



Robbinsdale Area Schools School Board Meeting Agenda

Monday, December 13, 2010 at 5:30 PM

Work Session

Education Service Center Boardroom, 4148 Winnetka Avenue North,
New Hope, Minnesota

1. Welcome
Presenter: Chair Walsh
2. Presentation on Audit Report 2
Presenter: Lonnie Smith and Dennis Hoogeveen
Time: 5:30 - 6:00 p.m.
3. Introductory Comments on Budget Committees 174
Presenter: Superintendent Sicoli/Peter Eckhoff/Scott Croonquist
Time: 6:00 - 7:00 p.m.
 - A. Operations Committee Report 200
Presenter: Lonnie Smith and Jeff Dehler
 - B. Enrollment Committee 235
Presenter: Lori Simon and Dennis Beekman
4. Administrative Update on Northport Design Process
Presenter: Superintendent Sicoli and Lonnie Smith
Time: 7:00 - 7:15 p.m.
5. Break
Time: 7:15 - 7:30 p.m.
6. Budget Assumptions 263
Presenter: Lonnie Smith
Time: 7:30 - 8:15 p.m.
7. Strategic Plan Action Plans 268
Presenter: Superintendent Sicoli
Time: 8:15 - 8:30 p.m.
8. School Board Compensation 283
Presenter: Chair Walsh
Time: 8:30 - 8:45 p.m.
9. Discussion of Board Officer Positions
Presenter: Chair Walsh
Time: 8:45 - 9:00 p.m.



TO: Members of the School Board
Dr. Aldo Sicoli,
Superintendent

FROM: Lonnie Smith,
Executive Director of Business Services

DATE: December 13, 2010

RE: Fiscal Year 2009-2010 Audit

DISCUSSION:

Enclosed are 3 “draft” reports of the audit information for fiscal year 2009-2010. Dennis Hooegeveen of LarsonAllen, LLP will be at the Work Session to review these documents with the Board.

QUESTIONS:

If Board Members have any questions on the attached information, please contact me at 763-504-8037 or Lonnie_Smith@rdale.org.

STRATEGIC PLAN:

5C-Maximize resources and demonstrate financial accountability.

LarsonAllen[®] LLP

CPAs, Consultants & Advisors
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December 9, 2010

School Board
Independent School District No. 281
Robbinsdale Area Schools
Robbinsdale, Minnesota

This Executive Audit Summary and Management Report presents information which we believe is important to you as members of the school board. We encourage you to review the sections of this report, the audited financial statements and the auditor's reports.

We would be pleased to furnish additional information with respect to these suggestions and discuss this memorandum with you at your convenience. We wish to express our appreciation to the School for the courtesies, cooperation and assistance extended to us during the course of our work.

LarsonAllen LLP



Dennis Hoogeveen, CPA
Principal



**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281**

EXECUTIVE AUDIT SUMMARY (EAS)

JUNE 30, 2010

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
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JUNE 30, 2010**

EXECUTIVE AUDIT SUMMARY

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**EXECUTIVE AUDIT SUMMARY (EAS)
FOR
ROBBINSDALE AREA SCHOOLS
YEAR ENDED JUNE 30, 2010**

We prepared this Executive Audit Summary and Management Report in conjunction with our audit of the District's financial records for the year ended June 30, 2010.

Audit Opinion – The financial statements are fairly stated. We issued what is known as a “clean” audit report.

Yellow Book Opinion – No compliance issues were noted in our review of laws, regulations, contracts and grants that could have significant financial implications to the School.

Internal Controls – No “control deficiencies” in internal controls were noted.

Single Audit – The District complied with requirements of major federal programs (Special Ed Cluster, Child Nutrition Cluster, Title I Cluster and State Stabilization) except for two findings, one reported as a material weakness related to proper reporting of the Child Count Summary for the Special Ed Cluster and one reported as a significant deficiency related to pre-approval by MDE for the purchase of food service capital equipment. The items are listed only to summarize the issues and therefore, the details of these issues should be reviewed in their entirety on the schedule of findings and questioned costs.

Legal Compliance – No compliance issues were reported with respect to Minnesota Statutes.

Enrollment – For fiscal 2009-2010 Robbinsdale Area Schools had an estimated total adjusted average daily membership of 12,079.38 (or 14,020.26 adjusted pupil units). For fiscal 2008-2009, Robbinsdale Area Schools had an estimated total adjusted average daily membership of 12,569.05 (or 14,588.36 adjusted pupil units).

Fund Balance – The School's General Fund unreserved-undesignated fund balance for UFARS reporting purposes increased by \$4,298,336 during fiscal year 2010, increasing from \$4,381,971 to \$8,680,307. Total fund balance of the General Fund increased by \$3,887,266, ending at \$15,485,355 as of June 30, 2010. The total ending unreserved fund balance represents 6.81% of General Fund expenditures. A District's fund balance is an important aspect in considering the School's financial well being since a healthy fund balance represents things such as cash flow, as a cushion against unanticipated expenditures, enrollment changes, funding deficiencies and aid proration at the state level and similar problems.

Budget to Actual – Total revenues on a net basis in the General Fund were \$3.7 million (or 2.7%) lower than the budgeted amount while total expenditures were \$7.7 million (or 5.4%) lower than had been budgeted. The net impact of other financing sources and uses on ending fund balance was \$.4 million more than had been reflected in the final budget. The net effect of all variances was an increase in total fund balance that was \$4.3 million higher than had been reflected in the District's budget.

I. FINANCIAL RESULTS

ROBBINSDALE AREA SCHOOLS

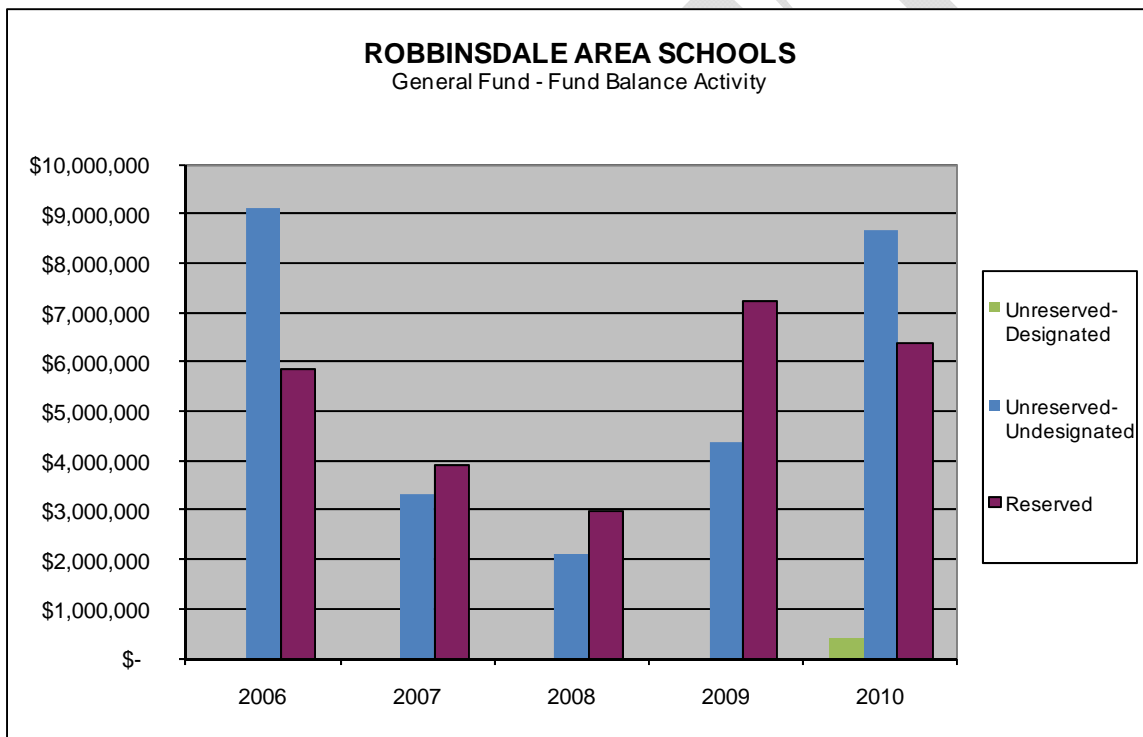
AUDITED FUND BALANCES THROUGH JUNE 30, 2010

FUND DESCRIPTION	6/30/2009 AUDITED BALANCE	2009-10 AUDITED REVENUES	2009-10 AUDITED EXPENDITURES	TRANSFERS OF FUNDS	6/30/10 AUDITED BALANCE
GENERAL FUND					
A. UNRESERVED - OPERATING	\$4,381,971	\$120,735,183	\$116,399,342	\$37,505	\$8,680,307
As a percentage of current year expenditures	3.0%				6.5%
B. DESIGNATED UNRESERVED					
(1) SEPARATION/RETIREMENT BENEFITS	\$0	\$0	(\$413,497)		\$413,497
TOTAL UNRESERVED	\$4,381,971	\$120,735,183	\$115,985,845	\$37,505	\$9,093,804
C. RESERVED FOR					
(1) STAFF DEVELOPMENT	\$168,572	\$0	\$168,572	\$0	\$0
(2) SAFE SCHOOLS	\$0	\$443,879	\$443,879	\$0	\$0
(3) LEARNING AND DEVELOPMENT	\$0	\$2,613,329	\$2,613,329	\$0	\$0
(4) BASIC SKILLS	\$0	\$7,672,602	\$7,672,602	\$0	\$0
(5) GIFTED AND TALENTED	\$0	\$170,158	\$170,158	\$0	\$0
(6) CAREER AND TECHNICAL PROGRAMS	\$0	\$240,255	\$240,255	\$0	\$0
(7) SEVERANCE AND HEALTH BENEFITS	\$526,485	\$0	\$526,485	\$0	\$0
(8) HEALTH AND SAFETY	\$1,001,588	\$562,444	\$674,119	\$0	\$889,913
(9) OPERATING CAPITAL	\$5,519,473	\$4,950,085	\$4,967,920	\$0	\$5,501,638
TOTAL GENERAL FUND	\$11,598,089	\$137,387,935	\$133,463,164	\$37,505	\$15,485,355
BUDGET		\$140,730,708	\$141,134,206	\$47,614	\$11,146,977
DIFFERENCE		\$3,342,773	\$7,671,042	\$10,109	(\$4,338,378)
% VARIANCE		2.38%	5.44%		
FOOD SERVICE					
OPERATING	\$1,280,444	\$6,015,058	\$5,908,129		\$1,387,373
SEVERANCE AND HEALTH BENEFITS	\$5,595	\$0	\$0	\$0	\$5,595
FOOD SERVICE	\$1,286,039	\$6,015,058	\$5,908,129	\$0	\$1,392,968
BUDGET		\$6,019,934	\$6,422,722		\$883,251
DIFFERENCE		\$4,876	\$514,593		(\$509,717)
% VARIANCE		0.08%	8.01%		
REGULAR COMMUNITY ED	\$1,055,412	\$4,735,619	\$4,803,985	\$0	\$987,046
EARLY CHILDHOOD FAMILY ED	\$210,140	\$1,178,120	\$1,127,400		\$260,860
ADULT BASIC EDUCATION	\$118,338	\$1,337,968	\$1,266,367		\$189,939
SCHOOL READINESS	\$39,131	\$178,762	\$184,129		\$33,764
UNRESERVED, UNDESIGNATED	\$0	\$202,629	\$202,629		\$0
SEVERANCE AND HEALTH BENEFITS	\$36,736	\$0	\$21,436		\$15,300
TOTAL COMMUNITY EDUCATION	\$1,459,757	\$7,633,098	\$7,605,946	\$0	\$1,486,909
BUDGET		\$7,602,419	\$7,791,476	\$0	\$1,270,700
DIFFERENCE		(\$30,679)	\$185,530	\$0	(\$216,209)
% VARIANCE		-0.40%	2.38%		
CAPITAL PROJECTS - BLDG CONSTR					
ALTERNATIVE FACILITIES	\$4,166,877	\$6,609,350	\$4,948,487		\$5,827,740
TOTAL BUILDING FUND	\$4,166,877	\$6,609,350	\$4,948,487	\$0	\$5,827,740
BUDGET		\$6,695,000	\$5,849,178		\$5,012,699
DIFFERENCE		\$85,650	\$900,691		(\$815,041)
DEBT SERVICE					
OPERATING	\$2,962,935	\$15,932,096	\$15,486,633		\$3,408,398
OTHER POSTEMPLOYMENT BONDS	\$647,677	\$0	\$647,677		\$0
REFUNDING BONDS	\$15,922,692	\$22,544,791	\$850,814	\$0	\$37,616,669
TOTAL DEBT SERVICE	\$19,533,304	\$38,476,887	\$16,985,124	\$0	\$41,025,067
BUDGET		\$16,549,268	\$16,256,835		\$19,825,737
DIFFERENCE		(\$21,927,619)	(\$728,289)		(\$21,199,330)
% VARIANCE		-132.50%	-4.48%		
PROPRIETARY AND TRUST & AGENCY					
EMPLOYEE BENEFIT TRUST FUND	\$290,973	\$1,059,336	\$1,025,336	\$0	\$324,973
SCHOLARSHIP PRIVATE PURPOSE TRUST	\$291,443	\$22,437	\$36,677	\$0	\$277,203
OPEB TRUST FUND	\$18,381,951	\$970,380	\$678,525	\$0	\$18,673,806
INTERNAL SERVICE - SELF INS FUNDS	\$5,323,333	\$12,493,047	\$10,014,759	\$0	\$7,801,621
TRUST & AGENCY	\$24,287,700	\$14,545,200	\$11,755,297	\$0	\$27,077,603
TOTAL	\$62,331,766	\$210,667,528	\$180,666,147	\$37,505	\$92,295,642

Fund Balances of the General Fund

Unless otherwise noted, all graphs and charts reflect the combined activity of the District's General Fund.

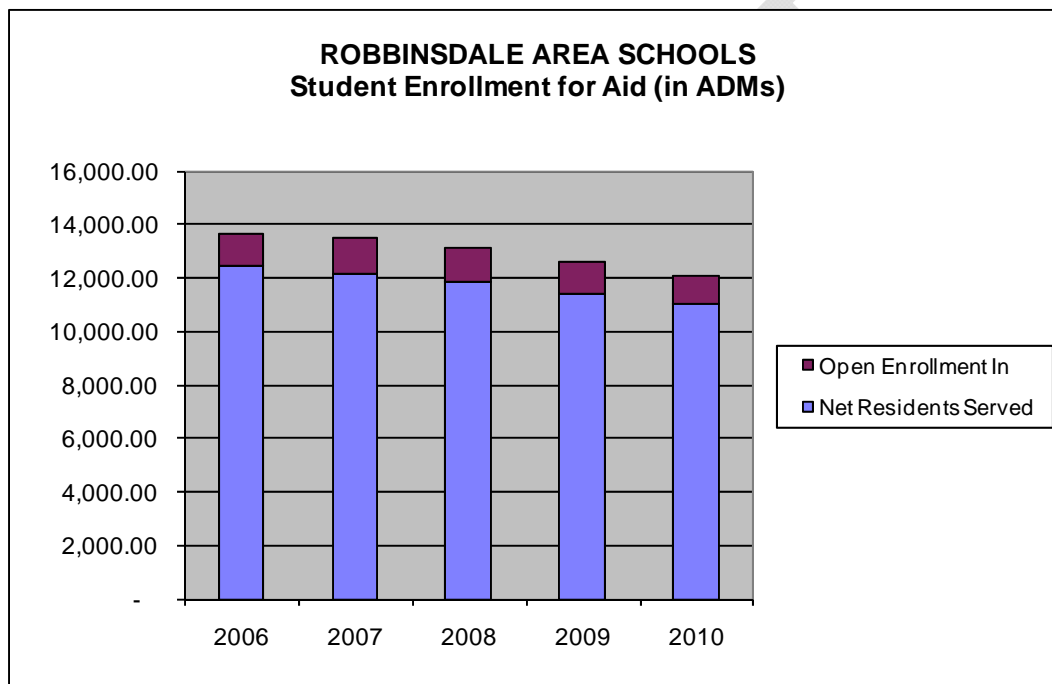
	2006	2007	2008	2009	2010
Unreserved Fund Balance					
Designated	\$ -	\$ -	\$ -	\$ -	\$ 413,497
Undesignated	9,092,489	3,323,828	2,087,919	4,381,971	8,680,307
Total Unreserved Fund Balance	\$ 9,092,489	\$ 3,323,828	\$ 2,087,919	\$ 4,381,971	\$ 9,093,804
Reserved Fund Balance	5,849,586	3,891,962	2,967,443	7,216,118	6,391,551
Total Fund Balance	\$ 14,942,075	\$ 7,215,790	\$ 5,055,362	\$ 11,598,089	\$ 15,485,355
Total Expenditures	\$ 135,164,095	\$ 140,055,141	\$ 139,922,890	\$ 146,310,187	\$ 133,463,164
Reserved Fund Balance as a % of Total Expenditures	4.33%	2.78%	2.12%	4.93%	4.79%
Unreserved Fund Balance as a % of Total Expenditures	6.73%	2.37%	1.49%	2.99%	6.81%



I. FINANCIAL RESULTS (CONTINUED)

Students Served for Aid

	2006	2007	2008	2009	2010
Total Residents	13,711.65	13,619.61	13,501.78	13,260.87	13,112.30
Open Enrollment Out*	(1,260.94)	(1,451.18)	(1,615.25)	(1,861.22)	(2,102.37)
Net Residents Served	12,450.71	12,168.43	11,886.53	11,399.65	11,009.93
Open Enrollment In	1,180.20	1,305.55	1,254.82	1,169.40	1,069.45
Net ADM Served	13,630.91	13,473.98	13,141.35	12,569.05	12,079.38
* including charter schools					
Net Pupil Units Served	15,804.23	15,599.42	15,277.10	14,588.36	14,020.26



As reflected in the above chart and graph, the net impact of open enrollment in the District has been increasingly negative in recent years.

