



## Financial Review and Reporting Committee Minutes

New Albany Plain Local School District  
Administration Offices  
55 N High Street  
New Albany, OH 43054

### Financial Review and Reporting Committee Monday, May 15, 2017

**Our Purpose:** *To create a culture of accountability that achieves the best academic and developmental outcomes for each student.*

**Members Present:** Joe Armpriester, Andrew Bojko, Molly Cooper, David Demers, Becky Jenkins, John McClelland, Michael Sawyers, Brian Steel, Mike Troutman

**Members Absent:** William Neville, Charles Osborn, Kevin Stahl

**Others Present:** Marvin Founds, Patrick Gallaway, Monica Gerhart, Amber Tishenkel

- **Welcome** – John McClelland opened the meeting
- **Approval of Minutes, February 13, 2017**  
Mr. McClelland asked for changes or corrections to minutes. Committee members present requested no changes or corrections.
- **Potential Bond Refunding Opportunity – Marvin Founds, Umbaugh**  
Mr. Founds provided historical information regarding prior refunding of district debt. He then explained that a current bond refunding opportunity exists that would generate a savings. The bond amount that could be advance refunded is \$3.6 million. Total NPV savings \$108,000, which is net of the negative arbitrage amount of approximately \$26,000. If the district waited longer to refund the bonds, the negative arbitrage will be reduced or eliminated. There is some interest rate risk for the refunding if the district waits until a future date. Mr. Founds also noted that if the district waits until the call date more bonds would be eligible to refund if rates stay relatively unchanged.

The committee appreciated the update and believed the district should wait until closer to the call date to consider a refunding opportunity and take advantage of fixed refunding costs.

- **Five Year Forecast Update – Becky Jenkins**

Ms. Jenkins opened this discussion letting the committee know that the Board had already approved the 5-Year forecast. Mr. Demers questioned the timing of the approval, as the committee did not have the opportunity to ask questions or offer input prior to the Board approval. Ms. Jenkins explained the timing was different than anticipated because the forecast needed to be updated and approved in time for negotiations that began on May 1, 2017. Ms. Jenkins noted the concern and affirmed that this would not be the case in the future. Ms. Jenkins then went through the material changes to the updated forecast and shared that overall, we still have a healthy forecast.

- **Track Resurfacing/Capital Improvement Planning – Becky Jenkins & Michael Sawyers**

Mr. Sawyers shared that the track at the high school was first on list for improvement due to age and current condition and shared the timing. Bond residuals will fund repair.

He also discussed the Capital improvement plan that is in process of being updated and will be on the next May Board agenda for discussion. Board must make decision by July to place a permanent improvement levy on the ballot for November for capital maintenance needs within the district. Mr. Sawyers and Mr. McClelland explained that the district has approximately three (3) bond debt mills rolling off in December of 2017. The Board will consider placing a portion of that on the ballot to continue to collect that portion of funding already paid while allowing a portion of the millage to expire/roll off.

Ms. Jenkins explained that there are two options available for a permanent improvement levy as it relates to the term. One option is a continuing duration and the other would be a time-bound duration such as five-years. Mr. McClelland shared his perspective as a Board member about the need for a permanent improvement levy. Committee members stated the five-year forecast indicates that there is a need given the aging school campus. The committee members are in support of considering a limited duration permanent improvement levy on the ballot as discussed.

- **Negotiations Update – John McClelland**

Mr. McClelland provided an update that PLEA negotiations are underway with progress made in some areas; however, some outstanding issues remain and that negotiations will resume the week of May 22. Mr. Armpriester shared that tentative agreement was ideal by end of May to meet contractual approval deadlines; if not reached then teachers would return to work in the fall without a contract.

Mr. Sawyers shared that OAPSE negotiations for non-teaching personnel will start on May 22<sup>nd</sup>.

- **Questions/Feedback/Other**

Mr. Demers asked about football field status. Mr. Sawyers stated that it was installed five years ago and has a 10-year life expectancy and with proper care it will hopefully last 13-14 years. Ms. Jenkins explained that the Board transfers \$20K per year into a fund for field replacement per board policy and the agreement that the boosters will raise funds to pay their half of the replacement costs.

- Adjourn: Mr. McClelland adjourned the meeting at 9:53 am