



Financial Oversight Committee Meeting

1829 Denver West Dr., Building 27
Golden, CO 80401

Meeting Minutes

August 3, 2016

Financial Oversight Committee

Members Present:

Gordon Calahan
Bob West
Scott Tarbox

Staff Present:

Dan McMinimee, Superintendent
Kathleen Askelson, Chief Financial Officer
Stephanie Corbo, Director Finance
Steve Bell, Chief Operating Officer
Nicole Stewart, Budget & Analysis Manager

Committee Members and Staff Absent:

Mike Bestor
Brian Ballard
Mary Everson
Chris Johnson

Independent Auditor and Other:

Marjorie Wickham, CliftonLarsonAllen, LLP

Election – Chair and Approval of April 6 and May 2, 2016, Minutes: Due to lack of quorum, election of chair and approval of the minutes was moved to the September 7, 2016, meeting.

Employee Negotiations Update: Kathleen Askelson updated the committee on outcomes from employee negotiations that were finalized in June. The review included an overview of compensation changes for Jeffco Education Support Professionals Association (JESPA), formerly CSEA, for classified employees; changes to the full contract for Jefferson County Education Association (JCEA) for non-administrative educators; and compensation increases for Jefferson County Administrators Association (JCAA) for administrative staff. Some highlights included the return to steps for JESPA, negotiation of a five-year contract through 2021 for JCEA with teachers moving back to a salary schedule, and compensation increases for all three groups that includes the .5 percent PERA contribution by the district and a variety of combinations of on-going compensation increases and one-time payments based on specific criteria for each group. There was discussion regarding turnover, hard to fill positions and migration of staff within the district.

Audit Committee Update: Bob West reported on the Audit Committee meeting held on June 13. Topics covered at the meeting included review of the 2015/2016 Third Quarter Financial Report and auditor's report, an overview and training for the annual external audit that included the scope and process, and a demonstration of the data available from the district's transparency website. West noted that the Audit Committee meets four times a year in September, December, February and May. There was discussion regarding internal auditing and the challenges of having only one auditor.

2016/2017 Budget Update: Askelson reviewed the changes that were made to the proposed budget prior to adoption on June 2. The presentation included an overview of 2016/2017 increases to revenue both in on-going and one-time and requests for budget increases that were approved by the Board. Key areas of discussion included the estimated loss of revenue due to the decline in student enrollment, one-time revenue from 2015 and 2016 underspend, the compensation placeholder, and the list of Board approved expenditure requests to be funded by on-going and one-time revenues.

Facilities Master Plan / Bond Issue: Askelson summarized background on the facilities master plan process, public meetings, other community outreach and Board direction. Staff shared the presentation on staff recommendations for bond financing from the Board of Education meeting on July 28. The presentation included finance model objectives, alternative models evaluated, staff recommendations, an overview of the scope, timing and costs for capital improvements to be covered by a \$535 million bond package, and ongoing district needs for a \$33 million mill levy override. Askelson noted that the Board of Education directed the superintendent to prepare ballot language for Board action and that the language was approved on August 2.

There was discussion regarding capacity at elementary and middle schools, the age and number of temporaries operating in the district, Board support of a 6-8 middle school model, capital plan implementation and flexibilities to meet demands of growth as it occurs, the 10 percent allocation of bond proceeds to charter schools, and recommendations for use of mill levy override funding to address compensation and offset the potential reduced state funding anticipated for 2017/2018.

Lead Issue: Steve Bell presented information on the district's lead remediation program that was presented to the Board of Education on July 28. The presentation included background on regulations for lead in plumbing systems, remedial actions by Jeffco Schools in 1990 to replace drinking fountains, EPA recommendations for testing at schools, the impacts to the district of the 1991 Lead and Copper Rule that established an action level of 15 parts per billion of lead in drinking water, district sampling results and actions to date, and the remediation plan going forward.

Wrap Up and Next Meetings: Askelson advised that the next Board meeting is August 25 and the next FOC meeting is Wednesday, September 7.

The meeting ended at 12:45 p.m.