FINANCIAL REVIEW AND REPORTING COMMITTEE

Minutes

New Albany Plain Local School District
Administrative Offices
55 N. High St.
New Albany, OH 43054

Financial Review and Reporting Committee

Monday, October 23, 2013 9:00 a.m. – 10:30 a.m.

Our Mission: *To ensure the development of high achieving, ethical, self-directed, and Intellectually curious citizens of the world.*

Members Present: Molly Cooper, Dave Demers, Philip Derrow, Becky Jenkins, Natalie Matt, William Neville, Parag Patel and Mark Ryan

Members Absent: Joseph Armpriester, April Domine, Tom Pace, Kevin Stahl and Brian Steel

Agenda

- Welcome - Mark Ryan
- Approval of Minutes, October 7, 2013 – Mr. Neville requested that more detail be included in the minutes with regard to discussion matters. (i.e., when looking at the 5-year forecast, the committee went over each line item). More detailed minutes will be included in the future. Minutes were approved.
- Financial Reports –September 2013 – Becky Jenkins - Ms. Jenkins advised that all financial areas are running as expected. Both real estate and income tax sharing came in as expected. The second half real estate collections are complete. The District will begin to receive real estate collections again in January. The District began receiving state funds per the new HB59 calculation in October. The income tax sharing revenue also came in as expected.
- Construction Project Update – Becky advised that digging has started and the roller compacted concrete (RCC) is in the bus loop area. There is now an Eagle Eye in the sky that allows students, families and our community to see daily progress of the construction of our new learning facility. The camera captures images of the building site every 30 minutes. The camera is situated on the roof of the Middle School Cafeteria and will provide the community a bird's eye view of our progress. Images can be accessed via a link on the District's webpage. Bi-weekly construction updates are provided at the BOE meetings and posted to the district website.
- Five-Year Forecast Assumption Discussion
    - Revisit/Finalize Outstanding Assumption Discussion – All assumptions remained as discussed at the October 7, 2013 FRRC meeting. Highlights are listed below. Complete detail can be found in the assumptions posted on the District's website.

        - Real Estate: taxes are expected to be collected at 100% due to an increase in past delinquency collections increasing.
        - Income tax Sharing: is expected to remain flat but will be monitored.
        - State Foundation: payments for FY14 and FY15 match HB59 as passed by the legislature. Remaining years are held at the FY15 level.
        - Salaries: Contains a 1% base increase in FY15-FY18 and increases the average step from 2% to 3.8% in FY15-FY18 due to current language in the negotiated agreement. The committee had much discussion on whether to keep the step at 2% or increase the step to 3.8%. The committee ultimately agreed that increasing the step to 3.8% was reasonable but should not be the norm.
        - Benefits: Health insurance increases are projected at 9% which matches current negotiated agreement language that caps health care increase at 9% and expects the insurance committee to work toward keeping the increase to 9% or less. All other benefits are driven by salaries.
        - Purchased Services: Includes increases in FY15 and FY16 for the additional utility expenses related to the opening of the new 2-8 building.
        - Materials/Supplies: Includes increases for the opening of the new 2-8 building.
        - Capital Improvements: Includes increases in each year for bus purchases. Beginning in FY15 capital maintenance is added as a place holder until a complete capital maintenance plan is obtained. These costs are being added to the general fund because the balance in the permanent improvement fund is no longer sufficient to cover the ongoing costs. The District allowed the permanent improvement levy to expire.
    - Ending Cash Balance Policy – The committee discussed the potential of creating an ending cash balance policy. The group believes a formal policy for the Board to use to help guide the district can be a good practice. Ms. Jenkins will bring back samples from other districts for continued discussion at a future meeting.
- Questions / Feedback / Other
- Next meetings – Monday, December 9, 2013 - 9:00 a.m. – 10:30 a.m.
- Adjournment – 10:30 a.m.