



#### IV. **Approval of Minutes**

A motion was made by Mr. Lee and seconded by Ms. Krenik to approve the October 12, 2017 meeting minutes.

AYES: Six (6) **Seven (7)** (Mr. Farivar, Mr. Kremer, Mr. Jacobson, Mr. Landres, **Mr. Lee**, Ms. Krenik, Ms. Mulvaney)

STUDENT ADVISORY VOTE: One (1) Mr. Schmelzer

NOES: None (0)

ABSENT: Five (5) **Four (4)** (Mr. Larmore, Mr. Lee, Mr. Levis-Fitzgerald, Ms. Slaugh Nahass, Mr. Sweetmore)

ABSTAIN: None (0)

#### V. **Staff Report: Assistant Superintendent, Business and Fiscal Services Melody Canady**

##### A. Purchasing Director, Fiscal Director, and Food Services Director Positions

Ms. Canady provided the committee an update of the following new hires:

- Purchasing Director – Anna Chhabria
- Fiscal Director – Gerardo Cruz
- Food Services Director – Richard Marchini

##### B. Budget Update

Ms. Canady reviewed the first interim report with the FOC. There is an expectation that the impending labor negotiations will further increase the deficit but staff are reviewing ways to decrease expenditures, especially with regard to contracts and outside consultants. Total expenditures increased by \$1.1 million. The First Interim Report and Presentation may be found at: <http://www.smmusd.org/fiscal/BudgetInfo.html>. Ms. Canady's budget handouts may be found at the end of these minutes.

##### C. Update on Status of Malibu Unification

Michael Bishop is working with School Services of California to complete their report to the Board of Education. School Services of California Full Report and Summary: Review of Revenue Options for District Reorganization presented at the October 30, 2017 Board Meeting Summary may be found at:

<http://www.smmusd.org/superintendent/MalibuUnification/102317SSCRevenueReviewSummary.pdf> and the Full report may be found at: <http://www.smmusd.org/superintendent/MalibuUnification/102317SSCRevenueReview.pdf>.

##### D. Impact of Los Angeles County Assessor 2017 Annual Report on SMMUSD likely Basic Aid status

Ms. Canady reported that Malibu had a 6.45% change in assessed value from 2016-2017, compared to Santa Monica's 3.82% change. In order for SMMUSD to be basic aid, the property tax needs to be larger than LCFF. At this time, SMMUSD is still a state aid district and will likely not be a basic aid district until 2019-2020. The Los Angeles County Assessor 2017 Annual report may be found at: [https://assessor.lacounty.gov/wp-content/uploads/2017/10/LACountyAssessor\\_AnnualReport\\_Digital.pdf](https://assessor.lacounty.gov/wp-content/uploads/2017/10/LACountyAssessor_AnnualReport_Digital.pdf).

**VI. Ad Hoc Subcommittee Update**

A. Sustainability: *Mr. Jacobson (Chair), Mr. Levis-Fitzgerald, Ms. Slaugh Nahass*

Mr. Jacobson and Ms. Slaugh Nahass discussed the reporting and ongoing analysis, sustainability policy timeline, future sustainability policy opportunity and reviewed information that was reported out by Sustainability Coordinator. The committee would like to be part of the ongoing sustainability committee established by District.

B. District Budget: *Ms. Krenik (Chair), Mr. Farivar, Mr. Lee, Mr. Sweetmore*

Ms. Krenik provided a history of the budget committee and offered the committee to research and help on projects if needed.

C. Health Benefits:

There was no report.

D. Bond Oversight: *Mr. Lee (Chair), Ms. Mulvaney*

There was discussion on the development and planning for bond issuance. The district policy on review and authorization of bonding, internal review and planning for all future bonds are under review Ms. Canady.

