

Teleconference information is posted on the District calendar.

1. Welcome & Introductions
2. Acceptance of Agenda - Action
3. Approval of November 10, 2020 Minutes - Action 2
4. Review and Discuss 5
5. OPEB Advisory Committee Update 31
6. Other
- A. 2021 Meeting Dates: March 9, May 11
- B. February 1, 2021 School Board Work Session
- C. Membership Terms 32
7. Save the Date!
- A. **Equity in Education Series** - Black Men Impacting Change in Education, Jan. 21, 6 p.m.
- B. **School Start Time Webinar:** Panel discussion to hear lessons learned from other districts that changed school start times; Feb. 4, 2021, 6 p.m.
8. Adjournment - Action

**Robbinsdale Area Schools  
FINANCIAL ADVISORY COUNCIL (FAC)  
MINUTES FOR November 10, 2020  
DRAFT**

<b>Present</b>	<b>FAC Members</b>
X	Gregg Fishbein
X	Lennie Kaufman
X	Greg Kugler
X	O. Barry Rogers
X	Howard Schwartz
X	Terry Swanson
	<b>School Board</b>
X	Sherry Tyrrell, Treasurer
	<b>District 281 Staff</b>
X	Stephanie Burrage, Interim Superintendent
X	Greg Hein, Executive Director of Finance

**Other Attendees:** Lowel Holtz (Director of Operations and Safety), Molly Lopez (Accountant), Karylanne Marchand (Business Office Manager), Amy O’Hern (Executive Director of Human Resources), Kelly Smith (Baker Tilly), Toya Stewart Downey (Executive Director of Strategic Communication, Equity & Inclusion), Virginia Verbrugge (Assistant Finance Director), Marti Voight (Interim Assistant Superintendent), Kristine Wehrkamp (Executive Director of Community Education).

The meeting was called to order at 6:30 PM on November 10, 2020 with the Council members noted above in attendance. Due to the COVID-19 Pandemic this meeting was held virtually with all members attending via the Zoom platform.

**Agenda Item 1: Welcome and Introductions:**

2019-20 Chair Gregg Fishbein opened the meeting welcoming the attendees. Recently reappointed O. Barry Rogers and newly appointed Greg Kugler were introduced.

**Agenda Item 2: Acceptance of Agenda:**

The Agenda had been distributed to the members prior to the meeting as a link to the Zoom meeting invitation. Future attachments will be managed in a similar fashion (as opposed to receiving e-mail attachments). FAC members will be able to access all links so identified within future agendas which will be located in each member’s Google Drive. A motion was properly made and seconded to accept the distributed Agenda. This motion passed unanimously.

**Agenda Item 3: Approve the July 14, 2020 FAC Meeting Minutes:**

A motion was properly made and seconded to approve the minutes of the July 14, 2020 meeting as distributed. The motion passed unanimously.

**Agenda Item 4: Selection of Chair and Recording Secretary:**

In accordance with FAC Bylaws, the Council appoints a Member of the Council to serve as Chair for this fiscal year. Gregg Fishbein was properly nominated and seconded to serve as the 2020-21 FAC Chair. There were no other nominations. Gregg Fishbein was unanimously elected. In addition, the Council informally appoints a Member to serve as Recording Secretary. Howard Schwartz was properly nominated and seconded to serve as the 2020-21 FAC Recording Secretary.

**Agenda Item 5: Selection of Two FAC Members to Serve on the OPEB Advisory Committee:**

Greg Hein reviewed the resolution establishing the OPEB (Other Post-Employment Benefits) Advisory Committee. Committee membership includes two FAC members. O. Barry Rogers and Greg Kugler volunteered to represent the FAC on the Committee. Both Mr. Rogers and Mr. Kugler were unanimously approved by the FAC members.

**Agenda Item 6: Finance Updates:**

Greg Hein recommended that those FAC members who were not able to attend the October 8, 2020 webinar presented by Tom Melcher and Paul Ferrin could find it on the District web site. It covers a number of issues raised by the FAC last year, including open enrollment policies, procedures, and revenue concerns.

