



# Financial Advisory Committee

## Meeting Minutes

October 15, 2024 – 8:30 a.m.

Seminar Room

### Financial Advisory Committee (FAC)

#### Members Present:

Gary Colbert  
Reid McClanahan (Teams)  
Jason Sproles

#### Committee Members and Staff Absent:

Robert Last  
Theresa Shelton

#### Staff Present:

Brenna Copeland, CFO  
Tracy Dorland, Superintendent  
Charley Falkenburg, EA to CFO  
Seanin Rosario, Executive Director, FP&A  
Brian Sammons, Director of Budget

#### Additional Attendees:

Renny Fagan, Keystone Policy Center  
Danielle Varda, Board of Education

### Welcome and Approval of Minutes

Ms. Copeland called the meeting to order at 8:30am. The September 17 meeting minutes were approved as presented.

New FAC member Jason Sproles was also in attendance. He will be formally appointed to the committee at the October 17 board regular session.

The decision to appoint a committee chairperson was tabled until the November meeting when more committee members would be present.

### Fourth Quarter Financial Report

Staff provided an overview of the unaudited FY24 fourth quarter financial report. The presentation highlighted budget to actuals in the general fund as well as in other funds such as: capital reserve, grants, food services, campus activity, transportation, insurance, childcare, and technology. Overall, the district has overspent its budget within several funds. This is in alignment with the district's work to ensure that expenditures are more consistent and aligned with appropriations. This shift in budgeting philosophy provides greater transparency and makes sure every dollar is spent on today's students.

The district is also engaged in fund consolidation work. To align with CDE standards, the Transportation Fund and the Technology Fund will fully move into the General Fund and a portion of the Early Childhood Fund will move into the General Fund.

Committee members expressed support for the fund consolidation work to align with CDE expectations.

Superintendent Dorland suggested that committee members spend time at a future meeting reviewing the food services fund and whether it may require additional resources going forward.

## **Multi-Year Financial Sustainability**

District staff provided a presentation on the district's three-year general fund budget and forecast. Despite financial efficiencies and adjustments realized through trueing up the budget methodology and savings from school consolidations, the district is forecasted to spend beyond its means for three years in a row. If this happens, the district will have spent 65% of its non-TABOR reserves by FY27. This is due to a mixture of factors such as declining enrollment resulting in decreased state funding and prior adoptions of deficit budgets.

To address this issue, the FAC recommends that the district plan on engaging in a benchmark analysis that compares Jeffco's spending to other similar school districts. This work will identify areas of efficiency and lack of investment. The financial analysis is anticipated to start by the end of 2024. As a result of these fact-based metrics, there will be a menu of options of potential budgetary shifts that can be made to move toward a balanced budget.

## **Committee Conclusions and Recommendations**

Committee members collaboratively identified conclusions and recommendations that will be presented to the Board of Education at the November 6 study session. Topics included: fund consolidation work, shifts made to the budget methodology, potential consequences gleaned from the multi-year forecast, conducting a financial benchmark analysis, and fund monitoring.

Staff will facilitate the set-up of a Google document for FAC to review, edit and finalize their recommendations prior to the November 6 Board meeting. Mr. Fagan will disseminate the link to the committee members. Ms. Copeland will reach out to the committee via email to inquire about volunteers to present at the November 6 board meeting.

## **Wrap Up and November Meeting Preview**

Mr. Fagan will be emailing FAC members with a brief evaluation to complete after each committee meeting to gather feedback on meeting facilitation efforts.

The next FAC meeting will be Tuesday, November 19, 2024. Anticipated agenda items include the following: November 6 board presentation debrief; enrollment update; and FY25 first quarter financial report presentation.

## **Adjournment**

The meeting adjourned at 10:31am