

**Santa Monica-Malibu Unified School District
Board of Education Resolution**

Malibu Unification Negotiations Committee's Supplemental Memorandum Report

WHEREAS during its November 19, 2015, meeting, the Board of Education (BOE) heard two Discussion Items related to the potential unification of a Malibu Unified School District; and

WHEREAS, in response to information presented on November 19, 2015, the Board of Education members and members of the public expressed particular concern about the negative financial consequences to the resulting Santa Monica Unified School District (SMUSD) arising from potential unification; and

WHEREAS the Board of Education expressed its unanimous desire for the co-existence of the Santa Monica Unified School District (SMUSD) and the Malibu Unified School District (MUSD) as two excellent school districts serving their respective communities and providing the best educational opportunities for their respective students, as long as it can be accomplished in a manner that does not have a negative impact on the financial condition of the remaining Santa Monica Unified School District (SMUSD); and

WHEREAS the Board of Education created the Malibu Unification Negotiations Committee (MUNC) to engage in negotiations in an effort to resolve financial concerns raised by reports to the Board from District staff and the District's Financial Oversight Committee regarding unification of a separate Malibu Unified School District (MUSD); and

WHEREAS, the Board of Education tasked the MUNC with addressing financial issues that comprise a subset of the statutory criteria that the State Board of Education would apply before approving the reorganization of a school district via the petition procedure contained in the California Education Code; and

WHEREAS the Malibu Unification Negotiations Committee held forty-nine public meetings and obtained advice from legal and education finance consultants including School Services of CA over a period of fifteen months and prepared a final report to the Board of Education dated February 24, 2017; and

WHEREAS the committee presented its report in two public meetings, one in Santa Monica on March 21, 2017, and one in Malibu on March 27, 2017; and

WHEREAS the Board of Education discussed the Malibu Unification Negotiations Committee's initial report on March 7, 2017, and again on May 30, 2017; and

WHEREAS, during the May 30, 2017, special board meeting, individual Board of Education members raised questions and concerns regarding the Malibu Unification Negotiations Committee report's recommendations and the status of committee's discussions, including but not limited to concerns about components of the proposed Revenue Neutrality Formula and about the meaning of "significant adverse financial effects," and as a result, directed the committee to refine the proposed formula and further develop a rationale for a time frame during which payments from a Malibu Unified School District (MUSD) to a Santa Monica Unified School District (SMUSD) would cease (BOE minutes 5/30/17); and

WHEREAS, also during the May 30, 2017, special board meeting, the Board of Education directed executive staff to determine if School Services of CA (SSC) could be engaged to conduct a peer review of the Malibu Unification Negotiations Committee's revised calculations and projections to consider questions raised and concerns expressed, to offer its

expertise in the quest for an approach to unification that would result in the elimination of significant adverse financial effects on SMUSD (BOE minutes 5/30/17); and

WHEREAS, the Malibu Unification Negotiations Committee delivered its Supplemental Memorandum Report to the superintendent in mid-July 2017, and it was appropriately forwarded to School Services of CA for analysis;

THEREFORE, BE IT RESOLVED, that the Santa Monica-Malibu Unified School District Board of Education hereby:

1. receives the Malibu Unification Negotiations Committee's Supplemental Memorandum Report dated July 11, 2017, with gratitude and appreciation;
2. directs the superintendent to continue to work with School Services of CA to review and prepare an independent analysis of the Malibu Unification Committee's Supplemental Memorandum Report and develop its analysis and recommendations, which is currently expected to be transmitted by September 30, 2017;
3. directs the superintendent to report to the Board of Education no later than five weeks following receipt of a final report from School Services of CA; and

BE IT FURTHER RESOLVED, that the Santa Monica-Malibu Unified School District Board of Education:

1. reaffirms its desire for the co-existence of the Santa Monica Unified School District (SMUSD) and the Malibu Unified School District (MUSD) as two excellent school districts serving their respective communities and providing the best educational opportunities for their respective students, as long as it can be accomplished in a manner that assures the BOE that there will not be a negative impact on the financial condition of the remaining Santa Monica Unified School District,

PASSED AND ADOPTED by the Santa Monica-Malibu Unified School District Board of Education with the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

Laurie Lieberman, President
Board of Education

I, Dr. Ben Drati, Secretary of the Board of Education of the Santa Monica-Malibu Unified School District, do certify that the foregoing Resolution was regularly introduced, passed and adopted by the Board of Education at its regularly scheduled board meeting held on this day of August 30, 2017.

Dr. Ben Drati, Superintendent
Santa Monica-Malibu
Unified School District