Greg Hein introduced the *District Financial Update* now available on the District web site, and provided *Finance FAQ* information as well as a *Let's Talk* initiative that factually answers finance questions raised by the community throughout the year. The *District Financial Update* in hard copy format is also e-mailed to families with children attending schools in the District. Howard Schwartz requested that this Update also be sent to FAC members. Sherry Tyrrell urged the FAC to become active communicators, correcting financial misinformation circulating in the District as well as working to engender greater trust in District financial management.

Greg Hein reviewed several of the update issues. Lennie Kaufman inquired about the projected deficit in the nutrition lunch program. Greg Hein suggested that the FY2020 deficit was slightly over \$900,000. However, the unpaid debt was not significantly growing because the USDA (United States Department of Agriculture) summer feeding program is underwriting the marginal cost. Presently, the District has served hundreds of thousands of meals under this program. The October issue of the *District Financial Update* also provided factual information regarding Bond refunding and reissuing, the truth regarding Statutory Operating Debt (SOD), and other finance concerns raised by District residents.

Greg Hein presented information regarding the COVID-19 impact on District's finances. The District has been approved for reimbursement up to \$3.3 million from CARES federal funding channeled through the State, and \$3.8 million from CRF (COVID Relief Fund) federal funding also channeled through the State. Both funding sources can only be used to cover expenses above and beyond current budgetary expenditures necessary to subsidize special COVID related costs (e.g., increased custodial staff, sanitizing supplies). Whereas the CARES funds can be used for FY2020, 2021, 2022, and 2023, the CRF funds expire and must be used prior to December 31, 2020. The latter is problematic since the need to improve and pay for superior

air turnover in the school buildings—as an example—may not be able to be accomplished until after 2020 due to limited availability of HVAC service companies to do the work. Transportation costs are down (\$800,000 usually spent each year) despite the need to transport the children of critical care workers, high school students to activities and sports, and Special Education students to District 287. Enrollment projections have also been depressed by a 216 (~50%) student decline in kindergarten. Finally, the FY2020 audit will most likely validate the \$1.1 million Unassigned Fund Balance reported.

**Agenda Item 7: District Updates:**

Marti Voight gave a COVID-19 update that the District will continue with Distance Learning as positive COVID test numbers are on the increase. The new District *COVID-19 Dashboard* is available on the District web site and provides current data on quarantined staff and students as well as confirmed COVID cases. The data is reviewed weekly to assist anticipation of necessary student and staff services. From a financial perspective, the availability of CARES and CRF funding has helped to provide a positive net effect for our District.

Dr. Burrage indicated that the School Board will be meeting via Zoom on Tuesday, November 17, 2020, for a work session. A finance presentation is scheduled for 7:00 pm during that session. Ms. Nicol Sutton will be sending out Zoom invitations to FAC members.

Toya Stewart Downey spoke to the Equity in Education series webinar—*What is Equity and Why Does It Matter*—being broadcast by the District during 2021 on January 21, March 18, and May 20.

**Agenda Item 8: Other:**

Greg Hein announced that FAC member Thomas Klick has resigned. With his position now open, Gregg Fishbein queried whether the District is actively promoting the opening, and whether former FAC member Earl Hoffman might be interested in the position.

It was moved, seconded and approved to schedule the following FAC meetings during 2021: January 12; March 9; and May 11..

**Agenda Item 9: Adjournment:**

After a proper motion was made and seconded to adjourn our meeting, the meeting was adjourned at 7:48 pm.

