



SMMUSD Financial Oversight Committee Meeting Minutes

Date: Monday, September 18, 2024

Time: 6:00 pm to 7:00 pm

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

I. Call to Order

6:04 pm

Committee Members: Ryan Chin
Matthew Crawford
Seth Jacobson (*left 7:43*)
Payal Maniar
Michael Rotgin

Dillon Christensen
Alex Farivar
Michael Kremer
Brittany Teague

Staff: Melody Canady
Carey Upton

Gerardo Cruz
Steve Masetti

Board Liaison: Jon Kean (*6:39 arrived*), Alicia Mignano, Stacy Rouse

Absent: Atul Porwal, Jonathan Wong

Public: n/a

II. Approval of Agenda

6:06 pm

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

AYES: Nine (9) (Mr. Farivar, Mr. Chin, Mr. Christensen, Mr. Crawford, Mr. Jacobson, Mr. Kremer, Ms. Maniar, Mr. Rotgin, Ms. Teague)

NOES: None (0)

ABSENT: Two (2) Mr. Porwal, Mr. Wong

ABSTAIN: None (0)

III. Approval of FOC Meeting Minutes – 8/26/2024 & 9/5/2024

6:08 pm

8/26/2024 minute approval was delayed until the 10/22/2024 meeting to allow for the suggested edits to be presented to staff for review and update.

9/5/2024 A motion was made by Mr. Crawford and seconded by Ms. Maniar, to approve the September 5, 2024, Joint session meeting minutes. <Add Link to minutes here?>

AYES: Six (6) (Mr. Crawford, Mr. Farivar, Mr. Jacobson, Mr. Kremer, Ms. Maniar, Mr. Rotgin)

NOES: None (0)

ABSENT: Two (2) (Mr. Porwal, Mr. Wong)

ABSTAIN: Three (3) (Mr. Chin, Mr. Christensen, Ms. Teague)

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

6:20 pm Ms. Canady presented newest Fiscal staff member, Assistant Director to Fiscal, Mr. Andrew Lacson. Mr. Lacson returns to SMMUSD after working in Las Virgenes Unified School District for the past few years.

V. Report/Presentation

6:21 pm A. Pricing Summary Presentation: \$80,000,000 Election of 2018 General Obligation Bonds of SFID #2 (Malibu Schools), Series C – *Isom Advisors, Baird (John Baracy & Jeff Pickett)*

Post Pricing Presentation: https://drive.google.com/file/d/1s8VxmR0QL49pBSIPQr1Ypl0_rOELBgb/view?usp=sharing

Minutes:

Staff, Mr. Baracy, and Mr. Pickett answered committee members' questions regarding investment from the City of Santa Monica affecting the presentation of information to other investors as well as the estimates for Measures MM and QS.

Mr. Jacobsen requested a list of top bond holders for SFID 1 and 2, and other bonds.

6:35 pm B. Annual CERBT Presentation – Darren Lathorp & Therese Luo – CalPERS CERBT

Presentation: <https://docs.google.com/presentation/d/1U7hhdTEaG-n3k9iOFjzLZ3SRTkYRxIRL/edit?usp=sharing&oid=109477188438738052068&rtpof=true&sd=true>

Minutes:

Mr. Lathorp presented the funding status, portfolio review, capitol market assumption, time-weighted investments, liquidity and webinar presentations available to new employees. He answered committee members' questions regarding amortization of liabilities. Staff discussed partial cost fee. Basis points decreased by 1.5

7:04 pm C. Facilities Briefing on Measure QS and Measure MM – Carey Upton

Measure MM: https://drive.google.com/file/d/1ZtUtB2YRe-9vYyht7Jy0a_u-LRPoP8tt/view?usp=sharing

Measure QS: <https://drive.google.com/file/d/1J4RGv-hLidbDyuU0sC7detQMrECAUeF7/view?usp=sharing>

Minutes:

Mr. Upton answered committee members' questions regarding how the FOC Financial Communications Subcommittee can assist the district in communicating information to both Santa Monica and Malibu communities. Several ideas were discussed for possible one-page communications to disseminate available information to the public including prior district bond financings, basic math of bond finance, and other frequently asked questions by the community.

Action:

Ms. Maniar will connect Mr. Porwal with Gail Pinsker for follow-up on communications regarding Measure MM & QS.

