

Colorado Springs School District 11
Superintendent Dr. Nicholas M. Gledich
Division of Business Services
Deputy Superintendent/CFO Glenn E. Gustafson, CPA
Director of Budget and Planning Kenneth L. Wieck, CPA

DAC Budget Subcommittee
Web page: [District Accountability Committee \(DAC\)](#)
Chairman John Roebke

Meeting Notes
December 12, 2017
6:00 p.m.

Members present: Deborah Boisselle, Bruce Cole, Jamie Cushenbery, Dan Fox, AJ LaFrancis, Bob Miner, Bob Null, Jan Rennie, Michael Reyes, John Roebke, Carl Schueler, Toni Seberger. and Elisa Villarruel

Members absent: Lara Crowell, Tom Hunt, Andrew Hug, Pete Lee, Trish Nixon, and Kim Polomka

Ex-officio members present: Laura Hronik, Glenn Gustafson, Ken Wieck, and Becky Moore

Guests: DAC chairman Dr. Parth Melpakam

Chairman John Roebke brought the meeting to order at 6:00 p.m. Members were welcomed. Mr. Miner made a motion to approve the meeting notes from November 28, 2017. Ms. Boisselle seconded the motion. The notes will be posted to the DAC web page.

Chairman Roebke noted that the DAC had not met since November and therefore, there was no update. However, there was notice given by Mr. Roebke and Dr. Melpakam that four new budget subcommittee members were to go before the Board of Education for approval. There was discussion regarding equity because one of the new members is a teacher. The educational support professional and executive professional representatives were asked if there would be any issue with one more teacher representative on the subcommittee but not additional representatives from their respective groups. There was no objection from the representatives present.

There was discussion surrounding the withdrawal of budget modifications from the list. While no budget modifications have been formally withdrawn, one was modified and funded through general fund contingency (TS-3 Security). The small request from Risk Related Activities (BS-11) was also funded through general fund contingency.

Mr. Wieck's budget process update included praise for the subcommittee from the District's executive cabinet for their work with the budget modification requests. The cabinet met to also discuss the budget modification requests and welcomed the opinion of this subcommittee in their own analysis. Final results from that group is forthcoming. Mr. Wieck told the subcommittee that the mid-year budget is almost complete. He is waiting on final recommendations from the superintendent, which will go before the Board, as well as final numbers from the state. The mid-year budget will be available to the subcommittee at their next meeting on January 9. The subcommittee was reminded that Mr. Roebke and Dr. Melpakam are invited to the Board of Education's next work session on January 17, 2018 to discuss the mid-year budget and the subcommittee's recommendations to the Board.

There was much debate about recurring and non-recurring items. The difference between the two status designations was explained. Generally, the mid-year budget has little or no recurring items as the funding is usually one-time money. However, there were several recurring budget modification requests this year, which the subcommittee decided, by unanimous vote, to rank as three (do not fund) on their recommendations rubric. The subcommittee also decided to add to their mid-year recommendations that all mid-year budget requests should be non-recurring and that recurring requests should be limited to next fiscal year budget development. This came about when the subcommittee unanimously voted to change any recurring requests previously ranked as one or two to a three on their recommendation to the Board. Mr. Fox pointed out that he would like to see a standard for analyzing budget modification requests, both recurring and non-recurring. He felt that a standard would facilitate better planning and create better stewards of the dollars.

The group discussed getting the feedback from the cabinet's review of the budget modifications. The members wanted to know how the cabinet ranked the requests at their meeting. Since the cabinet was not ready with a final decision, Mr. Wieck was able to address the subcommittee with only some results from that meeting. Outside of the requests previously mentioned that were funded through general fund contingency, cabinet may recommend that some requests are small enough that the requestor should look to their current budgets to fund. The committee was told which requests were recommended for funding and which were not recommended but no details are known at this time and the recommendations from the cabinet are not yet final.

Another debate surrounded the change in available dollars for the mid-year budget modifications. The subcommittee was working with \$3 million of available funding. It came about that \$3.6 million was realized for funding but the subcommittee was not made aware of this change. Mr. Gustafson described the executive cabinet's process in ranking the budget modification requests, which is quite different from the budget subcommittee. He reminded the subcommittee that the mid-year budget is the responsibility of the superintendent, by state statute.

Mr. Gustafson spoke to the new mill levy override and how it impacts the mid-year budget. The mid-year budget must incorporate the new funding in order for the District to be able to spend it. There is about \$40 million available to spend this year of the total mill levy override of \$42 million. The mill levy override will fund compensation and several other program implementation plans. The money will not come in until late spring.

Capital spending was discussed. Clarification regarding special ownership (SO) taxes and the increase that the District will realize at this time from this collection. It was noted that SO taxes are not a part of the mill levy override but separate to the general fund. Mr. Gustafson also spoke about the new mill levy override oversight committee currently forming for the 2017 mill levy override. Applications are being accepted in the Board of Education's office. This committee has a lot of work ahead of it.

The next meeting of the subcommittee will finalize the recommendations for DAC and Board of Education review on January 17, 2018. The agenda is to include reviewing the capacity report and summer enrichment series report. The reports will be made available in advance so that the subcommittee may have time for initial review before meeting on January 9, 2018.

The meeting adjourned at 7:30 p.m.

Next Meeting: January 9, 2018 at 6:00 p.m. in the District 11 boardroom.