



# INTRODUCTIONS

## Today's Presenters:

- Mayor Mikke Pierson
- Councilmember Karen Farrer
- SM-MUSD Board Trustee Craig Foster
- Terri Ryland, President, Ryland School Business Consulting
- Christine Wood, Deputy City Attorney, BBK Law

- *In addition to today's presenters, the City Team is well-suited to support school district separations. Both in-house City staff and consulting team have educational expertise and resources to address the reorganization efforts.*

## REASONS FOR PETITION

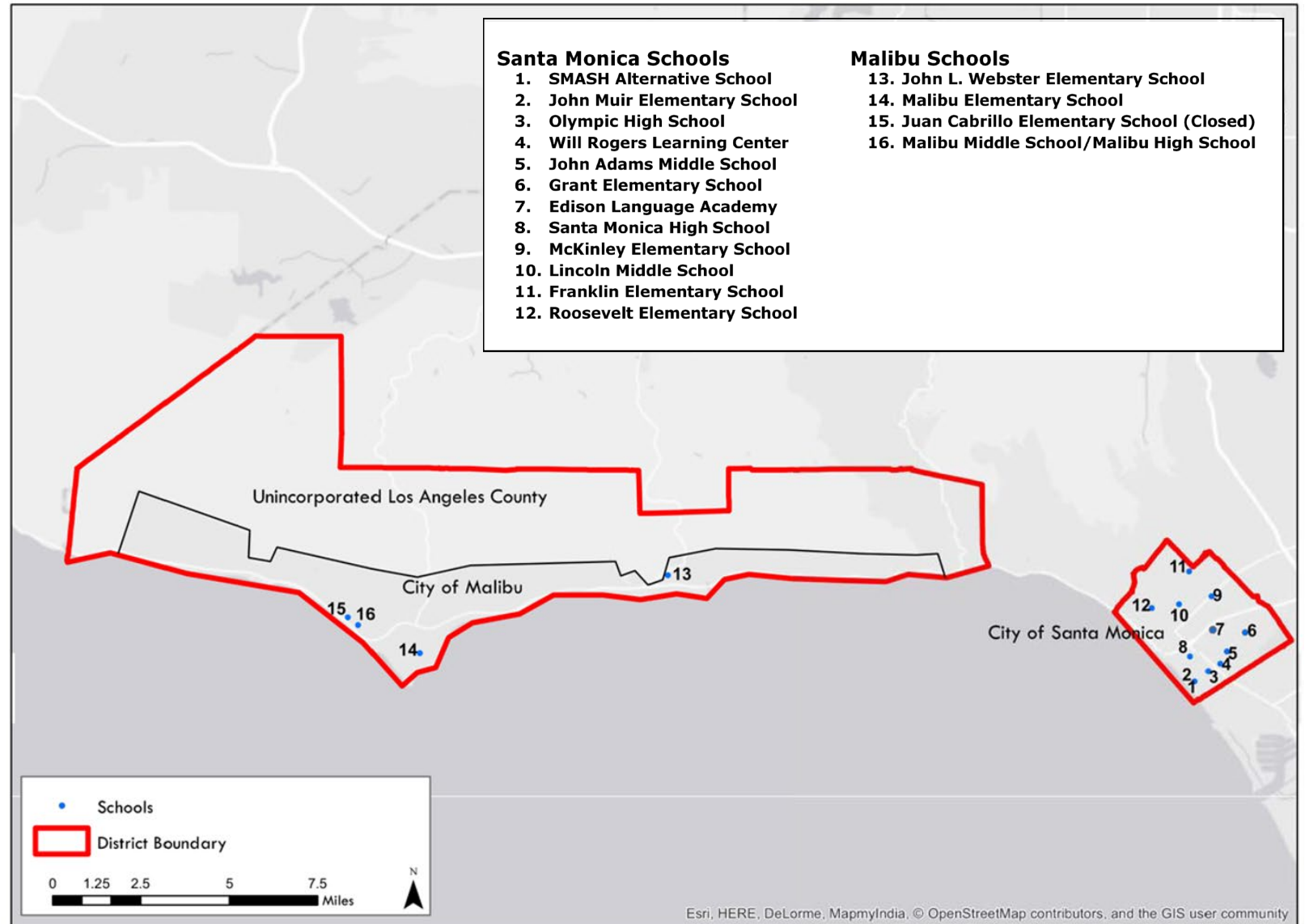
The Malibu City Council and our constituents strongly feel it is in the best interest of Malibu area residents to separate from the Santa Monica-Malibu Unified School District (SM-MUSD).