II. OTHER KEY TOPICS

GASB Reporting Model

Statement of Net Assets

The Statement of Net Assets essentially tells you what your District owns and owes at a given point in time, the last day of the fiscal year. Theoretically, net assets represent the resources the District has leftover to use for providing services after its debts are settled. However, those resources are not always in expendable form, or there may be restrictions on how some of those resources can be used. Therefore, the statement divides the net assets into three components: net assets invested in capital assets-net of related debt, restricted net assets, and unrestricted net assets. The following table presents components of the District's net assets at year-end, along with a simplified reconciliation of the difference between the governmental fund balances and total net assets:

	As of June 30,	
	2010	2009
Total Fund Balance for Governmental Funds	\$ 65,218,039	\$ 38,044,066
Capital Assets, Less Accumulated Depreciation	239,158,731	245,387,341
Long-Term Liabilities	(217,309,389)	(204,119,618)
OPEB Bond Proceeds	17,495,583	19,003,175
Other - Net	5,966,898	3,761,299
Total Net Assets - Governmental Activities	<u>\$ 110,529,862</u>	<u>\$ 102,076,263</u>
Net Assets:		
Invested in Capital Assets, Net of Related Debt	\$ 92,743,347	\$ 87,888,127
Restricted	9,271,428	5,251,104
Unrestricted	8,515,087	8,937,032
Total Net Assets - Governmental Activities	<u>\$ 110,529,862</u>	<u>\$ 102,076,263</u>

Most of the District's fund balances translate into restricted net assets by virtue of external restrictions (statutory reserves) or by the nature of the fund they are in (e.g. unreserved food service fund balance can only be spent for food service program costs). The unrestricted net assets category consists mainly of the General Fund unreserved fund balances, offset against non-capital long-term obligations such as vacation or severance payable. Consequently, many Minnesota school districts have accumulated deficits in this component of net assets.

Statement of Activities

The Statement of Activities tracks the District's yearly revenues and expenses, as well as any other transactions that increase or reduce total net assets. These amounts represent the full cost of providing education. This statement provides a more comprehensive measure than just the amount of cash that changed hands, as reflected in the fund-based financial statements. This statement includes the cost of supplies used, depreciation of long-lived capital assets, and other accrual-based expenses. The following table presents a simplified reconciliation of the change in the District's governmental fund balances to the change in total net assets for fiscal years 2010 and 2009:

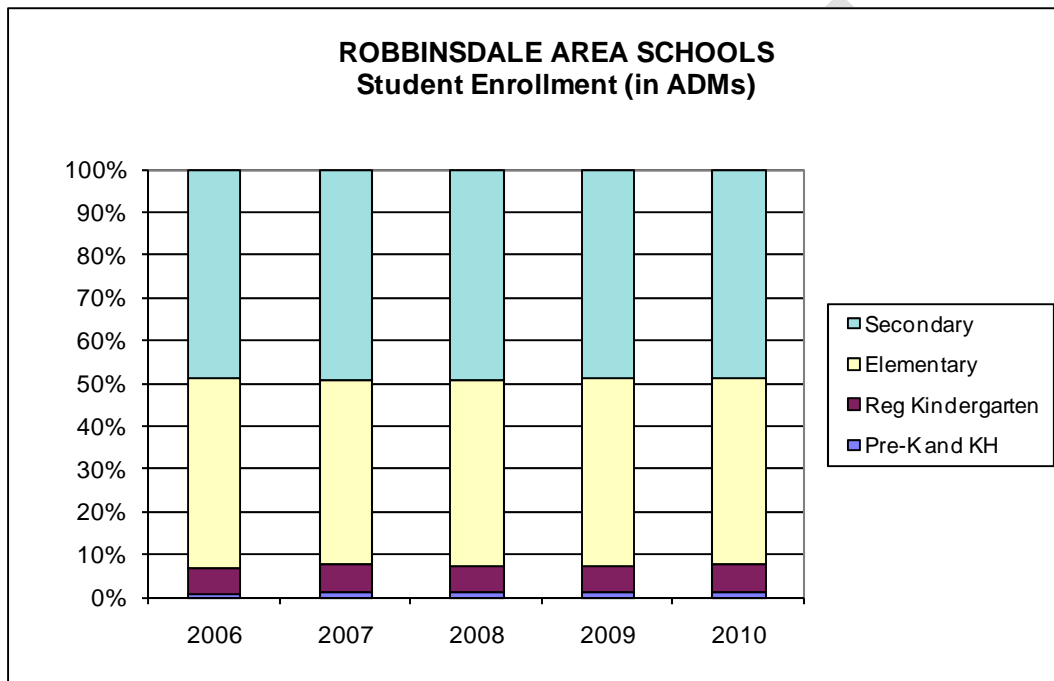
	Year Ended June 30,	
	2010	2009
Net Change in Fund Balance-Total Governmental Funds	\$ 27,173,973	\$ (57,677,663)
Capital Asset Purchases	4,908,802	14,358,047
Depreciation	(10,639,523)	(10,696,760)
OPEB Benefits	(1,507,592)	18,728,813
Debt Proceeds	(20,790,000)	(35,430,000)
Repayment of Debt	8,974,330	80,104,211
Other - Net	333,609	1,759,008
Change in Net Assets - Governmental Activities	<u>\$ 8,453,599</u>	<u>\$ 11,145,656</u>

APPENDIX A

FINANCIAL TRENDS OF YOUR DISTRICT

Within this report there are a number of areas where condensed financial statement data has been presented. The last page of this document (Appendix E) contains an Independent Auditor's Report on Condensed Financial Statements Included Herein that should be considered when reading such condensed information.

Student Enrollment

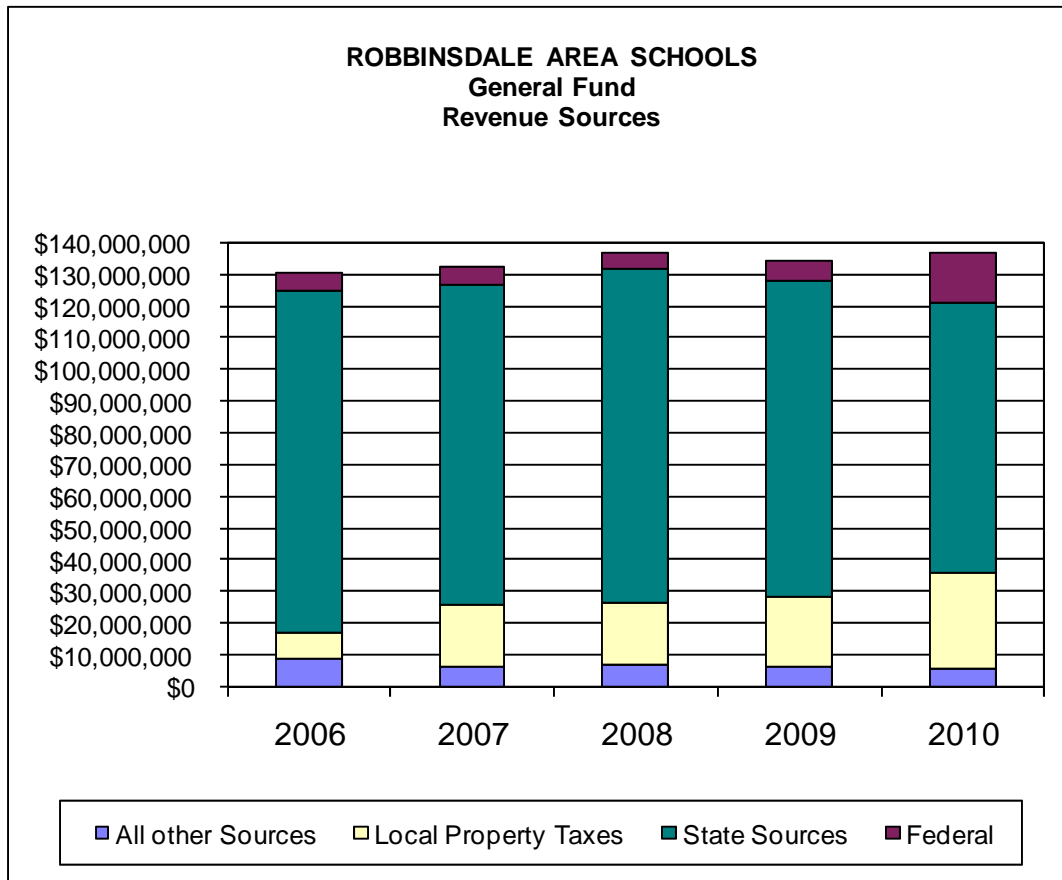


	2006	2007	2008	2009	2010
Pre-K and KH	109.00	135.20	148.47	123.22	126.58
Reg Kindergarten	840.24	877.71	823.46	809.78	803.18
Elementary	6,003.49	5,836.11	5,707.23	5,523.05	5,242.38
Secondary	6,678.18	6,624.96	6,462.19	6,113.00	5,907.24
Net ADM Served	<u>13,630.91</u>	<u>13,473.98</u>	<u>13,141.35</u>	<u>12,569.05</u>	<u>12,079.38</u>
Percent Change	0.17%	-1.15%	-2.47%	-4.35%	-3.90%

As noted in the above chart, the District's student count for fiscal 2009-2010 was 490 students (or 3.90%) lower than the prior year.

General Fund Revenue

The following table and graph summarizes the District's General Fund revenue sources for the last five years.



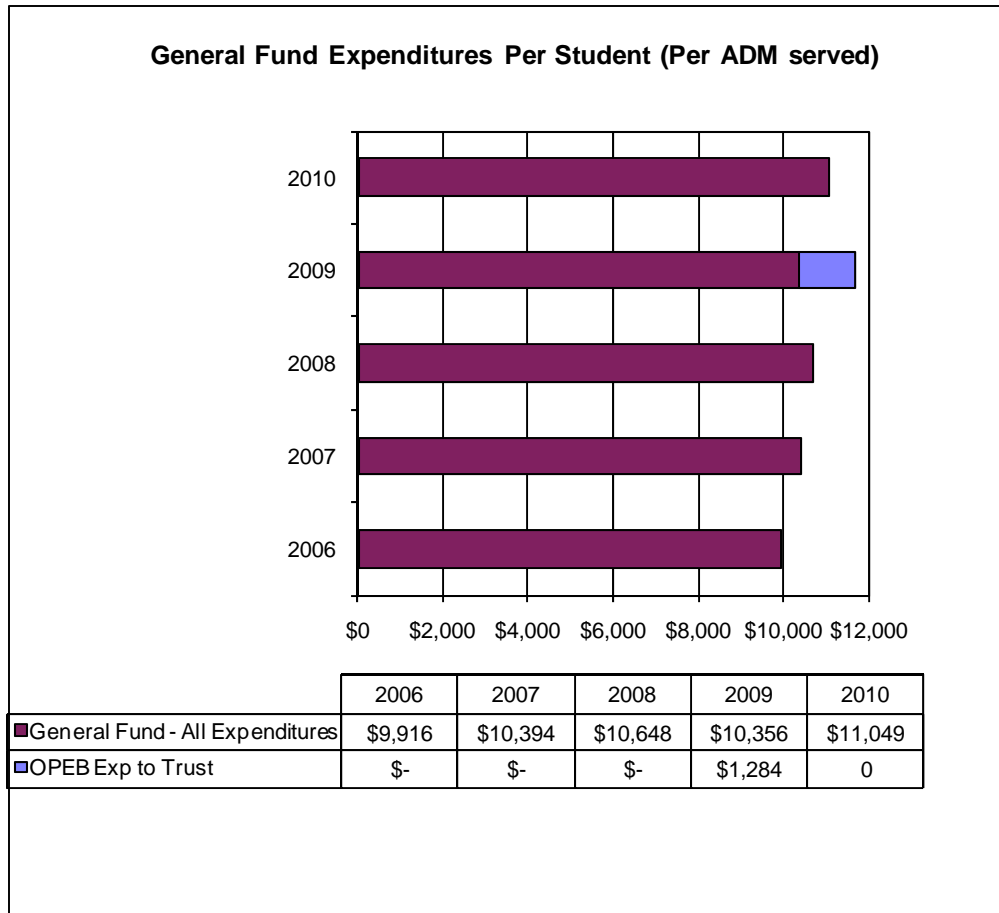
The table below illustrates the fluctuation that occurs between the taxes and state aid categories based on legislative activity. The Legislature determines what portion of the general education funding formula will be paid by local taxpayers. In addition, when the tax shift percentage changes or the state provides property tax relief such as the education homestead market value aid, this only impacts the mix between state aids and taxes and does not change total revenue. The decline in taxes for fiscal 2006 was caused by the buydown of the tax shift which corresponds to an increase in state aids. The decrease in state aids and corresponding increase in federal aids for fiscal 2010 reflects the State of Minnesota's use of federal stabilization dollars to balance the state budget. School finance in Minnesota continues to be a very difficult subject to explain to the general public.

	2006	2007	2008	2009	2010
Local Property Taxes	\$ 8,506,806	\$ 19,686,017	\$ 19,387,505	\$ 21,737,121	\$ 30,324,738
State Sources	107,757,508	100,862,548	105,244,938	100,095,474	84,820,008
Federal Sources	5,647,354	6,005,037	5,489,890	5,826,420	15,917,134
All Other Sources	8,294,466	5,775,254	6,573,124	6,181,268	5,587,211
Total Revenues	\$ 130,206,134	\$ 132,328,856	\$ 136,695,457	\$ 133,840,283	\$ 136,649,091

	2006	2007	2008	2009	2010
Local Property Taxes	7%	15%	14%	16%	22%
State Sources	83%	76%	77%	75%	62%
Federal Sources	4%	5%	4%	4%	12%
All Other Sources	6%	4%	5%	5%	4%
Total Revenues	100%	100%	100%	100%	100%

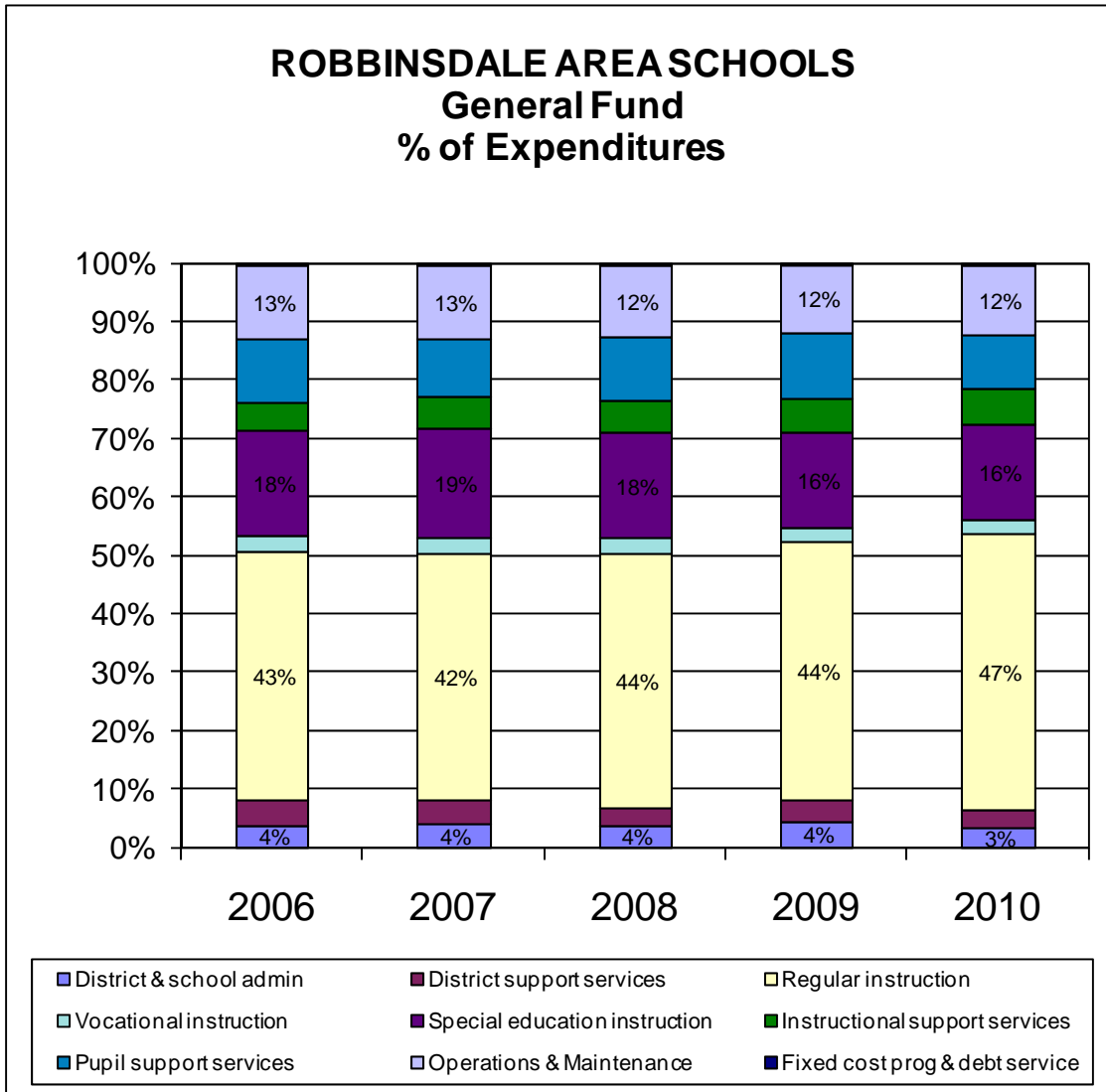
Expenditures Per Student

Expenditures per student (average daily membership) are summarized in the following graph.