**Minutes submitted by Howard Schwartz**



# FY20 Preliminary Audit Results

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**Greg Hein, Executive Director of Finance**  
**School Board Work Session**  
**January 5, 2021**



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# General Fund Unassigned

## Projected Unassigned Fund Balance

### FY20 Revised Budget

Final Audited FY19 Balance	- \$0.5 million
Projected Surplus – FY20	+\$1.1 million
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Projected Fund Balance FY20	+\$0.6 million

## Actual Unassigned Fund Balance

### FY20 Audit

Final Audited FY19 Balance	- \$0.5 million
Operating Surplus – FY20	+\$1.3 million <sup>6</sup>
Food Service Bad Debt *	- \$0.7 million
MA Funds to Cross-Subsidy	+\$0.5 million
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Actual Fund Balance FY20	+\$0.6 million

\* *Uncollectible debt from paid lunches prior to FY20*

# General Fund

## Assigned, Non-Spendable and Restricted

Category	FY 20 Begin	Rev	Exp	FY20 End	Change
Inventory	\$ 209,167	\$ -	\$ (182,530)	\$ 391,697	\$ 182,530
Prepaid	\$ 55,380	\$ -	\$ (266,437)	\$ 321,817	\$ 266,437
Technology Levy	\$ 1,218,457	\$ 5,102,176	\$ 5,514,642	\$ 805,990	\$ (412,467)
Operating Capital	\$ 3,062,492	\$ 5,498,620	\$ 4,779,613	\$ 3,781,498	\$ 719,006
Basic Skills	\$ 690,120	\$ 13,824,571	\$ 13,888,290	\$ 626,401	\$ (63,719)
Medical Assistance	\$ -	\$ 709,428	\$ 709,428	\$ 0	\$ 0
West Metro Ed Program	\$ 413,207	\$ -	\$ 413,207	\$ -	\$ (413,207)
Building Carryover	\$ 645,772	\$ 475,714	\$ 537,259	\$ 584,228	\$ (61,544)
Alternative Teacher Comp	\$ 479,087	\$ 3,238,402	\$ 3,439,825	\$ 277,664	\$ (201,423)
Local Collab. Time Study	\$ 136,962	\$ 685,738	\$ 176,763	\$ 645,937	\$ 508,975
Health & Safety	\$ -	\$ 900,000	\$ 708,943	\$ 191,057	\$ 191,057
Long-Term Facilities Maint.	\$ 23,753	\$ 2,039,792	\$ 2,063,545	\$ (0)	\$ (23,753)
Safe Schools	\$ (415,357)	\$ 1,068,642	\$ 618,461	\$ 34,824	\$ 450,181
	\$ 6,519,040	\$ 33,543,082	\$ 32,401,009	\$ 7,661,113	\$ 1,142,073

# Food Service Fund

- Due to the impact of COVID-19 on schools, both revenues and expenditures were below budget
- This means the net profit of \$88,000 exceeded the budgeted deficit of \$100,000
- Bad debt charged to General Fund Unassigned\*
- Fund balance remains healthy at \$1.0 million or 14% of FY20 expenditures

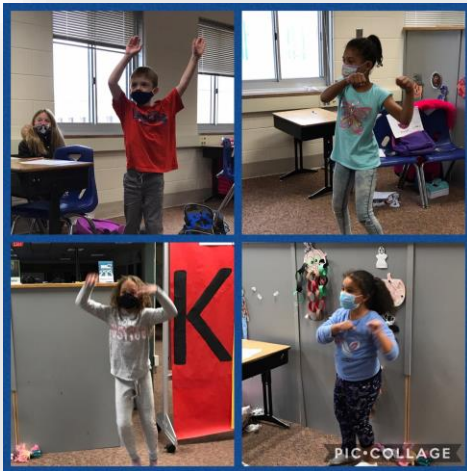
8



*\*Uncollectible debt for paid lunches prior to FY20*

# Community Service Fund

- \$400,000 loss incurred primarily due to revenue loss from fee-based programs
- Fund balance remains healthy at \$1.0 million, or 10% of FY20 expenditures



## Self-Insured Medical Fund

- Premiums exceeded claims and fixed costs by \$1.0 million due to January 2020 premium increases
- Plan selection changes for calendar 2020
- Claims as expected
- Fund balance still negative at -\$0.6 million
- No premium change for calendar 2021
- COVID challenges for calendar 2020 and 2021



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## QUESTIONS?





