



## SMMUSD Financial Oversight Committee Meeting Minutes

**Date:** Thursday, September 22, 2022

**Time:** 6:00 pm to 8:00 pm

**Location:** Zoom

[https://drive.google.com/file/d/1ugxhA1A0dr29T0Op1MCe7IE\\_\\_2ri741S/view](https://drive.google.com/file/d/1ugxhA1A0dr29T0Op1MCe7IE__2ri741S/view)

### I. Call to Order

6:02 pm

Committee Members: JW Beekman Ryan Chin  
Dillon Christensen Matthew Crawford  
Seth Jacobson Michael Kremer  
Payal Maniar Michael Rotgin  
Kaya Schwartz, SAMOHI student rep

Staff: Melody Canady Gerardo Cruz  
David Chiang Bonnie Kung

Board Liaison: Jon Kean

Absent: Alex Farivar Shawn Landres  
Craig Foster Felix De Raspide Ross, Malibu student rep

Public: Karen Lookingbill, CalPERS – CERBT – *departed @ 6:47 p.m.*

### II. Welcome

6:03 pm

The FOC welcomed new member Dillon Christensen and student member Kaya Schwartz from SAMOHI.

### III. Approval of Agenda

6:05 pm

A motion was made by Ms. Maniar and seconded by Mr. Kremer to approve the meeting agenda.

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

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

NOES: None (0)

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

ABSTAIN: None (0)

### IV. Approval of FOC Meeting Minutes

6:06 pm

A motion was made by Ms. Maniar and seconded by Mr. Rotgin to approve the June 16, 2022 meeting minutes.

AYES: Five (5) (Mr. Beekman, Mr. Jacobson, Mr. Kremer, Ms. Maniar, Mr. Rotgin)  
STUDENT ADVISORY VOTES: None (0)  
NOES: None (0)  
ABSENT: Two (2) (Mr. Farivar, Mr. Landres)  
ABSTAIN: Four (4) (Mr. Chin, Mr. Christensen, Mr. Crawford, Ms. Schwartz)

Mr. Chin, Mr. Christensen, Mr. Crawford and Ms. Schwartz abstained as they were not present for the meeting.

## **V. Annual CERBT Update Presentation: Karen Lookingbill, CalPERS-CERBT Program**

6:07 pm

Ms. Lookingbill provided the committee with an annual update. The committee requested additional information to better understand how the liabilities and changes are calculated. Staff will reach out to the district's actuary to prepare the requested information and provide further details, possibly at a future meeting. Ms. Lookingbill will provide a spreadsheet with comparison data across several districts.

Mr. Kean encouraged the budget subcommittee to review the changes in the liability reported for the recent years. Staff will send the full GASB 75 actuarial report presented at the March 23, 2022 FOC meeting.

The presentation may be found at:

<https://www.smmusd.org/cms/lib/CA50000164/Centricity/domain/300/finreports/CERBT-AccountUpdateKL091422.pdf>

## **VI. Assistant Superintendent, Business & Fiscal Report: Melody Canady**

6:49 pm

### **A. Unaudited Actual Report – September 14, 2022 Board meeting**

Ms. Canady provided the committee with an overview of the unaudited actuals presentation from the September 14, 2022, Board of Education meeting. Staff explained the \$6.8M difference between the June estimates and September actuals, with around \$3M in additional revenues, \$2.2M in unspent certificated salaries, and other various unspent costs.

Staff will update the multi-year projection to reflect the retroactive raises in the 2023-25 outyears. The retroactive raises were not included in the unaudited actuals as the agreement was not reached by June 30, 2022. The raises and retro pay will be incorporated into the 2022-23 fiscal year and be reflected in the First Interim report.

Mr. Cruz clarified that the \$2.1M audit report restatement pertained to Fund 71 and that further clarification was needed on how to address the remaining fund balance in Fund 71.

The following unaudited actual documents may be found at the links below:

Report: <https://simbli.eboardsolutions.com/Meetings/Attachment.aspx?S=36030435&AID=339693&MID=12988>

Presentation: <https://simbli.eboardsolutions.com/Meetings/Attachment.aspx?S=36030435&AID=338962&MID=12988>

## VII. Discussion/Action Items

7:32 pm A. FOC Charges and Board of Education mandates for 2022-2023

The committee reviewed the 2022-23 FOC charges approved at the September 1, 2022 Board of Education meeting. The Board's meeting minutes (Item II.I.2.ii) may be found at the end of these minutes.