- Malibu students are being severely disadvantaged in terms of academic offerings, quality of facilities, and convenient access to district personnel, activities, or services.
- Malibu residents do not have a voice in our students' educational needs due to the relative size of the Malibu voter base as compared to the Santa Monica voter base.
- The Santa Monica-based School District and leadership do not understand the issues and needs of the Malibu community.

**All interested parties**—including the City of Malibu, SM-MUSD Board of Education, and Santa Monica City Council—have all publicly stated that separation makes sense.

# SEPARATE & DISTINCT COMMUNITIES (STATE FEASIBILITY CRITERION #2)

- Two distinctly different communities with their own very different character and identity
  - Separated geographically
  - Malibu is rural, Santa Monica is urban
- Other than the school district, the two communities do not share other community-based groups or organizations
- School site attendance boundaries would not change as a result of this proposed reorganization.



Santa Monica-Malibu Unified School District

Date: 2/21/2017

# ACADEMICS AND STUDENT NEEDS

SM-MUSD offers its students a high-quality educational program.

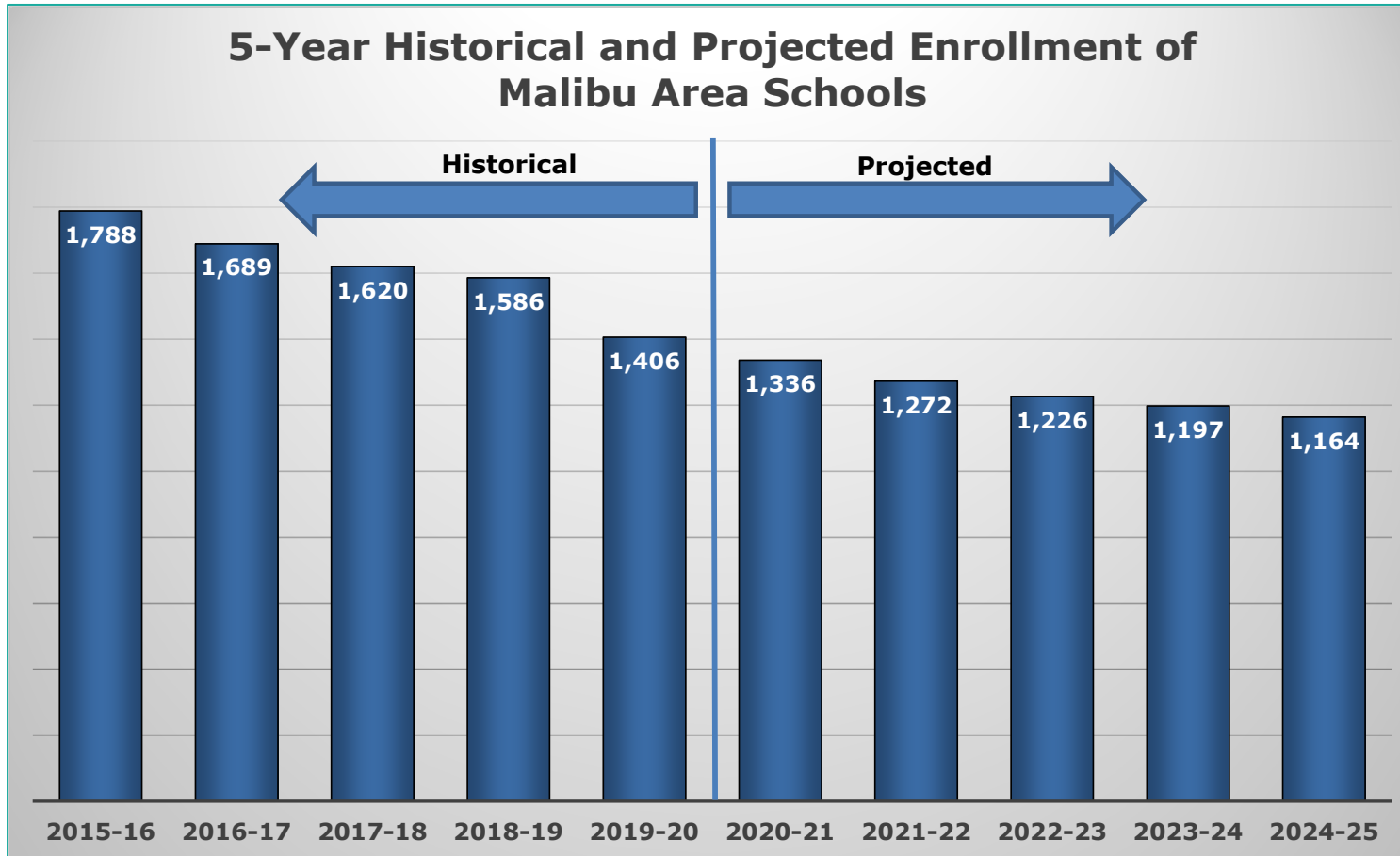
- And will be able to continue that high-quality program post-separation
- Many of the specialized programs are only offered in Santa Monica