# FY21 Revised Budget

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**Greg Hein, Executive Director of Finance**  
**School Board Work Session**  
**January 5, 2021**



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# General Fund Unassigned Revenue Changes

- Enrollment, primarily in lower grades, is lower than projected as a result of COVID-19
- Due to canceled activities and athletic events, we experienced a loss of event revenue

Enrollment	- \$1.80 million
Event Revenue	- \$0.20 million
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TOTAL	- \$2.00 million <sup>13</sup>

# General Fund Unassigned Expenditure Changes

- Due to distance learning, we've seen a reduction in transportation costs.
- Because students haven't been in buildings, we've seen a reduction in utilities costs.
- We've realized a cost savings for Education Assistants (EAs) as they've provided school-aged care for children of critical workers. This comes from a different funding source.

Transportation	- \$1.30 million
Utilities	- \$0.35 million
EAs	- \$0.35 million <sup>14</sup>
	-----
TOTAL	- \$2.00 million

# General Fund Restricted Revenue & Expenditure Changes

- Increase one-time revenues and one-time expenditures to reflect receipt and utilization of Federal Stimulus Funds
  - \$3.85 million Coronavirus Relief Funds (CRF)
  - \$2.30 million Coronavirus Act Relief and Economic Security (CARES) Funds

## Use of Federal Stimulus Funds

### Coronavirus Relief Funds

- Child nutrition supplies and equipment
- Custodial staff and supplies
- Personal protective equipment (PPE)
- Technology devices, software, security and access
- Critical care and activity transportation
- Professional development
- Childcare for Critical Workers
- Hazard pay for impacted staff
- Pay for staff assignment changes
- Communications

## Use of Federal Stimulus Funds

### Coronavirus Act Relief and Economic Security (CARES)

- Technology hardware, security and access
- Custodial staff and supplies
- Translations
- Mental health supports
- Childcare for critical care workers
- Summer school

*\* Leaves \$1.07 million for FY22*

# Projected General Fund Reserve Balances

Category	FY 21 Begin	Rev	Exp	FY21 End
Inventory	\$ 391,697	\$ -	\$ -	\$ 391,697
Prepaid	\$ 321,817	\$ -	\$ -	\$ 321,817
Tech Levy	\$ 805,990	\$ 4,826,922	\$ 4,826,922	\$ 805,990
Op Cap	\$ 3,781,498	\$ 5,334,701	\$ 5,334,701	\$ 3,781,498
Basic Skills	\$ 626,401	\$ 12,756,645	\$ 12,756,645	\$ 626,401
MA	\$ 0	\$ 360,000	\$ 220,000	\$ 140,000 <sup>18</sup>
CARES / CRF	\$ -	\$ 6,150,000	\$ 6,150,000	\$ -
Bldg Carryover	\$ 584,228	\$ -	\$ -	\$ 584,228
Q-Comp	\$ 277,664	\$ 3,280,553	\$ 3,280,553	\$ 277,664
LCTS	\$ 645,937	\$ 165,000	\$ 165,000	\$ 645,937
H&S / LTFM	\$ 191,057	\$ 1,083,617	\$ 1,083,617	\$ 191,057
Safe Schools	\$ 34,824	\$ 622,224	\$ 675,000	\$ (17,952)
Unassigned	\$ 630,945	\$ 146,642,086	\$ 145,542,086	\$ 1,730,946
<b>TOTAL</b>	<b>\$ 8,292,059</b>	<b>\$ 181,221,748</b>	<b>\$ 180,034,524</b>	<b>\$ 9,479,283</b>

## Food Service Fund



- Revenues expected to decline by \$2.0 million as a result of distance learning model.
- Free meals still provided to all through summer feeding program.
- Expenditures expected to decline by \$2.0 million due to lower food costs from fewer meals and reduced staffing due to distance learning model.
- Fund balance remains unchanged.