7:32 pm B. Election of Ad hoc Subcommittee Membership

The subcommittee membership are as follows:

1. Budget Recommendations
  - i. General: *Mr. Beekman, Mr. Jacobson, Mr. Chin, Mr. Christensen, Ms. Maniar*
  - ii. Unfunded Liabilities: *Mr. Jacobson, Mr. Kremer, Mr. Rotgin*
2. Tax Revenue and Assessed Valuation: *Mr. Kremer, Mr. Beekman, Mr. Crawford*
3. Bond Oversight: *Mr. Kremer, Mr. Crawford, Mr. Rotgin, Mr. Chin*
4. Measure R Reporting and Process Review: *Mr. Crawford, Mr. Landres, Ms. Maniar*
5. Financial Communication and Reporting: *Mr. Landres, Mr. Jacobson, Ms. Maniar, Mr. Christensen, Mr. Farivar*
6. Nominations: *Mr. Rotgin, Ms. Maniar, Mr. Farviar, Mr. Crawford*

Ms. Schwartz will join the General Budget and Financial Communications and Reporting subcommittees.

### C. Conflict of Interest Pledge

7:57 pm The conflict of interest pledge is an annual document that must be signed by all members. The pledge will be circulated for member signatures and will be electronically provided to all members after all members have signed the pledge.

## VIII. Receive and File (Limited Discussion)

7:57 pm A. CERBT Account Update Summary – 06/30/22

<https://www.smmusd.org/cms/lib/CA50000164/Centricity/domain/300/finreports/CERBTAccountUpdate063022.pdf>

B. CERBT Asset Class Fact Sheets – 06/30/22

<https://www.smmusd.org/cms/lib/CA50000164/Centricity/domain/300/finreports/CERBT-AssetClassFactSheet063022.pdf>

C. Joint Meeting Minutes / Study Session with the Board of Education: August 11, 2022

IX. Public Comments None

X. Committee Comments

6:03 pm Ms. Maniar informed the committee that Ms. Mevasse had resigned from the FOC due to work commitments.

XI. Next Meeting: Thursday, November 10, 2022 - Zoom

XII. Adjournment: The meeting adjourned at 7:59 p.m.



**BOARD OF EDUCATION MEETING  
MINUTES – MEETING FORMAT “A”**

September 1, 2022

**I. CONSENT ITEMS**

The board approved Item Nos. 1.i-v, 2.i-vi, 3.i-iii, 4.i-vi, and 5. i-ii listed under the Consent Calendar.

**Passed** with a motion by Dr. Tahvildaran-Jesswein and a second by Ms. Lieberman.

**Absent** Mr. Craig Foster

**Yes** Mr. Jon Kean

**Yes** Ms. Maria Leon-Vazquez

**Yes** Ms. Laurie Lieberman

**Yes** Ms. Jennifer Smith

**Yes** Dr. Richard Tahvildaran-Jesswein

Minutes:

Time Start: 7:58 p.m. Time End: 8:01 p.m.

**1. Curriculum and Instruction Items**

- i. Approval of Independent Contractors 2022-23**
- ii. Overnight Field Trip(s) 2022-23**
- iii. Conference and Travel Approval/Ratification-2022/2023**
- iv. Consolidated Application**
- v. Special Education Contracts – 2022-23**

**2. Business and Fiscal Items**

- i. Award of Purchase Orders PO List**
- ii. Approve Charges for Financial Oversight Committee (FOC) -- 2022-23**
- iii. Award of Contract - REQ/P #23.02 Request for Qualifications and Proposal for Asbestos Hazard Emergency Response Act (AHERA) Inspection and Management Plan Services to Ninyo & Moore**
- iv. Renew Contract - Alliance of Schools for Cooperative Insurance Programs (ASCIP)**
- v. Approval of The Regents of the University of California Contact Number 2019001564 for Elevator, Escalator, Chairlift and Platform Lift Maintenance & Repair and related services and Acceptance and Authorization for Use of The Regents of the University of California Contact Number 2019001564 for Elevator, Escalator, Chairlift and Platform Lift Maintenance & Repair and Related Services – Kone, Inc.**
- vi. Adopt Resolution No. 22-04 – Declaring the Futility of Publicly Bidding Unforeseen Soil and Asphalt Conditions Work at McKinley Elementary School (Bid # 23.01) and Approving a Change Order #01**

**3. Facilities Improvement Project Items**

- i. Contract Amendment #04 to Agreement – Franklin Elementary School - Makerspace and Playfields Project – Architectural and Engineering Services – dsk Architects – Measure SMS**
- ii. Change Order #12 – Grant Elementary School – HVAC Project – Construction Contract Bid #21.01.SMS.R1 – Pardess Air Inc. – Measure SMS**
- iii. Accept Work as Complete – Lincoln Middle School – HVAC Project - Construction Contract Bid #21.05 SMS – Archico Design Build, Inc. – Measure SMS**

