



## SMMUSD Financial Oversight Committee Minutes

**Date:** Thursday, November 13, 2014

**Time:** 7:30 pm to 9:30 pm

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

### I. Call to Order

7:34 pm

Committee Members: Jon Kean  
Tom Larmore  
Peter Lippman  
Shelly Slaugh Nahass  
Manel Sweetmore arrived @ 7:42pm  
Cynthia Torres arrived @ 7:44pm  
Joan Krenik  
Gordon Lee  
Paul Silvern  
Craig Foster arrived @ 7:42pm

Student Reps: Kennedy Myers-Malibu HS

Staff: Jan Maez Kim Nguyen

Absent: Jose Escarce Jordan Golden-SAMOH  
Laurie Lieberman DeAndre Parks

### 7:35 pm II. Approval of Minutes

A motion was made by Mr. Silvern and seconded by Mr. Lippman to approve the October 9, 2014 minutes.

AYES: Seven (7) (Mr. Kean, Ms. Krenik, Mr. Larmore, Mr. Lee, Mr. Lippman, Mr. Silvern, Ms. Slaugh Nahass)

STUDENT ADVISORY VOTE: One (1) Ms. Myers

NOES: None (0)

ABSENT: Four (4) Mr. Foster, Mr. Parks, Mr. Sweetmore, Ms. Torres

### III. Staff Report

7:35 pm

#### A. Budget Update

Ms. Maez reported that staff was preparing the 1<sup>st</sup> interim report to be presented at the December 11, 2014 board meeting. The Unrestricted Fund balance was improving. There was still a slight enrollment decline of about 250 students across the district so the ADA from the prior year was used. The major reason for the enrollment projection was that the moderate projection from Decision Insight was used. This will revert back to a conservative projection for next year. The state entitlement improved with more gap funding although student numbers were down. The Board policy on inter-district transfers is looked at annually. A representative from Decision Insight will be at the December 4, 2014 FOC meeting.

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

7:36 pm

##### **A. FOC Vacancy**

The committee congratulated Mr. Foster for being elected to the Board of Education. Ms. Slauch Nahass informed the committee that a press release was sent out to the Malibu and Santa Monica communities seeking applications with submission deadline of December 12, 2014. The nominating subcommittee members include Ms. Krenik, Mr. Larmore, and Ms. Torres who will reach out to those applicants who previously expressed interest in serving on the committee.

#### **V. Updates from Ad Hoc Subcommittees**

7:45 pm

##### **A. Retiree Unfunded Health Benefit Liability Review (*Mr. Parks, Mr. Kean, and Mr. Sweetmore*)**

Mr. Kean reported that the subcommittee had a conference call on November 10, 2014 regarding information received from CALPERS that has a way of prefunding the unfunded retiree health benefit liability. The questions include whether this was the only “game in town”; are there other like districts participating, i.e. using this instrument; and what are other districts doing. San Ramon and San Marcos were considered like districts and the subcommittee plans to speak with them on their experience. Most of the other participating agencies are cities or special districts such as water and sanitation. A meeting with CALPERS representatives had been scheduled for November 18<sup>th</sup> for further discussion and questions to be answered.

7:55 pm

##### **B. Bond Review for Malibu Unification (*Mr. Larmore, Mr. Foster, Mr. Lee, Ms. Slauch Nahass, and Mr. Sweetmore*)**

Mr. Larmore reported that the subcommittee met on November 12, 2014 and agreed that the best way to start was to set up a meeting with Keygent for discussion of bond related issues. There is a need for more consulting help from legal to work through the bond related issues already identified and those that have not yet been identified but may be raised.

8:05 pm

##### **C. Budget Review for Malibu Unification (*Mr. Silvern, Mr. Foster, Ms. Krenik, Mr. Lippman, and Ms. Torres*)**

Mr. Silvern reported that subcommittee needed the outside consultant to be in place in order to get started. Ms. Maez informed the committee that School Services does feasibility studies on unification. She plans to have district staff take on the job of predicting a Santa Monica only budget as it would be quicker and more expedient if done in-house. The intent is to look at variable costs, site budgets, overhead costs of district, and without change to those overhead costs.

Mr. Sweetmore reported that he is becoming more involved with AMPS and can provide information to the committee with Mr. Foster’s election to the Board.

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

#### **VII. Public / Committee Comments: None**

#### **VIII. Next Meeting: Thursday, December 4, 2014 – Webster Library**

#### **IX. Adjournment: The meeting adjourned at 8:14 p.m.**