## Community Service Fund



Due to the impact of closed schools and COVID-19 reduced programming:

- Revenues of \$7,681,322 expected to be significantly lower than adopted budget
- Expenditures of \$8,453,599 are also expected to be significantly lower than adopted budget
- Revised estimated deficit of \$772,277 expected to sharply reduce fund balance, but is an improvement from the adopted budget deficit of \$813,568 as a result of mid-year reductions

## Self-Insured Medical Fund

- As a result of premium increases, revenues of \$18,348,000 are expected to be lower than adopted budget due to plan selection changes in Calendar 2021
- Expenditures of \$18,289,000 are expected to be lower than adopted budget due to plan selection changes causing higher deductibles 21
- Plan was rebid in fall 2020
- Fund Balance expected to remain in the negative (approximately \$636,000)

## Other Funds

- Building construction fund
- Debt service fund
- OPEB trust fund
- Dental self-insurance fund
- OPEB debt service fund

*\*These funds will not be revised and are expected to remain as projected in adopted budget.*



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## QUESTIONS?





# FY22 Budget Assumptions

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**Greg Hein, Executive Director of Finance**  
**School Board Work Session**  
**January 5, 2021**



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## FY22 General Fund

### Revenue Assumptions

- Recognize remaining \$1.07 million in CARES Funds as revenue
- General Education revenue loss due to declining enrollment (K-12)
- Increased Special Education funding due to increased costs and formula changes
- VPK funding set to expire at the end of this fiscal year
- 0% increase on Basic Formula

## FY22 General Fund

### Expenditure Assumptions

- Expend remaining \$1.07 million in CARES Funds on one-time expenditures
- Staff reductions due to FY21 enrollments short of original budget and expected decline in enrollment in FY22
- Staffing ratio to remain unchanged
- Contract settlements – all bargaining group contracts are expiring June 30, 2021 except custodial, which expired June 30, 2020
- VPK funding set to expire at the end of this fiscal year
- Other inflation (mainly transportation RFP and utility rate increases)

## FY22 General Assumptions

- Expected deficit prior to strategic budgetary realignments = \$3.3 million
- Will require \$4.4 million in realignments to maintain \$1.1 million fund balance build target
- Cabinet has been working on recommendations since October
- Retaining structural unassigned revenue exceeding expenditures by \$1.1 million, continuing fund balance build of FY20 audited and FY21 revised



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## QUESTIONS?



Robbinsdale Area Schools			
2020-2021 Budget/Staffing Timeline (draft)			
2020-2021	Staffing Timeline	Budget Timeline	Notes
October		High level forecast of FY22 budgets (before recommendations)	
November 6, 11, 16, 18, 20, 24		Cabinet Task Force budget discussion	
November 16		School Board Work Session: timeline update including revised budget, CARES update, Truth-in-Taxation info, and MMKR status update	completed
November 18		Cabinet Task Force approves budget assumptions	continued discussion
November 23		Cabinet approves budget assumptions	continued discussion
December		Cabinet Task Force develops budget recommendations for Cabinet	
December 7		Truth in Taxation hearing	completed
December 11		Update enrollment projections - adjusting if necessary	
December 16		Cabinet Task Force finalizes budget recommendation	
December 21		Board approves Pay 21 Levy	completed
December 21-22		Cabinet budget discussions	
January 5	Draft of alpha seniority list and removal/addition of license forms available online	Work Session items: FY21 revised budget, FY22 budget assumptions, FY20 final audit report, budget/staffing timeline	29
January 11		Proposed staffing ratios and allocations by building to Cabinet	
January 12		FAC meeting: budget presentation as reviewed at Jan. 5 work session	
January 19	School board approves staffing ratios and allocations	Board approval of revised FY21 revised budget, MMKR Final Audit Report	
January 20		Budget/compensatory dollars and staffing allocations to departments and schools	
January 25 -- February 12	Initial set of principal meetings regarding FTE staffing allocations		
January 29	Seniority list corrections		
February 1	Retirement or resignations, notification for return from leaves, requests for job shares and other leaves deadline	FAC recommendations/updates at Board work session	
February 5		Capital and Debt Service budgets due	
February 8-19	Q Comp peer coach observer positions posted online		
February 18-26	Follow-up set of principal meetings regarding FTE staffing allocations		
February 26	Final seniority lists posted online		
February 26		Department and school budgets due to finance	
March 1-4	Q Comp peer coach observer interviews and offers		
March 8	FTE spreadsheets completed by principals		
March 9-19	Human Resources determines probationary teachers for non-renewal of contracts, identifies teachers to be proposed for placement on unrequested leave, reassignments (Strand)		

