

**Santa Monica-Malibu Unified School District
Board of Education Meeting
MINUTES**

March 21, 2007

The Santa Monica-Malibu Unified School District Board of Education held a workshop at 4:06 p.m. on Wednesday, March 21, 2007, in the District Administrative Offices: 1651 16th Street, Santa Monica, CA.

I CALL TO ORDER

A. Roll Call

Kathy Wisnicki
Emily Bloomfield
Oscar de la Torre
Jose Escarcé
Maria Leon-Vazquez
Kelly Pye
Barry Snell

B. Pledge of Allegiance

Led by Dr. Jose Escarce.

II Budget Study Session - Informational Workshop

The Board of Education will be presented with information regarding the 2007-08 budget for the Santa Monica-Malibu Unified School District. Interim Chief Financial Officer, Steve Hodgson, will inform the board regarding various budgetary formats, policy areas for budget development, multi-year financial projections, and solution strategies. Dr. Hodgson will also review the budget development calendar.

This workshop is intended to be an informational session for the board members as a step toward developing the 2007-08 budget for the district. Attached is the detailed agenda for the workshop.

Hardcopies of the referenced documents will be available at the workshop.

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Dr. Hodgson stated two of the main principals for guiding future budgetary decisions: to maintain a balance between current and future-year income and expenditures so as to ensure the long-term financial integrity of the district, and to recognize that the highest financial priority is directly related to improving student achievement. He then explained the effects of declining enrollment and Cost of Living Adjustment (COLA) on the budget deficit. According to the enrollment student/teacher ratio formula, the district is currently overstaffed. Dr. Hodgson completed his report by enumerating possible solutions for the budget deficit, including aligning staff numbers to declining enrollment trends.

President Wisnicki asked if it was possible to use Measure “BB” funds to hire a community outreach person to increase the community’s knowledge regarding construction projects. Dr. Hodgson said he would review the Measure “BB” bond language for clarification.

The board agreed to approach the enrollment topic from two angles simultaneously: from a broad, district-wide number, and from an individual school site number. Board Member

If you will require accommodation to participate in the Board meeting, please notify the Superintendent’s Office at least one day prior to the meeting.

Leon-Vazquez asked if it would be possible to stabilize enrollment with inter-district permits. Dr. Hodgson explained that the best scenario for the budget and current staffing numbers would be an increase in enrollment.

The board agreed that the Financial Oversight Committee (FOC) would be a useful resource in reviewing the fiscal department's recommendations for the 2007-08 budget.

The board and Superintendent agreed to hold an additional meeting regarding budget topics on April 25, 2007, as a second item to the already-existing technology board workshop being held that evening.

III PUBLIC COMMENTS

Public Comments is the time when members of the audience may address the Board of Education on items not scheduled on the meeting's agenda. All speakers are limited to three (3) minutes. When there is a large number of speakers, the Board may reduce the allotted time to two (2) minutes per speaker. The Brown Act (Government Code) states that Board members may not engage in discussion of issues raised during "Public Comments" except to ask clarifying questions, make a brief announcement, make a brief report on his or her own activities, or to refer the matter to staff. This Public Comment section is limited to 20 minutes.

- *Paul Silvern, a member of the community, expressed his concerns regarding the multiyear financial projection results.*
- *Cynthia Torres, a member of the community, suggested the district adopt a deficit elimination plan.*
- *Jim Jaffe, a member of the community, suggested the district begin considering a new parcel tax.*
- *Patricia Hoffman, a member of the community, urged the board to direct any budget questions to Dr. Stephen Hodgson.*
- *Rebecca Kennerly, a member of the community, suggested the district hire a public affairs officer.*

IV ADJOURNMENT

It was moved by Mr. Oscar de la Torre, seconded by Ms. Kelly Pye, and voted 7/0 to adjourn the workshop at 6:32 p.m. The next regularly scheduled meeting will be held on Thursday, April 19, 2007, at 5:30 p.m. in the Santa Monica City Council Chambers: 1685 Main Street, Santa Monica, CA.

Approved: May 3, 2007


President


Superintendent

Santa Monica-Malibu Unified School District
Budget Study Session
March 21, 2007

AGENDA

1. Comparison of Various Budgetary Formats

2. Identified Policy Areas for Budget Development

- Review of *SMMUSD Vision Statement and Student Outcomes*
- Review of *Draft Principles for Guiding Future Budgetary Decisions*
- Review of *2007-08 Budget Allocation and Staffing Guidelines*
- Continue to achieve budgetary savings and recognize the necessity for ongoing budgetary reductions.
- Use of District Categorical Program Funding and District “Other Funds”
- Explore ways to reduce the financial impact of the continuing decline in student enrollment.

Note: The loss of Revenue Limit funding associated with the decline in student enrollment presents one of the most significant fiscal challenges faced by the District.

3. District Multi-Year Financial Projections (2007-08 through 2009-10)

Note: District use of the FCMAT Multi-Year Projection software is pending.

- Revenue Assumptions
 - State Revenue Limit Funding
 - Enrollment Trends & Projections
 - Parcel Taxes
 - Other Revenues.
- Expenditure Assumptions
 - Understanding School Site Staffing Ratios and Class Size
 - K-3
 - 4-5
 - 6-8
 - 9-12
 - Other Expenditures
- Recognizing the Economics of Budgetary Deficits

4. Developing Budgetary Solution Strategies

- Maintaining a balance between current and future year income and expenditures so as to ensure the long-term financial integrity of the District

5. Consideration of Necessary Next Steps

6. SMMUSD Budget Development Calendar