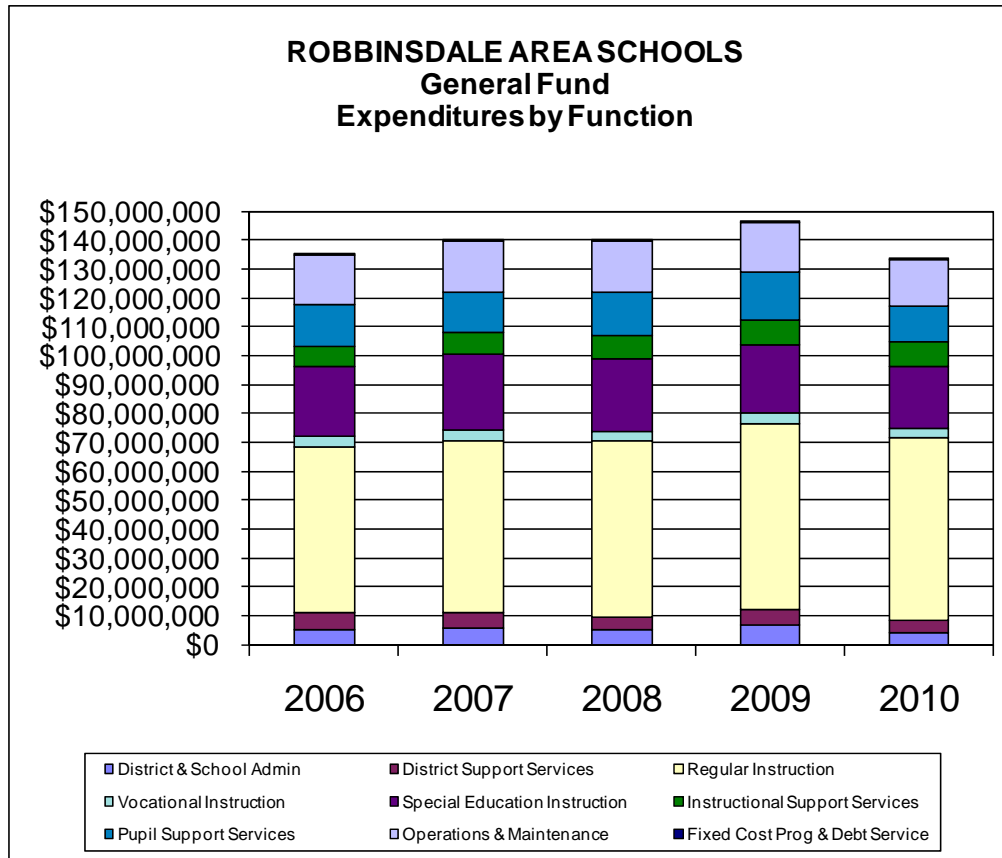


General Fund expenditures for fiscal 2010 were \$133,463,164, which represents a decrease of \$12,847,023 or 8.8% from fiscal 2009. However, the total decrease in costs is misleading in that nearly \$16 million of OPEB bond proceeds had to be accounted for as expenditures in the prior year on a one-time basis due to the accounting guidance provided by the Minnesota Department of Education.

The following schedule shows total expenditures of the General Fund by program type:



Expenditures Per Student (Continued)



	2006	2007	2008	2009	2010
District and School Admin	\$ 5,019,473	\$ 5,434,637	\$ 5,136,707	\$ 6,446,320	\$ 4,127,608
District Support Services	5,701,248	5,694,148	4,153,570	5,369,933	4,254,243
Regular Instruction	57,513,966	59,128,600	61,004,643	64,390,541	63,007,753
Vocational Instruction	3,802,134	3,768,456	3,532,437	3,715,805	3,243,974
Special Education Instruction	24,138,496	26,214,917	25,172,502	23,922,308	21,746,108
Instructional Support Services	6,769,216	7,559,969	7,909,523	8,498,690	8,289,440
Pupil Support Services	14,513,256	13,901,826	15,005,724	16,321,845	12,224,986
Operations and Maintenance	17,130,181	17,753,748	17,464,138	17,184,530	16,094,833
Fixed Cost Prog and Debt Service	576,125	598,840	543,646	460,215	474,219
Total Expenditures	\$ 135,164,095	\$ 140,055,141	\$ 139,922,890	\$ 146,310,187	\$ 133,463,164

The following chart summarizes District General Fund expenditures by object type.

	2010				2009	2008
	Final Amended Budget	Actual	Over (Under) Budget	%	Actual	Actual
Salaries	\$ 82,076,876	\$ 78,842,219	\$ (3,234,657)	-3.9%	\$ 77,874,709	\$ 79,936,235
Employee Benefits	24,242,351	23,812,186	(430,165)	-1.8%	21,849,651	23,542,232
OPEB bond proceeds	-	-	-	-	15,950,345	-
Purchased Services	21,071,132	18,729,403	(2,341,729)	-11.1%	20,897,729	25,481,822
Supplies and Materials	6,350,172	5,389,117	(961,055)	-15.1%	4,416,269	5,062,253
Capital Expenditures	6,471,882	5,839,510	(632,372)	-9.8%	4,460,368	4,682,715
Other Expenditures	921,793	850,729	(71,064)	-7.7%	861,116	1,217,633
Total Expenditures	\$ 141,134,206	\$ 133,463,164	\$ (7,671,042)	-5.4%	\$ 146,310,187	\$ 139,922,890

On a net basis, total expenditures were 5.4% lower than reflected in the final amended budget amount.

General Fund Operations and Financial Position

The following table presents five years of comparative operating results for the District's General Fund.

	Year Ended June 30,				
	2006	2007	2008	2009	2010
Revenues	\$ 130,206,134	\$ 132,328,856	\$ 136,695,457	\$ 133,840,283	\$ 136,649,091
Expenditures	135,164,095	140,055,141	139,922,890	146,310,187	133,463,164
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,957,961)	(7,726,285)	(3,227,433)	(12,469,904)	3,185,927
Other Financing Sources:					
OPEB Bond Proceeds	-	-	-	16,139,328	-
Bond Discount	-	-	-	(188,983)	-
Sale of Capital Assets	299,956	-	-	3,089,556	269,386
Insurance Recovery Proceeds	-	-	-	9,475	469,458
Capital leases	-	-	1,103,672	-	-
Transfers (Out)	-	-	(36,667)	(36,745)	(37,505)
Total Other Financing Sources (Uses)	299,956	-	1,067,005	19,012,631	701,339
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	(4,658,005)	(7,726,285)	(2,160,428)	6,542,727	3,887,266
FUND BALANCE					
Beginning of Year	19,600,080	14,942,075	7,215,790	5,055,362	11,598,089
End of Year	\$ 14,942,075	\$ 7,215,790	\$ 5,055,362	\$ 11,598,089	\$ 15,485,355
Reserved Fund Balance	\$ 5,849,586	\$ 3,891,962	\$ 2,967,443	\$ 7,216,118	\$ 6,391,551
Unreserved-Designated Fund Balance	-	-	-	-	413,497
Unreserved-Undesignated Fund Balance	9,092,489	3,323,828	2,087,919	4,381,971	8,680,307
Total Fund Balance	\$ 14,942,075	\$ 7,215,790	\$ 5,055,362	\$ 11,598,089	\$ 15,485,355
Unreserved-Undesignated Fund Balance as a Percentage of Expenditures	6.73%	2.37%	1.49%	2.99%	6.50%

The District's General Fund had revenues and other financing sources over expenditures and other financing uses of \$3,887,266 for fiscal 2010, increasing total fund balance to \$15,485,355 at June 30, 2010. Total fund balance includes a net of \$6,805,048 in reserved and designated accounts as prescribed by state statute. That leaves an unreserved-undesignated fund balance of \$8,680,307 at year-end, which is 6.50% of General Fund expenditures.

General Fund expenditures for fiscal 2010 were \$133,463,164 which represents a decrease of \$12,847,023 or 8.8% from fiscal 2009. However, if the one-time expenditures associated with the transfer of OPEB bond proceeds in the prior year are considered, total expenditures actually would have increased by approximately \$3.1 million from the prior year.

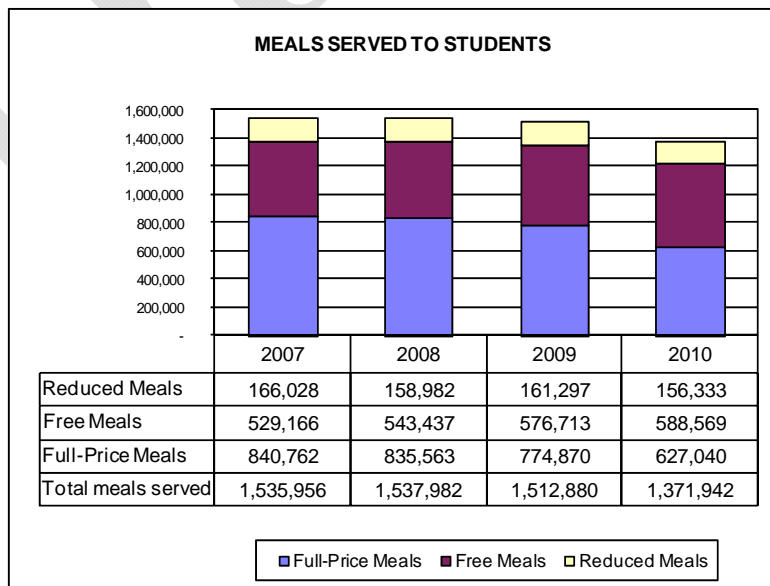
Food Service Fund

The following chart reflects the growth of the food service program over the past five years:

	Year Ended June 30,				
	2006	2007	2008	2009	2010
Revenues	\$ 5,733,158	\$ 6,003,445	\$ 6,134,184	\$ 5,975,337	\$ 6,000,833
Expenditures	5,846,822	5,753,656	6,247,127	6,787,754	5,908,129
Excess (Deficiency) of Revenues Over (Under) Expenditures	(113,664)	249,789	(112,943)	(812,417)	92,704
Other Financing Sources:					
OPEB Bond Proceeds	-	-	-	1,134,411	-
Sale of Capital Assets	-	-	-	-	14,225
Total Other Financing Sources	-	-	-	1,134,411	14,225
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	(113,664)	249,789	(112,943)	321,994	106,929
Fund Balance					
Beginning of Year	940,863	827,199	1,076,988	964,045	1,286,039
End of Year	\$ 827,199	\$ 1,076,988	\$ 964,045	\$ 1,286,039	\$ 1,392,968
Lunches Served to Students		1,535,956	1,537,982	1,512,880	1,371,942

Total revenues and other financing sources exceeded total expenditures by \$106,929 in the District's Food Service Fund for 2010, increasing fund balance to \$1,392,968 at June 30, 2010. The ending fund balance represents 23.6% of expenditures and provides for cashflow and can serve as a source for capital improvements to the food service program as needs warrant. Total revenue was less than the final budgeted amount by \$14,101 while total expenditures were \$514,593 less than the budgeted amount. The net impact of these variances, including other financing sources, was to increase the fund balance of the Food Service Fund by \$509,717 more than had been reflected in the budget. The District should continue the process of carefully reviewing Food Service Fund budgeting procedures to ensure that meal pricing and other related decisions are based upon the best information possible and that budgets are adhered to.

The following chart reflects the number and type of meals served to students over the past four years:



Community Service Fund

The following table presents five years of comparative operating results for the District's Community Service Fund:

	Year Ended June 30,				
	2006	2007	2008	2009	2010
Revenues	\$ 7,443,521	\$ 7,466,700	\$ 7,764,309	\$ 7,736,389	\$ 7,595,593
Expenditures	7,660,289	7,623,820	7,572,148	10,125,512	7,605,946
Excess (Deficiency) of Revenues Over (Under) Expenditures	(216,768)	(157,120)	192,161	(2,389,123)	(10,353)
Other Financing Sources:					
OPEB Bond Proceeds	-	-	-	2,174,768	
Transfers In	32,382	40,067	36,667	36,745	37,505
Total Other Financing Sources	32,382	40,067	36,667	2,211,513	
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	(184,386)	(117,053)	228,828	(177,610)	27,152
Fund Balance:					
Beginning of Year	1,709,978	1,525,592	1,408,539	1,637,367	1,459,757
End of Year	\$ 1,525,592	\$ 1,408,539	\$ 1,637,367	\$ 1,459,757	\$ 1,486,909
Fund Balance:					
Reserved for Community Ed	\$ 1,160,541	\$ 1,101,670	\$ 1,288,577	\$ 1,055,412	\$ 987,046
Reserved for ECFE	159,565	131,582	168,624	210,140	260,860
Reserved for School Readiness	11,736	32,264	33,997	39,131	33,764
Reserved for Adult Basic Educ	166,886	143,023	139,799	118,338	189,939
Reserved for Severance	26,864	-	6,370	36,736	-
Designated for Retirement Benefits	-	-	-	-	15,300
Total Fund Balance	\$ 1,525,592	\$ 1,408,539	\$ 1,637,367	\$ 1,459,757	\$ 1,486,909

The District's Community Service Fund had an excess of revenues and other financing sources over expenditures of \$27,152 for fiscal 2010, bringing the combined fund balance to \$1,486,909 at June 30, 2010. Total revenue was more than the final budgeted amount by \$28,938 while total expenditures were \$185,530 less than the budgeted amount. The net impact of these variances, including transfers in, was to increase the fund balance of the Community Service Fund by \$216,209 more than had been reflected in the budget. The District should continue the process of carefully reviewing Community Service Fund budgeting procedures to ensure that class pricing and costs and other related decisions are based upon the best information possible.

APPENDIX B

Expenditures Per Student (ADM) Served

	Statewide			ISD No. 281 Robbinsdale Area Schools		
	All Districts	Seven County Metro Area	Enrollment > than 4,450			
	2009	2009	2009	2008	2009	2010
	\$	\$	\$	\$	\$	\$
District and School Admin and Support Services	883	875	840	752	885	628
Regular Instruction (including Co- & Extra-Curricular)	5,089	5,412	5,250	4,516	4,963	4,978
Vocational Instruction (Career & Technical)	149	152	153	264	289	264
Special Education Instruction	1,798	2,006	1,996	1,884	1,869	1,766
Instructional Support Services	493	598	579	486	643	648
Pupil Support Services (excluding Transportation)	291	350	340	309	446	968
Pupil Transportation	577	617	600	792	786	-
Operations and Maintenance and Other	840	824	819	1,008	1,211	1,181
Food Service	451	453	445	468	527	463
Community Service	505	634	606	567	787	615
Capital Expenditure (excluding Building Constr Fund)	520	443	416	386	357	501
Debt Service	1,196	1,334	1,235	1,357	1,441	1,388
OPEB Bond Transfer (All Funds)	-	-	-	-	(1,506)	-
Total Pre-K - 12 Operating Expenditures	<u>\$ 12,792</u>	<u>\$ 13,698</u>	<u>\$ 13,279</u>	<u>\$ 12,789</u>	<u>\$ 12,698</u>	<u>\$ 13,401</u>
Percent Change from Prior Year					-0.71%	5.54%

Source of Statewide Data: School District Profiles published by the Minnesota Department of Education

District and school admin and support services - all costs related to providing administration to the District (school board, superintendent, principals, assistant superintendents, directors of instructional areas, etc.) and all central office administration (business services, human resources, legal, data processing, other district-wide support activities)

Regular instruction - includes all activities dealing directly with the teaching of pupils including co-curricular and extra-curricular activities and the interaction between teachers and pupils in the classroom (excluding exceptional, vocational and community education instruction) and includes activities of aides or assistants of any type (paraprofessionals, clerks, graders, etc.) who assist in the educational process, except spec ed aides

Vocational instruction - consists of costs related to courses and activities which develop knowledge, skills, attitudes and behavioral characteristics for students seeking career exploration and employability

Special education instruction - consists of activities providing learning experiences for pupils of any age, who because of certain atypical characteristics or conditions, have been identified as requiring, or who would benefit by, educational programs differentiated from those provided pupils in regular or vocational instruction

Instructional support services - activities for assisting instructional staff with content and process of providing learning experiences for pupils in K-12 (curriculum, staff dev, educ media, libraries and media centers, etc.)

Pupil support services - all services to pupils not classified as instructional (counseling & guidance, health services, psychological services, social work, pupil transportation and safety, etc.)

Transportation - all costs for pupil transportation

Operations and maintenance - activities related to the operation, maintenance, repair and remodeling of all physical plant, facilities and grounds of the District

Food service - all costs of the Food Service Fund

Community service - all costs of the Community Service Fund

Capital expenditures - all capital expenditures charged to operating funds (which excludes the Building Construction Fund)

Debt service - all Debt Service Fund costs (principal, interest and fiscal agent costs)

APPENDIX C

LEGISLATIVE ACTIVITY

What follows are some education-related highlights of recent legislative sessions as summarized for finance-related provisions from information made available by the Minnesota Department of Education and the Minnesota House of Representatives.

GENERAL EDUCATION REVENUE

Formula Allowance

Neither the 2009 Legislature nor the 2010 Legislature changed the basic formula allowance, therefore, it will remain at \$5,124 per pupil unit for fiscal year 2011 and later.