Robbinsdale Area Schools			
2020-2021 Budget/Staffing Timeline (draft)			
2020-2021	Staffing Timeline	Budget Timeline	Notes
March 25	Staffing information regarding individual teachers distributed to principals		
March 29-April 2	Spring break	Community Service and Food Service budgets due Lock and finalize staffing budgets	
April 6-7	Internal building staffing		
April 6	School Board takes action proposing to place staff on unrequested leave and notice to probationary teachers of contract non-renewal at the end of the school year	Work Session: Proposed FY21 Budget presentation	
April 8-19	Transfer Pool 1, posting 1 <Calls for interviews April 8-9; interviews April 13,14,15; offers April 16; notify HR April 19		
April 20	2nd internal building staffing		
April 21-29	Transfer Pool 1, posting 2 <Calls of interviews April 21-22; interviews April 23,26,27; offers April 28; notify HR April 29>		
April 30	Applications due in HR for Transfer Pool 2; School Board takes final action placing staff on unrequested leave		
May 3-5	Transfer Pool 2, assign staff if needed		
May 3	School Board take final action placing staff on unrequested leave	Work Session: proposed preliminary FY22 Budget presentation	
May 6	Post open positions		
May 11		FAC: Review proposed preliminary FY22 Budget	
June 7		Board Work Session: review of preliminary FY22 budget	
June 21		Board meeting: Approve preliminary FY22 Budget	

## **Resolution to Establish**

### **Other Post-Employment Benefits (OPEB) Advisory Committee**

*BE IT RESOLVED, that the School Board of Robbinsdale Area Schools District 281 does hereby establish the OPEB Advisory Committee to oversee the investment of OPEB bond proceeds, and;*

*BE IT FURTHER RESOLVED, that the School Board establishes the membership of the OPEB Advisory Committee as two School Board member(s) as assigned by the School Board, two members of the district's Financial Advisory committee, Robbinsdale federation of Teacher President, Superintendent, Executive Director of Finance, Assistant Director of Finance and the Fiscal Operations Director.*

*Advising the committee will be the district's representatives from the School Board appointed investment advisory firm.*

*BE IT FURTHER RESOLVED, the Advisory Committee will utilize the district's investment policy (Administrative Policy 705AP, Section XIV) to guide their investment strategies.*

*BE IT FURTHER RESOLVED, that the School Board directs the committee to meet to review the OPEB Trust Investments on a quarterly basis, with additional meetings as needed, and;*

*BE IT FURTHER RESOLVED, that the School Board directs the committee to report the bi-annually investment findings/performance of the OPEB Trust to the School Board.*

*BE IT FURTHER RESOLVED, the School Board will review the policy statement and reaffirm their guidance and membership to this committee annually.*

ROBBINSDALE AREA SCHOOL DISTRICT #281  
FINANCIAL ADVISORY COUNCIL  
MEMBERSHIP TERMS

Gregg Fishbein  
July 1, 2018-June 30, 2021

Lennie Kaufman  
July 1, 2018-June 30, 2021

Howard Schwartz  
July 1, 2019-June 30, 2022

Terry Swanson  
July 1, 2019-June 30, 2022

Earl Hoffman  
July 1, 2019-June 30, 2022  
(Appointed December 21, 2020)

O.Barry Rogers  
July 1, 2020-June 30, 2023

Greg Kugler  
July 1, 2020-June 30, 2023

Pam Lindberg  
School Board Treasurer  
January 1, 2021-

Dr. Stephanie Burrage  
Interim Superintendent  
August 5, 2020-

Greg Hein  
Executive Director of Finance  
July 9, 2018-