



SMMUSD Financial Oversight Committee Minutes

Date: Thursday, May 8, 2014

Time: 7:00 pm to 9:00 pm

Location: Webster Library

3602 Winter Canyon Road, Malibu, CA 90265

I. Call to Order

The meeting was called to order by Mr. Larmore.

7:09 pm

Committee Members: Tom Larmore

Laurie Lieberman

Gordon Lee

Craig Foster

Joan Krenik

Peter Lippman

Shelly Slaugh Nahass

Paul Silvern

Cynthia Torres

Staff:

Jan Maez

Kim Nguyen

Absent:

DeAndre Parks

David Vukadinovich

Patricia Hoffman

Jose Escarce

Public:

None

II. Approval of Minutes

7:10 pm

A motion was made by Mr. Silvern and seconded by Mr. Foster to approve the March 13, 2014 minutes.

AYES: Eight (8) (Mr. Foster, Ms. Krenik, Mr. Larmore, Mr. Lee, Mr. Lippman, Mr. Silvern, Ms. Slaugh Nahass, Ms. Torres)

NOES: None (0)

ABSENT: Three (3) (Ms. Hoffman, Mr. Parks, Mr. Vukadinovich)

III. Approval of Notes

7:11 pm

A motion was made by Mr. Silvern and seconded by Mr. Lippman to approve the April 24, 2014 notes.

AYES: Eight (8) (Mr. Foster, Ms. Krenik, Mr. Larmore, Mr. Lee, Mr. Lippman, Mr. Silvern, Ms. Slaugh Nahass, Ms. Torres)

NOES: None (0)

ABSENT: Three (3) (Ms. Hoffman, Mr. Parks, Mr. Vukadinovich)

IV. Discussion/Action Items

7:12 pm

- A. Approval of Measure R Plan: Members discussed the annual Measure R plan. The Board of Education held a public hearing on April 3, 2014 and no comments were received. Ms. Torres suggested that nurse staffing be reflected on future Measure R plans

to show the community what the District have done to preserve vital programs. A motion was made by Ms. Torres and seconded by Mr. Silvern to recommend the Board of Education approval of the Measure R Annual Plan.

AYES: Eight (8) (Mr. Foster, Ms. Krenik, Mr. Larmore, Mr. Lee, Mr. Lippman, Mr. Silvern, Ms. Slaugh Nahass, Ms. Torres)

NOES: None (0)

ABSENT: Three (3) (Ms. Hoffman, Mr. Parks, Mr. Vukadinovich)

8:09 pm

B. Selection of Chair and Vice Chair

The committee discussed this item and tabled the selection of Chair and Vice Chair to after the appointment of new committee members.

8:10 pm

C. Selection of Nominating Ad Hoc subcommittee

Mr. Larmore, Ms. Krenik, and Ms. Torres volunteered to serve on the nominating ad hoc committee.

8:06 pm

D. Scheduling of Board / FOC Joint Workshop

The committee discussed the scheduling of a Board of Education / FOC Joint Workshop that did not coincide with a regular Board meeting date. This workshop would be in lieu of the joint meeting previously scheduled for June 5, 2014. The workshop date is to be determined based on FOC and Board availability but will be sometime in July or August 2015.

8:14 pm

E. 2014-2015 FOC Meeting Schedule

Members discussed next year's meeting schedule to be held at the District Office Testing Room (unless otherwise noted) from 7:30 p.m – 9:30 p.m. The following meeting schedule is for 2014-2015:

- Thursday, September 11, 2014
- Thursday, October 9, 2014
- Thursday, November 13, 2014
- Thursday, December 4, 2014 (Meeting will be held at Webster Library in Malibu)
- Thursday, January 8, 2015
- Thursday, February 12, 2015
- Thursday, March 12, 2015
- Thursday, April 16, 2015 (Meeting will be held at Webster Library in Malibu)
- Thursday, May 14, 2015
- Thursday, June 11, 2015
- TBD (July or August 2015) *Please note: This is a Joint Meeting / Workshop with the Board of Education - *SMMUSD District Office Board Room, 1651 16th St., Santa Monica.*