7:35 pm D. Unaudited Actual Report – Melody Canada and Gerardo Cruz

Presentation: <https://drive.google.com/file/d/1bdKFE6qmccswR9bltT5H-kOz9BLSpRvu/view?usp=sharing>

Narrative: <https://drive.google.com/file/d/1m6rmcE0g5tK4XFSUgisu1QJ4OC1YvKg5/view?usp=sharing>

Fund Level Summary: https://drive.google.com/file/d/1tmF6VP99v9P9oMzr_1OSkC0vmu75kAH0/view?usp=sharing

LGFC: https://drive.google.com/file/d/1qzkRXYLsMD-yWZpE2zhK7tv_YjyUnNoN/view?usp=sharing

Actual vs Allocation: <https://drive.google.com/file/d/1yuqyUPuD52vPDqpqxLC03k8jaxmy58o4/view?usp=sharing>

Categorical Carryover: <https://drive.google.com/file/d/1gLnrSDu6QIMnYyXl-e3-WZ1BmOn00wHW/view?usp=sharing>

MYP: <https://drive.google.com/file/d/1MurZHGUMGaehFFH68azkZ1Vv5VZTXDlp/view?usp=sharing>

Reserve History: <https://drive.google.com/file/d/1h9GbPXwDMVhb1A8MVO-XdBeLb1Svd8wb/view?usp=sharing>

SACS Report: <https://drive.google.com/file/d/1vXwiC4Ggu4HcjuQ44IU6jcvw2Yw-B13/view?usp=sharing>

Minutes:

Staff answered committee members' questions regarding receiving communications on Unaudited actuals prior to presentation to board, estimating UA by June; versus increasing the amount in the next fiscal year, whether changes are net amounts, and amount of cash is on hand. Update to report to carry over amounts in line 74 / column J, unspent supplies/textbooks – slated for \$5.6 million, ended with \$5.4 million to be slotted on each school site budget. Staff advised unspent salaries due to unfilled vacancies currently amounting to \$7.8 million.

E. Ad hoc Subcommittee Reports

2023-2024 YE Report to School Board

Report: <https://drive.google.com/file/d/13aZ36Mb1CmyBPYui0VdqpYNcbzChFL7e/view?usp=sharing>

Presentation: https://drive.google.com/file/d/1QT_BJ1rm3XbFw9RGRPqgDh6bzETHXXkb/view?usp=sharing

Minutes:

No update, due to the report to be voted for approval on 9/19 board agenda.

Ad hoc Unification subcommittee met with Shin Green, David Soldani, and Board committee members. Redlined versions of the reports were forwarded by the subcommittee to the consultants and board liaisons for review. Word documents w/redlined versions to be sent to FOC for any comments which will be compiled and provided to Chair and Co-Chair.

VI. Discussion/Action Items

8:13 pm

A. Welcome New Members – n/a

B. FOC Student Representatives Selection Process

Minutes: Interview process delayed until after school site council elections commence.

C. Acceptance of new FOC Charges

https://drive.google.com/file/d/1fO3Riiux6N2mJFwT03gPqvF_15cRiALg/view?usp=sharing

Minutes: Per direction from board liaisons, FOC to continue to work on recommended 2024-25 charges pending full Board approval. Charges subject to change and final board approval.

D. Election of FOC members to Ad hoc committees

a. Budget Recommendations:

- General Budget Subcommittee Members:

Ryan Chin (Chair), Dillon Christensen, Seth Jacobson, Atul Porwal, Brittany Teague

- Unfunded Liabilities Budget Subcommittee Members:

Michael Rotgin (Chair), Michael Kremer, Payal Maniar, Seth Jacobson, Jonathan Wong

- b. Bond Oversight Subcommittee Members:
Michael Kremer (Chair), Ryan Chin, Matt Crawford, Alex Farivar, Michael Rotgin
- c. Measure R Reporting and Process Review Subcommittee Members
Alex Farivar (Chair), Dillon Christensen, Matt Crawford, Jonathan Wong
- d. Financial Communication and Reporting Subcommittee Members
Atul Porwal (Chair), Michael Kremer, Payal Maniar, Seth Jacobsen, Brittany Teague
- e. Nominations Subcommittee Members
Jonathan Wong (Chair), Brittany Teague, Atul Porwal, Ryan Chin
- f. Malibu Unification Subcommittee Members
Payal Maniar (Chair), Michael Kremer, Dillon Christensen, Matt Crawford, Michael Rotgin

VII. Receive and File (Limited Discussion)

OPEB Quarterly Earnings Report as of June.

Statement: <https://drive.google.com/file/d/1ZVFuy1G8dzi3nTdU6SDvD9mvRxMe6bPJ/view?usp=sharing>

VIII. Public Comments – None

- 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 – None

X. Next Meeting:

- Tuesday, October 22, 2024 – Malibu (pending location change)
 - Tuesday, November 19, 2024
 - Tuesday, December 10, 2024
 - Thursday, January 9, 2025
 - Wednesday, February 12, 2025
 - Tuesday, March 18, 2025 – Malibu (pending location change)
 - Wednesday, April 2, 2025**
 - Wednesday, May 7, 2025
 - Tuesday, June 17, 2025
 - TBD (July/Aug 2025) * Please note: This is a Joint Meeting / Study Session with the Board of Education – SMMUSD Office Board Room, 1717 4th Street.
- ** April 2, 2025, meeting is a placeholder meeting. It has been added for calendaring purposes. The meeting is subject to cancellation if it is deemed necessary.

XI. Adjournment: The meeting adjourned at 8:26 p.m.