**VII. Receive and File (Limited Discussion)**

**VIII. Public / Committee Comments**

**IX. Next Meeting:** Thursday, February 8, 2018

**X. Adjournment:** The meeting adjourned at 8:26 p.m.

**REDEVELOPMENT REVENUE**

	TAX	FACILITIES	ERAF TAX	ERAF FACILITIES	RESIDUAL TAX	PRIOR PERIOD ADJUSTMENT	TOTAL TAX	TOTAL FACILITIES	TOTAL
2014-15	1,908,697				5,889,385	7,402,514	15,200,596	2,499,379	17,699,975
2015-16	3,039,870	3,928,314	1,230,331	1,611,081	6,599,589	212,896	11,082,687	5,870,477	16,953,164
<b>2016-17 BUDGET</b>							<b>15,081,590</b>	<b>7,040,910</b>	22,122,500
2016-17 1/2/17	1,230,909	1,621,353	1,248,695	1,624,158	4,038,900		6,518,504	3,245,511	9,764,015
2016-17 6/1/17	1,403,896	1,835,018	1,399,745	1,837,680	5,409,319		8,212,960	3,672,698	11,885,658
							14,731,464	6,918,209	21,649,673
<b>2017-18 BUDGET</b>							<b>15,000,000</b>	<b>6,740,629</b>	<b>21,740,629</b>
2017-18 10/2 COUNTY ESTIMATED	1,223,762	1,602,478	1,225,537	1,604,802	4,634,357		7,083,655	3,207,280	10,290,936
2017-18 11/22/17 ASSETS SALES							7,197,544		
2017-18 1/2/18									
2017-18 4/2/18 COUNTY ESTIMATED									
2017-18 6/1/18									

	ACTUALS					BUDGET		
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
PROPERTY TAXES	53,499,703	52,656,493	57,371,775	62,583,086	66,181,738	68,997,852	72,447,745	76,070,132
		-1.58%	8.95%	9.08%	5.75%	4.26%	5%	5%
RDA / TAX	11,575,023	13,157,653	15,200,596	11,082,687	14,731,464	15,000,000	15,000,000	15,000,000
		13.67%	15.53%	-27.09%	32.92%	1.82%	0.00%	0.00%
TOTAL TAXES	65,074,726	65,814,145	72,572,371	73,665,773	80,913,202	83,997,852	87,447,745	91,070,132
		1.14%	10.27%	1.51%	9.84%	3.81%	4.11%	4.14%