No changes were made to the calculation of adjusted marginal cost pupil units--grade level pupil unit weightings and the 77% current year / 23% prior year marginal cost pupil unit calculations for declining enrollment districts remain unchanged.

Staff Development Reserve

The staff development reserve had already been temporarily suspended for fiscal years 2010 and 2011. The staff development reserve is equal to two percent of the district's basic general education revenue. District and site staff development committees are still required to complete a staff development plan and submit an annual report of staff development activities and expenditures for each year.

Aid Payment Shifts and Property Tax Shifts

With respect to the payment shift, ratifies the 73-27 Payment Schedule fiscal 2010, and established a 70-30 Payment Schedule for fiscal 2011 and reinstates the 90-10 payment schedule beginning in fiscal 2012.

With respect to the property tax shift, ratifies the 48.6% property tax shift (the amounts received in the May, June and July tax settlements) for fiscal 2011 and later and uses the same calculation method and percent as the previous tax shift enacted in 2003, to be repaid when state budget improves (after the state cash flow account balance reaches \$350 million, the state budget reserve reaches \$653 million, and the aid payment schedule is restored to 90-10).

Modified state statute to make state aid payment delays to school districts optional instead of mandatory before the state does short term borrowing. Limits any aid payment delays to only those schools with fund balances of \$700 per resident pupil unit or more, and deducts the first \$700 per resident pupil unit of cash balances in calculating the delays (same formula used by MDE for fiscal 2010 aid payment delays).

Authorizes an advance final payment for school districts and charter schools in statutory operating debt. Sets the aid payment schedule at 90% of the aid entitlement for fiscal years 2010 and later.

Account Transfer for Designated Separation and Retirement Benefits

Based on a recommendation from the Department's Advisory Committee on Financial Management, Accounting, and Reporting, MDE is eliminating Fund Balance Code 411, Reserved for Severance Pay, initially beginning in fiscal 2010. This was inconsistent with relevant Governmental Accounting Standards Board (GASB) statements, and was the only reserved fund balance account not authorized in statute. No law change was required for MDE to eliminate this account, since it was not authorized in law to begin with.

To go along with this change, Balance Sheet code 418, was amended to:

- clarify that this is a designated account and not a reserve account;
- remove language limiting the account balance to 50% of the amount needed for the portion of severance pay that constitutes compensation for accumulated sick leave to be used for the payment of group health insurance premiums, and
- expand the uses to include separation and retirement benefits, including compensated absences, termination benefits, pension benefits and other post employment benefits not accounted for elsewhere.

This will enable districts to move the amounts that were in Bal Sheet 411 to Bal Sheet 418 to keep separate from the primary unreserved/undesigned account (Bal Sheet 422).

Omnibus Pensions Bill

Provides financial stabilization for various pension systems by increasing employer and employee contributions so that deficits in those pension funds are eventually eliminated.

- The Teachers Retirement Association (TRA) provisions include an increase to employee and employer contribution rates. These rates are currently 5.5% and will each rise by 0.5% annually over a four-year period beginning July 1, 2011. On July 1, 2014, the employee and employer rates would each be 7.5%.
- Automatic 2.5% annual postretirement adjustment is suspended for 2011 and 2012 followed by a 2% increase until the plan becomes 90% funded.
- The employee contribution rate for the Duluth Teachers Plan is increased from 5.5% to 6.5% and the employer contribution rate is increased from 5.79% to 6.79%, both in two annual steps.
- The St. Paul Teachers Plan basic program employee contribution rate is increased from 8.0% to 9.0%, and the coordinated member contribution rate is increased from 5.5% to 6.5% in four annual steps; employer contributions are increased from 8.0% to 9.0% on the basic program and from 8.34% to 9.34% on the coordinated program.
- The PERA employee contribution rate is increased from 6% to 6.25% effective December 31, 2010, and employer rate is increased from 7% to 7.25%.

Securities Lending Agreements and Safekeeping

The securities lending law applicable to political subdivisions was amended to allow a school district to enter into a securities lending agreement with a qualified financial institution which has a bank office located in Minnesota. Under the prior law, the financial institution had to have its principal executive office located in Minnesota. The reference to “bank office” was later changed to “office” in Chapter 385.

The Act also provides that investments, contracts, and agreements could be held in safekeeping with a securities broker-dealer that meets the following requirements: (1) it is registered as a broker-dealer under chapter 80A or is exempt from the registration requirements; (2) it is regulated by the Securities and Exchange Commission; and (3) it maintains insurance through the Securities Investor Protection Corporation or excess insurance coverage in an amount equal to or greater than the value of the securities held.

DRAFT

APPENDIX D

FORMAL REQUIRED COMMUNICATIONS

School Board
Independent School District No. 281
Robbinsdale Area Schools
Robbinsdale, Minnesota

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 281 (the District) as of and for the year ended June 30, 2010, and have issued our report thereon dated December 9, 2010. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility Under U.S. Generally Accepted Auditing Standards and OMB Circular A-133

As stated in our engagement letter dated April 26, 2010, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit. Also, in accordance with OMB Circular A-133, we examined, on a test basis, evidence about the School's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* applicable to each of its major federal programs for the purpose of expressing an opinion on the School's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the District's compliance with those requirements.

1. Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement.

2. We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.
3. We are also responsible for communicating Minnesota Legal Compliance.

Other Information in Documents Containing Audited Financial Statements

Our audit opinion, the audited financial statements, and the notes to financial statements should only be used in their entirety. Inclusion of the audited financial statements in a client prepared document, such as an annual report, should be done only with our prior approval and review of the document. Our responsibility for other information in documents containing the School's financial statements and report does not extend beyond the financial information identified in the report. We do not have an obligation to perform any procedures to corroborate other information contained in such documents. We provide no opinion or assurance on any information prepared by management that accompanies the District's audited financial statements.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters on June 29, 2010.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the District are described in Note 1 to the financial statements. No other new accounting policies were adopted and the application of existing policies was not changed during the year audited.

We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Due from Minnesota Department of Education
- Due from the Federal Government through the Minnesota Department of Education
- Severance Benefits Payable
- Other Postemployment Benefits Payable
- Estimated Useful Lives of Depreciable Capital Assets

Management's estimate of Due from Minnesota Department of Education (MDE) is based on amounts anticipated to be received from the state for various aid entitlements for fiscal 2009-10. The most significant of these is the aid portion of General education revenue. General education revenue and certain other revenues are computed by applying an allowance per student to the number of students served by the District. Student attendance is accumulated in a statewide database – MARSS. Because of the complexity of student accounting and because of certain enrollment options, student information is input by other school districts and the MARSS data for fiscal year 2010 is not finalized until well into fiscal year 2011. MDE calculates amounts owed to the School for special education excess cost tuition billing and adds the amount to the School's special education aid. Because the tuition amounts are based on estimated information, final entitlements are not expected to be known until well into the following fiscal year. Management expects any differences between estimated and actual data will be insignificant.

Management's estimate of due from the Federal Government through the Minnesota Department of Education is based on amounts anticipated to be received through the state for various federal aid entitlements for fiscal 2009-10. Many federal entitlements require that supporting financial reporting information be provided both in the UFARS accounting system and also the SERVS reporting system. To the extent that these two separate systems are not in agreement and reported in a timely manner, the estimated aid entitlement may be adversely affected. Management expects any differences between estimated and actual data will be insignificant.

Management's estimate of Severance Benefits Payable is based on certain assumptions made by the District. As required by GASB Statement No. 16, the District has recorded a liability in long-term debt for accumulated sick leave convertible to early retirement pay for which it is probable the employees will be compensated. The "vesting method" used by the District to calculate this liability is based on assumptions involving the probability of employees becoming eligible to receive the benefits (vesting), and the potential use of accumulated sick leave prior to termination.

Management's estimate of other pension benefits payable is based on an actuarially determined calculation as required by GASB Statement No. 27.

Management's estimate of other postemployment benefits payable is based on an actuarially determined calculation, less actual payments incurred on behalf of retirees and an actuarially determined estimate of implicit rate subsidy, which is the estimated increased cost of premiums due to inclusion of retirees in the same plan as the District's active employees.

Management's estimate of useful lives for depreciable assets is based on guidance recommended by the Minnesota Department of Education and other sources. The useful life of a depreciable asset determines the amount of depreciation that will be recorded in any given reporting period as well as the amount of accumulated depreciation that is reported at the end of a reporting period.

We reviewed and tested management's procedures and underlying supporting documentation in the areas discussed above and evaluated the key factors and assumptions used to develop the estimates noted above in determining that they are reasonable in relation to the financial statements taken as a whole. We concluded that the accounting estimates and management judgments appeared to consider all significant factors and resulted in appropriate accounting recognition.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management did not identify and we did not notify them of any uncorrected financial statement misstatements. We recognize that for management purposes, the District maintains its accounting records primarily using the cash basis during the year. There may be adjustments which we propose while assisting your finance staff in the closing of the year-end accounting records. These types of adjustments, if any, are not considered to be “audit adjustments” for purposes of this communication.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors’ report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 9, 2010.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the District’s financial statements or a determination of the type of auditors’ opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

School Board
Independent School District No. 281
Robbinsdale Area Schools

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Education and management of the District and is not intended to be and should not be used by anyone other than these specified parties.

LarsonAllen LLP

Minneapolis, Minnesota
December 9, 2010

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APPENDIX E

INDEPENDENT AUDITORS' REPORT ON CONDENSED FINANCIAL STATEMENTS INCLUDED HEREIN

School Board
Independent School District No. 281
Robbinsdale Area Schools
Robbinsdale, Minnesota

We have audited the financial statements of Independent School District No. 281 (the District) as of and for the years ended June 30, 2010 and 2009 (not presented herein). The financial statements as of and for the fiscal years ended June 30, 2008, 2007, and 2006, (not presented herein), were audited by other auditors. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The condensed Statements of Revenues, Expenditures and Changes in Fund Balance for the year, presented on pages 12, 13 and 14, are presented as a summary and, therefore, do not include all of the disclosures required by U.S. generally accepted accounting principles.

In our opinion, because of the significance of the omission of the information referred to in the preceding paragraph, the condensed financial statements referred to above do not present fairly, in conformity with U.S. generally accepted accounting principles, the results of its operations for the years then ended.

This report is intended solely for the information and use of the School Board and management of the District and is not intended to be and should not be used by anyone other than these specified parties.

LarsonAllen LLP

Minneapolis, Minnesota
December 9, 2010

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281**

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL INFORMATION**

YEAR ENDED JUNE 30, 2010



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INDEPENDENT SCHOOL DISTRICT NO. 281
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INTRODUCTORY SECTION

DRAFT

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
SCHOOL BOARD AND ADMINISTRATION
JUNE 30, 2010**

SCHOOL BOARD

NAME	TERM ON BOARD EXPIRES	BOARD POSITION
Tom Walsh	December 2014	Chairperson
Barb Van Heel	December 2012	Vice Chairperson
Sherry Tyrrell	December 2012	Treasurer
Helen Bassett	December 2012	Clerk
Patsy Green	December 2014	Director
Linda Johnson	December 2014	Director
Mark Bomchill	December 2014	Director

ADMINISTRATION

Aldo Sicoli	Superintendent
Gayle Walkowiak, Ph.D.	Assistant Superintendent of Teaching and Learning
Dennis Beekman	Executive Director of Technology
Al Ickler	Executive Director of Community Education
Stephanie Crosby	Executive Director of Human Resources
Lonnie Smith	Executive Director of Business Services
Jeff Dehler	Program Director of Public Relations

FINANCIAL SECTION

DRAFT

INDEPENDENT AUDITORS' REPORT

School Board
Independent School District No. 281
Robbinsdale Area Schools
New Hope, Minnesota

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Independent School District No. 281, Robbinsdale, Minnesota as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit. The prior year comparative information has been derived from the District's 2009 financial statements and, in our reported dated December 7, 2009, we expressed unqualified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above, present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 281 as of June 30, 2010 and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund and the Major Special Revenue Funds for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2010, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and the Schedules of Funding Progress for Other Postemployment Benefits and Pension Benefits and the Schedule of Employer Contributions, as listed in the table of contents, are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The individual fund schedules listed in the table of contents as supplemental information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Uniform Financial Accounting and Reporting Standards Compliance Table is presented as supplemental information and is also not a required part of the basic financial statements of the District. The individual fund schedules and the Uniform Financial Accounting and Reporting Standards Compliance Table, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The introductory and statistical sections listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. These sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on them.

LarsonAllen LLP

Minneapolis, Minnesota
December 9, 2010

REQUIRED SUPPLEMENTARY INFORMATION

DRAFT

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Independent School District 281's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2010. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follows this section. Certain comparative information between the current year (2009-2010) and the prior year (2008-2009) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2009-2010 fiscal year include the following:

- Overall revenues and expenses in the government-wide financial statements were \$173.4 million and \$164.9 million, respectively.
- Government-wide net assets increased \$8.5 million from the prior year.
- Total net assets at June 30, 2010 were \$110.5 million.
- The General Fund had an increase in fund balance of \$3.9 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditors' Report, required supplementary information which includes the management's discussion and analysis (this section), the basic financial statements, and supplemental information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *government-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more detail* than the government-wide statements.

The financial statements also include *notes* that explain some of the information in the statements and provide more detailed data.

Government-Wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes *all* of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The two government-wide statements report the District's *net assets* and how they have changed. Net assets – the difference between the District's assets and liabilities – is one way to measure the District's financial health or *position*.

- Over time, increases or decreases in the District's net assets are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the government-wide financial statements the District's activities are shown in one category:

- *Governmental Activities* – Most of the District's basic services are included here, such as regular and special education, transportation, administration, food services, and community education. Property taxes and state aids finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's *funds* – focusing on its most significant or “major” funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and by bond covenants.
- The District may establish other funds to control and manage money for particular purposes (e.g., repaying its long-term debts) or to show that it is properly using certain revenues (e.g., federal grants).

The District has three kinds of funds:

- *Governmental Funds* – Most of the District's basic services are included in governmental funds, which generally focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statements to explain the relationship (or differences) between them.
- *Proprietary Funds – Internal Service Funds* – The District maintains one type of proprietary fund. The Internal Service Fund is used as an accounting device to accumulate and allocate costs internally among the District's various functions. The District uses the Internal Service Fund to account for its employee dental and medical self insurance plan activities. These services have been included within governmental activities in the government-wide statements. Proprietary fund statements provide the same type of information as the government-wide statements, only in more detail.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
MANAGEMENT'S DISCUSSION AND ANALYSIS**

- *Fiduciary Funds* – The District is the trustee, or *fiduciary*, for assets that belong to others, such as the scholarship funds, the flexible benefit plan, and other postemployment benefits. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the District's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the government-wide financial and governmental fund statements because the District cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Assets

The District's *combined* net assets were \$110.5 million on June 30, 2010. This was a change of 8.28% from the prior year (see Table A-1).

**Table A-1
The District's Net Assets**

	Governmental Activities as of June 30,		Percentage Change
	2010	2009	
Current and Other Assets	\$ 131,780,189	\$ 105,930,910	24.40 %
Capital and Non-Current Assets	256,654,314	264,390,516	(2.93)
Total Assets	388,434,503	370,321,426	4.89
Current Liabilities	73,564,633	75,455,081	(2.51)
Long-Term Liabilities	204,340,008	192,790,082	5.99
Total Liabilities	277,904,641	268,245,163	3.60
Net Assets:			
Invested in Capital Assets			
Net of Related Debt	92,743,347	88,847,464	4.38
Restricted	9,271,428	4,291,767	116.03
Unrestricted	8,515,087	8,937,032	(4.72)
Total Net Assets	\$ 110,529,862	\$ 102,076,263	8.28

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Changes in Net Assets

In Table A-2, Change in Net Assets, operations are reported on a governmental-wide basis with no reference to funds.

