

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

The second meeting of the Financial Review and Reporting Committee (FRRC) was held on Tuesday, June 22, 2010 at 9:05 a.m. located in the Administrative Offices of New Albany – Plain Local Schools.

Members Present: Joseph Armpriester (P.L.E.A), David Demers, Philip Derrow, Sue Fox (O.A.S.P.E), Laura Kohler (B.O.E), Dave Maul, Brian Ramsay, Bill Reimer, Lesa Shoemaker (phone-in) Ken Stark.

Members Absent: Cheri Lehmann and Christopher Luffler

- Introduction: Brian Ramsay, Board Treasurer welcomed everyone to the meeting and asked Dr. Bill Reimer (Interim Superintendent) to share with the committee his experiences and background information. Bill shared that he has 18 years of experience as an Superintendent. Eleven (11) years with Ottawa Hills Local Schools and seven (7) years with Olentangy Local Schools. He is a part-time Assistant Superintendent for the Educational Service Center of Central Ohio (ESCCO) and hopes to make this a smooth transition.

- Approval of May FRRC Minutes: Motion/Dave Maul
Approved/Dave Demers, All Ayes. Motion Carried.

- Discussed Board of Education June 8, 2010 Resolutions. The first resolution was the resignation of Dr. Steve Castle (Separation Agreement). The second resolution was the appointment of Dr. Reimer as Interim Superintendent. The Board of Education Financial Liaison Laura Kohler discussed the Board of Education's recommendation for Dr. Reimer and the skills that Dr. Reimer brings to the school district as the new Interim Superintendent. Laura Kohler also commented, the committee is not being asked to endorse this decision; the Board of Education just wants to inform the committee of this action. The proposal is to validate the Strategic Plan and start implementation, as well as, complete the Master Plan for the campus. Ken Stark has been working diligently on the Master Plan in order to present the committee's Master Plan report to the Board of Education at the June Board meeting. Also, since the second floor of the 2-5 annex building is opening next fall, everything needs to be in order for this endeavor.

Laura Kohler also advised that at the June 21 Board Workshop the Board of Education interviewed two firms for the superintendent search. The goal is to select one of the search firms and develop a Superintendent profile and start the search process. The goal is to have the new superintendent in place by January 1, 2011.

The committee discussed financial implications of the Separation Agreement with Dr. Castle and the Board of Education in regards to salary, severance pay and the additional costs associated with the separation agreement. The estimated incremental costs are as follows:

Dr. Castle Agreement – slightly over \$400,000.
Dr. Bill Reimer – contract is separate (\$100 - \$120,000)
Search Firm – approximately \$30,000-\$60,000.

Committee member, Dave Maul asked for an analysis of the separation agreement information to be given at the next meeting in July

Dave Demers advised that incremental costs are needed for the community to determine the total cost of the separation agreement and asked Brian to do a breakdown of the incremental costs associated with the separation agreement.

David Maul felt that the superintendent decision should have been played out differently. Mr. Maul thought the Board should have let the contract run out until 2011, and then move forward with a new Superintendent search, thus eliminating the buyout and incremental costs.

Laura disclosed that strong leadership is needed for this district.

Philip Derrow asked that the Strategic Plan not move forward until a new superintendent is in place.

Laura asked that Brian Ramsay do the incremental costs analysis and present it at the next FRRC meeting.

Introduction to School Finance: Mr. Dick Maxwell, Presenter. Mr. Dick Maxwell has 47 years of school finance experience. He is a co-author of Ohio School Finance and co-director of the Ohio School Leadership Institute. His credentials were distributed to the committee.

Mr. Maxwell started his presentation with the Essentials of Ohio School Finance (handout provided). He will continue this topic at the next meeting.

- Monthly Variance Report: Brian passed out the monthly variance report for May which showed a 1.5% variance in revenues and a 1.5% variance in expenditures. The school district is on target and on budget for the school year. Variance and revenues slightly higher while expenditures were slightly lower causing a slight increase in the cash carryover balance through May.

Debt service schedules and summary will be available for our next meeting in July, per Brian.

- Next Meeting: July 19, 2010 from 8-10:30 (new time) – Dick Maxwell will return to continue the School Finance discussion.

Adjournment: The meeting was adjourned at 10:40 a.m.