



Financial Oversight Committee Meeting

Education Center, 4th Floor Seminar
Room
1829 Denver West Dr., Building 27
Golden, CO 80401

Meeting Minutes

May 24, 2022 – 9:30 a.m.

Financial Oversight Committee (FOC)

Members Present:

Jessica Keene
Gordon Calahan
Brian Ballard
Scott Tarbox

Committee Members and Staff Absent:

Christine Havlin

Staff Present:

Tracy Dorland, Superintendent
Brenna Copeland, Chief Financial Officer
Steve Bell, Chief Operating Officer
Brian Sammons, Budget Manager
Charley Falkenburg, EA to CFO

Independent Auditor and Other:

Paul Niedermuller, Clifton Larson Allen, LLP
Susan Miller, Board of Education Member

Welcome: Brenna Copeland called the meeting to order. It was announced that Leann has resigned from the FOC due to personal reasons. It was also announced that it was Committeeman Tarbox's last meeting as he is retiring from serving on the FOC. The board will be reviewing and approving nomination(s) in June. We will still need to recruit new members over the summer.

Approval of Minutes: Committee member Tarbox called for any changes to the current agenda and for a motion to approve the April 26, 2022 meeting minutes. The motion carried unanimously, and the minutes were approved as presented.

Approval of 2022-23 FOC meeting schedule: The proposed 2022-23 FOC meeting schedule was presented to the committee. Committee member Keene motioned to approve the schedule and the motion was seconded by Committee member Gordon. The schedule was unanimously approved by the FOC. Calendar invitations will be disseminated to FOC members and the schedule will be posted to the FOC webpage.

Staffing and FTE Counts

Ms. Copeland provided a presentation on staffing and FTE counts, which included an overview of staffing levels and pupil-teacher ratios. Discussion ensued on how the district can bring its staffing in line with new lower rates of enrollment. Discussion also addressed effective messaging in conversations about the district's budgeting challenges in relation to school consolidations.

Superintendent Dorland noted that the Board of Education is interested in increasing salaries to become more competitive, which likely necessitates staffing headcount reductions for the next two to three years in addition to school consolidations.

To provide formal recommendations to the Board in late October or early November 2022, the FOC suggested they would need additional information such as: potential scenarios, costs and savings related to consolidating schools; analysis of staffing data and pupil counts; and data regarding building utilization.

The committee questioned what happens to the properties when schools are closed and how closures impact the neighborhoods. Mr. Bell noted that closed school buildings have been repurposed in the past. Superintendent Dorland noted that the community engagement process in repurposing closed school building properties is equally important to the conversations regarding consolidation.

Update: 2022-23 Budget Negotiations

Ms. Copeland provided an update on the proposed 2022-23 budget, which was presented to the Board of Education on May 11. An overview of the budget was provided, which highlighted areas such as: the general fund, expenditures, and fund balance.

Subsequent to the May 11th presentation of the proposed budget, the district provided compensation offers to JCEA and JESPA unions. The offers included increased compensation equivalent to a step lane and five percent COLA across the board. These offers will alter the budgeted expenditures.

The FOC discussed the importance of compensating teachers and classified staff fairly and competitively.

Discussion ensued on covering costs for future school years as well as structural deficiencies and the variables at play. It was noted that the FOC has an opportunity to advocate for structural changes in the 2023-24 budget, and that such advocacy is best timed if recommendations are delivered in November or December, prior to the district's distribution and allocation of school-based budgets.

Phase 1 recommendations on school consolidations will be delivered by the end of August so that decisions can be made in November 2022 to provide families with clear information on what schools will be available so they can make informed enrollment choices.

The FOC requested to receive historical data and more information about proposed consolidations. Ms. Copeland confirmed that further information, additional ways to model the information, and more finite numbers will be provided to the FOC at the August 23 meeting.

Third Quarter Financial Report

An overview of the Third Quarter Financial Report was provided. It was noted that it was similar to the Second Quarter Financial Report in terms of trends.

Discussion ensued on Food and Nutritional Services and student lunches and pricing. Mr. Bell provided a brief history of student lunches and associated increasing costs with food and delivery prices. In FY22, food service increased substantially due to waivers on the federal meal program that extended reimbursements for all students, rather than just students in poverty. The increased volume of food as well as the reimbursements will generate an estimated \$5 million in additional fund balance for the food service fund. Rather than raise prices for the FY23 school year, the district will draw on this fund balance so that the district can offer meals at a low price and gradually message a meal price increase in the future.

FOC Nominations

The initial application window for FOC membership has concluded. FOC members were provided with copies of the resumes and applications for the recommended candidates. While the board does not require a formal recommendation from the FOC, the committee chose to express support for the named nominees to the committee.

A second application window will open over the summer to fill remaining vacancies.

Next Meeting Preview

The next FOC meeting will be held on Tuesday, August 23.

Adjournment

The meeting adjourned at 11:08 a.m.