**Table A-2
Change in Net Assets**

	Governmental Activities for the Fiscal Year Ended June 30,		Total % Change
	2010	2009	
Revenues			
<u>Program Revenues</u>			
Charges for Services	\$ 9,270,911	\$ 10,081,158	(8.04)%
Operating Grants and Contributions	31,893,287	25,307,867	26.02
Capital Grants and Contributions	3,052,837	3,160,964	(3.42)
<u>General Revenues</u>			
Property Taxes	52,767,569	43,182,319	22.20
Unrestricted State Aid	73,066,799	84,335,696	(13.36)
Investment Earnings	278,822	2,861,886	(90.26)
Other	3,087,196	5,425,585	(43.10)
Total Revenues	<u>173,417,421</u>	<u>174,355,475</u>	(0.54)
Expenses			
Administration	3,265,762	3,818,527	(14.48)
District Support Services	4,244,896	4,849,295	(12.46)
Regular Instruction	63,422,893	58,102,087	9.16
Vocational Education Instruction	3,268,132	3,653,486	(10.55)
Special Education Instruction	22,070,152	21,793,129	1.27
Instructional Support Services	6,887,487	5,480,770	25.67
Pupil Support Services	12,385,012	14,836,979	(16.53)
Sites and Buildings	26,617,949	25,418,110	4.72
Fiscal and Other Fixed Cost Programs	474,219	460,215	3.04
Food Service	5,940,503	5,778,326	2.81
Community Service	7,788,768	8,128,907	(4.18)
Interest and Fiscal Charges on Long-Term Liabilities	8,598,049	10,889,988	(21.05)
Total Expenses	<u>164,963,822</u>	<u>163,209,819</u>	1.07
Increase in Net Assets			
Beginning Net Assets	102,076,263	90,930,607	
Ending Net Assets	<u>\$ 110,529,862</u>	<u>\$ 102,076,263</u>	

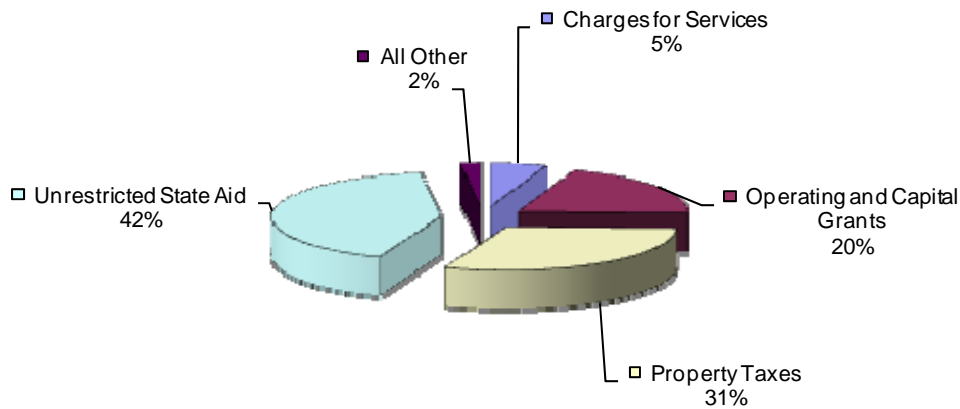
Total revenues were \$173.4 million while total expenses were \$164.9 million, increasing net assets by \$8.5 million.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
MANAGEMENT'S DISCUSSION AND ANALYSIS**

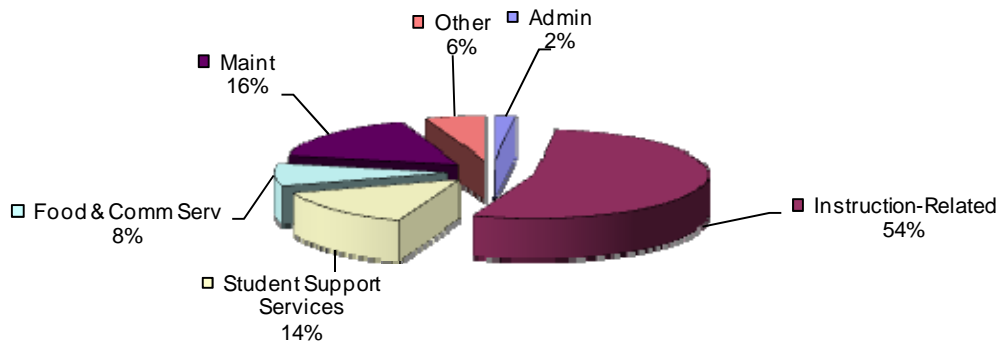
The cost of all *governmental* activities this year was \$164.9 million.

- Some of the cost was paid by the users of the District's programs (Table A-2, Charges for Services, \$9.3 million). The majority of this category, \$6.3 million, comes from food service meal sales and community education class tuition.
- The federal and state governments subsidized certain programs with grants and contributions (Table A-2, Operating and Capital Grants and Contributions, \$34.9 million).
- Most of the District's costs, \$129.2 million, were paid for with local property taxes, unrestricted state aid, investment earnings, and other general revenues.
- Governmental activities were paid for with \$52.8 million in property taxes, \$73.1 million of unrestricted state aid, and with investment earnings and other general revenues.

**Figure A-1
Sources of District's Revenues for Fiscal 2010**



**Figure A-2
District Expenses for Fiscal 2010**



**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
MANAGEMENT'S DISCUSSION AND ANALYSIS**

All governmental activities include not only funds received for the general operation of the district but also include resources from the entrepreneurial-type funds of Food Service and Community Education. Funding for the general operation of the District is controlled by the state and the District does not have the latitude to allocate money received in Food Service or Community Education or for fiscal services to enhance general operation resources. The District cannot take funds from these restricted areas and use the funds to enhance instruction-related programs.

**Table A-3
Program Expenses and Net Cost of Services**

	Total Cost of Services		Percentage Change	Net Cost of Services		Percentage Change
	2010	2009		2010	2009	
Administration	\$ 3,265,762	\$ 3,818,527	(14.48)%	\$ 3,264,693	\$ 3,818,527	(14.50)%
District Support Services	4,244,896	4,849,295	(12.46)	4,239,760	4,846,016	(12.51)
Regular Instruction	63,422,893	58,102,087	9.16	49,496,435	52,985,887	(6.59)
Vocational Education Instruction	3,268,132	3,653,486	(10.55)	2,900,154	3,253,712	(10.87)
Special Education Instruction	22,070,152	21,793,129	1.27	9,863,944	9,718,768	1.49
Instructional Support Services	6,887,487	5,480,770	25.67	6,322,695	5,351,182	18.16
Pupil Support Services	12,385,012	14,836,979	(16.53)	11,555,222	12,291,955	(5.99)
Sites and Buildings	26,617,949	25,418,110	4.72	21,863,202	18,856,518	15.95
Fiscal and Other Fixed Cost Programs	474,219	460,215	3.04	474,219	460,215	3.04
Food Service	5,940,503	5,778,326	2.81	(58,433)	(184,386)	(68.31)
Community Service	7,788,768	8,128,907	(4.18)	2,226,847	2,371,448	(6.10)
Interest and Fiscal Charges on Long-Term Liabilities	8,598,049	10,889,988	(21.05)	8,598,049	10,889,988	(21.05)
Total	<u>\$ 164,963,822</u>	<u>\$ 163,209,819</u>	1.07	<u>\$ 120,746,787</u>	<u>\$ 124,659,830</u>	(3.14)

Total cost of services was \$164.9 million, an increase of \$1.7 million but after applying program specific revenue, the net cost was \$120.7 million or a decrease of \$4 million from the prior year.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a *combined* fund balance of \$64.5 million.

Revenues for the District's governmental funds were \$172.9 million while total expenditures were \$168.9 million. Based on these results, fund balance increased \$4.1 million before other financing sources and uses. Other financing sources (uses) caused an increase in fund balance of \$23.1 million (largely due to a bond refunding). The result is a total increase in fund balance of \$27.2 million.

GENERAL FUND

The General Fund includes the primary operations of the District in providing educational services to students from kindergarten through grade 12 including pupil transportation activities and capital outlay projects.

Approximately 95.3% of General Fund operational revenue is controlled by a complex set of state funding formulas resulting in the local school board having no meaningful authority to determine the level of resources. This includes special education state aid that is based upon a cost reimbursement model providing approximately 52% of salaries/wages. Other state formulas then determine what portion of the revenue will be provided by property taxes and what portion will come from state aid.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
MANAGEMENT'S DISCUSSION AND ANALYSIS**

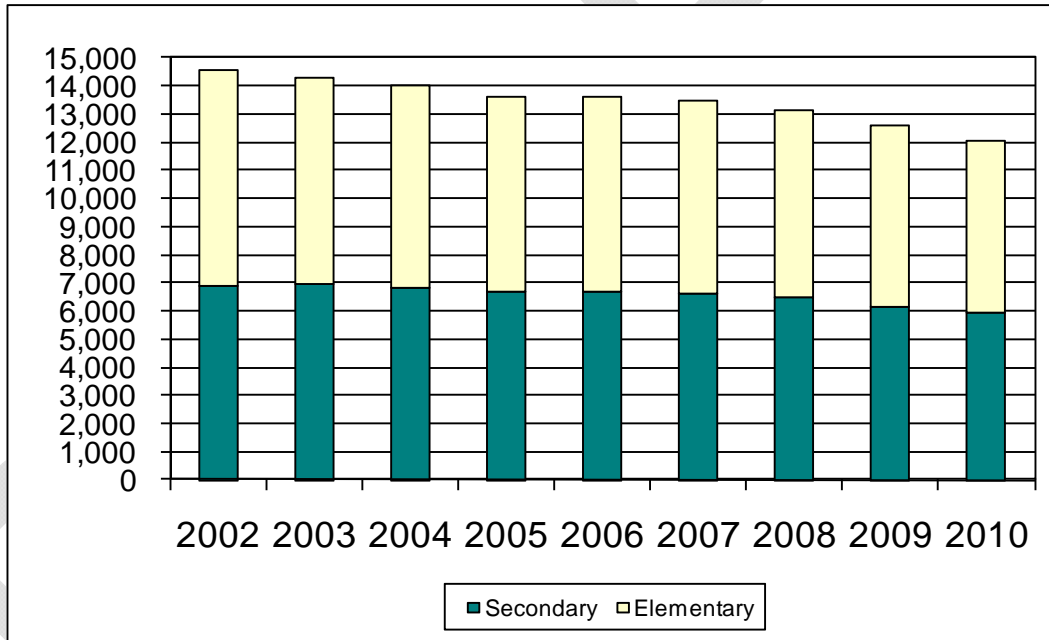
ENROLLMENT

Enrollment is a critical factor in determining revenue with approximately 70% of General Fund revenue being determined by enrollment. The following chart shows that the number of students decreased by 490 from 2009.

**Table A-4
Student Enrollment (Average Daily Membership)**

	2002	2003	2004	2005	2006	2007	2008	2009	2010
Pre-K and HCP-K	90.25	88.19	110.28	116.24	109.00	135.20	148.34	123.22	126.58
Reg K	1,080.09	1,028.56	1,020.12	846.19	840.24	877.71	823.48	809.78	803.18
Elementary	6,478.74	6,230.06	6,057.45	5,984.74	6,003.49	5,836.11	5,705.87	5,523.05	5,242.38
Secondary	6,895.04	6,931.93	6,854.68	6,660.91	6,678.18	6,624.96	6,462.06	6,113.00	5,907.24
Total Students for Aid	<u>14,544.12</u>	<u>14,278.74</u>	<u>14,042.53</u>	<u>13,608.08</u>	<u>13,630.91</u>	<u>13,473.98</u>	<u>13,139.75</u>	<u>12,569.05</u>	<u>12,079.38</u>
Percent Change	0.21%	-1.82%	-1.65%	-3.09%	0.17%	-1.15%	-2.48%	-4.34%	-3.90%

**Figure A-3
Student Enrollment (Average Daily Membership)**



Over the past several years, the District has experienced a decline in average daily membership after peaking at 14,544 students in 2001-02. The District's pre-school population provides approximately 810 kindergarten students per year as compared to approximately 980 students graduating annually.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The following schedule presents a summary of General Fund Revenues.

**Table A-5
General Fund Revenues**

Fund	Year Ended		Change	
	June 30, 2010	June 30, 2009	Increase (Decrease)	Percent
Local Sources:				
Property Taxes	\$ 30,324,738	\$ 21,737,121	\$ 8,587,617	39.5 %
Earnings on Investments	18,042	151,698	(133,656)	(88.1)
Other	5,569,169	6,029,570	(460,401)	(7.6)
State Sources	84,820,008	100,095,474	(15,275,466)	(15.3)
Federal Sources	15,917,134	5,826,420	10,090,714	173.2
Total General Fund Revenue	<u>\$ 136,649,091</u>	<u>\$ 133,840,283</u>	<u>\$ 2,808,808</u>	2.1

General Fund revenue decreased \$2.8 million or 2.1% from the previous year.

Property Taxes increased \$8.6 million. The majority of the increase was due to the increase in the referendum levy from approximately \$12.6 million in 2008 to \$21.9 million in 2009.

State Sources decreased \$15.3 million, with approximately \$8 million related to federal stimulus funding replacing state aid.

Federal Revenue is recorded in the year in which the related expenditure is made. Federal Sources increased by \$10 million due mainly to the federal stimulus funds.

General Fund Revenue is received in two major categories. In summary, the two categories are:

1. State Education Finance Appropriations
 - A. General Education Aid – The largest share of the education finance appropriation, general education aid, is intended to provide the basic financial support for the education program and is enrollment driven.
 - B. Categorical Aids – Categorical revenue formulas are used to meet costs of that program (i.e. special education) or promote certain types of programs (i.e., career and technical aid, adult basic education aid).
2. Property Tax Levies

The largest share of the levy is from voter-approved levies: the operating referendum which is also enrollment driven.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
MANAGEMENT'S DISCUSSION AND ANALYSIS**

The following schedule presents a summary of General Fund Expenditures.

**Table A-6
General Fund Expenditures**

	Year Ended		Amount of Increase (Decrease)	Percent Increase (Decrease)
	June 30, 2010	June 30, 2009		
Salaries	\$ 78,842,219	\$ 77,874,709	\$ 967,510	1.2 %
Employee Benefits	23,812,186	37,799,996	(13,987,810)	(37.0)
Purchased Services	18,729,403	20,897,729	(2,168,326)	(10.4)
Supplies and Materials	5,389,117	4,416,269	972,848	22.0
Capital Expenditures	5,839,510	3,720,524	2,118,986	57.0
Other Expenditures	850,729	1,600,960	(750,231)	(46.9)
Total Expenditures	<u>\$ 133,463,164</u>	<u>\$ 146,310,187</u>	<u>\$ (12,847,023)</u>	(8.8)

Total General Fund expenditures decreased \$12.8 million or 8.8% from the previous year.

In fiscal 2010, Salaries increased due to contract settlements. Accounting entries needed to record the District sale of Other Post Employment Benefits (OPEB) Bonds in 2008-09 is the reason for the increase in Employee Benefit costs from 2008-2009. In 2009-10 this entry was not necessary so benefit levels returned to a normal level.

Purchased Services and Supplies and Materials consist of expenditures for fees for service, postage, utilities, diesel and gasoline, property insurance, maintenance repairs, leases, travel, telephone, tuition, instructional supplies and textbooks. These categories decreased to meet budget reduction targets.

General Fund Budgetary Highlights

While the District anticipated that the net change in fund balance would be a reduction of \$(.4) million, total fund balance improved by \$3.9 million resulting in a fund balance of \$15.5 million at June 30, 2010.

Actual revenues were \$3.7 million less than budgeted primarily due to state revenues. There was less than expected Federal Aid. The actual expenditures were \$7.7 million less than budgeted. There was decreased spending in salaries, benefits, purchased services, supplies/utilities and capital expenditures due to expenditure reductions.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
MANAGEMENT'S DISCUSSION AND ANALYSIS**

DEBT SERVICE FUNDS

The Regular Debt Service Fund had a deficiency of revenues under expenditures of \$.2 million. In addition, there was a planned bond refunding in the amount of \$22 million.

OTHER MAJOR FUNDS

Revenues and other financing sources exceeded expenditures in the Food Service Fund by \$106,929 resulting in a fund balance of \$1.4 million at June 30, 2010. Expenditures exceeded revenues and other financing sources by \$27,152 in the Community Education Fund resulting in an ending fund balance of \$1.5 million. The revenues and other financing sources exceeded expenditures by \$1.66 million in the Capital Projects Fund resulting in an ending fund balance of \$5.8 million.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

By the end of 2010, the District had invested nearly \$326 million in a broad range of capital assets, including school buildings, athletic facilities, computer and audio-visual equipment, and administrative offices (see Table A-7). (More detailed information about capital assets can be found in Note 4 to the financial statements.) Total depreciation expense for the year was \$10.6 million.

**Table A-7
The District's Capital Assets**

	2010	2009	Percentage Change
Land	\$ 1,403,701	\$ 1,409,677	(0.4)%
Construction in Progress	20,414,271	29,072,432	(29.8)
Land Improvements	5,635,041	5,370,066	4.9
Buildings and Improvements	274,845,371	262,924,822	4.5
Equipment	23,699,295	23,206,775	2.1
Less: Accumulated Depreciation	<u>(86,838,948)</u>	<u>(76,596,431)</u>	13.4
Total	<u>\$ 239,158,731</u>	<u>\$ 245,387,341</u>	(2.5)

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Long-Term Liabilities

At year-end, the District had \$209.1 million in general obligation bonds and capital leases payable outstanding as shown in Note 5 to the financial statements. The District also had an estimated \$6.4 million in pension, post employment severance and compensated absences payable at June 30, 2010, an increase of \$.3 million since June 30, 2009.

**Table A-8
The District's Long-Term Liabilities**

	2010	2009	Percentage Change
General Obligation Bonds	\$ 207,440,000	\$ 195,245,000	6.25 %
Net Bond Premium and Discount	1,690,777	249,608	577.37
Obligations Under Capital Leases	1,698,975	2,078,305	(18.25)
Net Pension Obligation	823,234	487,087	69.01
Severance Benefits Payable	4,312,884	4,678,561	(7.82)
Compensated Absences Payable	1,343,519	1,381,057	(2.72)
Total	\$ 217,309,389	\$ 204,119,618	6.46
Long-Term Liabilities:			
Due within One Year	\$ 12,146,147	\$ 76,360,826	
Due in More than One Year	205,163,242	169,725,852	
	<u>\$ 217,309,389</u>	<u>\$ 246,086,678</u>	

FACTORS BEARING ON THE DISTRICT'S FUTURE

With the exception of the voter-approved operating referendum, the District is dependent on the State of Minnesota for most of its revenue authority. Recent experience demonstrates that legislated revenue increases have not been sufficient to meet instructional program needs and increased costs due to inflation.

The basic revenue formula allowance was increased to \$5,124 in fiscal 2009 from \$5,074. In November 4, 2008, District voters approved an increase in the operating referendum to \$1,480.

The District will strive to maintain its long-standing commitment to academic excellence and educational opportunity for students within a framework of financial fiduciary responsibility.

Bond Ratings

The District's bonds presently carry a Standard and Poors Long Term Rating of "AAA/Stable" and a School Issuer Credit Rating of "A+/Stable".