7:20 pm

F. Draft FOC Annual Report Discussion / Preparation for Board / FOC Joint Workshop

Mr. Larmore provided the committee with a draft report to the Board. Mr. Foster asked about the 10% hurdle needed for a favorable bond rate and whether the solvency of school districts would impact bond ratings. Ms. Maez informed the committee of a conceptual agreement with SEIU that will be very similar to CTA. The conceptual agreement has already been taken into consideration during the budget development process. Management increases are considered yearly and will receive the same 4% increase as CTA. The agreement with CTA is for 2012-13 through 2014-15, with no reopeners.

During the discussion of the annual report, members suggested adding reference to money received for implementation of common core as well as positive statements in the report. Ms. Maez informed the committee of an increase in custodial staff, increase in allocation for textbook adoption, and the TK-3 staffing ratio change to 25:1. The reduced staffing ratio is in part because the Board and staff are recommending lower class sizes as well as the LCFF requirement. Mr. Foster reminded the committee of Vision for Student Success. Mr. Silvern expressed concern ~~with the bond program particularly the expenditure.~~ **about the lack of progress in implementing Measure ES.** Ms. Maez reported that there are behind the scene progress. A recommendation of the management structure of the program will be brought forward in the near future. Mr. Lee explained that Los Angeles County Treasurer had issues with the district bond issuances in the past because it contained capital appreciation bonds. Mr. Lee will call a bond subcommittee meeting to consider the structure of the first Measure ES series. Ms. Maez reported that in planning for ES, the District Technology Team (DTT) will provide a report to the Board as some of the first expenditures will be focused on technology program.

7:42 pm

G. Tasks for 2014-15

Mr. Larmore suggested that the same FOC tasks be recommended for 2014-15 as there is still opportunity for additional work to be done. Mr. Foster would like the Board to provide charges that concerns them. In response to the committee's request for input, Ms. Maez suggested district property leases as a charge to consider. Ms. Maez will email Mr. Larmore list of leases and issues associated with each. Mr. Foster suggested taking a look at how other districts handle its finances; cash management and getting ~~more~~ **higher or better** interest rates; and permits as a revenue source. The committee would like to brainstorm with the Board on future tasks rather than provide a list of suggested tasks.

V. **Update from Ad Hoc Committees**

8:40 pm

A. Malibu Unification (C. Foster, T. Larmore, P. Lippman, P. Silvern, S. Slaugh Nahass): Mr. Foster reported that the subcommittee will meet to review the unification report and next steps.

8:42 pm

B. Detailed Budget Review (T. Larmore, G. Lee, C. Torres): No report.

8:42 pm

C. Retiree Benefit Obligations (J. Krenik, P. Hoffman, D. Parks): No report

8:42 pm **VI. Local Control Accountability Plan (LCAP) Committee Update**

Ms. Krenik reported that another LCAP meeting is coming up. At the last meeting, the committee reviewed a draft report that is available online at the District website. The last report showed how the District is developing its goals. Ms. Maez informed the committee that part of the process includes documentation of comments and responses to comments must be done in writing. The state is preparing to put into the audit guide criteria that auditors will use to evaluate school district budget as it relates to the LCAP plan. Auditor firms are struggling with this concept as it is not typical for them to evaluate the worthiness of district educational goals.

8:46 pm **VII. Update regarding SMMEF**

Ms. Krenik reported that SMMEF held The Pier Party fundraiser on Sunday, April 27, 2014 and raised over \$100,000. Mr. Ed Lin resigned and the Foundation will be working on filling that vacancy. There is a proposed change of fundraising year to align with PTA and school year.

VIII. Receive and File (Limited Discussion) None

IX. Public Comments: None

X. Next Meeting: Thursday, June 12, 2014 at 7:30 p.m.

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