



Stephen F. Murley
Superintendent
(319) 688-1000

509 S. Dubuque Street
Iowa City, IA 52240
(319) 688-1009 Fax

MEETING OF THE FINANCE COMMITTEE
IOWA CITY COMMUNITY SCHOOL DISTRICT BOARD OF DIRECTORS
509 S. DUBUQUE STREET, IOWA CITY, IA 52240
SECOND FLOOR CONFERENCE ROOM
FRIDAY, JULY 15, 2011 @ 11:30AM

MINUTES

Present: Tuyet Dorau, Gayle Klouda, Jan Leff, Paul Bobek, Kim Colvin

The meeting was called to order at 11:36am.

Approve February 28, 2011 Minutes

Minutes of the February 28, 2011 meeting were approved.

Current Budget Reduction Process

Bobek reported he has worked with Murley regarding the budget cutting process to be used for 2011-2012. A list of recommendation went out to Administrative counsel and then will be shared with District employees for collaborative discussion and budget reduction. Klouda stated that if fiscal year end projections for 2012 indicate the reserve balance would be below 3% action would need to be take in 2012 to make certain the reserve stays at or above 3%. Bobek stated they continue to work on projections for 2012 and could have projections for 2013 as well predicated on allowable growth and expenditures. Bobek reviewed 2011-2012 Fiscal Year Aid & Levy reconciliation showing certified vs. actual and the ramifications of the Legislative Session going so late.

Dorau stated the information provided regarding inventory and keep stock system was for informational purposes only. She stated it was an attempt to look at the 20% of the budget that is not personnel. She stated Grainger would be willing to do and inventory audit and analysis with no commitment from the district. Klouda cautioned that this is clearly an administrative decision and not one for the committee to make or consider.

Report/Update on Status of Business School Graduate Work

Bobek stated students from the University of Iowa were brought in last year to study our systems for efficiencies and recommendations for improvements. This was a result of material weaknesses in the audit report regarding segregation of duties. He stated he does not recall receiving a report on the findings. Klouda stated he needed to inquire about the findings and get a copy of the report before the next audit report.

Refunding Bond Discussion

Klouda referred to the cover memo Bobek distributed indicating the purpose was to seek the Finance Committee's advice as to pursuing refunding or not. She referenced the Finance Committee Charter that

states the committee will not act to help or advise the staff or to conflict with authority delegated to the Superintendent by the Board. She stated they would be happy to listen but could not make a recommendation. Bobek reviewed the general obligation bonds in association with the February 11, 2003 \$39,000,000,000 referendum. Bobek discussed refunding of the existing general obligation bonds and the two options. The first option is advanced refunding which the district is allowed to issue only once and the other is current refunding where the district is allowed to issue as many current refunding bonds as they choose but they can only be issued within 90 days of the original bond's call date. He stated new bonds to replace existing bonds would require Board approval. Klouda stated if administration would like direction from the Board it should be placed on a Board agenda.

Finance Committee Internal Goals

Dorau stated the committee had intended to have a meeting with Jim Hyatt to further understand his interpretation of an Auditing Committee but later decided to wait until a new Board was seated. The committee discussed it would be beneficial for the current Board to have those conversations with Mr. Hyatt and recommended a conference call meeting. Kim Colvin will work with Jim Hyatt to schedule a conference call meeting in the near future. The committee will develop questions and send them to Mr. Hyatt prior to the meeting. The committee discussed development of board member training around district finances. They discussed the information that would be beneficial for new board members to know. Dorau will develop a document in an easy to read format and bring back to the committee for review. The committee agreed the education aspect of the educational material for school finance was clear. They discussed the development of a handout from Bobek's presentation on school finance. Bobek will provide a narrative to the slides he uses for training and send it to Dorau who will develop a document. Dorau will also look for a handout former board member Nick Johnson developed.

The next meeting date will be set after contact Jim Hyatt for his availability.

Meeting adjourned at 12:55pm.