Limitations on Debt

The state limits the amount of general obligation debt the District can issue to 15% of the assessed value of all taxable property within the District's corporate limits. Our outstanding debt is significantly below this limit – which is currently \$1.4 billion.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
MANAGEMENT'S DISCUSSION AND ANALYSIS**

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the Finance Department, Independent School District 281, 4148 Winnetka Avenue North, New Hope, Minnesota 55427.

DRAFT

BASIC FINANCIAL STATEMENTS

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**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
STATEMENT OF NET ASSETS
JUNE 30, 2010
(WITH COMPARATIVE DATA AS OF JUNE 30, 2009)**

	Governmental Activities	
	2010	2009
ASSETS		
Cash and Investments	\$ 34,977,696	\$ 43,129,452
Cash and Investments Held by Trustee	37,164,976	15,254,043
Receivables:		
Property Taxes	28,343,000	28,416,282
Other Governments	27,829,860	14,420,356
Other	620,922	878,552
Prepaid Items	1,588,482	2,551,503
Inventories	350,294	402,255
Bond Issuance Costs, Net	904,959	878,467
Prefunded OPEB Obligation	17,495,583	19,003,175
Capital Assets:		
Land and Construction in Progress	21,817,972	30,482,109
Other Capital Assets, Net of Depreciation	217,340,759	214,905,232
Total Assets	388,434,503	370,321,426
LIABILITIES		
Salaries and Compensated Absences Payable	1,213,534	1,594,840
Accounts and Contracts Payable	4,505,574	4,876,289
Accrued Interest	3,492,927	3,234,801
Due to Other Governmental Units	781,997	2,578,195
Net Pension Benefits	823,234	487,087
Unearned Revenue:		
Property Taxes	49,111,257	49,785,713
Local Sources	1,489,963	2,055,707
Long-Term Liabilities:		
Portion Due Within One Year	12,146,147	10,842,449
Portion Due in More Than One Year	204,340,008	192,790,082
Total Liabilities	277,904,641	268,245,163
NET ASSETS		
Invested in Capital Assets, Net of Related Debt	92,743,347	88,847,464
Restricted for:		
General Fund Operating Capital Purposes	5,501,638	-
General Fund State-Mandated Reserves	889,913	1,170,160
Food Service	1,392,968	1,286,039
Community Service	1,486,909	1,459,757
Debt Service	-	375,811
Unrestricted	8,515,087	8,937,032
Total Net Assets	\$ 110,529,862	\$ 102,076,263

See accompanying Notes to the Basic Financial Statements.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2009)**

Functions	2010				Net (Expense)	2009
	Expenses	Program Revenues		Capital Grants and Contributions	Revenue and	Net (Expense)
		Charges for Services	Operating Grants and Contributions		Changes in	Revenue and
				Net Assets	Changes in	Net Assets
				Total	Total	
				Governmental	Governmental	
				Activities	Activities	
Governmental Activities						
Administration	\$ 3,265,762	\$ -	\$ -	\$ 1,069	\$ (3,264,693)	\$ (3,818,527)
District Support Services	4,244,896	4,937	-	199	(4,239,760)	(4,846,016)
Regular Instruction	63,422,893	1,716,661	11,415,756	794,041	(49,496,435)	(52,985,887)
Vocational Education Instruction	3,268,132	2,118	365,860	-	(2,900,154)	(3,253,712)
Special Education Instruction	22,070,152	7,748	12,198,460	-	(9,863,944)	(9,718,768)
Instructional Support Services	6,887,487	15,524	360,072	189,196	(6,322,695)	(5,351,182)
Pupil Support Services	12,385,012	63,333	766,457	-	(11,555,222)	(12,291,955)
Sites and Buildings	26,617,949	1,629,512	1,056,903	2,068,332	(21,863,202)	(18,856,518)
Fiscal and Other Fixed Cost Programs	474,219	-	-	-	(474,219)	(460,215)
Food Service	5,940,503	2,619,119	3,379,817	-	58,433	184,386
Community Service	7,788,768	3,211,959	2,349,962	-	(2,226,847)	(2,371,448)
Interest and Fiscal Charges on Long-Term Liabilities	8,598,049	-	-	-	(8,598,049)	(10,889,988)
Total School District	<u>\$ 164,963,822</u>	<u>\$ 9,270,911</u>	<u>\$ 31,893,287</u>	<u>\$ 3,052,837</u>	(120,746,787)	(124,659,830)
General Revenues						
Property Taxes Levied for:						
General Purposes					33,967,511	25,682,507
Community Service					1,742,840	1,644,391
Debt Service					17,057,218	15,855,421
State Aid Not Restricted to Specific Purposes					73,066,799	84,335,696
Earnings on Investments					278,822	2,861,886
Gain on Sale of Capital Assets					-	2,456,890
Miscellaneous					3,087,196	2,968,695
Total General Revenues					<u>129,200,386</u>	<u>135,805,486</u>
Change in Net Assets					8,453,599	11,145,656
Net Assets - Beginning					<u>102,076,263</u>	<u>90,930,607</u>
Net Assets - Ending					<u>\$ 110,529,862</u>	<u>\$ 102,076,263</u>

See accompanying Notes to the Basic Financial Statements.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2010
(WITH COMPARATIVE DATA AS OF JUNE 30, 2009)**

	Major Funds					Total Governmental Funds	
	General	Food Service	Community Service	Capital Projects	Debt Service	2010	2009
ASSETS							
Cash and Investments	\$ 5,331,414	\$ 1,327,545	\$ 1,851,840	\$ 6,120,052	\$ 11,186,109	\$ 25,816,960	\$ 35,960,078
Cash and Investments Held by Trustee	-	-	-	-	37,164,976	37,164,976	15,254,043
Receivables:							
Current Property Taxes	17,579,656	-	850,853	-	8,831,628	27,262,137	27,343,598
Delinquent Property Taxes	717,681	-	34,123	-	329,059	1,080,863	1,072,684
Due from Other Minnesota School Districts	805,177	30,724	348	-	-	836,249	831,397
Due from Minnesota Department of Education	20,605,657	9,508	580,558	243,000	174,775	21,613,498	10,180,442
Due from Federal through Minnesota Department of Education	4,539,938	118,395	130,215	-	-	4,788,548	2,932,971
Due from Federal Government Received Directly	5,376	-	-	-	-	5,376	7,512
Due from Other Governmental Units	480,704	1,083	55,402	49,000	-	586,189	468,034
Other Receivables	128,027	8,502	15,510	4,641	464,242	620,922	877,840
Prepaid Items	1,567,530	8,328	12,624	-	-	1,588,482	2,551,503
Inventory	313,448	36,846	-	-	-	350,294	402,255
Total Assets	\$ 52,074,608	\$ 1,540,931	\$ 3,531,473	\$ 6,416,693	\$ 58,150,789	\$ 121,714,494	\$ 97,882,357
LIABILITIES AND FUND BALANCE							
Liabilities:							
Salaries and Compensated Absences Payable	\$ 557,604	\$ 22,414	\$ 141,033	\$ -	\$ -	\$ 721,051	\$ 1,220,087
Payroll Deductions and Employer Contributions Payable	439,711	16,720	35,250	802	-	492,483	374,753
Accounts and Contracts Payable	3,029,296	25,266	51,489	587,478	3,575	3,697,104	3,884,715
Due to Other Governmental Units	780,154	-	1,170	673	-	781,997	2,578,195
Deferred Revenue:							
Property Taxes Levied for Subsequent Year	30,594,517	-	1,627,141	-	16,889,599	49,111,257	49,785,713
Delinquent Property Taxes	496,356	-	24,341	-	232,548	753,245	794,300
Local Sources	691,615	83,563	164,140	-	-	939,318	1,200,528
Total Liabilities	36,589,253	147,963	2,044,564	588,953	17,125,722	56,496,455	59,838,291
Fund Balance:							
Reserved for:							
Staff Development	-	-	-	-	-	-	168,572
Alternative Facility Program	-	-	-	5,827,740	-	5,827,740	4,166,877
Severance Benefits	-	-	-	-	-	-	568,816
Health and Safety	889,913	-	-	-	-	889,913	1,001,588
Operating Capital	5,501,638	-	-	-	-	5,501,638	5,519,473
Prepaid Items	1,567,530	8,328	-	-	-	1,575,858	2,534,736
Community Education Programs	-	-	987,046	-	-	987,046	1,055,412
Early Childhood and Family Education Programs	-	-	260,860	-	-	260,860	210,140
School Readiness	-	-	33,764	-	-	33,764	39,131
Adult Basic Education	-	-	189,939	-	-	189,939	118,338
Bond Refundings	-	-	-	-	37,616,669	37,616,669	15,922,692
Unreserved:							
Designated for:							
Separation/Retirement Benefits	413,497	-	15,300	-	-	428,797	-
Undesignated, Reported In:							
General Fund	7,112,777	-	-	-	-	7,112,777	1,858,440
Debt Service Fund	-	-	-	-	3,408,398	3,408,398	3,610,612
Special Revenue Funds	-	1,384,640	-	-	-	1,384,640	1,269,239
Total Fund Balance	15,485,355	1,392,968	1,486,909	5,827,740	41,025,067	65,218,039	38,044,066
Total Liabilities and Fund Balance	\$ 52,074,608	\$ 1,540,931	\$ 3,531,473	\$ 6,416,693	\$ 58,150,789	\$ 121,714,494	\$ 97,882,357

See accompanying Notes to the Basic Financial Statements.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2010
(WITH COMPARATIVE DATA AS OF JUNE 30, 2009)**

	2010	2009
Total Fund Balance for Governmental Funds	\$ 65,218,039	38,044,066
Total net assets reported for governmental activities in the statement of net assets is different because:		
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land	1,403,701	1,409,677
Construction in Progress	20,414,271	29,072,432
Land Improvements, Net of Accumulated Depreciation	1,410,519	1,239,307
Buildings and Improvements, Net of Accumulated Depreciation	209,642,946	207,203,499
Equipment, Net of Accumulated Depreciation	6,287,294	6,462,426
Some of the District's property taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures and, therefore, are reported as deferred revenue in the funds.		
	753,245	794,300
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.		
	(3,492,927)	(3,234,801)
Bond issuance costs are reported as expenditures in the governmental funds.		
	904,959	878,467
Contribution of the District's OPEB bond proceeds to its irrevocable OPEB trust are recognized as expenditures at the fund level, while the assets of the trust, minus the OPEB liability recognized to date, are reflected as an assets in the Statement of Net Assets.		
	17,495,583	19,003,175
Net pension benefits obligations reported in the Statement of Net Assets do not require the use of current financial resources and are not reported as liabilities in the governmental funds until actually due.		
	(823,234)	(487,087)
Internal service funds are used by management to charge the costs of health and dental insurance services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. Internal service fund net assets at year-end are:		
	7,801,621	5,323,333
Long-term liabilities that pertain to governmental funds, including bonds payable, are not due and payable in the current period and, therefore, are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net assets. Balances at year-end are:		
Bonds Payable	(207,440,000)	(195,245,000)
Unamortized Premiums	(2,606,275)	(1,233,361)
Unamortized Discounts	915,498	983,753
Obligations Under Capital Leases	(1,698,975)	(2,078,305)
Severance Benefits Payable	(4,312,884)	(4,678,561)
Compensated Absences Payable	(1,343,519)	(1,381,057)
Total Net Assets of Governmental Activities	\$ 110,529,862	\$ 102,076,263

See accompanying Notes to the Basic Financial Statements.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2009)**

	Major Funds					Total Governmental Funds	
	General	Food Service	Community Service	Capital Projects	Debt Service	2010	2009
REVENUES							
Local Sources:							
Property Taxes	\$ 30,324,738	\$ -	\$ 1,555,933	\$ 5,700,000	\$ 15,227,953	\$ 52,808,624	\$ 43,548,585
Earnings on Investments	18,042	1,897	3,407	6,680	245,953	275,979	2,935,930
Other	5,569,169	2,619,119	3,687,604	2,670	-	11,878,562	12,908,890
State Sources	84,820,008	236,145	2,000,815	900,000	647,315	88,604,283	103,867,688
Federal Sources	15,917,134	3,143,672	347,834	-	-	19,408,640	8,936,839
Total Revenues	<u>136,649,091</u>	<u>6,000,833</u>	<u>7,595,593</u>	<u>6,609,350</u>	<u>16,121,221</u>	<u>172,976,088</u>	<u>172,197,932</u>
EXPENDITURES							
Current:							
Administration	4,120,538	-	-	-	-	4,120,538	6,436,322
District Support Services	3,564,904	-	-	-	-	3,564,904	4,879,355
Regular Instruction	60,910,733	-	-	-	-	60,910,733	63,476,168
Vocational Education Instruction	3,234,364	-	-	-	-	3,234,364	3,694,588
Special Education Instruction	21,607,328	-	-	-	-	21,607,328	23,907,159
Instructional Support Services	7,932,077	-	-	-	-	7,932,077	8,225,793
Pupil Support Services	11,838,514	-	-	-	-	11,838,514	15,745,348
Sites and Buildings	13,497,762	-	-	-	-	13,497,762	15,024,871
Fiscal and Other Fixed Cost Programs	474,219	-	-	-	-	474,219	460,215
Food Service	-	5,662,712	-	-	-	5,662,712	6,745,974
Community Service	-	-	7,523,301	-	-	7,523,301	10,062,161
Capital Outlay	5,839,510	208,514	82,645	4,948,487	-	11,079,156	18,249,448
Debt Service:							
Principal	349,245	30,085	-	-	8,595,000	8,974,330	8,104,211
Interest and Fiscal Charges	93,970	6,818	-	-	8,390,124	8,490,912	11,145,787
Total Expenditures	<u>133,463,164</u>	<u>5,908,129</u>	<u>7,605,946</u>	<u>4,948,487</u>	<u>16,985,124</u>	<u>168,910,850</u>	<u>196,157,400</u>
Excess of Revenues Over (Under) Expenditures	3,185,927	92,704	(10,353)	1,660,863	(863,903)	4,065,238	(23,959,468)
OTHER FINANCING SOURCES (USES)							
Sale of Equipment Proceeds	7,386	14,225	-	-	-	21,611	571
Sale of Real Property Proceeds	262,000	-	-	-	-	262,000	3,088,985
Insurance Recovery Proceeds	469,458	-	-	-	-	469,458	9,475
Bonds Proceeds	-	-	-	-	20,790,000	20,790,000	35,430,000
Bond Premium (Discount)	-	-	-	-	1,565,666	1,565,666	(247,226)
Payment to Refunded Bond Escrow Agent	-	-	-	-	-	-	(72,000,000)
Transfers In	-	-	37,505	-	-	37,505	36,745
Transfers Out	(37,505)	-	-	-	-	(37,505)	(36,745)
Total Other Financing Sources (Uses)	<u>701,339</u>	<u>14,225</u>	<u>37,505</u>	<u>-</u>	<u>22,355,666</u>	<u>23,108,735</u>	<u>(33,718,195)</u>
Net Change in Fund Balances	3,887,266	106,929	27,152	1,660,863	21,491,763	27,173,973	(57,677,663)
Fund Balances - Beginning	11,598,089	1,286,039	1,459,757	4,166,877	19,533,304	38,044,066	95,721,729
Fund Balances - Ending	<u>\$ 15,485,355</u>	<u>\$ 1,392,968</u>	<u>\$ 1,486,909</u>	<u>\$ 5,827,740</u>	<u>\$ 41,025,067</u>	<u>\$ 65,218,039</u>	<u>\$ 38,044,066</u>

See accompanying Notes to the Basic Financial Statements.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
RECONCILIATION OF THE STATEMENT OF
REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2009)**

	2010	2009
Net Change in Fund Balance-Total Governmental Funds	\$ 27,173,973	\$ (57,677,663)
 Amounts reported for governmental activities in the statement of activities are different because:		
 Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital Outlays	4,908,802	14,358,047
Gain (Loss) on Disposal of Capital Assets	(214,278)	2,456,890
Proceeds from Sales of Capital Assets	(283,611)	(3,089,556)
Depreciation Expense	(10,639,523)	(10,696,760)
 Contribution of the District's OPEB bond proceeds to its irrevocable OPEB trust are recognized as expenditures at the fund level, while the assets of the trust, minus the OPEB liability recognized to date, are reflected as an asset in the Statement of Net Assets.		
	(1,507,592)	18,728,813
 The governmental funds report debt proceeds as financing sources, while repayment of debt principal is reported as an expenditure. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities and repayment of principal reduces the liability. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Interest is recognized as an expenditure in the governmental funds when it is due. In the statement of activities, however, interest expense is recognized as it accrues, regardless of when it is due. The net effect of these differences in the treatment of general obligation bonds and related items is as follows:		
General Obligation Bond Proceeds	(20,790,000)	(35,430,000)
Payment to Refunded Bond Escrow Agent	-	72,000,000
Bond Premium	(1,565,666)	247,226
Bond Issuance Costs	89,881	933,423
Repayment of Capital Leases	379,330	649,211
Repayment of Bond Principal	8,595,000	7,455,000
Change in Accrued Interest Expense - General Obligation Bonds	(258,126)	1,306,483
Amortization of Bond Issuance Costs	(63,389)	(894,543)
Amortization of Bond Premium	192,752	97,363
Amortization of Bond Discount	(68,255)	(1,186,927)
 Delinquent property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.		
	(41,055)	(366,266)
 In the statement of activities, certain operating expenses - severance benefits and compensated absences - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).		
	67,068	(1,025,226)
 Internal service funds are used by the District to charge the costs of employee health and dental benefits to individual funds. The net revenue of the internal service funds is reported with governmental activities.		
	2,478,288	3,280,141
Change in Net Assets of Governmental Activities	\$ 8,453,599	\$ 11,145,656