**MULTI-YEAR PROJECTIONS / UNRESTRICTED GENERAL FUND**

Description	2016-17	2017-18			2018-19	2019-20	2020-21	2021-22
	UNAUDITED ACTUALS	ADOPTED BUDGET 6/29/17	FIRST INTERIM	DIFF	PROJECTED BUDGET 10/31/17	PROJECTED BUDGET 10/31/17	PROJECTED BUDGET	PROJECTED BUDGET
Revenue:								
Property Tax	80,913,202	83,997,852	83,997,852	-	87,447,745	91,070,132	94,873,638	98,867,320
Education Protection Account (EPA)	2,141,662	2,130,414	2,130,414	-	2,000,000	2,000,000	2,000,000	2,000,000
LCFF Transfer to Fund Fund 14	(250,000)	(250,000)	(250,000)	-	(250,000)	(250,000)	(250,000)	(250,000)
LCFF Transfer to Charter School	(1,982)	(112,000)	-	112,000			-	-
Pr. Year LCFF Adjustment	136	(151,856)	(151,856)	-			-	-
LCFF State Aid								
<b>Minimum State Aid</b>	8,585,843	8,585,843	8,585,843	-	8,585,843	8,585,843	8,585,843	8,585,843
<b>Subtotal LCFF Funding</b>	<b>91,388,861</b>	<b>94,200,253</b>	<b>94,312,253</b>	<b>112,000</b>	<b>97,783,588</b>	<b>101,405,975</b>	<b>105,209,481</b>	<b>109,203,163</b>
Prior Year LCFF Adjustment								
Other Federal	242,911	13,000	30,963		13,000	13,000	13,000	13,000
Lottery	1,586,707	1,600,000	1,600,000		1,600,000	1,600,000	1,600,000	1,600,000
Mandated Reimbursement Block Grant	396,967	381,418	411,302	29,884	380,000	380,000	380,000	380,000
One-time Mandated	2,283,315		1,541,185	1,541,185				
Other State Revenue	11,035	23,600	11,100	(12,500)	11,100	11,100	11,100	11,100
Meas. "R"	11,826,721	11,965,808	12,146,042	180,234	12,205,124	12,449,227	12,698,211	12,952,175
Meas. Y & GSH/ City of SM	8,223,864	16,400,000	16,400,000		16,800,000	17,200,000	17,600,000	18,000,000
	8,812,824	9,000,000	9,000,000		9,200,000	9,400,000	9,600,000	9,800,000
SMMEF Donation	2,030,276	2,000,000	2,010,102	10,102	2,000,000	2,000,000	2,000,000	2,000,000
Lease & Rental	2,347,444	2,400,000	2,400,000		2,450,000	2,450,000	2,450,000	2,450,000
Doubletree One-time Settlement		750,000	750,000	-	-	-	-	-
All Other Local Income	1,843,094	1,013,000	997,000	(16,000)	1,090,000	1,100,000	1,120,000	1,120,000
Transfer From Restricted/ROP			331,668	331,668				
Local General Fund Contribution	(25,622,923)	(27,317,568)	(28,566,780)	(1,249,212)	(29,138,116)	(29,720,878)	(30,315,295)	(30,921,601)
<b>TOTAL REVENUE</b>	<b>105,371,097</b>	<b>112,429,511</b>	<b>113,374,835</b>	<b>927,361</b>	<b>114,394,696</b>	<b>118,288,424</b>	<b>122,366,497</b>	<b>126,607,837</b>
Expenditure:								
Certificated Salary	53,175,887	53,125,663	53,350,947	225,284	54,151,211	54,963,479	55,787,932	56,624,751
Classified	18,530,098	18,615,548	18,757,612	142,064	19,038,976	19,324,561	19,614,429	19,908,646
Benefits	26,514,702	28,373,611	28,067,162	(306,449)	30,593,157	33,232,948	35,546,265	37,338,228
<b>STRS</b>	<b>6,541,345</b>	<b>7,595,606</b>	<b>7,633,585</b>	<b>37,979</b>	<b>8,815,817</b>	<b>9,964,879</b>	<b>10,655,495</b>	<b>10,815,327</b>
<b>PERS</b>	<b>2,292,921</b>	<b>2,699,616</b>	<b>2,709,209</b>	<b>9,593</b>	<b>3,204,831</b>	<b>3,738,143</b>	<b>4,341,458</b>	<b>4,887,971</b>
<b>SOCIAL SECURITY &amp; MEDICARE</b>	<b>2,183,401</b>	<b>2,254,062</b>	<b>2,261,731</b>	<b>7,669</b>	<b>2,241,674</b>	<b>2,275,299</b>	<b>2,309,429</b>	<b>2,344,070</b>
<b>HEALTH AND WELFARE</b>	<b>10,934,898</b>	<b>11,923,146</b>	<b>11,556,813</b>	<b>(366,333)</b>	<b>12,365,790</b>	<b>13,231,395</b>	<b>14,157,593</b>	<b>15,148,624</b>
<b>SUI</b>	<b>35,393</b>	<b>40,795</b>	<b>39,160</b>	<b>(1,635)</b>	<b>41,595</b>	<b>42,144</b>	<b>42,701</b>	<b>43,267</b>
<b>WORKERS COMP</b>	<b>2,728,766</b>	<b>2,868,782</b>	<b>2,884,342</b>	<b>15,560</b>	<b>2,927,607</b>	<b>2,971,522</b>	<b>3,016,094</b>	<b>3,061,336</b>
<b>OPEB</b>	<b>1,695,658</b>	<b>890,912</b>	<b>901,357</b>	<b>10,445</b>	<b>914,877</b>	<b>928,601</b>	<b>942,530</b>	<b>956,667</b>
<b>CASH IN -LIEU</b>	<b>102,322</b>	<b>100,692</b>	<b>80,965</b>	<b>(19,727)</b>	<b>80,965</b>	<b>80,965</b>	<b>80,965</b>	<b>80,965</b>
Supplies/Books	2,915,689	3,393,897	3,076,659	(317,238)	3,000,000	3,000,000	3,000,000	3,000,000
Other Operational Costs	8,731,142	9,923,263	10,041,671	118,408	9,800,000	9,800,000	9,800,000	9,800,000
Capital Outlay	546,243	615,481	947,881	332,400	500,000	500,000	500,000	500,000
Transfer to County Specialized Schools	107,080		120,000	120,000	120,000	120,000	120,000	125,000
Debt Services	53,388	98,000	98,000	-	98,000	98,000	98,000	98,000
Indirect	(1,063,206)	(1,084,672)	(1,138,016)	(53,344)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Interfund Transfer Out to FUND 12	322,000	542,223	703,995	161,772	700,000	700,000	700,000	700,000
Interfund Transfer Out to FUND 13	630,000	900,000	900,000	-	900,000	900,000	900,000	900,000
Interfund Transfer Out to FUND 14	600,000		700,000	700,000				
<b>TOTAL EXPENDITURE</b>	<b>111,063,023</b>	<b>114,503,014</b>	<b>115,625,911</b>	<b>1,122,897</b>	<b>117,901,345</b>	<b>121,638,988</b>	<b>125,066,625</b>	<b>127,994,624</b>
Increase (Decrease) Fund Balance	(5,691,926)	(2,073,503)	(2,251,076)	(195,536)	(3,506,648)	(3,350,564)	(2,700,128)	(1,386,787)
Beginning Fund Balance	32,609,848	23,825,069	26,917,922	3,092,853	24,666,846	21,160,198	17,809,634	15,109,506
Ending Fund Balance	26,917,921	21,751,566	24,666,846	2,915,280	21,160,198	17,809,634	15,109,506	13,722,719
Reserve - Revolving cash, Store	143,465	141,783	141,783	141,783	141,783	141,783	141,783	141,783
Reserve - Deficiting Spending in 18-19	3,506,648	3,506,648	3,506,648	3,506,648				
Reserve - Deficiting Spending in 19-20	3,350,564	3,350,564	3,350,564	3,350,564	3,350,564			
3% Contingency Reserve	4,746,784	4,661,135	4,817,494		4,874,578	5,023,926	5,050,000	5,100,000
<b>Unappropriated Balance</b>	<b>15,170,460</b>	<b>10,091,435</b>	<b>12,850,357</b>		<b>12,793,273</b>	<b>12,643,925</b>	<b>9,917,723</b>	<b>8,480,936</b>

