



SMMUSD Financial Oversight Committee Meeting Minutes

Date: Thursday, April 15, 2021

Time: 6:00 pm to 8:00 pm

Location: Zoom

<https://drive.google.com/file/d/11-8twg86j4vC-VF4yqzYGqKMIHGc41cl/view>

I. Call to Order

6:03 pm

Committee Members: Matthew Crawford

Seth Jacobson

Shawn Landres

Renu Mevasse

Marc Levis-Fitzgerald - *arrived @ 6:06 pm*

Natalie Ricciardulli, SAMOHI student rep

Matthew Covington – *departed @ 7:05 pm*

Michael Kremer

Payal Maniar

Melinda Newman

Staff:

Melody Canady

Gerardo Cruz

Jacqueline Mora – *departed @ 7:43 pm*

Bertha Roman – *arrived @ 6:11 pm and departed @ 7:43 pm*

Kim Nguyen

Board Liaison:

Craig Foster

Keith Coleman

Jon Kean

Absent:

Alex Farivar

Kimya Afshar, Malibu Student Rep

Public:

Jon Isom, Isom Advisors – District Bond Advisor – *departed @ 7:24 pm*

John Baracy, Raymond James – District Underwriter – *departed @ 7:24 pm*

II. Approval of Agenda

6:03 pm

A motion was made by Mr. Landres and seconded by Mr. Crawford to approve the meeting agenda as amended to postpone Item VI. A. City of Malibu Memo RE: Petition for Unification of Independent School District dated March 30, 2021 from Receive and File.

Unification information may be found on the District website at:

<https://www.smmusd.org/Page/4255>

AYES: Nine (9) (Mr. Covington, Mr. Crawford, Mr. Jacobson, Mr. Kremer, Mr. Landres, Mr. Levis-Fitzgerald, Ms. Maniar, Ms. Mevasse, Ms. Newman)

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

NOES: None (0)

ABSENT: One (1) (Mr. Farivar)

ABSTAIN: None (0)

III. Assistant Superintendent, Business and Fiscal Report: Melody Canady (30 min)

6:17 pm

A. Bond Issuance and Refunding – Jon Isom and John Baracy

Mr. Isom and Mr. Baracy provided the committee with updates regarding Measures SMS and M GO Bonds, potential legislative considerations and GO Bond refunding plan of finance. It was anticipated that the District will receive AAA bond rating again. In a future bond e.g. 2024, the tax rate will be added to the existing tax rate. It does not account for District-wide tax rates that have been previously approved. An option was to look at combining all bonds districtwide. Districts are required to spend down within 3 years.

The committee requested historical and proposed spenddown, combined tax rates for the outstanding debt, and cashflow for the refunding.

The presentation may be found at:

<https://www.smmusd.org/cms/lib/CA50000164/Centricity/Domain/300/041521GO-BondUpdatePresentationtoFOC.pdf>

IV. Discussion/Action Items

7:24 pm

A. Discussion of Measure R annual plan continued from March meeting

The committee was provided an update to the Measure R annual plan, specifically the minor change of a \$3,700 increase in revenue projection. The increase was applied to the Arts and Music programs and delineated to mileage for the itinerant music staff.

Dr. Mora spoke to the need for the District to maintain and clean or fix instruments in preparation and planning for the Fall. All music PPE items were ordered using CARES funding.

Mr. Crawford offered to assist with developing next year's annual plan to include a narrative for each line item.

The Measure R annual plan may be found at:

<https://www.smmusd.org/cms/lib/CA50000164/Centricity/Domain/300/MeasureR/MeasureR-AnnualPlan2122.pdf>

7:37 pm

B. FOC applications posted March 12th with closing date of April 12th

The committee reported receipt of seven (7) applications at time of meeting. The committee will review applications, schedule interviews and have recommendations at the May FOC meeting. Mr. Levis-Fitzgerald will be ending his FOC appointment at the end of June due to increasing work responsibilities.

A motion was made by Mr. Landres and seconded by Ms. Newman to reopen the FOC application period with a deadline of April 30, 2021.

AYES: Eight (8) (Mr. Crawford, Mr. Jacobson, Mr. Kremer, Mr. Landres, Mr. Levis-Fitzgerald, Ms. Maniar, Ms. Mevasse, Ms. Newman)
STUDENT ADVISORY VOTES: One (1) (Ms. Ricciardulli)

NOES: None (0)

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

ABSTAIN: None (0)

V. Ad Hoc Subcommittee Report

7:48: pm A. Budget Recommendations: Ms. Maniar, *Mr. Covington, Mr. Jacobson, Ms. Newman*

Mr. Jacobson reported that the subcommittee has communicated with Staff to discuss the issues raised with Superintendent Drati at the previous meeting.

7:48 pm B. Tax Revenue and Assessed Valuation: *Mr. Farivar, Mr. Crawford, Mr. Kremer, Ms. Newman*

There was no report.

C. Bond Oversight: *Mr. Kremer, Mr. Crawford, Mr. Landres*

7:49 pm Mr. Kremer reported that the subcommittee will meet to go over cashflows regarding bond refunding, the matrix used, efficiency ratio minimum and target, and discuss their report for the Board at the July meeting.

Mr. Covington will step down from the subcommittee. An additional member will need to be added to the subcommittee in the Fall.

D. Nomination: *Mr. Crawford, Mr. Levis-Fitzgerald, Ms. Maniar, Ms. Newman*

7:53 pm Report was given under Agenda Item IV B. FOC applications posted March 12th with closing date of April 12th.

VI. Receive and File (Limited Discussion)

VII. Public Comments None

VIII. Committee Comments

7:53 pm Mr. Landres announced Superintendent's Message from Dr. Drati released during the meeting that 417 elementary school students and 34% of secondary students chose to continue with distanced learning. It was requested that this topic be discussed at a future meeting regarding the relative costs of getting back on campus and running distanced learning simultaneously.

Mr. Coleman commented on the number of students choosing to return to school. He suggested looking at other districts for examples of language/narrative and how to communicate positively to educate confidence and comfort-level.

Ms. Newman commented on the need to advocate for vaccinating students under the age of 16 and whatever advocacy District can participate in to facilitate.

The committee thanked Mr. Levis-Fitzgerald for his time and service.

Student Rep Ricciardulli informed the committee that she will be graduating from SAMOHI and attending Vanderbilt University. A new ASB Treasurer will be appointed as soon as school elections are conducted. She thanked the committee for their financial oversight over the District. She started with the committee as a junior and was not aware of what goes on behind the scenes. She found the committee's expertise and a group of adults who care to ensure all money was funded correctly. The committee wished her well in her future endeavors.

IX. Next Meeting: Wednesday, May 12, 2021 – Zoom

X. Adjournment: 8:04 p.m.