See accompanying Notes to the Basic Financial Statements.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2009)**

	Budgeted Amounts		Actual Amounts	Over (Under) Final Budget
	Original	Final		
REVENUES				
Local Sources:				
Property Taxes	\$ 29,430,468	\$ 29,430,468	\$ 30,324,738	\$ 894,270
Earnings on Investments	37,500	37,500	18,042	(19,458)
Other	4,540,807	5,445,231	5,569,169	123,938
State Sources	96,999,375	88,653,180	84,820,008	(3,833,172)
Federal Sources	9,376,922	16,814,329	15,917,134	(897,195)
Total Revenues	<u>140,385,072</u>	<u>140,380,708</u>	<u>136,649,091</u>	<u>(3,731,617)</u>
EXPENDITURES				
Current:				
Administration	4,610,174	4,157,895	4,120,538	(37,357)
District Support Services	3,865,169	3,865,169	3,564,904	(300,265)
Elementary and Secondary Regular Instruction	66,913,190	65,093,208	60,910,733	(4,182,475)
Vocational Education Instruction	3,673,036	3,569,962	3,234,364	(335,598)
Special Education Instruction	22,632,486	23,180,983	21,607,328	(1,573,655)
Instructional Support Services	5,907,059	7,669,809	7,932,077	262,268
Pupil Support Services	12,024,001	12,349,759	11,838,514	(511,245)
Sites and Buildings	13,672,747	13,869,557	13,497,762	(371,795)
Fiscal and Other Fixed Cost Programs	462,767	462,767	474,219	11,452
Capital Outlay	5,312,172	6,471,882	5,839,510	(632,372)
Debt Service:				
Principal	349,245	349,245	349,245	-
Interest and Fiscal Charges	93,970	93,970	93,970	-
Total Expenditures	<u>139,516,016</u>	<u>141,134,206</u>	<u>133,463,164</u>	<u>(7,671,042)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	869,056	(753,498)	3,185,927	3,939,425
OTHER FINANCING SOURCES (USES)				
Sale of Equipment Proceeds	-	-	7,386	7,386
Sale of Real Property Proceeds	-	-	262,000	262,000
Insurance Recovery Proceeds	-	350,000	469,458	119,458
Transfers Out	(47,614)	(47,614)	(37,505)	10,109
Total Other Financing Sources (Uses)	<u>(47,614)</u>	<u>302,386</u>	<u>701,339</u>	<u>398,953</u>
Net Change in Fund Balance	<u>\$ 821,442</u>	<u>\$ (451,112)</u>	3,887,266	<u>\$ 4,338,378</u>
FUND BALANCE				
Beginning of Year			<u>11,598,089</u>	
End of Year			<u>\$ 15,485,355</u>	

See accompanying Notes to the Basic Financial Statements.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR FOOD SERVICE FUND
YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2009)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Over (Under) Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Local Sources:				
Earnings on Investments	\$ 5,000	\$ 5,000	\$ 1,897	\$ (3,103)
Other - Primarily Meal Sales	2,909,485	2,909,485	2,619,119	(290,366)
State Sources	241,860	241,860	236,145	(5,715)
Federal Sources	<u>2,836,884</u>	<u>2,858,589</u>	<u>3,143,672</u>	<u>285,083</u>
Total Revenues	5,993,229	6,014,934	6,000,833	(14,101)
EXPENDITURES				
Current:				
Food Service	6,179,114	6,179,114	5,662,712	(516,402)
Capital Outlay	221,903	206,705	208,514	1,809
Debt Service	<u>36,903</u>	<u>36,903</u>	<u>36,903</u>	<u>-</u>
Total Expenditures	<u>6,437,920</u>	<u>6,422,722</u>	<u>5,908,129</u>	<u>(514,593)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(444,691)	(407,788)	92,704	500,492
OTHER FINANCING SOURCES				
Sale of Equipment Proceeds	<u>5,000</u>	<u>5,000</u>	<u>14,225</u>	<u>9,225</u>
Net Change in Fund Balance	<u>\$ (439,691)</u>	<u>\$ (402,788)</u>	106,929	<u>\$ 509,717</u>
FUND BALANCE				
Beginning of Year			<u>1,286,039</u>	
End of Year			<u>\$ 1,392,968</u>	

See accompanying Notes to the Basic Financial Statements.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR COMMUNITY SERVICE FUND
YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2009)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Over (Under) Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Local Sources:				
Property Taxes	\$ 1,397,148	\$ 1,397,148	\$ 1,555,933	\$ 158,785
Earnings on Investments	20,000	20,000	3,407	(16,593)
Other - Primarily Tuition and Fees	3,717,401	3,725,669	3,687,604	(38,065)
State Sources	1,941,864	2,073,956	2,000,815	(73,141)
Federal Sources	308,180	349,882	347,834	(2,048)
Total Revenues	<u>7,384,593</u>	<u>7,566,655</u>	<u>7,595,593</u>	<u>28,938</u>
EXPENDITURES				
Current:				
Community Service	7,584,323	7,707,428	7,523,301	(184,127)
Capital Outlay	48,116	84,048	82,645	(1,403)
Total Expenditures	<u>7,632,439</u>	<u>7,791,476</u>	<u>7,605,946</u>	<u>(185,530)</u>
Deficiency of Revenues Under Expenditures	(247,846)	(224,821)	(10,353)	214,468
OTHER FINANCING SOURCES (USES)				
Transfer In	47,614	35,764	37,505	1,741
Net Change in Fund Balance	<u>\$ (200,232)</u>	<u>\$ (189,057)</u>	27,152	<u>\$ 216,209</u>
FUND BALANCE				
Beginning of Year			<u>1,459,757</u>	
End of Year			<u>\$ 1,486,909</u>	

See accompanying Notes to the Basic Financial Statements.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
JUNE 30, 2010
(WITH COMPARATIVE DATA AS OF JUNE 30, 2009)**

	Governmental Activities - Internal Service Funds	
	2010	2009
ASSETS		
Cash and Investments	\$ 9,160,736	\$ 7,169,374
Accounts Receivable	-	712
Total Assets	9,160,736	7,170,086
LIABILITIES		
Accounts Payable	808,470	991,574
Deferred Revenue	550,645	855,179
Total Liabilities	1,359,115	1,846,753
NET ASSETS		
Unrestricted	\$ 7,801,621	\$ 5,323,333

See accompanying Notes to the Basic Financial Statements.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN FUND BALANCE
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2009)**

	Governmental Activities - Internal Service Funds	
	<u>2010</u>	<u>2009</u>
OPERATING REVENUES		
Charges for Services	\$ 12,480,117	\$ 13,454,667
OPERATING EXPENSES		
Health Insurance Claim Payments	8,875,687	9,075,078
Dental Insurance Claim Payments	<u>1,139,072</u>	<u>1,156,892</u>
Total Operating Expenses	<u>10,014,759</u>	<u>10,231,970</u>
Operating Income	2,465,358	3,222,697
NONOPERATING INCOME		
Earnings on Investments	<u>12,930</u>	<u>57,444</u>
Change in Net Assets	2,478,288	3,280,141
Total Net Assets - Beginning	<u>5,323,333</u>	<u>2,043,192</u>
Total Net Assets - Ending	<u>\$ 7,801,621</u>	<u>\$ 5,323,333</u>

See accompanying Notes to the Basic Financial Statements.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2009)**

	Governmental Activities - Internal Service Funds	
	<u>2010</u>	<u>2009</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Interfund Services Provided	\$ 12,175,583	\$ 13,823,999
Payments for Medical Fees and Insurance Claims	(10,197,863)	(10,155,095)
Net Cash Provided by Operating Activities	<u>1,977,720</u>	<u>3,668,904</u>
 CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	<u>13,642</u>	<u>59,563</u>
 Net Increase in Cash and Cash Equivalents	1,991,362	3,728,467
 Cash and Cash Equivalents - Beginning	<u>7,169,374</u>	<u>3,440,907</u>
 Cash and Cash Equivalents - Ending	<u>\$ 9,160,736</u>	<u>\$ 7,169,374</u>
 Displayed on Statements of Fund Net Assets as:		
Cash and Investments	<u>\$ 9,160,736</u>	<u>\$ 7,169,374</u>
 RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Income	\$ 2,465,358	\$ 3,222,697
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Increase (Decrease) in Accounts Payable	(183,104)	76,875
Increase (Decrease) in Deferred Revenue	<u>(304,534)</u>	<u>369,332</u>
Total Adjustments	<u>(487,638)</u>	<u>446,207</u>
Net Cash Provided by Operating Activities	<u>\$ 1,977,720</u>	<u>\$ 3,668,904</u>

See accompanying Notes to the Basic Financial Statements.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2010**

	Private- Purpose Trust	Employee Benefit Trust	Other Postemployment Benefits Trust
ASSETS			
Cash and Investments	\$ 275,917	\$ 324,973	\$ 18,867,885
Interest Receivable	1,286	-	-
Total Assets	<u>277,203</u>	<u>324,973</u>	<u>18,867,885</u>
LIABILITIES			
Due to Plan Participants	-	-	194,079
NET ASSETS			
Unreserved	<u>\$ 277,203</u>	<u>\$ 324,973</u>	<u>\$ 18,673,806</u>

**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
YEAR ENDED JUNE 30, 2010**

	Scholarship Private- Purpose Trust	Employee Benefit Trust	Other Postemployment Benefits Trust
ADDITIONS			
Gifts and Donations	15,293	1,059,336	-
Earnings on Investments	7,144	-	970,380
Total Additions	<u>22,437</u>	<u>1,059,336</u>	<u>970,380</u>
DEDUCTIONS			
Scholarships Awarded	34,550	-	-
Other Expenditures	2,127	-	-
Flexible Benefits	-	1,025,336	-
Retirement Benefits	-	-	678,525
Total Deductions	<u>36,677</u>	<u>1,025,336</u>	<u>678,525</u>
Change in Net Assets	(14,240)	34,000	291,855
Net Assets - Beginning of Year	291,443	290,973	18,381,951
Net Assets - End of Year	<u>\$ 277,203</u>	<u>\$ 324,973</u>	<u>\$ 18,673,806</u>

See accompanying Notes to the Basic Financial Statements.

NOTES TO BASIC FINANCIAL STATEMENTS

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**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The financial statements of Independent School District No. 281 have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

B. Financial Reporting Entity

Independent School District No. 281, Robbinsdale Area Schools (the District) was formed and operates pursuant to applicable Minnesota laws and statutes. The District, located in Hennepin County, serves pre-kindergarten through Grade 12 students in all parts of the Cities of Brooklyn Center, Brooklyn Park, Crystal, Golden Valley, New Hope, Plymouth, and Robbinsdale. The district is governed by a seven-member School Board elected by the voters of the District to serve four-year terms.

U.S. Generally Accepted Accounting Principles (GAAP) require that the District's financial statements include all funds, departments, agencies, boards, commissions, and other organizations which are not legally separated from the District. In addition, the District's financial statements are to include all component units - entities for which the District is financially accountable.

Financial accountability includes such aspects as appointing a voting majority of the organization's governing body, significantly influencing the programs, projects, activities or level of services performed or provided by the organization or receiving specific financial benefits from, or imposing specific financial burden on, the organization. There are no other entities for which the District is financially accountable.

Student activities are determined primarily by student participants under the guidance of an adult and are generally conducted outside school hours. The School Board does have a fiduciary responsibility in establishing broad policies and ensuring that appropriate financial records are maintained for student activities. However, in accordance with Minnesota State Statutes, the District's School Board has not elected to control or exercise oversight responsibility with respect to the underlying student activities. Accordingly, the student activity accounts are not included in these financial statements.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basic Financial Statement Presentation

The Government-wide financial statements (i.e. the Statement of Net Assets and the Statement of Activities) display information about the reporting government as a whole. These statements include all the financial activities of the District, except for the fiduciary funds. The Fiduciary Funds are only reported in the statements of Fiduciary Net Assets at the fund financial statement level.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The District applies restricted resources first when an expense is incurred for purpose for which both restricted and unrestricted net assets are available. Depreciation expense that can be specifically identified by function is included in the direct expenses of each function. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities. Generally, the effect of material interfund activity has been removed from the Government-wide financial statements.

Separate fund financial statements are provided for governmental and fiduciary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. Fiduciary funds are presented in the fiduciary fund financial statements by type: pension (or other employee benefit) trust, private purpose trust, other postemployment benefits, and agency. Since, by definition, fiduciary fund assets are being held for the benefit of a third party and cannot be used for activities or obligations of the District, these funds are excluded from the Government-wide statements.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied is determined by its measurement focus and basis of accounting. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are generally recognized as revenues in the fiscal year for which they are levied, except for amounts advance recognized in accordance with a statutory "tax shift" described later in these notes. Grants and similar items are recognized when all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis of accounting transactions are recorded in the following manner:

1. Revenue Recognition

Revenue is recognized when it becomes measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Property tax revenue is generally considered as available if collected within 60 days after year-end. State revenue is recognized in the year to which it applies according to Minnesota statutes and U.S. generally accepted accounting principles. Minnesota statutes include state aid funding formulas for specific fiscal years. Federal revenue is recorded in the year in which the related expenditure is made. Food service sales, community education tuition, and other miscellaneous revenue (except investment earnings) are recorded as revenues when received because they are generally not measurable until then. Investment earnings are recorded when earned because they are measurable and available. A six-month availability period is generally used for other fund revenue.

2. Recording of Expenditures

Expenditures are generally recorded when a liability is incurred. However, expenditures are recorded as prepaid for approved disbursements or liabilities incurred in advance of the year in which the item is to be used. Principal and interest on long-term debt issues are recognized on their due dates.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus and Basis of Accounting (Continued)

The District reports deferred revenue on its statement of net assets and balance sheet. Deferred revenues arise when a potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Deferred revenues also arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to incurring the qualifying expenditures. In subsequent periods when both revenue recognition criteria are met or when the District has a legal claim to the resources, the liability for deferred revenue is removed and revenue is recognized.

The Employee Benefit, Scholarship Private-Purpose, and Other Postemployment Benefits Trust Funds are reported using the economic resources measurement focus. All fiduciary funds use the accrual basis of accounting as described earlier in these notes.

Internal service funds are presented in proprietary fund financial statements. Proprietary fund financial statements are reported using the accrual basis of accounting and economic measurement focus. Because the principal users of the internal services are the District’s governmental activities, the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. The cost of these services is reported in the appropriate functional activity.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with proprietary fund’s principal ongoing operations. The principal operating revenue of the District’s internal service funds are charges to customers for service. Operating expenses for the internal service funds include the cost of services. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The District applies only those applicable pronouncements of the Financial Accounting Standards Board issued on or before November 30, 1989 in accounting and reporting for its proprietary operations.

Description of Funds

The existence of the various District funds has been established by the State of Minnesota, Department of Education. The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. A description of the funds included in this report are as follows:

Major Governmental Funds

General Fund

The General Fund is used to account for all financial resources except those required to be accounted for in another fund. It includes the general operations and pupil transportation activities of the District, as well as the capital related activities such as maintenance of facilities equipment purchases, health and safety projects, and disabled accessibility projects.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus and Basis of Accounting (Continued)

Food Service Special Revenue Fund

The Food Service Fund is used to account for food service revenues and expenditures.

Community Service Special Revenue Fund

The Community Service Fund is used to account for services provided to residents in the areas of recreation, civic activities, nonpublic pupils, veterans, adult or early childhood programs, K-6 extended day programs or other similar services.

Capital Projects Fund

The Capital Projects Fund is used to account for financial resources used for the acquisition or construction of major capital facilities.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and payment of, general long-term obligation bond principal, interest, and related costs. The regular debt service account is used for all general obligation bond and energy conservation loan debt service except for refunding bond issues, for which a separate refunding bond trust account has been established.

Proprietary Funds

Internal Service Fund

Internal service funds account for the financing of goods or services provided by one department to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis. The District's internal service funds are used to account for dental insurance offered by the District to its employees as a self-insured plan, and health insurance offered by the District to its employees as a self-insured plan.

Fiduciary Funds

Trust Funds

The District maintains Private-Purpose, Employee Benefit, and Other Postemployment Benefits Trust Funds which are used to account for money held by the District in the capacity of trustee or custodian, where both the principal and interest can be spent.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Budgeting

Budgets presented in this report for comparison to actual amounts are presented in accordance with U.S. generally accepted accounting principles. Each June, the School Board adopts an annual budget for all governmental funds. The budget for each fund is prepared on the same basis of accounting as the financial statements. The approved budget is published in summary form in the District's legal newspaper. Reported budget amounts represent the amended budget as adopted by the School Board. Legal budgetary control is at the fund level. Budgeted expenditure appropriations lapse at year-end.

Procedurally, in establishing the budgetary data reflected in these financial statements, the Superintendent submits to the School Board prior to July 1, a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means to finance them. The budget is legally enacted by School Board action. Revisions to budgeted amounts must be approved by the School Board.

Total fund expenditures in excess of the budget require approval of the School Board. Spending control is established by the amount of expenditures budgeted for the fund, but management control is exercised at line item levels.