10/31/2017					
<b>2017-18 LCFF CALCULATION WITH INTERDISTRICT PERMITS</b>					
<b>BASE GRANT</b>					
	TK-3	4-6	7-8	9-12	<b>TOTAL</b>
	3,012.17	2,430.50	1,702.62	3,342.93	<b>10,488</b>
2016-17 BASE	7,083	7,189	7,403	8,578	
COLA 1.56%	7,193	7,301	7,518	8,712	
	21,666,539	17,745,081	12,800,297	29,123,606	<b>81,335,523</b>
<b>AUGMENTATION GRANTS:</b>					
CSR AUGMENTATION: BASE GRANT X10.4%					
					<b>2,253,320</b>
CTE AUGMENTATION 9-12 BASE GRANT X2.6%					
			757,214		<b>757,214</b>
<b>SUPPLEMENTAL AND CONCENTRATION GRANTS:</b>					
TOTAL ENROLLMENT					
				11,026	
TOTAL UNDUPLICATED PUPIL COUNT					
				3,055	
				27.71%	
<b>SUPPLEMENT ADD-ON 20% OF BASE GRANT X % OF ELIGIBLE ENROLLMENT</b>					
					<b>4,674,134</b>
<b>TRANSPORTATION AND TIIG GRANT</b>					
2012-13 TRANSPORTATION					
				820,273	
2012-13 TIIG					
				429,757	
<b>TOTAL LCFF ENTITLEMENT /TARGET FUNDING</b>					
					<b>90,270,220</b>
<b>HOLD HARMLESS CALCULATION</b>					
12-13 TOTAL CATEGORICAL FUNDING					
				8,585,843	
12-13 HOLD HARMLESS REVENUE LIMIT PER ADA					
				5,377.99	
13-14 GAP FUNDING PER ADA					
				262.43	
14-15 GAP FUNDING PER ADA					
				598.82	
15-16 GAP FUNDING					
				777.99	
16-17 GAP FUNDING					
				379.45	
TOTAL PRIOR YEAR PER ADA RATE					
				7,393.11	
17-18 FUNDED ADA					
				10,488	
17-18 HOLD HARMLESS REVENUE LIMIT FUNDING					
				77,540,564	
17-18 TOTAL HOLD HARMLESS FUNDING					
				86,126,407	
<b>2017-18 FUNDING</b>					
		RES.	OBJ.		
<b>DIFFERENCE BTW LCFF AND HOLD HARMLESS FUNDING</b>					
					4,143,813
<b>GAP FUNDING</b>					
				43.19%	1,789,713
<b>2017-18 TOTAL LCFF FUNDING</b>					
					<b>87,916,120</b>
<b>LOCAL REVENUE /PROPERTY TAXES</b>					
	00000		8021-8085	83,997,852	
<b>EPA</b>					
	\$200/ADA	14000	8012	2,130,414	
<b>STATE AID /LCFF</b>					
	00000		8011	8,585,843	
<b>TOTAL DISTRICT LCFF FUNDING</b>					
					94,714,109

