



SMMUSD Financial Oversight Committee Meeting Minutes

Date: Wednesday, December 7, 2022

Time: 6:00 pm to 8:00 pm

Location: Zoom

I. Call to Order

6:02 pm

Committee Members: JW Beekman Ryan Chin
Dillon Christensen Matthew Crawford
Alex Farivar Michael Kremer
Michael Rotgin Payal Maniar – *arrived @ 6:14 p.m.*

Staff: Melody Canady Gerardo Cruz
David Chiang Bonnie Kung

Board Liaison: Jon Kean

Absent: Seth Jacobson Shawn Landres
Craig Foster Kaya Schwartz, SAMOHI student rep
Felix De Raspide Ross, Malibu student rep

Public: Shilo Gorospe, Eide Bailly – *departed @ 6:56 p.m.*

II. Approval of Agenda

6:03 pm

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

AYES: Seven (7) (Mr. Beekman, Mr. Chin, Mr. Christensen, Mr. Crawford, Mr. Farivar, Mr. Kremer, Mr. Rotgin)

NOES: None (0)

ABSENT: Three (3) (Mr. Jacobson, Mr. Landres, Ms. Maniar)

ABSTAIN: None (0)

III. Approval of FOC Meeting Minutes

6:04 pm

A motion was made by Mr. Rotgin and seconded by Mr. Chin to approve the November 10, 2022 meeting minutes.

AYES: Five (5) (Mr. Chin, Mr. Christensen, Mr. Farivar, Mr. Kremer, Mr. Rotgin)

NOES: None (0)

ABSENT: Three (3) (Mr. Jacobson, Mr. Landres, Ms. Maniar)

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

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

IV. Discussion/Action Items

6:05 pm

A. District Audit Report

Ms. Gorospe provided the committee an overview of the draft 2021-22 district audit report. The finding regarding Funds 40 and 8 pertained to a restatement of matching the general ledger balance to the external account balances. Mr. Cruz explained that there was an error correction for the revenue stream received from the City of Santa Monica. The payment schedule for the funds did not align with the District's fiscal year of July to June.

The committee discussed the finding regarding classroom teacher salaries. Ms. Gorospe explained that a waiver is available and that most counties are receiving the waiver. Staff informed the committee that the district already submitted a waiver and received approval for last year's audit. A waiver will be submitted for this year's audit as well.

Ms. Gorospe provided clarification regarding Fund 71 by explaining that since a portion of the funds in the CERBT trust are already reported as a reduction to the OPEB liability, it cannot be included as an asset. Otherwise the amount would be reported twice. In order for the subset of money in Fund 71 to qualify as an asset, it will need to be put directly into the trust. Staff will reach out to the unfunded liabilities subcommittee along with the management consultant for further guidance.

The draft audit report may be found at:

https://drive.google.com/file/d/1P_vb98SqKTW7SBBE_6ZM_gNYDHF5_B6Z/view?usp=sharing

A motion was made by Ms. Maniar and seconded by Mr. Kremer to accept the draft audit report and forward to the Board of Education for approval.

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

NOES: None (0)

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

ABSTAIN: None (0)

B. Measure R Audit Report

6:37 pm

Ms. Gorospe provided the committee a brief overview of the draft Measure R audit report. There were no findings for the 2021-22 report.

The draft audit report may be found at:

https://drive.google.com/file/d/1fM06Qaojahk8E3qU1jAc_jiPfgzGdx-J/view?usp=sharing

A motion was made by Ms. Maniar and seconded by Mr. Rotgin to accept the draft Measure R audit report and forward to the Board of Education for approval.

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

NOES: None (0)

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

ABSTAIN: None (0)

V. Ad hoc Subcommittee Report

6:59 pm

A. Budget Recommendations

- i. General: *Mr. Beekman, Mr. Jacobson, Mr. Chin, Mr. Christensen, Ms. Maniar*

The subcommittee met with staff to review the First Interim report. They discussed the salary increase that was incorporated into the budget, along with the fiscal stabilization plan and its ramification. The First Interim report will be presented to the Board of Education at the December 8, 2022 meeting.

- ii. Unfunded Liabilities: *Mr. Jacobson, Mr. Kremer, Mr. Rotgin, Mr. Chin, Ms. Maniar*

The subcommittee will meet later this week and start their discussion with staff. They will reach out to the auditors with questions, as needed.

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

Mr. Kremer reported that staff had a call with the City of Santa Monica, but will proceed with the plan to contact a former FOC member. The committee suggested working to build a better communication process with the City.

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

Mr. Kremer reported that recently the bond market has improved and that the subcommittee will touch base soon.

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

Mr. Crawford reported that the subcommittee will contact staff to see where they can provide assistance in the Measure R process.

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

Ms. Maniar reported that the subcommittee will reach out to the Special Education staff to work on an easier reporting template for their annual report. Ms. Deanna Sinfield will present a mid-year report for Special Education at the February FOC meeting.

- F. Nominations: *Mr. Rotgin, Ms. Maniar, Mr. Farviar, Mr. Crawford*

Mr. Rotgin reported that eleven (11) applications were received by the November 25, 2022 deadline. The subcommittee will meet to review the applications and determine which candidates will proceed to the interview process.

