



SMMUSD Financial Oversight Committee

Date: Tuesday, March 21, 2023

Time: 6:00 pm to 8:00 pm

**Location: Board Room, SMMUSD District Administrative Office –
1717 4th Street, Santa Monica, CA 90401**

AGENDA

Public comments:

Persons wishing to address the Committee regarding an item that is scheduled for this meeting must submit a “Request to Address” card prior to discussion of that item. Persons wishing to address the Committee regarding an item that is not scheduled on this meeting’s agenda may speak during the Public Comments section by submitting a “Request to Address” the beginning of the meeting. Cards are located with meeting materials at the back of the room. Completed cards should be submitted to the Recording Secretary.

STANDARDS OF BEHAVIOR THAT PROMOTE CIVILITY AT ALL PUBLIC MEETINGS:

Treat everyone with respect and courtesy.	Keep an open mind and, if merited, allow yourself to be persuaded to change your opinion.
Listen to others respectfully.	Acknowledge dissension as a civic right and as a tool to use to reach the best decisions.
Agree to disagree, and don’t make it personal; discuss the issue, not the person.	Accept responsibility and maintain self-control.

Comentarios públicos:

Las personas que desean dirigirse al Comité sobre algún asunto que está programado para esta reunión, deben de entregar la tarjeta “Solicitud para dirigirse a” antes de que se trate dicho tema. Las personas que deseen dirigirse al Comité sobre un asunto que no está programado en la agenda de esta reunión, pueden hablar durante el período de comentarios públicos al entregar la tarjeta “Solicitud para dirigirse” al inicio de la reunión. Las tarjetas están colocadas en la parte posterior de la sala donde se encuentran todos los materiales relacionados a la reunión. Las tarjetas llenas se deben entregar a la Secretaria de Actas.

NORMAS DE CONDUCTA QUE PROMUEVEN LA CIVILIDAD EN TODAS LAS REUNIONES PÚBLICAS:

Tratar a todas las personas con respeto y cortesía.	Mantener la mente abierta, y si la ocasión lo amerita, permitir ser persuadido a cambiar de opinión.
Escuchar a los demás de manera respetuosa.	Reconocer el disenso como un derecho cívico y como una herramienta para tomar las mejores decisiones.
Aceptar las diferencias y no tomarlas de forma personal; debatir el asunto, no la persona.	Aceptar la responsabilidad y mantener el autocontrol.

- I. Call to Order (5 min)**
- II. Approval of Agenda (5 min)**
- III. Approval of FOC Meeting Minutes (5 min) February 23, 2023**
- IV. Assistant Superintendent, Business and Fiscal Report: Melody Canady (30 min)**
 - A. 2nd Interim Budget Report
 - Presentation: <https://simbli.eboardsolutions.com/Meetings/Attachment.aspx?S=36030435&AID=460242&MID=18662>
 - Attachment: <https://simbli.eboardsolutions.com/Meetings/Attachment.aspx?S=36030435&AID=457825&MID=18662>

- Multi Year Projection (MYP): <https://simbli.eboardsolutions.com/Meetings/Attachment.aspx?S=36030435&AID=457829&MID=18662>
- Fiscal Stabilization Plan: <https://simbli.eboardsolutions.com/Meetings/Attachment.aspx?S=36030435&AID=457828&MID=18662>
- Standard Account Code Structure (SACS) Report:
<https://simbli.eboardsolutions.com/Meetings/Attachment.aspx?S=36030435&AID=458705&MID=18662>
- Adopted Budget Review Letter from LACE: Second Interim Budget:
<https://simbli.eboardsolutions.com/Meetings/Attachment.aspx?S=36030435&AID=457827&MID=18662>

V. Discussion/Action Items

- A. Proposed 2023-24 Measure R Annual Plan (15 min)
<https://www.smmusd.org/cms/lib/CA50000164/Centricity/Domain/300/MeasureR-AnnualPlan2324.pdf>

VI. Ad hoc Subcommittee Report (30 min)

- A. Budget Recommendations
- General: *Mr. Beekman, Mr. Jacobson, Mr. Chin, Mr. Christensen, Ms. McQuaid*
 - Unfunded Liabilities: *Mr. Jacobson, Mr. Kremer, Mr. Rotgin, Mr. Chin, Ms. McQuaid*
- B. Tax Revenue and Assessed Valuation: *Mr. Kremer, Mr. Beekman, Mr. Crawford*
- C. Bond Oversight: *Mr. Kremer, Mr. Crawford, Mr. Rotgin, Mr. Chin*
- D. Measure R Reporting and Process Review: *Mr. Crawford, Mr. Landres, Ms. Maniar*
- E. Financial Communication and Reporting: *Mr. Landres, Mr. Jacobson, Ms. Maniar, Mr. Christensen, Mr. Farivar*
- F. Nomination: *Mr. Rotgin, Ms. Maniar, Mr. Farivar, Mr. Crawford*

VII. Receive and File (Limited Discussion)

VIII. Public Comments

- A. Public Comments is the time when members of the audience may address the Committee on items not scheduled on the meeting’s agenda. All speakers are limited to three (3) minutes. When there are a large number of speakers, the Chair may reduce the allotted time to two (2) minutes per speaker. The Brown Act (Government Code) states that Committee members may not engage in discussion of issues raised during “XIII. 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. If the number of persons wishing to address the Committee exceeds the time limit, additional time will be allowed at the discretion of the Chair.

