

## SCFD BOARD OF DIRECTORS MEETING

January 22, 2015

1:00 pm

Westminster Historical Society  
Meeting Minutes

**SCFD Board members present:** Chair Dan Hopkins, Vice-Chair Kathy Kucsan, Treasurer Hal Logan, Secretary Lynn Jeffers, Elaine D. Torres, Shepard Nevel, Rob Johnson, Kathryn Spuhler, Councilwoman Peggy Lehmann, and Bob Grant

**SCFD Board members not present:** Damon O. Barry

**SCFD staff present:** Executive Director Peg Long, Senior Program Manager Nancy McCamey, Program Manager Jessica Kato, Program Assistant Katherine Wilson and Office Systems Administrator Sheila Mieger

### 1. Introductions and Approval of Agenda

Dan Hopkins called the meeting to order at 1pm followed by introductions. A quorum was present. Mendez Consulting will not be presenting at this meeting.

Amy Newman, Director of the Westminster History Center welcomed the Board. Founded in 1962, Westminster Historical Society is the home of 10,000 artifacts housed in two locations, the Bowles House Museum and the Westminster History Center. The Westminster History Center opened in May of 2014. The building is owned by School District 50. The new space gives the Society an opportunity to expand programming. It is currently open Wednesdays and Thursdays from 10am-4pm.

### 2. Approval of November 20, 2014 Board Minutes

Kathryn Spuhler motioned to approve the minutes. Elaine D. Torres seconded. Motion passed.

### 3. Approval of November 20, 2014 Board Planning Session Minutes

Rob Johnson motioned to approve the minutes. Lynn Jeffers seconded. Motion passed.

### 4. Resolution 15-01: Pertaining to Posting of Public Meeting Notices

Peg Long read the resolution. Shepard Nevel motioned to approve Resolution 15-01. Peggy Lehmann seconded. The motion passed.

## 5. Reports

### 5.1 Treasurer

Hal Logan reported the November 2014 SCFD sales and use tax revenue was \$4,105,108.76. The 2014 year-to-date (YTD) sales and use tax revenue is \$46,704,537.80. This compares to YTD 2013 revenue of \$42,760,001.63. The variance is \$3,944,536.17, which is a 9.22% increase in YTD 2014 over YTD 2013. SCFD receives 10 basis points above COLOTRUST PLUS on deposits at Colorado Business Bank, which is .22% at the current daily rate.

### 5.2 Chairman

Dan Hopkins thanked the Board for attending the legislative luncheon on January 21, 2015 at the Denver Art Museum. 18 legislators were introduced to SCFD. He also thanked Kathy Kucsan for her support and counsel over the past year.

The Public Awareness Committee met on January 20, 2015. They plan to re-introduce the Tool Kit to SCFD funded organizations, with an emphasis on continuing to deliver a consistent message. The group also discussed outreach to various external groups such as city councils, commissioners, chambers and other civic groups later in the year. Elaine D. Torres mentioned they will be making sure people are aware they can still submit public comments regarding the workgroup reports.

Kathryn Spuhler updated the Board on the Teen Council and STEPS committees. Teen Council will have its first meeting on January 25, 2015 at the Denver Botanic Gardens. As part of the STEPS continued efforts, Denver Museum of Nature and Science will be hosting an educators night in which SCFD funded organizations will be able to connect with 25,000 plus educators.

### **5.3 Executive Director**

Peg Long's report included the following:

- Eligibility report by Jessica Kato. A total of 37 applications were processed. Eight organizations were found eligible, 12 applications were late or incomplete and 17 organizations were found ineligible. The primary reasons organizations were found ineligible are:
  1. Did not meet primary purpose
  2. Did not meet organizational/financial capacity
  3. Did not meet the three years of doing programming for the public as a 501(c)(3) rule
- 2015 Disclosure Forms – Board members were asked to read and sign.
- Feedback on reauthorization process and other matters related to SCFD has been compiled through December 31<sup>st</sup>. This information has been provided to Task Force members and the Board.
- Task Force Update – The first of four meetings took place January 15, 2015. Three more meetings are scheduled. The facilitator and Task Force members will prepare the final report to the Board and present it at the April 23, 2015 Board meeting or Board planning session.
- Board members were provided with an Economic Outlook summary. The general Colorado economy and the metro economy are doing very well; but there are areas of the state that are not seeing the same drop in unemployment or the increase in jobs. Nationally the Federal Reserve is concerned that wage growth is flat and there are still too many people who have not been able to obtain jobs and wages that are equivalent to the ones they had pre-recession, so interest rates will probably remain unchanged through the first three quarters of 2015 and likely into early 2016. If the price of a barrel of oil continues to remain low for an extended period of time, the metro area will feel the economic impact through reduction of drilling activities and loss of jobs with good wages. This could translate to less spending and lower sales tax revenue. 2015 revenue is projected to increase at a normal 3% year-over-year rate.
- Board members received a chart of 2014 work group-generated options that could be implemented through Board policy. The chart had a total of seven options. The Board concluded it would consider four of the options at the February 26, 2015 Board meeting.
  - Require local government entities to adopt a formal resolution evidencing creation of the agency and a corresponding special revenue fund that is distinct from the local government's general fund and can be separately audited; a special revenue fund is an account established by a government entity to collect and disburse money for a specific project or purpose; referred by Local Government Work Group
  - Require every organization seeking SCFD eligibility to submit either a 990 or 990EZ with its eligibility application (990N would not be accepted); the IRS 1023 EZ application for tax exempt status requires no financial information, only contact information; referred by Eligibility Work Group
  - Require all grant applicants to submit either a 990 or 990EZ with their grant applications (i.e., 990N would no longer be accepted); the 990N does not solicit any financial information, only contact information; referred by Councils and Tier III Work Groups
  - Require every organization with an annual budget of \$500,000-\$750,000 to annually submit an externally/independently prepared financial review and those with budgets above \$750,000 to annually submit a financial audit; an independent financial review or audit, when used in tandem with the Form 990, provides a much clearer picture of an organization's finances and financial practices; referred by Eligibility, Tier III & Councils Work Groups

Peg Long was asked to bring a draft of each policy to the February meeting. She was also asked to gauge Tier II organizations' response to the fifth policy: Require Tier II organizations to have dedicated educational programming for all ages and the capacity to deliver it. Kathy Spuhler said there was not much support for this option during Work Group discussions.

## **6. Other Matters**

### **6.1 CBCA Economic Study Presentation**

Deborah Jordy, Executive Director Colorado Business Committee for the Arts (CBCA) presented the 2015 Economic Activity Study followed by questions from the Board. Kathy Kucsan asked why the study doesn't break down findings by county. Deborah replied that the study is regional based on a regional model. Amy Newman asked if CBCA looked at organizations varying funding sources to determine how diversified they are. They do not, said Deborah. They don't look at individual organizations. It is a regional study. CBCA hopes to roll out the next study a little earlier in 2016 so it will be available before SCFD's reauthorization election. Dan Hopkins thanked CBCA for the report.

### **6.2 STEPS Education Data Project Report**

Peg Long reported the 2014 STEPS Education Project used quantitative data to find the number of schools that SCFD organizations served in 2013. Only schools from SCFD counties (Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, and Jefferson) were included in this project, although other schools outside of the district were also served by these organizations. She introduced Katherine Wilson who produced the data. Katherine presented a power point presentation. She reported in 2013, schools were served proportional to their representation in the seven-county District. Based on the data collected and compiled, in 2013, every bricks-and-mortar public school in the District was served by at least one SCFD organization. The Board asked Katherine to make her presentation available on the SCFD website.

### **6.3 Honoring Bob Grant**

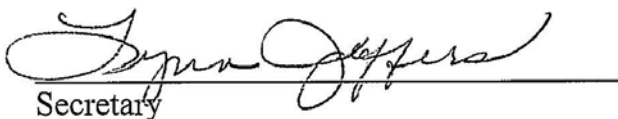
Bob Grant served six years on the SCFD Board. His term ended due to term limits. The Board read a proclamation honoring Bob. Dan Hopkins invited Board and audience members to share their thanks. A few of the statements of thanks included: He has been the conscience of the Board, provided insight, wisdom, tireless advocate of Adams County, a leader, regional thinker, made sure diverse voices were heard, fearless, thoughtfulness, encouraged great discussion, great example of public advocacy, role model, put citizens first, made organizations do a better job of tracking attendance, his name became shorthand for inclusivity, asked thought provoking questions, kids throughout the district owe him a big thanks and showed that each county big or small has great value. Bob thanked the Board and staff and the organizations for the kind words.

## **7. Public Comment**

Mike Yankovich asked what the seven policy options the Board was considering. Dan Hopkins said to see him after the meeting for a copy.

## **8. Adjournment**

The meeting was adjourned at 2:50 pm.

  
Secretary