VI. Receive and File (Limited Discussion)

7:08 pm

- A. 2022-23 Financial Oversight Committee (FOC) Conflict of Interest Pledge
https://drive.google.com/file/d/1yq_zACZpOL_p-FxpHHSSCTjoZGjbbri5/view?usp=sharing
- B. Superintendent Announcement dated November 18, 2022
- C. CERBT Asset Class Fact Sheets – 9/30/22
<https://www.smmusd.org/cms/lib/CA50000164/Centricity/Domain/300/FinReports/CERBT-AssetClassFactSheet093022.pdf>

VII. Public Comments None

VIII. Committee Comments

6:59 pm

Ms. Maniar asked the committee to notify staff and herself of any anticipated absences. She informed the committee of the upcoming mid-year reports for the Board of Education. Ms. Maniar will send the templates to the subcommittee chairs.

IX. Next Meeting: January 11, 2023 - Zoom

X. Adjournment: The meeting adjourned at 7:13 p.m.



Nov. 18, 2022

Superintendent's Message: Important Announcement

Dear Students, Parents, Staff, Students and Community Members,

I wanted you to hear from me that I was appointed Superintendent of Schools for the Bellflower Unified School District, effective January 2023. The BUSD Board of Education approved my appointment at their November 17 board meeting. I realize this is unexpected. I want to let you know that I have thoroughly enjoyed and appreciated serving as the Superintendent of SMMUSD and will always cherish my time here.

Together, we have accomplished many goals and laid the groundwork for continued success. I believe the district is poised to accomplish the mission of ensuring that all students are able to reach their full potential by providing an extraordinary educational experience for all while simultaneously closing the achievement gap.

Here are a few of our many bright spots:

- Positive fiscal outlook and continued fiscal stewardship and transparency
- Commitment of staff at each site to harness and use their collective wisdom to review, discuss and learn from results of student work and achievement data
- Parents' willingness to participate and partner with school staff and administration in supporting their student's progress and overall best interests of all students
- Staff and community commitment to research and identify practices, assumptions, and behaviors that serve as systemic barriers to success for some students
- Staff's willingness to develop curriculum that will not only teach academic skills needed for the real world, but also help our students acquire the knowledge, attitudes, and skills needed to function effectively in a pluralistic, democratic society and to interact, negotiate, and communicate with people from diverse groups to create a civic and moral community that works for the common good
- Modernization and facility improvements at all school sites creating 21st-century learning environments that align with our education specifications
- Expansion of student health and wellness programs in collaboration with partners

My specific January start date at Bellflower USD still has to be worked out between SMMUSD and BUSD.

I will continue to root for and support the journey you have embarked on, and my family and I thank you for six great years of educating our students and preparing them for college and career.

Sincerely,

Dr. Ben Drati, Superintendent



SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT

18 de noviembre de 2022

Mensaje del Superintendente: Anuncio importante

Estimados estudiantes, padres, personal, e integrantes de la comunidad:

Deseo que se enteren por mí que he sido nombrado Superintendente de Escuelas del Distrito Escolar Unificado de Bellflower, a partir de enero de 2023. La Mesa Directiva de Educación del BUSD aprobó mi nombramiento durante su reunión del 17 de noviembre. Entiendo que esto es inesperado. Quiero que sepan que he disfrutado y estoy agradecido por haber fungido como Superintendente del SMMUSD y siempre valoraré mi tiempo aquí.

Juntos hemos logrado muchas metas y hemos sentado las bases para un éxito continuo. Considero que el distrito está preparado para lograr la misión de asegurar que todos los estudiantes puedan alcanzar su máximo potencial al brindar una experiencia educativa extraordinaria para todos y, al mismo tiempo, cerrar la brecha del rendimiento académico.

A continuación, algunos de los muchos puntos importantes que hemos logrado:

- Un panorama fiscal positivo y una administración de las finanzas con una transparencia constante
- El compromiso del personal de cada plantel para aprovechar y utilizar su sabiduría colectiva para revisar, discutir y aprender de los resultados del trabajo de los estudiantes y de los datos del aprovechamiento académico
- La disposición de los padres a participar y colaborar con el personal y la administración de la escuela para apoyar el progreso y el interés general de todos los estudiantes
- El compromiso del personal y de la comunidad para investigar e identificar las prácticas, las suposiciones y las conductas que hacen las veces de barreras sistémicas que no favorecen al éxito de algunos estudiantes
- La voluntad del personal de desarrollar un plan de estudios a través del cual no sólo se enseñen las habilidades académicas necesarias para el mundo real, sino que también ayude a nuestros estudiantes a adquirir los conocimientos, actitudes y habilidades necesarias para funcionar eficientemente en una sociedad pluralista y democrática y para interactuar, negociar y comunicarse con personas de diversos grupos para crear una comunidad cívica y moral que trabaje por el bien común
- La modernización y mejoramiento de las instalaciones en todos los planteles escolares creando entornos de aprendizaje del siglo 21 que se coincidan con nuestras especificaciones educativas
- La ampliación de los programas de salud y bienestar para los estudiantes en colaboración con nuestros socios

La fecha específica de enero en que me incorporaré a Bellflower USD es un asunto que el SMMUSD y el BUSD aún están por determinar.

Seguiré apoyando el camino que han emprendido, y mi familia y yo les damos las gracias por los seis magníficos años en los que han educado a nuestros alumnos y los han preparado para la universidad y la carrera profesional.

Atentamente,

Dr. Ben Drati, Superintendente