



SMMUSD Financial Oversight Committee Meeting Minutes

Date: ~~Tuesday, May 21, 2024~~ Monday, June 10, 2024

Time: 6:00 pm to 8:00 pm

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

FOC Member Dillon Christensen will be attending the meeting remotely from the following address: 10635 Santa Monica Blvd., Los Angeles, CA 90025

FOC Member Jonathan Wong will be attending the meeting remotely from the following address: 3208 Colorado Ave #1, Santa Monica, CA 90404

FOC Member Michael Rotgin will be attending the meeting remotely from the following address: 10880 Wilshire Blvd, Ste 2240, Los Angeles, CA 90024

Zoom Link Meeting ID: 830 3289 3036

I. Call to Order - 6:05 pm

6:05 pm

Committee Members: Ryan Chin

Dillon Christensen (via Zoom)

Alex Farivar (arrived @ 6:23)

Michael Kremer

Atul Porwal

JW Beekman

Matthew Crawford (left @ 7:03pm)

Seth Jacobson (arrived @ 6:19)

Payal Maniar

Michael Rotgin (via Zoom)

Jonathan Wong (via Zoom)

Staff:

Melody Canady

Dr. Antonio Shelton

Gerardo Cruz

Kimberley Curry Blue

Board Liaisons:

Jon Kean (arrived @ 6:09)

Stacy Rouse

Alicia Mignano

Absent:

n/a

Public:

n/a

II. Approval of Agenda

6:07 pm

A motion was made by Payal Maniar and seconded by Mike Kremer to approve the meeting agenda with an amendment of the date to June 10, 2024, push the mandates to the next scheduled meeting, and to move Item VI to D.

AYES: Eleven (9) (Mr. Chin, Mr. Christensen, Mr. Crawford, Mr. Kremer, Ms. Maniar, Mr. Porwal, Mr. Rotgin, Mr. Beekman, Mr. Wong)

NOES: None (0)

ABSENT: Two (2) Mr. Farivar, Mr. Jacobson,

ABSTAIN: None (0)

III. Approval of FOC Meeting Minutes

6:09 pm

A motion was made by Payal Maniar and seconded by Mike Kremer to review and approve the May 21, 2024, meeting minutes at the next scheduled meeting.

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

6:12 pm

A. No report

V. Discussion/Action Items

6:13 pm

A. 2024-2025 Preliminary Budget – Gerardo Cruz

Enrollment has declined. ADA is at 95%, which affects categorical funds. COLA will adjust because the actual numbers were received after the board presented the original amount. Basic aid slightly adjusted. Additional funds will be moved to any needed department. Ms. Maniar questioned the 3-year enrollment count, for how much of a decrease in enrollment has been seen. (95% due to salary schedule increases, not Special Education funding.) Mr. Crawford asked what the overall amount of the salary increases will be. (8%)

Interfund transfer. RDA was \$15,000,000 in the past budget. Current budget is \$18,000,000. Mr. Crawford asked if the \$18,000,000 will be affected by bond sales.

Medical, Dental & Vision – SISC transition has seen a 4.5% reduction in costs from what was spent using CALPERS.

Salary increases 8% + 3% (Certificated), 2% (Classified) – Approved by Certificated and Classified, with an annual increase of 2% thereafter. Gerardo Cruz says the increase does not include positions not returning (SERP). Melody Canady informed every position will be discussed prior to hiring or filling vacancies.

Received & File: Enrollment and EPA information to be brought back to the next scheduled meeting.

Mr. Jacobsen questioned whether the Assured Utilities had been fixed in the Sustainability meeting? Gerardo Cruz and Melody Canady advised they were meeting with Austin Toyama and Carey Upton to review the bills for adjustments.

Property Liability Insurance – AB218. Sexual Assault statute was lifted in California. SMMUSD has a SELF rider, but it doesn't cover the entirety of claims of filing exposures. \$800,000 - \$900,000 supplied upfront for legal representation. Mr. Crawford asked if this was a one-time bump to cover insurance coverage. Mr. Wong asked about the Health & Welfare increase of 12-13%, but thought it was 4-5%? Mr. Cruz will check numbers for 23-24 to 24-25 SY for comparison. Mr. Crawford asked about the bump in textbooks costs. Gerardo Cruz explained that the Supplemental Stretch Grant funds were used in the past. Backfilled costs \$450,000. Mr. Wong noticed Other Expenditures were increasing faster than salaries. Board Liaison Jon Kean discussed the budget for teachers is reflective of no salary increase because it does not reflect numbers based on enrollment. Interfund Borrowing is not anticipated to be used. A resolution is needed to eliminate COVID 19 cash flow. A public hearing is scheduled for the next board meeting.

