



## ***Financial Oversight Committee Meeting***

Remotely via Zoom  
1829 Denver West Dr., Building 27  
Golden, CO 80401

### **Meeting Minutes**

**September 1, 2020 – 10:00 a.m. via Zoom**

#### **Financial Oversight Committee (FOC)**

##### **Members Present:**

Brian Ballard, Chair  
Gordon Calahan  
Leanne Emm  
Mary Everson  
Kyla Jones  
Scott Tarbox

##### **Staff Present:**

Nicole Stewart, Interim Chief Financial Officer  
Steve Bell, Chief Operating Officer  
David Bell, Chief Human Resources Officer  
Tim Reed, Executive Director, Facilities and  
Construction Management  
Jason Hendricks, Acting Budget and Treasury Director  
Debbie Ranguet, Exec. Assistant to CFO

##### **Committee Members and Staff Absent:**

Kristopher Schuh, Interim Superintendent

##### **Independent Auditor and Other:**

Paul Niedermuller, CliftonLarsonAllen, LLP

**Welcome, Introductions and Staff Updates:** Brian Ballard called the meeting to order and declared a quorum.

Stewart announced staffing changes in addition to her new position as Interim Chief Financial Officer including the appointment of Kristopher Schuh as Interim Superintendent and Jason Hendricks' appointment as Acting Budget and Treasury Director. Stewart noted that Mary Cooper was hired as Director of Finance and will join the district in mid-September. There were introductions and Hendricks shared information on his background.

**Approval of the Minutes:** Scott Tarbox moved to approve the minutes for August 4, 2020. Kyla Jones seconded. The motion carried unanimously, and the minutes were approved as presented.

**Budget and Negotiations Update:** Nicole Stewart updated the committee on the status of finalizing the financials for 2019/2020 along with an update on the status of Coronavirus Relief Funds (CRF) and Elementary and Secondary Emergency Relief (ESSER) funding, an update on enrollment and the 2020/2021 budget, and information on the community engagement and budget reduction process for 2020/2021.

With regard to finalizing year end, Stewart noted that after analysis \$21.3M of expenditures were identified and applied to the grant for FY 2020 CRF funds, contingent on audit, against an estimate of \$20M. Staff continues with end of year work in preparation for the audit. Salary accruals are complete; the district is waiting on one more property tax receipt on September 10; specific ownership tax is pending; and interest has not been recorded.

Stewart updated the committee on the revenue and expenditure assumptions included in the 2020/2021 adopted budget. Revenue assumptions included a loss in state funding, interest, specific ownership tax, and enrollment based on estimated decline of 350 students with a gain in inflation for mill levy and a gain from one-time funds from CRF and ESSER.

Expenditure assumptions included increases in PERA mandate, transfer to insurance reserve, and at risk which will funnel through to student based budgeting (SBB); a decrease in the utility budget; retirement and

turnover savings; ongoing savings in 2019/2020 and one-time PPE and additional expenses to start of school due to COVID.

Potential impacts to the adopted budget will be with identifying remaining expenditures to be applied to CRF funding in FY 2021; compensation agreements with JCEA and JESP; possible mid-year rescissions from the state; actual school restart costs due to changes in delivery of education and future virus closures; and anticipated actual enrollment.

Stewart clarified that PPE was equitably distributed based on a districtwide calculation and covered by CRF funds. School and departments can purchase additional PPE items, if desire, within their own SBB and department budgets.

Stewart noted the district estimated a 350 student decrease; however, preliminary data is showing that the number could be 5 to 10 percent higher. Results of October count will come in November. Colorado Department of Education (CDE) has made no indication that they will hold districts harmless for one year; however, CDE averaging will potentially lessen the funding impact.

Stewart reviewed the 2021/2022 community engagement plan which will include recommendations from school accountability committees and community and stakeholder input through a workgroup format that would report out through the District Advisory Committee, ongoing recommendations and advice from Financial Oversight Committee and Capital Asset Advisory Committee, district leadership recommendations, updates at Board meetings, and public comment.

Stewart discussed using a budget simulation tool for gathering input from the community. She noted that staff will be looking for direction from the Board with regard to engaging an independent firm on the tool and final reporting. Stewart also commented on possible options for

There was discussion regarding the budget simulation tool and the need to avoid micro level decisions and focus on big picture issues; how departments can use the Budgeting for Outcomes process and work with district leadership to identify possible reductions; ideas for formulation of workgroups and staff support, and the role of the District Advisory Committee which will add another layer of broad community representation.

**Bond and Facilities Update:** Tim Reed, Executive Director Facilities and Construction Management, provided an overview of the financial status of the Capital Improvement Plan through August 31. The information covered revenue to date and expenses as of August 31 as compared to April 30, 2020. Reed noted that \$29.5 million are on the agenda for Board approval on September 3.

Highlights of his presentation included bid results for August 2020 including Jefferson HS, Gertrude Bell MS, Manning South and Warren Tech South. Work for fall 2020 being bid during the summer included Wayne Carle MS and Paramalee and Foster ES. Work accomplished in spring and summer 2020 took place at 65 sites with 13 projects currently under construction, and furniture replacements or partial replacements at 16 sites. Reed commented on attractive bid prices that have allowed the district to undertake alternates on some projects. He noted that CTE was able to get funding for an aviation addition that was not in the bond and was bid as an alternate; the project will break ground in October and has a planned completion by next school year.

Steve Bell commended Reed for the effective work he and his team have done over the last two years since the bond issuance.

**Negotiations Update:** David Bell the district's Chief Human Resources Officer provided an update on the status of negotiations with the Jefferson County Education Association (JCEA) and Jeffco Education Support Professionals Association (JESPA). Bell commented on the focus of discussions including updates to the

language in the agreements, discussions regarding proposals for compensation and a memorandum of understanding around the start of school.

There was discussion regarding COVID-19 safety protocols and supports, remote learning and teaching challenges, class sizes, teacher and staff retention, and new provisions for teachers and teaching.

**FOC Conclusions/Recommendations:**

There were no conclusions/recommendations from the committee to communicate to the Board of Education at this time. The committee requested that an update on the community engagement plan following discussion with the Board of Education be added to FOC's October agenda.

**Wrap Up and Next Meetings:** Stewart reviewed dates of upcoming meetings. There was discussion regarding agenda items for October to include review and discussion of FOC related policies and the annual planning calendar as well as a legislative update.

The meeting adjourned at 11:15 a.m.