**4. Personnel Items**

- i. Certificated Personnel - Elections, Separations**
  - ii. Classified Personnel – Merit**
  - iii. Classified Personnel – Non-Merit**
  - iv. Increase in Staffing (FTE) - Grant Elementary**
  - v. Increase in Staffing (FTE) - Will Rogers Learning Community**
  - vi. Increase in Staffing (FTE) - Special Education**
- 5. General Consent Items**
- i. Child Development Services Parent Handbooks -- 2022-23**
  - ii. Adopt Resolution No. 22-05 – Proclaiming a Local Emergency, Ratifying the Proclamation of a State of Emergency by Governor Newsom Dated March 4, 2020, and Authorizing Remote Teleconference Meetings for the Period of October 1, 2022, through October 31, 2022**

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**ITEM : II.I.2.ii. Approve Charges for Financial Oversight Committee (FOC) -- 2022-23**

**Recommended Motion**

It is recommended that the Board of Education approve the following charges for the Financial Oversight Committee (FOC) for 2022-23.

**Rationale**

The Board of Education convened a joint session with members of the Financial Oversight Committee (FOC) on [August 11, 2022](#). During that joint meeting, the FOC presented proposed charges for 2022-23.

**Comments**

- Budget Recommendations - This committee will review, evaluate, and assist Fiscal staff in evaluation and development of the district's annual budget and any budget-related efforts as well as provide additional analysis and guidance regarding any elements of the budgeting process. This subcommittee will also work on a new charge to include research and analysis of the district's unfunded liabilities and GASB process for fiscal review and accounting.
- Tax Revenue and Assessed Valuation - This subcommittee will review and report relevant updates and information regarding the Cities of Santa Monica and Malibu's redevelopment funds, assessed valuation report, and sales tax revenue impacting YY and GSH funds. The subcommittee will continue to assist with RPTTF revenue distributions and any refinancing of the Successor Agency's Enforceable Obligations.
- Bond Oversight - This subcommittee will review debt financings contemplated by the District and communicate findings to the FOC for discussion, prior to Board action. The subcommittee will also continue to monitor the district's Debt Issuance and Management Policy for updates as needed.
- Measure R Reporting and Process Review - This subcommittee will review and assist in optimizing reporting, communication, and public engagement around the Measure R annual plan.
- Financial Communication and Reporting Subcommittee - This subcommittee will provide assistance and guidance regarding approaches to finance-related communications with the public and will serve as a resource to the Community & Public Relations Office with respect to planning for and responding to key fiscal events.



**BOARD OF EDUCATION MEETING  
MINUTES – “HYBRID” MEETING FORMAT**

**August 11, 2022**

**E. STUDY SESSION**

These items are staff presentations and/or updates to the Board of Education.

**1. Joint Meeting with Financial Oversight Committee (FOC) (30 min)**

Minutes:

Time Start: 6:05 p.m. Time End: 6:47 p.m.

Public Comments:

- Ann Thanawalla and Nikki Kolhoff addressed the board regarding this item.

Mr. Kean remarked on and clarified points made during public comments. The FOC thanked Mr. Craig Foster, who is not running for reelection on the board, for serving as a board liaison to the FOC for many years. The board thanked the FOC members for their thorough and well-organized report. The 2022-23 charges are scheduled to return for action at the next board meeting.

**ITEM : II.E.1. Joint Meeting with Financial Oversight Committee (FOC) (30 min)** 

**Rationale**

As part of the requirement associated with the annual funds given to the School District from the City of Santa Monica, the Financial Oversight Committee (FOC) was appointed as an independent oversight committee regarding the financial matters of the District. This includes an annual report from the FOC to the School Board, reviewing the past year and offering its observations about the District's financial matters.

In addition, the FOC's charge was amended at the June 5, 2008, Board meeting (Item A.22) to include responsibilities associated with the Measure R parcel tax, approved by the voters at the February 2008 Special Election. Measure R requires that an Independent Citizens Oversight Committee monitor proposed and actual parcel tax expenditures each year.

Therefore, in compliance with the foregoing, the Board of Education will convene a joint session with members of the Financial Oversight Committee on August 11, 2022.

**Supporting Documents**

[FOC 2021-22 YE Presentation for BOE](#)

[FOC 2021-22 Year End Report](#)