

APPROVED



El Camino Real Charter High School

Minutes

Finance and Investment Committee Meeting

Date and Time

Monday September 20, 2021 at 5:00 PM

Location

VIRTUAL COMMITTEE MEETING - Please see below

The Finance Committee is a standing committee of the Board of Directors of El Camino Real Alliance.

For committee meeting materials, please go to the school's main office, or call (818) 595-7500. Some board meeting materials are also posted in the school's website (<https://ecrchs.net> - click the ECR Board tab).

VIRTUAL COMMITTEE MEETING

In accordance with Governor Newsom's Executive Order N-29-20, the meeting of the Finance Committee will take place via a virtual/teleconferencing environment.

To join the virtual Committee meeting, please register through GoToWebinar <https://attendee.gotowebinar.com/register/1170973704256961035>, webinar ID 604-655-651. You must register for the event (note you do not need to enter your legal name to participate). Once registered, you can attend the meeting through the online link, or by telephone (a call-in number and audio PIN will be provided after you register and prior to the meeting).

PUBLIC COMMENTS

If you would like to make a comment during the Public Comment section or during an agenda item, you may do so in two ways: (1) click the "Raise Hand" icon on the control panel; or (2) email your comment to comment@ecrchs.net and it will be read on the record. **Please note:** your name will be read on the record along with your comment; if you do not wish to have your name read, please indicate on your email.

In order to conduct an orderly meeting, all members of the public will be placed on mute during the Committee meeting, except during public comments. Note that for those who elect to participate through the call-in number, you will not have the option of being unmuted during the meeting.

The Public Comments agenda item is set aside for members of the audience to raise issues that are not specifically on the agenda. However, due to public meeting laws, the Committee can only listen to your issue, not respond or take action. The Committee may give direction to staff to respond to your concern or you may be offered the option of returning with a citizen-requested item. These presentations are limited to three (3) minutes and total time allotted to non-agenda items will not exceed thirty (30) minutes. A member of the public who requires the use of a translator, in order to receive the same opportunity as others to directly address the Committee, shall have twice the allotted time to speak. When addressing the Committee, speakers are requested to adhere to the time limits set forth. In order to maintain allotted time limits, the Committee Chair may modify speaker time allocations or the total amount of allotted time for an item.

Consent Agenda: All matters listed under the consent agenda are considered by the Committee to be routine and will be approved/enacted by the Committee in one motion in the form listed below. Unless specifically requested by a Committee member for further discussion or removed from the agenda, there will be no discussion of these items prior to the Committee votes on them. The Committee recommends approval of all consent agenda items.

In compliance with the Americans with Disabilities Act (ADA) and upon request, El Camino Real Alliance may furnish reasonable auxiliary aids and services to qualified individuals with disabilities. Requests for disability related modifications or accommodations shall be made 24 hours prior to the meeting to David Hussey, in person, by email at comment@ecrchs.net, or by calling (818) 595-7500.

Committee Members Present

Daniela Lopez-Vargas (remote), Danielle Malconian (remote)

Committee Members Absent

None

Guests Present

David Hussey (remote), Emilie Larew (remote), Gregory Wood (remote)

I. Opening Items

A. Call the Meeting to Order

Danielle Malconian called a meeting of the Finance and Investment Committee of El Camino Real Charter High School to order on Monday Sep 20, 2021 at 5:03 PM.

B. Record Attendance and Guests

C. Public Comments

There were no public comments.

II. Consent

A. Approve Minutes of June 17, 2021 Finance Committee Meeting

Danielle Malconian made a motion to approve the minutes from Finance Committee Meeting on 06-17-21.

Daniela Lopez-Vargas seconded the motion.

The committee **VOTED** unanimously to approve the motion.

Roll Call

Danielle Malconian Aye

Daniela Lopez-Vargas Aye

III. Investment

A. Corporate Trustee US Bank Presentation

Mr. Wood gave an overview of the school's OPEB account, which has approximately \$22.4M as of August 2021. Mr. Wood then introduced Pamela Uyehara of US Bank. Ms. Uyehara spoke regarding her role on behalf of the school, and gave an overview of US Bank and its role as the corporate trustee. Beacon Pointe is an investment advisory firm that directs the investments, but the assets are held by US Bank. This segregation of duties is a better policy than having the funds both held and controlled by the same entity.

B. Investment Portfolio and Outlook

Mike Breller reviewed the investment portfolio and identified the overall investment strategy and how it relates to the Investment Policy Statement (IPS). He spoke regarding

the difference between an equity and a bond. Ms. Malconian asked if Beacon Pointe was involved in the drafting of the revised IPS; Mr. Breller replied that the revised IPS was worked on by Beacon Pointe and revisions were also made based on recommendations of the Finance Committee at a prior meeting. As such, the IPS is ready to be finalized and approved. Mr. Wood suggested that the Committee have a quarterly meeting with Mr. Breller to go over the investments (in-person when possible), and possibly schedule a meeting for the entire Board to meet with Mr. Breller once or twice a year.

Mr. Webster, teacher and one of the three individual trustees of the OPEB account, asked regarding Beacon Pointe's fees. Mr. Breller replied that Beacon Pointe charges a fee for its advisory services, and there is also a separate investment manager fee. Mr. Webster also asked specific questions regarding some of the investments, to which Mr. Breller provided responses.

Finally, Mr. Breller advised that ECR is absolutely within the bounds of a traditional institutional investing model.

IV. Finance

A. August 2021 Financial Update

John Arndt presented the August 2021 financial update. For the Cash Analysis, Ms. Malconian asked about the days of cash on hand; Mr. Arndt replied that ICON recommends 90 days of cash on hand in order to meet operational expenses before an influx of revenue is needed, and ECR currently has 168. On the Profit & Loss (Summary) page, Ms. Lopez-Vargas asked what the capital outlay expense was; Mr. Arndt noted it was simply depreciation. On the Profit & Loss (YTD), Ms. Malconian asked if our revenue has increased since returning to in-person instruction; Mr. Arndt replied that the revenue will adjust after December 15th when the state certifies our attendance numbers.

Our numbers will not change from online versus in-person instruction, the per-student revenue remains the same (with a COLA adjustment).

Mr. Wood went over the Department Budgets page, and noted that ECR had not previously had a budget broken down by departments. This is a work in progress trying to determine the budget that each department needs.

Finally, Mr. Wood also advised that he will provide ADA numbers and a cafeteria report each month that is presented to the full Board.

B. Review of August 2021 Check Registers

Mr. Wood went over the check registers for August 2021, including the general account and the ASB account.

Danielle Malconian made a motion to recommend approval of the August 2021 check registers to the Board.

Daniela Lopez-Vargas seconded the motion.

The committee **VOTED** unanimously to approve the motion.

Roll Call

Danielle Malconian Aye

Roll Call

Daniela Lopez-Vargas Aye

C. Review of August 2021 Credit Card Bills

Mr. Wood went over the credit card statement for August 2021.

Danielle Malconian made a motion to recommend approval of the August 2021 credit card bills to the Board.

Daniela Lopez-Vargas seconded the motion.

The committee **VOTED** unanimously to approve the motion.

Roll Call

Danielle Malconian Aye

Daniela Lopez-Vargas Aye

V. Closing Items

A. Adjourn Meeting

Daniela Lopez-Vargas made a motion to adjourn the meeting.

Danielle Malconian seconded the motion.

The committee **VOTED** unanimously to approve the motion.

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 6:17 PM.

Respectfully Submitted,
Emilie Larew