



SMMUSD Financial Oversight Committee Minutes

Date: Thursday, April 27, 2017

Time: 7:00 pm to 9:00 pm

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

I. Call to Order

7:04 pm

Committee Members: Seth Jacobson
Tom Larmore
Paul Silvern
Manel Sweetmore

Joan Krenik
Debbie Mulvaney
Shelly Slaugh Nahass arrived @ 7:23pm

Staff: Jan Maez Kim Nguyen

Board Liaisons: Craig Foster Laurie Lieberman

Absent: Alex Farivar Griffin James, SAMOHI student rep
Jon Kean Sky Petretti, Malibu student rep
Gordon Lee Marc Levis-Fitzgerald

Public: None

II. Welcome New Member – David Newberg

7:25 pm

Ms. Slaugh Nahass reported that Mr. Newberg resigned earlier in the day. The subcommittee will meet and make a replacement recommendation at the May 11, 2017 FOC meeting.

III. Approval of Minutes

7:04 pm

Under V (B), "...the committee **completed negotiations and** provided a ~~5-year~~ report to the Board."

A motion was made by Ms. Mulvaney and seconded by Mr. Silvern to approve the March 8, 2017 minutes as amended.

AYES: Six (6) (Mr. Jacobson, Ms. Krenik, Mr. Larmore, Ms. Mulvaney, Mr. Silvern, Mr. Sweetmore)

STUDENT ADVISORY VOTE: None (0)

NOES: None (0)

ABSENT: Four (4) (Mr. Farivar, Mr. Lee, Mr. Levis-Fitzgerald, Ms. Slaugh Nahass)

ABSTAIN: None (0)

IV. Staff Report

7:06 pm

A. Budget Update

Ms. Maez reported that she expects the deficit to be approximately \$8.5M in 2016-17 and in the \$3M-\$4M range beyond this year. The District is including additional RDA funds into the property tax assumptions based on new information. Staff was directed by the Board to bring some ideas of changes / reductions that could be effective as early as the 2017-18 school year at the May 18, 2017 Board meeting.

V. Discussion/Action

7:30pm

A. May 11, 2017 meeting location

Mr. Foster and Ms. Krenik will determine the Malibu meeting location.

VI. Ad hoc Subcommittee Update

7:34 pm

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

Ms. Maez stated that the designated individual for the subcommittee to contact regarding sustainability is Carey Upton.

7:38 pm

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

Ms. Krenik reported the subcommittee met with Ms. Maez. Although the committee has things to include in the FOC annual report, the district budget is a moving target and some subcommittee comments may not be relevant depending on Board discussions.

7:40 pm

C. Bond: *Mr. Lee (Chair), Mr. Silvern, Ms. Slauch Nahass*

Ms. Maez reported that the subcommittee had two meetings with Keygent. The first meeting was to prepare the presentation on the May 10, 2017 during the rating agency meetings in San Francisco. The second meeting was a presentation of the structure of the \$60M bond issue. It was noted that the repayment ratio would be well below the \$30/parcel limit for Measure ES only. Interest rates are in the range of 3.5%. It is expected that future bonds will be issued every two years in the amount of approximately \$78.4M. The authorizing resolution is scheduled for Board action on May 4, 2017.

There is new legislation effective January 2017 that requires a policy for debt issuance. The Board reviewed the policy on April 20, 2017 and will return as a consent item for adoption on the May 4, 2017 Board agenda. It will be approved prior to the authorizing resolution. Mr. Lee will be attending the May 10, 2017 rating agency meetings.

VII. Receive and File (Limited Discussion)

VIII. Public / Committee Comments None

IX. Next Meeting: Thursday, May 11, 2017

X. Adjournment: The meeting adjourned at 7:51 p.m.