as long as the values continue to grow, Santa Monica and Malibu are an area that has not been an issue. The District was conservative in assuming a 4% growth. Ms. Maez reported that she, the Superintendent, and Boardmember Lieberman will be meeting with the Rating agencies on December 7, 2012.

#### **IV. Discussion/Action Items**

- A. Change of Meeting Date: Staff sent an email to members of the FOC, Board Liaisons and Student Representatives for their availability.
- B. Recommendation from Nomination Committee: Ms. Slaugh Nahass reported that seven (7) applications were received with interviews scheduled for the week of November 19th.

#### **V. Update from Ad Hoc Committees**

- A. Nomination Committee (*S. Slaugh Nahass, C. Torres, P. Hoffman, C. Foster*): No Report.

- B. Superintendent Advisory Committee (SAC) (*C. Foster, D. Vukadinovich*): Mr. Foster reported that the Superintendent was actively seeking and incorporating feedback. A draft fundraising plan was presented to the committee. The goal was to fundraise \$4M by February 2014 with very clear use of those funds (\$2M for intervention and instruction, \$500k professional development, \$500k for technology, \$1M for visual and performing arts and athletics). The plan included described roles of people in raising funds e.g. Ed Foundation Board, BOE, Superintendent, and PTA Presidents. Boardmember Lieberman informed the FOC that there was a Study Session the following week.
- C. Per Pupil Budgeting (*C. Wagner, C. Foster, P. Hoffman, S. Slaugh Nahass*): No report.
- D. Detailed Budget Review (*C. Hamilton, G. Lee, D. McGee, C. Torres*): No report.
- E. Malibu Unification (*C. Foster, T. Larmore, P. Silvern, D. Vukadinovich, E. Baumohl, E. London*): WestEd has completed the nine (9) criteria. The subcommittee was coordinating a meeting time with WestEd and Ms. Maez to review the report.

**VI. Receive and File (Limited Discussion):**

- A. Budget Webinar

**VII. Public Comments:** None

**VIII. Next Meeting:** Thursday, November 29, 2012 – Webster Library

**IX. Adjournment:** It was moved by Mr. Lee and seconded by Mr. McGee to adjourn at 8:11pm. The motion passed unanimously. Mr. Hamilton, Ms. Hoffman, Mr. Silvern, Ms. Torres, and Mr. Vukadinovich were absent.