



Denver Public Schools
Professional Compensation System for Teachers

ProComp

MEETING MINUTES

ProComp Trust Board of Directors FY21/22 Meeting #3

February 15, 2022

4:45 – 5:45 pm

Virtual Meeting

Google Meet – Link or Call

meet.google.com/izb-oziu-qhi

(US) +1 760-463-2609 PIN: 742 248 500#

In Attendance: Tom Buescher, Chuck Carpenter, Kris Bethscheider, Brian Weaver, Katie Hechavarria, Scott Esserman, Scott Murphy

Others: Emily Marcus, Chris Humes, William Nobriga

Invited: Kris Bethscheider, Jeff Buck, Chuck Carpenter, Katie Hechavarria, Angela Cobian, Scott Murphy, Tom Buescher, Brian Weaver (Waller), Chris Humes (BHFS), William Nobriga (BHFS), Paul Niedermuller (CLA); Michelle Hix & Nicole Ibarra

****BHFS:*** Brownstein Hyatt Farber Schreck, LLP (ProComp Trust legal counsel)

Called to order: 4:47pm by Buescher

Introduction of all members and attendees.

- Scott Esserman – new DPS Board member and DPS Board Treasurer

Action Item: Approve Prior Meeting Minutes:

Minutes from October 26, 2021

- No additions, corrections, or modifications to the 10/26/2021 meeting minutes
- All vote in favor with no opposites or abstentions
- Minutes are approved

Discussion Item: Legal representation change within Brownstein

- Cara Sterling no longer with Brownstein Hyatt Farber Schreck – Christopher Humes and William Nobriga are new representation within Brownstein. Christopher and William introduced themselves and are both located in Las Vegas but barred in Colorado and have experience with Trusts, schools, and benefits.
- Trust Board is comfortable with new legal representation.

Discussion Item: Financial Update

Update on YTD FY22 Financials

- Emily reviewed the current financial state of ProComp FY22 compared to budget and where the financials are expected to land. Apart from FY22 budget, all presented numbers are forecasted and subject to change. Beginning fund balance of \$7.67M with \$36.4M in revenue, which will be expensed in base and non-base salaries with minimal expenses in other areas (such as legal and audit fees, as well as admin/direct staffing and PDU leader stipends). Transition costs are anticipated to be \$58k, which are the only items to reduce fund balance. This leaves a projected ending fund balance of \$7.61M for the year

- Some variances within non-base incentives for actuals to budget; explained that all revenue ProComp receives will be expensed throughout the year for teacher compensation, thus even being under in non-base incentives, the finances will still contribute toward teacher base pay.
- The only items affecting the Trust Fund balance are red circling and cash COLA, which have been declining year over year, as expected.

Discussion Items

Necessity of investment policy adopted in prior years continuing with ProComp 3.0?

Future agenda items?

This is the third of four required ProComp Trust Board meetings for FY21/22. Meetings will follow a similar cadence to prior years: April/May FY23 budget – timing will be based on budget timeline and Implementation Team meetings

- Investment Policy
 - Tom Buescher discusses the previous Investment Policy implemented by the Trust Board in years past and would like an update on its status and whether or not it is necessary with ProComp 3.0, if we still have the investment policy, especially since the only investment for ProComp is with ColoTrust since it is liquid and safe. There does not seem to be a reason to have an investment policy apart from that given the size of the fund balance.
 - Emily will look into the investment policy and if it is still in effect or not, and if it is, are we compliant with necessary diversification or levels of investment
 - Members agreed that given the original timing of the investment policy and changes to ProComp it is probably unnecessary to keep it, if it's still in effect.
 - Keep investment policy topic on agenda for next meeting with updates
- Future Meetings – One more remaining for FY22 and will be for budget approval. Tom urges Board members to be flexible with timing given the necessary approval chain for the ProComp budget with Implementation Team, Trust Board, and the District

Adjourned: 5:20pm by Buescher