Malibu families are unhappy with programs offered at our local schools.

- Many have opted for alternative education options instead of SM-MUSD schools
  - Demonstrated by a 21% decline in the Malibu area enrollment over the past 5 years
- This loss of Malibu students is not important to SM-MUSD as it is only small percentage of their student population
  - No plan to address the decline in enrollment nor understand what is needed to support the educational program goals of the Malibu community

Students with special needs are not being well-served.

# ENROLLMENT IN THE PROPOSED MALIBU USD (STATE FEASIBILITY CRITERION #1)



- This historical and projected decline in student enrollment is reaching a crisis level in Malibu.
- Our community is choosing other school options for students until educational program can be offered to adequately meet student needs.

## THE MALIBU COMMUNITY HAS ASKED FOR SEPARATION FOR MANY YEARS

2011-  
2015

- 2011 Formation of the Advocates for Malibu Public Schools (AMPS)
- 2013 Commissioned the West Ed. Study
- 2015 Collection of thousands of signatures submitted to the Malibu City Council in support of a new MUSD

2015-  
2017

- Malibu Unification Negotiations Committee (MUNC) formed by the SMMUSD Board
- Consisting of members from Malibu and Santa Monica
- Formal MUNC report submitted February 2017
- Formal Pre-Petition of desire to form a MUSD submitted to Los Angeles COE

2018-  
2020

- Ad Hoc committee formed at the suggestion of LACOE and SMMUSD School District staff
- SMMUSD financial consultants, legal counsel & 3 Board members, City of Malibu staff, 2 City Council members, Malibu financial consultants & legal counsel
- Tried to negotiate a mutual separation agreement and financial plan for both Districts

# NEGOTIATIONS BETWEEN THE CITY AND SM- MUSD WERE NOT SUCCESSFUL

- Teams of Board Members, Staff, Consultants & Legal Staff from both sides met over 15 times from 2018 to 2020
- SM-MUSD submitted a proposal in August 2018, based on parameters established by the SM-MUSD Governing Board
  - NOT based on the CDE Nine (9) Criteria for School Separation
- City of Malibu submitted **6** counterproposals from Nov. 2018 to Apr. 2021, one proposal acquiesced to almost all demands, ALL counter proposals were **rejected**.
- Major Sticking point is how to split property taxes
  - City Proposal: Split based on Assessed Valuation which follows CDE Handbook
  - SM-MUSD Proposal: Split based on proportional enrollment per District



# A LOCALLY CONTROLLED MALIBU USD WILL SPECIFICALLY ADDRESS THE NEEDS OF THE MALIBU COMMUNITY

Approx. eighty five percent (85%) of the registered voters within the District are located in Santa Monica, with fifteen percent (15%) located within the Malibu area.

- Malibu residents do not have a strong enough influence to make the changes needed.

Malibu families do not feel that the SM-MUSD leadership is in tune to the Malibu community

- Everything from how health and safety needs are addressed, to which academic programs are offered, to how facilities improvements are planned and delivered.

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# HEALTH AND SAFETY CONCERNS ARE SIGNIFICANT

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- SM-MUSD leadership's decision about health and safety needs simply do not reflect the needs and desired of the Malibu community.
    - Malibu is a rural community faced with fire danger, blackouts, mudslides, road closures and other hazards on an ongoing basis.
      - As an urban community, Santa Monica faces its own health and safety challenges that are very different from that of Malibu.
  - The health and safety of Malibu students is put at risk when SM-MUSD fails to properly respond to catastrophes that are unique to the Malibu terrain.
    - e.g., response to Woolsey Fire, PCBs in Malibu schools, driving PCH from Malibu to Santa Monica

## RACIAL OR ETHNIC DISCRIMINATION/SEGREGATION (STATE FEASIBILITY CRITERION #4)

Nearly all of the students in Malibu and Santa Monica already attend their local schools.

