

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 Monday, May 14, 2012 at 9:10 a.m. at the Administrative Offices of New Albany – Plain Local Schools.

Members Present: Joseph Armpriester, Molly Cooper, David Demers, Philip Derrow, April Domine, Cheri Lehmann, Parag Patel, Brian Ramsay, Mark Ryan, Kevin Stahl, Ken Stark and Brian Steel.

Also Present: Sandra Cook

Members Absent: William Neville and Tom Pace

- Welcome and Introduction: Mark Ryan conducted the welcome accordingly.
- Approval of the Minutes: Mark Ryan asked for a motion and they were approved.
- Monthly Variance Analysis (April, 2012): It was noted that we are significantly ahead of plan at the end of April (~10%). There are some timing issues that will resolve next month, but correcting for that we still look to be ahead by about 4%. Currently at the end of April, Brian is projecting that we will be ahead \$800,000 to \$1,200,000 at school year end. This will be reflected in the carryover balance and have a positive impact on any ballot considerations in terms of timing or millage. There is some discussion about the wages and benefit variations. This is a timing issue, and the net between the two essentially is a wash, but Brian was requested to provide a more detailed summary of the variances to plan how the Eastland reimbursement actuals differed from the plan.
- Review of Bond Refinancing Question from 5/7/12 Board of Education Workshop: Ahead of the meeting, Brian offered an extensive package of information in response to some member questions. Members were appreciative of the response and completeness and had limited follow-ups related to the 2007 transaction. We did engage in a wide discussion related to policy going forward and the board is encouraged to consider policy that would prohibit these types of interest rate swap transactions in the future. We are also encouraged to consider communication strategies related to the savings of the recent bond re-financing. Transparency and openness of the finances was described as a new hallmark of the district because of our recent work. April asked for some ideas as she described the effort that has already occurred with our website, email blast, board workshop, FRRC meeting, etc. An additional community forum to those already conducted was suggested.
- Review and Discussion of the May 5-Year Forecast Scenarios: April reviewed the four options the Board considered last Monday night and offered some specific examples of how the innovation budget may work. The review demonstrated how focused it is in practice and lean these projections are in order to make the millage request the smallest

possible. Hiring in the face of student enrollment growth in the leaner projections is as much as 70% less than prior practice. Programming is held the same with growth coming due to innovative approaches as opposed to specific investment. The preferred May forecasting models seem to be numbers 2 and 3. There was wide discussion about the timing of the request and impact of the different scenarios to the momentum of the district.

- Update on Facilities Review Process: April offered an update on the facilities process and the evolving discussion that is leading to consideration of space that would need about 1.9 mills to construct and possibly take care of our space needs through the next ten years. For this to happen many innovations will have to occur in that time frame including blended learning, and as many as half of the Juniors and Seniors spending their days off campus at any one time in college learning or internship type work. This is consistent with our strategic planning in terms of student opportunity and engagement in their own learning. Members had questions related to the timing of this request and were encouraged to attend the extended schedule of board discussions on these topics.
- Next Meeting: June 18, 2012 (9-10:30 am)

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