Kirtland Board of Education
Finance Committee Meeting
January 25, 2013 Minutes

The meeting took place in the Board of Education office and was called to order by Tim Cosgrove at 7:00 a.m. Others present were Tom Meyer, Kat Torok, Steve Barrett and Steve Vasek.

Tom Meyer moved to approve the minutes from the January 7, 2013 Finance Committee meeting. Cosgrove seconded, and the minutes were approved without objection.

Steve Barrett briefed the committee on the status of a joint agreement between Kirtland City Schools and the Perry Schools for bus maintenance. Barrett suggested that we consider a 6 month pilot to inventory the condition of the buses. Barrett will be prepared to discuss a more specific proposal at the next Finance Committee meeting and perhaps present a proposal to the full Board at the February 25 meeting.

Steve Barrett than provided an update on the Financial Task Force. Barrett and Meyer are scheduling a meeting prior to the next Finance Committee meeting with members of the Task Force to consider next steps. It was discussed and decided among those present that the Task Force should focus on 1 or 2 priorities as determined by the Superintendant, Board and Task Force.

Kat Torok then moved a resolution to recommend to the full Board that we proceed with 10 year renewal levy at the May primary. The motion was seconded by Meyer. Members discussed the fact that this was a renewal and there would be no additional revenue or taxes. The original levy was approved in 2003 and renewed in 2008. It was decided to move forward in May to allow the Board to prepare the 2014 budget and make necessary adjustments should the renewal fail. Should the levy fail, the Board could place the renewal on the ballot in November. The resolution was unanimously approved.

Cosgrove agreed to follow up with Mark Trubiano to begin organizing a campaign committee/effort.

Steve Vasek provided an update on the potential bond refinancing. There was a discussion of minimum saving threshold. Vasek will be prepared to present a recommendation at the February Finance Committee meeting for a recommendation to the Board at the February 25 meeting.

Vasek then discussed the resolution to recommend to the Board the accepting of tax rates. Vasek explained the nature of the resolution and the need to adopt annually. Kat Torok moved and Meyer seconded. The motion to recommend to the Board was adopted unanimously.

There was a general discussion of the value of transitioning to an accrual accounting system. A particular concern raised was that the 5 year forecast does not reflect our true liabilities or obligations. Vasek explained that there may be other ways such as creating a reserve fund and budgeting for such things as sick time.
It was also decided that the 5 year forecast would not be filed until these accounting issues were resolved.

There were no public questions or comments.

Kat Torok moved to adjourn the meeting at 9:15. The motion was seconded by Meyer and adopted unanimously.