IX. Committee Comments

X. Next Meeting:

- Tuesday, May 23, 2023
- Thursday, June 15, 2023
- TBD (July/Aug 2023) * Please note: This is a Joint Meeting / Study Session with the Board of Education – *SMMUSD Office Board Room, 1717 4th Street.*

XI. Adjournment

Future Meetings will be held monthly in the Board Room at the District's Administrative Offices, 1717 4th Street, Santa Monica, California, unless otherwise noted.

In compliance with the Americans with Disabilities Act, for those requiring special assistance to access the meeting room, to access written documents being discussed at the meeting, or to otherwise participate at the meetings, please contact the Office of Assistant Superintendent, Business and Fiscal Services at 310-450-8338 for assistance. Notification at least 48 hours before the meeting will enable the District to make reasonable arrangements to ensure accessibility to the meeting and to provide required accommodations, auxiliary aids or services.



SMMUSD Financial Oversight Committee Meeting Minutes
Date: Thursday, February 23, 2023
Time: 6:00 pm to 8:00 pm
Location: Zoom

I. Call to Order

6:03 pm

Committee Members: JW Beekman
 Dillon Christensen
 Seth Jacobson
 Payal Maniar
 Samantha McQuaid
 Kaya Schwartz, SAMOHI student rep – arrived at 6:07 p.m.

Ryan Chin
 Matthew Crawford
 Michael Kremer
 Shawn Landres – departed at 6:53 p.m.
 Michael Rotgin – departed at 7:30 p.m.

Staff: Melody Canady
 David Chiang
 Deanna Sinfield – departed at 7:16 p.m.
 Tom Whaley – departed at 7:44 p.m.
 Bertha Roman – arrived at 6:31 p.m.; departed at 7:16 p.m.
 Dr. Jacqueline Mora – arrived at 7:31 p.m.; departed at 7:44 p.m.

Gerardo Cruz
 Bonnie Kung – arrived at 6:18 p.m.
 Victoria Hurst – departed at 7:16 p.m.
 Caryl Hall – departed at 7:16 p.m.

Board Liaison: Jon Kean
 Stacy Rouse – arrived at 6:07 p.m.; departed at 7:01 p.m.

Alicia Mignano – arrived at 6:10 p.m.

Absent: Alex Farivar

Public: John Beckelheimer, Cooperative Strategies – departed at 6:24 p.m.
 Jhonatan Portocarrero, Cooperative Strategies – departed at 6:24 p.m.

II. Welcome

6:04 pm

The committee welcomed new FOC member Ms. McQuaid.

III. Approval of Agenda

6:07 pm

A motion was made by Mr. Crawford and seconded by Mr. Beekman to approve the meeting agenda.

AYES: Ten (10) (Mr. Beekman, Mr. Chin, Mr. Christensen, Mr. Crawford, Mr. Jacobson, Mr. Kremer, Mr. Landres, Ms. Maniar, Ms. McQuaid, Mr. Rotgin)
 STUDENT ADVISORY VOTES: One (1) (Ms. Schwartz)
 NOES: None (0)
 ABSENT: One (1) (Mr. Farivar)
 ABSTAIN: None (0)

IV. Approval of FOC Meeting Minutes

6:09 pm

A motion was made by Mr. Kremer and seconded by Mr. Beekman to approve the January 11, 2023 meeting minutes.

AYES: Eight (8) (Mr. Chin, Mr. Christensen, Mr. Crawford, Mr. Jacobson, Mr. Kremer, Ms. Maniar, Ms. McQuaid, Mr. Rotgin)

STUDENT ADVISORY VOTES: One (1) (Ms. Schwartz)

NOES: None (0)

ABSENT: One (1) (Mr. Farivar)

ABSTAIN: Two (2) (Mr. Beekman, Mr. Landres)

Mr. Beekman and Mr. Landres abstained as they were not present for the meeting.

V. Assistant Superintendent, Business & Fiscal Report: Melody Canady

6:12 pm

A. RDA Audit 2021-22 – Cooperative Strategies, LLC

John Beckelheimer from Cooperative Strategies, LLC gave a brief overview of the District's 2021-22 RDA Audit. He noted that there was a drop in the residuals between the 2020-21 and 2021-22 years. The City of Santa Monica responded to Mr. Beckelheimer's inquiry regarding the residuals and provided future debt service projections.