7:12 pm

B. Nominating Subcommittee Recommendation for Membership effective July 1st.

<https://drive.google.com/file/d/1ZF-mwGhT6GTfHYmOWilmmx1fTOvpj1O7/view?usp=sharing>

Recruiting process complete. Brittany Teague has been selected as the new FOC member.

Ryan Chin will unofficially announce the new member, and Sarah Wahrenbrock will send the official announcement.

7:13 pm C. Draft & Finalize – FOC Annual report to the Board of Education

Joint meeting with Board preliminarily planned for the end of August/early September 2024. August 26, 2024, has been suggested for the 1st FOC meeting, with the joint FOC/Board meeting thereafter.

7:15 pm D. 2024-2025 – Mandates

Mandates discussion has been moved to the next meeting in 2024-25 FOC Calendar year.

7:15 pm E. Chair and Vice-Chair nomination for the 2024-2025 school year.

Payal Maniar nominated Michael Kremer as FOC Chair, with a second from Seth Jacobson. m/s/c

AYES: Nine (9) Mr. Chin, Mr. Christensen, Ms. Maniar, Mr. Porwal, Mr. Rotgin, Mr. Beekman, Mr. Wong. Mr. Porwal, Mr. Farivar

NOES: None (0)

ABSENT: One (1) Mr. Crawford

ABSTAIN: None (0)

Ryan Chin nominated Michael Rotgin as Vice Chair. Mr. Rotgin respectfully declined the nomination.

Michael Kremer nominated Payal Maniar as Vice Chair, with a second from Ryan Chin. m/s/c.

AYES: Nine (9) Mr. Chin, Mr. Christensen, Mr. Kremer, Mr. Porwal, Mr. Rotgin, Mr. Beekman, Mr. Wong. Mr. Porwal, Mr. Farivar

NOES: None (0)

ABSENT: One (1) Mr. Crawford

ABSTAIN: None (0)

VI. Ad hoc Subcommittee Reports

7:45 pm A. General Budget Recommendations – JW Beekman gave his parting words to the FOC committee. ~~suggested the committee members watch the video.~~ He has been an FOC member for 3 years.

B. Unfunded Liabilities Budget Recommendations – Michael Rotgin presented. Nothing additional to report at this time. Committee on a “stand still” until the Actuary Report is received. Gerardo Cruz asked for additional follow-up information from the benefits department and should receive it within another week to be able to generate the report. Will pick up in the next fiscal year. Michael Rotgin or Gerardo Cruz will contact Carlos directly for the information.

- C. Bond Oversight – Michael Kremer reported. The subcommittee met and added their report to the minutes. Deferred to the Board for final decision.
- D. Measure R Reporting and Process Review
- E. Financial Communication and Reporting – Atul Porwal reported. Timelines needed for reporting completion. The committee has not met as of this meeting date.
- F. Nomination – Ryan Chin reported. The committee will put in a request for student members. FOC subcommittee will review candidates. Suggested student members be restricted to Sophomores and Juniors. Application and information will be adjusted based on suggestions from FOC. Will send out applications for August to the Santa Monica and Malibu Pathways. Opening student members beyond ASB students, as others may be interested in the process.

VII. Receive and File (*Limited Discussion*)

- A. SMMUSD SFID2 Measure M Bond Program – Final Issuance

6:10 pm

<https://drive.google.com/file/d/17iUTgmynO8H4ILM1Stag-GdmzbWMRj9S/view?usp=sharing>

VIII. Committee Comments None

IX. Next Meeting:

- TBD (July/Aug 2024) * Please note: This is a Joint Meeting / Study Session with the Board of Education – *SMMUSD Office Board Room, 1717 4th Street.*

X. Adjournment: The meeting adjourned at 8:45 p.m.

****With amendments per the FOC meeting on 8/26/24.*