- There will be no material change in the diversity of any school site and either district's ability to educate students in an integrated environment.
  - The percentage of unduplicated pupils after unification at Santa Monica USD is estimated to increase by two percentage points (from 31% to 33%)
  - The percentage of unduplicated pupils at the new MUSD will likely remain unchanged

An independent Malibu USD would enable Santa Monica USD to improve diversity efforts.

- A report authored by Dr. Pedro Noguera states that the current make-up of the District creates distractions that impede its ability to focus on diversity efforts.

THE DISTRICT  
ALREADY  
OPERATES THESE  
TWO  
COMMUNITIES  
SEPARATELY

- SM-MUSD currently operates Malibu schools on a completely separate track from Santa Monica schools.
  - Students typically attend school in their local community without much intermingling of students from each community.
  - Community-based organizations and events are not shared between these two communities.
  - Separate facilities funding districts were created in 2018, with one in Malibu and one in Santa Monica, to fund school improvements in each respective community.
- Since the communities are effectively separated already, it practically makes sense to officially separate the school districts.

# POST-REORGANIZATION, BOTH DISTRICTS WILL BE IN THE TOP 5 IN LA COUNTY WITH REGARDS TO OPERATING REVENUE PER STUDENT

LA County Unified School Districts Ranking of 2018-19 Funding <sup>(1)</sup>							
Current Districts and Proposed Two New Districts Ranked by Total Operating Revenue per Student							
District	Total LCFF Revenue	Sum of Other Local Rev	Enrollment	LCFF Funding per Student	Rank LCFF Funding	All Operating Revenue per Student	Rank Overall
Beverly Hills	54,237,235	15,202,576	3,774	\$14,371	1	\$18,400	1
Acton-Agua Dulce(2)	9,808,103	8,481,392	1,084	\$9,048	31	\$16,872	2
<b>Malibu USD pro forma (19-20)</b>	<b>21,542,525</b>	<b>3,799,860</b>	<b>1,512</b>	<b>\$14,248</b>		<b>\$16,761</b>	
<b>Santa Monica USD pro forma (19-20)</b>	<b>82,031,605</b>	<b>44,199,490</b>	<b>8,858</b>	<b>\$9,261</b>		<b>\$14,251</b>	
Santa Monica-Malibu	96,068,254	54,827,726	10,629	\$9,038	32	\$14,197	3
San Marino	26,167,093	13,995,148	2,973	\$8,802	37	\$13,509	4
Los Angeles(2)	5,649,654,239	218,022,666	446,996	\$12,639	2	\$13,127	5

Source: 2018-19 LA County Public Schools Financial Report (Tables 2, 6).

Note: "Sum of Other Local Rev" column for Santa Monica-Malibu USD does not equal the combined total for MUSD and SMUSD as it includes one-time funding for Santa Monica-Malibu USD that would not be available to either Malibu USD or Santa Monica USD post reorganization.

## THE FUNDING MODEL (STATE FEASIBILITY CRITERIA #5 AND #9)

The City's proposed funding model is based on guidance from the CDE Handbook on reorganization, typical school funding calculations used by all school districts in California, as well as the use of current legal practices employed by County Auditors in allocating property taxes to various local agencies.

- Additional property taxes would need to be transferred from Malibu USD to Santa Monica USD via a property tax sharing agreement or JPA to ensure no additional costs to the State due to change in Basic Aid status.
  - Meeting Criterion #5
- Plus, the City has proposed to further protect funding levels of Santa Monica USD by providing additional funds to ensure that Santa Monica receives at least the same total per pupil funding that they would have if the reorganization did not occur.
  - Meeting Criterion #9

# FINAL THOUGHTS

- The City still believes there is an opportunity for a negotiated separation, with the help of LACOE and School Services.
- In the meantime, the City asks the County Committee to remember... this is a preliminary public hearing.
- The question before you is whether the City has demonstrated enough evidence to show that its Petition deserves additional consideration and research.
  - The petition before you not only is sufficient, but also has significant merit and need.