10/31/2017					
<b>2017-18 LCFF CALCULATION WITHOUT INTERDISTRICT PERMIT</b>					
<b>BASE GRANT</b>					
	TK-3	4-6	7-8	9-12	<b>TOTAL</b>
	2,629.50	2,081.47	1,468.89	2,861.68	<b>9,042</b>
2016-17 BASE	7,083	7,189	7,403	8,578	
COLA 1.56%	7,193	7,301	7,518	8,712	
	18,913,984	15,196,807	11,043,141	24,930,975	<b>70,084,907</b>
<b>AUGMENTATION GRANTS:</b>					
CSR AUGMENTATION: BASE GRANT X10.4%					
					<b>1,967,054</b>
CTE AUGMENTATION 9-12 BASE GRANT X2.6%					
				648,205	<b>648,205</b>
<b>SUPPLEMENTAL AND CONCENTRATION GRANTS:</b>					
TOTAL ENROLLMENT					
				9,474	
TOTAL UNDUPLICATED PUPIL COUNT					
				2,625	
				27.71%	
<b>SUPPLEMENT ADD-ON 20% OF BASE GRANT X % OF ELIGIBLE ENROLLMENT</b>					
					<b>4,029,043</b>
<b>TRANSPORTATION AND TIIG GRANT</b>					
2012-13 TRANSPORTATION					
				820,273	
2012-13 TIIG					
				429,757	
<b>TOTAL LCFF ENTITLEMENT /TARGET FUNDING</b>					
					<b>77,979,240</b>
<b>HOLD HARMLESS CALCULATION</b>					
12-13 TOTAL CATEGORICAL FUNDING					
				8,585,843	
12-13 HOLD HARMLESS REVENUE LIMIT PER ADA					
				5,377.99	
13-14 GAP FUNDING PER ADA					
				262.43	
14-15 GAP FUNDING PER ADA					
				598.82	
15-16 GAP FUNDING					
				777.99	
16-17 GAP FUNDING					
				379.45	
TOTAL PRIOR YEAR PER ADA RATE					
				7,393.11	
17-18 FUNDED ADA					
				9,042	
17-18 HOLD HARMLESS REVENUE LIMIT FUNDING					
				66,845,126	
17-18 TOTAL HOLD HARMLESS FUNDING					
				75,430,969	
<b>2017-18 FUNDING</b>					
		RES.	OBJ.		
<b>DIFFERENCE BTW LCFF AND HOLD HARMLESS FUNDING</b>					
					2,548,271
<b>GAP FUNDING</b>					
				43.19%	1,100,598
<b>2017-18 TOTAL LCFF FUNDING</b>					
					<b>76,531,568</b>
<b>LOCAL REVENUE /PROPERTY TAXES</b>					
	00000		8021-8085	83,997,852	
<b>EPA</b>					
	\$200/ADA	14000	8012	1,803,200	
<b>STATE AID /LCFF</b>					
	00000		8011	8,585,843	
<b>TOTAL DISTRICT LCFF FUNDING</b>					
					94,386,895

**DIFFERENCE -327,214**

## ASSESSED VALUE

	2016	2017	% CHANGE
MALIBU	14,821,609,195	15,777,156,047	6.45%
SANTA MONICA	33,159,981,350	34,427,831,562	3.82%
TOTAL	47,981,590,545	50,204,987,609	4.63%

	TOTAL TAX	RDA	OTHER
<b>2017-18</b>			
COUNTY PROJECTION	86,563,107	20,538,671	66,024,436
DISTRICT PROJECTION	90,738,481	21,740,629	68,997,852
ACTUALS			
<b>2016-17</b>			
COUNTY PROJECTION	82,733,234	20,383,455	62,349,779
DISTRICT PROJECTION	87,834,740	22,122,500	65,712,240
ACTUALS	87,837,411	21,649,673	66,187,738