



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

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

### **Meeting Minutes**

**March 28, 2023 – 8:00 a.m.**

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

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

Amy Alvarez  
Brian Ballard  
Jessica Keene  
Robert Last  
Theresa Shelton

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

Christine Havlin  
Melissa Jamieson  
Christie Moss, Controller  
David Suppes, Interim Chief Operating Officer

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

Tracy Dorland, Superintendent  
Brenna Copeland, Chief Financial Officer  
Brian Sammons, Director of Budget & Treasury  
Steve Dominguez, Sr. Manager of Accounting  
Charley Falkenburg, EA to CFO

##### **Additional Attendees:**

Danielle Varda, Board of Education

#### **Welcome and Approval of Minutes**

Ms. Copeland called the meeting to order at 8:03am. The committee welcomed Steve Dominguez, the senior manager of general accounting, who was in attendance to present the Q2 financial report in the absence of Controller Christie Moss.

It was suggested that the first sentence under "FOC Responsibilities" in the February 28 minutes be amended to "Committee member Keene brought up a question about the FOC's committee name." The minutes were approved as amended.

#### **Q2 Financial Report**

Mr. Dominguez presented the Q2 Financial Report, which involved an overview and review of revenues and expenses by each fund as well as highlights on emerging trends. It was noted that the Q2 Financial Report had been presented at the March 9 Board of Education meeting.

Discussion ensued on what kind of additional, non-statutory information should be included in the quarterly financial reports as well as to what level of detail of information should be offered. It was noted that information in the reports should strive to meet the following: serve to be helpful, useful, and digestible; avoid creating confusion and/or noise; comply with statutory requirements; and meet the needs of the public and decision makers.

District staff will present the committee with a proposed revised approach to the quarterly financial reports at a future meeting.

#### **Review and Discussion: FOC By-Laws**

Ms. Copeland provided a brief review of the newly drafted CAAC by-laws. Ms. Copeland further noted that any by-laws should be viewed as a complement to Board Policy GP-7, which outlines the expectations for all advisory

committees to the Board of Education. The committee then engaged in discussion on creating by-laws for the FOC. The committee agreed they would like to include term limits with three-year staggered terms with up to one reappointment. Committee member Keene brought up the importance of being clear on the FOC's focus. Discussion centered on the committee's role, function, and responsibilities.

Ms. Copeland will put together a draft of FOC by-laws that includes a reference to the GP-7 language regarding the FOC's purpose. The FOC will then engage in a conversation to confirm whether the GP-7 language seems appropriate and whether the FOC would like to make recommendations to amend that language. The Board at its sole discretion can modify GP-7.

It was noted that committee member Ballard would be resigning at the end of this school year. District staff are currently accepting applications for the FOC to fill the vacant seat for 2023-24 school year. It was noted that current district staff are not eligible for FOC membership given that the advisory committee is community member-based and dedicated to maintaining its dependence.

### **2023-24 Budget Update and Preliminary Forecast**

Ms. Copeland provided an update on the development of the 2023-24 budget, highlighting projected enrollment, a high-level overview of the revenue forecast, and approaches to expenditure reductions.

The district's General Fund revenue is anticipated to grow 5.5% year-over-year to about \$902.5 million assuming the per pupil revenue will increase 9.5%. This assumption considers the following factors: the buydown of the BS Factor by \$120 million statewide; an inflationary adjustment to the base PPR of 8%; returning to the normal at-risk count; an overall 1.6% increase to mill levy overrides (MLO); and a 2,700 reduction in the funded count due to the removal of the prekindergarten funded count from the school finance formula.

It is expected that this 5.5% increase in revenue will be the biggest increase the district will get for the next five years unless a new override is passed. At the April 25 FOC meeting, committee members will engage in a discussion on the funding priorities they will recommend to the Board of Education in May.

The presentation also noted that overall district membership is dropping by 1,200 students per year. Declines are forecasted to continue for the next four years. Based off current trends, it is predicted that the district may level off at 60,500 students total.

Currently, the district is funded on a five-year average of the actual FTE-based count; however, state lawmakers are considering reducing that to four years. If it were to change to a four-year average for the funded count, the district would lose approximately \$13 million in revenue next year and much more over a multi-year period. District staff and the district's lobbyist are actively engaging in conversations to ensure lawmakers understand the potential adverse impacts to Jeffco.

District staff will provide an update on the initiatives underway to cut costs at the April 25 FOC meeting.

### **Adjournment**

The meeting adjourned at 10:00am.