The RDA audit may be found at the following link:

<https://www.smmusd.org/cms/lib/CA50000164/Centricity/domain/300/finreports/2021-22RDAAuditResultsLookbackPeriod.pdf>

VI. Discussion/Action Items

6:24 pm

A. Presentation of Special Education mid-year

Ms. Sinfield presented a mid-year report of the Special Education budget. Staff answered the committee's questions regarding the use of COVID funds for Special Education programs. The Financial Communications subcommittee offered their assistance in communicating the Special Education finances to the public. The committee discussed their concerns about declining enrollment in relation to the number of IEPs and its effect on the overall budget.

The committee requested the historical data for the long-term legal liabilities, with the addition of a column detailing the number of settlements.

Ms. Sinfield will be providing a presentation to the Board of Education at the March 2, 2023 meeting.

The presentation may be found at the following link:

<https://www.smmusd.org/cms/lib/CA50000164/Centricity/domain/300/finreports/FOC-SpecialEducationReport022323.pdf>

7:16 pm

B. Proposed Draft 2023-24 Measure R Annual Plan

Mr. Crawford gave a brief overview of the draft proposed 2023-24 Measure R Plan. Mr. Tom Whaley gave a brief presentation regarding the SAMOHI marching band trailer. The Measure R subcommittee viewed the purchase as responsible budgeting as it would be a one-time cost rather than an on-going cost for the Measure R budget.

Under Technology, there was a decrease in maintenance agreement costs as staff identified the ones to be moved back to the General Fund and aligned the contracts to the District's fiscal year. At the request of the FOC, the District has identified the grade-levels of the 34 General Education teachers funded through Measure R. Staff reviewed the timeline for the Measure R Plan.

The proposed plan will return to the committee for action at the March 21, 2023 FOC meeting.

The draft 2023-24 Measure R Annual Plan and timeline may be found at the following links:

- Draft Measure R Plan: <https://drive.google.com/file/d/1h7kWGilccPXA33UwjCo7oBIISFXuqie9/view?usp=sharing>
- Timeline: <https://drive.google.com/file/d/1E8uhbVRoTMCuhx1HkORvI1VQRO7JacPK/view?usp=sharing>

7:44 pm

C. FOC mid-year progress report to the Board

The subcommittees gave a brief overview of their respective mid-year report to the Board.

The draft mid-year report may be found at the following link:

<https://drive.google.com/file/d/1-EL7UFr6788q7Wj6cf8jNHqkXw5uKIQX/view?usp=sharing>

7:59 pm

D. Future meeting formats

The committee will meet in-person for the March 21, 2023 meeting.

VII. Ad hoc Subcommittee Report

The subcommittee updates were given during item VI.C. FOC mid-year progress to the Board.

A. Budget Recommendations

- General: *Mr. Beekman, Mr. Jacobson, Mr. Chin, Mr. Christensen*
- Unfunded Liabilities: *Mr. Jacobson, Mr. Kremer, Mr. Rotgin, Mr. Chin, Ms. Maniar*

B. Tax Revenue and Assessed Valuation: *Mr. Kremer, Mr. Beekman, Mr. Crawford*

C. Bond Oversight: *Mr. Kremer, Mr. Crawford, Mr. Rotgin, Mr. Chin*

D. Measure R Reporting and Process Review: *Mr. Crawford, Mr. Landres, Ms. Maniar*

- E. Financial Communication and Reporting: *Mr. Landres, Mr. Jacobson, Ms. Maniar, Mr. Christensen, Mr. Farivar*
- F. Nomination: *Mr. Rotgin, Ms. Maniar, Mr. Farivar, Mr. Crawford*

VIII. Receive and File (Limited Discussion)

- A. CERBT Account Update Summary – 12/31/22
<https://www.smmusd.org/cms/lib/CA50000164/Centricity/Domain/300/FinReports/CERBTAccountUpdate123122.pdf>
- B. CERBT GASB 75 Schedule of Changes in Fiduciary Net Position by Employer Report – 6/30/22
<https://www.smmusd.org/cms/lib/CA50000164/Centricity/domain/300/finreports/CERBT-GASB75ScheduleofChanges063022.pdf>
- C. CERBT Asset Class Fact Sheets – 12/31/22
<https://www.smmusd.org/cms/lib/CA50000164/Centricity/Domain/300/FinReports/CERBTAssetClassFactSheet123122.pdf>
- D. FOC Memo to SMMUSD Board re: Negotiated Repurchase – Tender Refinancing, 1/23/23
https://drive.google.com/file/d/1iwm19D9kk88zuLPUHy0BlkU_ODiYmVYI/view?usp=sharing

IX. Public Comments None

X. Committee Comments None

XI. Next Meeting: Wednesday, March 23, 2022

XII. Adjournment: The meeting adjourned at 8:03 p.m.