

RECORD OF PROCEEDINGS  
NEW ALBANY FINANCIAL REVIEW AND REPORTING COMMITTEE  
(FRRC)

The monthly meeting of the Financial Review and Reporting Committee (FRRC) was held on Tuesday, February 22, 2011 at 9:00 a.m. at the Administrative Offices of New Albany – Plain Local Schools.

Members Present: Joseph Armpriester, Dave Demers, Philip Derrow, April Domine, Laura Kohler, Cheri Lehmann, Chris Luffler, Dave Maul, Parag Patel, Brian Ramsay, and Ken Stark

Also Present: Jeff Warner (NAPLS), Lynn Davis (OEA), Lori Wince (This Week News), and Phyllis Mason (NAPLS)

Members Absent: Sue Fox

- Welcome and Introduction: Cheri Lehmann called the meeting to order and welcomed members and guests.
- Approval of the January 18, 2011 Minutes: Laura Kohler asked for a motion for approval. Dave Maul/Chris Luffler approved. Laura Kohler also requested that if anyone has an item they would like put onto any of the agendas for upcoming meetings, to please email them to her.
- Discussion and Action Plan regarding Comparison Study Report: Laura Kohler initiated the discussion and the committee reviewed the comparison data.

Brian Ramsay shared information on the salary comparison of Franklin County school districts. New Albany-Plain Local's average wage rates place between fourth and fifth overall out of the 16 area school districts. Please note there are several salary columns for each school district, based on educational and degree levels. Brian shared that previous Boards of Education believed that the index rate for less-senior staff should be higher in order to attract more highly-skilled candidates.

Brian Ramsay also advised that this year the base salary increase for certified and classified employees in the 2010-2011 school year is 3.1%, and 3% in the 2011-2012 year. (The Master contracts for each union expire June 30, 2012).

Laura Kohler asked for Brian to obtain information from other districts on their projected wage-rate increases for their FY12+ budgets.

Brian Ramsay discussed the committee's goal of "keeping the cost per pupil expenditures at a flat rate of growth."

Brian advised that the base salary increase next year is a negotiated item already in the contract at 3%.

Brian also advised that projected step increases for next year are estimated at 2.89% (and is defined as such in the district's negotiated agreement with PLEA).

Growth/enrollment in the district is projected at approximately 100-120 new students annually for each of the next five years, at an approximate cost of \$10,000 per student. This results in \$1 million to \$1.2 million in additional costs.

Inflationary cost increases, particularly in the areas of utilities and fuel will make it difficult for the Board of Education to maintain the approximate \$10,000/student cost moving forward.

Permanent Improvement (PI) Expenditures. Brian reviewed that the current BOE elected not to ask voters to renew the permanent improvement at a collection rate of approximately \$1,600,000 each year. The term of the current PI levy expired on 12/31/09, requiring all expenditures associated with this funding source (modular classrooms, textbooks, bus purchases, ongoing maintenance, technology, etc) to be absorbed by the general fund account, beginning in 2012-13 school year, which are not currently in the five-year forecast.

Health Insurance – NAPLS is at a 92 % to 94 % premium-to-claims ratio. The District is projecting an increase this year of approximately 15-20%, since the target percentage for insurance companies is approximately 82% to 84%. The five year forecast originally had a 15% increase in line with the national average, but it was lowered to a 10% increase through the review and approval process of the 5-year forecast by the Board of Education. The five year forecast is on the Ohio Department of Education website for review.

Student/Teacher Ratios. April Domine asked Cara Riddel (Director of Human Resources) to develop a staffing structure model (handout) in order to provide a more indepth analysis of the district ratio. The data included the average class sizes by grade and academic core subject in MS/HS as well as listed the additional staff that provide related arts and support services that are included in the overall district ratio. This information reveals that the class size in the lower grade levels are lower and class size grows in the upper grades. The group commented that the class sizes appeared to in appropriate ranges. It should be noted that the handout is still in draft form and continues to be modified.

- Progress Report on Internal Cost-Savings Measures: April Domine advised that she and Brian Ramsay are meeting with each building and department administrator to carefully analyze their current budgets in a line by line fashion in order to accomplish the goal of identifying cost savings of \$500,000 for the current fiscal year.

April Domine and Brian Ramsay expect to bring this information to the March FRRC Committee meeting once it is complete.

Next Meeting: March 14, 2011, 9:00-10:30 a.m., at the NAPLS Administrative Office.

Adjournment: The meeting was adjourned at 10:35 a.m.