Budgeted amounts include mid-year budget amendments that increased revenue and expenditure budgets as follows:

<u>Revenues</u>	Original Budget	Amendments	Amended Budget
General Fund	\$ 140,385,072	\$ (4,364)	\$ 140,380,708
Special Revenue Funds:			
Food Service Fund	5,993,229	21,705	6,014,934
Community Service Fund	7,384,593	182,062	7,566,655
<u>Expenditures</u>			
General Fund	\$ 139,516,016	\$ 1,618,190	\$ 141,134,206
Special Revenue Funds:			
Food Service Fund	6,437,920	(15,198)	6,422,722
Community Service Fund	7,632,439	159,037	7,791,476

Budget provisions for the Debt Service Fund are set by state law governing required debt service levels.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Budgeting (Continued)

At the end of each fiscal year, if the General Fund has a net unreserved deficit fund balance, calculated in accordance with the uniform financial accounting and reporting standards for Minnesota school districts which excludes certain reserves specified in Minnesota statutes, exceeding 2.5% of expenditures, a condition referred to as "statutory operating debt" exists. That debt requires retirement through the accumulation of subsequent operating surpluses in accordance with a "special operating plan" approved by the Commissioner of the Department of Education.

F. Cash and Investments

Cash and investment balances from all funds are combined and invested to the extent available in various securities as authorized by Minnesota Statutes. Earnings from the pooled investments are allocated to the respective funds on the basis of applicable cash balance participation by each fund.

Cash and investments held by trustee include balances held in segregated accounts that are established for specific purposes. In the Debt Service Fund, the refunding bond escrow account held by trustee can be used only to retire refunded bond issues and to pay interest on refunding bond issues until the crossover refunding dates. Interest earned on these investments is allocated directly to the escrow account.

Investments are stated at their fair value as determined by quoted market prices, except for money market investments and participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less which are recorded at amortized cost, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer or by other factors. Money market investments are short-term, highly liquid debt instruments including commercial paper, banker's acceptances, and U.S. Treasury and agency obligations. Investments in external investment pools operated in a manner consistent with the SEC's Rule 2a7 of the Investment Act of 1940 are valued at the pool's share price.

G. Accounts Receivable

Represents amounts receivable from individuals, firms, and corporations for goods and services furnished by the District. No substantial losses are anticipated from present receivable balances, therefore, no allowance for uncollectible accounts is deemed necessary.

H. Inventories

Inventories are recorded using the consumption method of accounting and consist of purchased food, supplies, and surplus commodities received from the federal government. Food and supply purchases are recorded at invoice cost, computed on a first-in, first-out method, and surplus commodities are stated at standardized cost, as determined by the Department of Agriculture.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepayments. Prepaid items are reported using the consumption method and recorded as an expense or expenditure at the time of consumption. That portion of the relevant funds' balances equal to material prepaid items has been reserved.

J. Property Taxes

The majority of the District's revenue in the General Fund is determined by statutory funding formulas. The total revenue allowed by these funds is allocated between property taxes and state aids by the Legislature based on education funding priorities.

Property tax levies are established by the School Board in December each year and are certified to the County for collection the following calendar year. In Minnesota, counties act as collection agents for all property taxes and are responsible for spreading all levies over taxable property. Such taxes become a lien on January 1. Taxes are generally due on May 15 and October 15 and counties generally remit taxes to the Districts at periodic intervals as they are collected. A portion of property taxes levied is paid through state credits which are included in revenue from state sources in the financial statements.

Generally, tax revenue is recognized in the fiscal year ending June 30, following the calendar year in which the tax levy is collectible, while the current calendar year tax levy is recorded as deferred revenue (property taxes levied for subsequent year). The majority of District revenue in the General and Special Revenue Funds is determined annually by statutory funding formulas. The total revenue allowed by these formulas is then allocated between taxes and state aids by the Legislature based on education funding priorities. Changes in this allocation are periodically accompanied by a change in property tax revenue recognition referred to as the "tax shift."

In accordance with State law, the current tax shift consists of an amount equal to 31% of the District's 2000 Pay 2001 operating referendum levy (frozen at \$3,392,196) advance recognized as revenue in fiscal 2010 with no corresponding state aid adjustment. The tax shift also includes certain other levies that are recognized early based on statutory requirements.

Taxes that remain unpaid are classified as delinquent taxes receivable. Revenue from these delinquent property taxes that is not collected within 60 days of year-end is deferred because it is not known to be available to finance the operations of the District in the current year. No allowance for uncollectible taxes has been provided as such amounts are not expected to be material. Current levies of local taxes, less the amount recognized as revenue in the current period, including portions assumed by the State which will be recognized as revenue in the next fiscal year beginning July 1, 2010, are included in the Property Taxes Levied for Subsequent Year account to indicate that, while they are current assets, they will not be recognized as revenue until the following year.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Capital Assets

Capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$2,000 or more for capitalizing capital assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets are recorded in the Government-wide financial statement, but are not reported in the Fund financial statements. Capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purpose by the District, no salvage value is taken into consideration for depreciation purposes. Useful lives vary from 20 to 50 years for land improvements and buildings, and 5 to 15 years for equipment.

Capital assets not being depreciated include land and construction in process.

The District does not possess any material amounts of infrastructure capital assets. Items such as sidewalks and other land improvements are considered to be part of the cost of buildings or other improvable property.

L. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs, if material, are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

M. Accrued Employee Benefits

Vacation Pay

In the fund financial statements, vacations owed at the District's fiscal year-end are accrued and included in salaries and compensated absences payable as of June 30. Because teachers are not eligible for vacation pay and amounts accrued to other employees are forfeited if not taken by January 1 of the following year, no long-term portion of vacation liabilities are recorded in the financial statements.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Accrued Employee Benefits (Continued)

Compensated Absences

Eligible employees accrue vacation and sick leave at varying rates as specified by contract, portions of which may be carried over to future years. Employees are reimbursed for any unused, accrued vacation upon termination. Unused sick leave enters into the calculation of severance benefits for some employees upon termination. Compensated absences are accrued in the governmental fund statements only to the extent they have been used or otherwise matured prior to year-end. Unused vacation is accrued as it is earned in the government-wide financial statements.

Severance Benefits Payable

The District provides lump sum severance benefits to eligible employees in accordance with provisions in certain collectively bargained contracts. Members of certain of the District's groups may become eligible to receive lump sum severance pay benefits. Eligibility for these benefits is based on years of service and/or minimum age requirements. The amount of the severance or retirement benefit is calculated by converting a portion of unused accumulated sick leave. No individual can receive severance benefits in excess of one year's salary. Severance payables and the District's share of related benefits are recorded as a liability in the government-wide statements as it is earned and it becomes probable that it will vest at some point in the future. Severance pay is accrued in the governmental fund financial statements when the liability matures due to employee termination.

N. Risk Management and Self-Insurance

1. **General Insurance** – The District is exposed to various risk of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; workers' compensation and natural disasters. The District carries commercial insurance for such risks. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There were no significant reductions in the District's insurance coverage in fiscal 2010.
2. **Self-Insurance** – The District has established two internal service funds to account for and finance its uninsured risk of loss for respective employee dental and health insurance plans. Under these plans the internal service funds provide coverage to participating employees and their dependents for various dental and healthcare costs as described in the plans.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Risk Management and Self-Insurance (Continued)

The District makes premium payments to the internal service funds on behalf of program participants based on provisional rates determined by insurance company estimates of monthly claims paid for each coverage class, plus the stop-loss health insurance premium costs and administrative service charges.

District claim liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred, but not reported. Because actual claim liabilities depend on complex factors such as inflation, changes in legal doctrines, and damage awards, the process used in computing a claim liability does not result in an exact amount. Claim liabilities are evaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors.

Changes in the balance of dental claim liabilities for the last two years are as follows:

Fiscal Year Ended June 30,	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year-End
2009	\$ 64,088	\$ 1,156,892	\$ 1,154,476	\$ 66,504
2010	66,504	1,139,072	1,173,535	32,041

Changes in the balance of health insurance claim liabilities for the last two years are as follows:

Fiscal Year Ended June 30,	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year-End
2009	\$ 850,611	\$ 9,075,078	\$ 9,000,619	\$ 925,070
2010	925,070	8,875,687	9,024,328	776,429

O. Restricted Assets

Restricted assets are cash and cash equivalents and accrued interest thereon, whose use is limited by legal requirements such as a bond indenture. Restricted assets are reported only in the government-wide financial statements. In the fund financial statements these assets are reported as "cash and investments held by trustee" and the interest receivable is included within the accounts and interest receivable.

P. Statement of Cash Flows

For purpose of the Statement of Cash Flows, the District considers all highly liquid debt instruments with an original maturity for the time of purchase by the District of three months or less to be cash equivalents. The Proprietary Fund's equity in the government-wide cash and investment management pool is considered to be cash equivalent.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Net Assets

Net assets represent the difference between assets and liabilities in the Government-wide and Fiduciary Fund financial statements. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net assets are reported as restricted in the Government-wide financial statement when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

R. Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent amounts of revenues and expenditures during this reporting period. Actual results could differ from these estimates.

NOTE 2 STEWARDSHIP AND ACCOUNTABILITY

Excess of Expenditures Over Budget

Expenditures exceeded budgeted amounts in the following fund during the year ended June 30, 2010.

	<u>Budget</u>	<u>Expenditures</u>	<u>Excess</u>
Special Revenue Funds:			
Debt Service Fund	16,256,835	16,337,447	80,612

The overage was considered by District management to be the result of necessary expenditures critical to operations and were approved by the Board.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 3 DEPOSITS AND INVESTMENTS

A. Deposits

The District maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net assets and the balance sheet as "Cash and Investments." In accordance with Minnesota Statutes the District maintains deposits at financial institutions which are authorized by the School District's Board.

Custodial Credit Risk – Custodial credit risk for deposits is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. The School District does not have a deposit policy for custodial credit risk and follows Minnesota Statutes for deposits. Minnesota Statutes require that all deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by insurance or corporate surety bonds. Authorized collateral include: U.S. government treasury bills, notes, or bonds; issues of a U.S. government agency; general obligations of a state or local government rated "A" or better; revenue obligations of a state or local government rated "AA" or better; irrevocable standby letter of credit issued by a Federal Home Loan Bank; and time deposits insured by a federal agency. Minnesota Statutes require securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or at an account at a trust departments of a commercial bank or other financial institution not owned or controlled by the depository.

The District's deposit policies do not further limit depository choices.

The carrying value and bank balance of the District's deposits in banks at June 30, 2010, is \$34,857,785 and \$36,258,107, respectively, and were entirely covered by federal depository insurance or by surety bonds and collateral in accordance with Minnesota Statutes.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments

The District may also invest idle funds as authorized by Minnesota Statutes as follows:

- Direct obligations or obligations guaranteed by the United States or its agencies
- Shares of investment companies registered under the Federal Investment Company Act of 1940 and received the highest credit rating, is rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of thirteen months or less
- General obligations rated "A" or better; revenue obligations rated "AA" or better
- General obligations of the Minnesota Housing Finance Agency rate "A" or better
- Bankers acceptances of United States banks eligible for purchase by the Federal Reserve System
- Commercial paper issued by United States banks corporations or their Canadian subsidiaries, of highest quality category by a least two nationally recognized rating agencies, and maturing in 270 days or less
- Guaranteed investment contracts guaranteed by United States commercial banks or domestic branches of foreign banks or United States insurance companies if similar debt obligations of the issuer or the collateral pledged by the issuer is in the top two rating categories
- Repurchase or reverse purchase agreement and securities lending agreements financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers

At June 30, 2010, the District's investment balances were as follows:

State Board of Investments –

S.B.I Non Retirement Money Fund	\$ 9,342,810
S.B.I Internal Fixed Pool	9,525,074
	\$ 18,867,884

The District has funds invested in a variety of mutual funds with the State Board of Investments (S.B.I) at June 30, 2010. These investments are valued at fair market value. The average years to maturity for mutual funds are less than one year. The S.B.I. investments are unrated. The above investments are held within the other postemployment benefit trust. The funds are invested in accordance with the investment policy adopted by the District for the OPEB Trust.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

Investments Held with Broker –

Custodial Credit Risk – For an investment, custodial risk is the risk that, in the event of failure of the counterparty, the School District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The School District’s investment policy requires that brokers provide insurance to cover balances held in each investment account. As of June 30, 2010, the investment balances were fully covered by insurance for each brokerage firm.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District’s investment policy requires that all brokers used by the District must acknowledge in writing that investments purchased through the broker must comply with Minnesota state statutes governing the investment of public funds. As a means of limiting its exposure to fair value losses arising from rising interest rates, the District limits at least half of the District’s investment portfolio to maturities of less than 30 months. Also, the District requires purchases of securities to be laddered with staggered maturity dates. Information about the sensitivity of the fair values of the School District’s investments to market interest rate risk fluctuations is provided by the following table that shows the distribution of the School District’s investments by maturity:

Type	Total	6 Months or Less	7 to 12 Months	13 to 24 Months	25 to 60 Months
U.S. Treasuries	\$ 37,164,976	\$ 293,301	\$ 5,741,804	\$ 31,129,871	\$ -

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The following chart summarizes year-end ratings for the School District’s investments as rated by Moody’s Investors Service:

Type	Credit Quality Rating	Amount
Wells Fargo Advantage Government Money Market Fund	AAAm	\$ 720,802

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

Concentration of Credit Risk

This is the risk associated with investing a significant portion of the District's investments (considered 5% or more) in the securities of a single issuer, excluding U.S. guaranteed investments (such as treasuries), investment pools, and mutual funds. The District places no limit on the amount that the District may invest in any one issuer. At June 30, 2010, the District's investment portfolio did not have any specific issuers with more than a 5% concentration.

The deposits and investments are presented in the financial statements as follows:

Cash and Investments - Statement of Net Assets	\$ 34,977,696
Cash and Investments Held by Trustee - Statement of Net Assets	37,164,976
Cash and Investments - Statement of Fiduciary Net Assets	<u>19,468,775</u>
Total Cash and Investments	<u><u>\$ 91,611,447</u></u>

NOTE 4 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2010 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 1,409,677	\$ -	\$ (5,976)	\$ 1,403,701
Construction in Progress	29,072,432	1,381,700	(10,039,861)	20,414,271
Total Capital Assets, Not being Depreciated	30,482,109	1,381,700	(10,045,837)	21,817,972
Capital Assets, Being Depreciated:				
Land Improvements	5,370,066	264,975	-	5,635,041
Buildings and Improvements	262,924,822	12,412,379	(491,830)	274,845,371
Equipment	23,206,775	889,609	(397,089)	23,699,295
Total Capital Assets, Being Depreciated	291,501,663	13,566,963	(888,919)	304,179,707
Accumulated Depreciation for:				
Land Improvements	(4,130,759)	(93,763)	-	(4,224,522)
Buildings and Improvements	(55,721,323)	(9,481,102)	-	(65,202,425)
Equipment	(16,744,349)	(1,064,658)	397,006	(17,412,001)
Total Accumulated Depreciation	(76,596,431)	(10,639,523)	397,006	(86,838,948)
Total Capital Assets, Being Depreciated, Net	214,905,232	2,927,440	(491,913)	217,340,759
Governmental Activities Capital Assets, Net	<u>\$ 245,387,341</u>	<u>\$ 4,309,140</u>	<u>\$ (10,537,750)</u>	<u>\$ 239,158,731</u>

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 4 CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions of the District as follows:

Governmental Activities

Administration	\$ 4,631
District Support Services	139,006
Regular Instruction	130,291
Vocational Education Instruction	216
Special Education Instruction	1,899
Instructional Support Services	6,317
Pupil Support Services	402,696
Sites and Buildings	9,877,245
Food Service	72,248
Community Service	4,974
	<u> </u>
Total Depreciation Expense, Governmental Activities	<u><u>\$ 10,639,523</u></u>

NOTE 5 LONG-TERM LIABILITIES

A. Components of General Long-Term Debt

Issue Date	Net Interest Rate	Original Issue	Final Maturity	Principal Outstanding	
				Due Within One Year	Total
12-01-2002	3.000% - 5.000%	20,000,000	02-01-2024	\$ 835,000	\$ 15,575,000
08-01-2002	4.000% - 5.000%	28,625,000	02-01-2021	1,870,000	26,850,000
09-04-2003	2.500% - 4.750%	30,000,000	02-01-2024	1,250,000	23,650,000
11-03-2003	2.000% - 4.625%	11,315,000	02-01-2024	475,000	8,800,000
02-01-2005	3.000% - 4.505%	37,180,000	02-01-2022	2,390,000	34,845,000
02-01-2006	4.000% - 4.250%	14,125,000	02-01-2024	-	14,125,000
06-01-2006	4.000% - 4.375%	13,200,000	02-01-2027	490,000	11,840,000
12-27-2007	4.000%	6,530,000	02-01-2020	455,000	5,645,000
01-01-2008	4.000% - 4.375%	10,925,000	02-01-2028	405,000	10,535,000
08-01-2008	4.000% - 5.000%	9,285,000	02-01-2029	340,000	9,065,000
02-01-2009	4.200%	6,080,000	02-01-2020	480,000	5,655,000
08-01-2009	2.150% - 5.400%	20,065,000	02-01-2025	980,000	20,065,000
05-01-2010	3.000% - 5.000%	20,790,000	02-01-2024	-	20,790,000
Total General Obligation Bonds				<u>9,970,000</u>	<u>207,440,000</u>
Bond Premium - Net				N/A	2,606,275
Bond Discounts - Net				N/A	(915,498)
Capital Lease Payable				397,549	1,698,975
Net Pension Obligation				-	823,234
Severance Benefits Payable				435,079	4,312,884
Compensated Absences Payable				<u>1,343,519</u>	<u>1,343,519</u>
				<u>\$ 12,146,147</u>	<u>\$ 217,309,389</u>

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 5 LONG-TERM LIABILITIES (CONTINUED)

B. Minimum Debt Payments

Minimum annual principal and interest payments required to retire long-term debt, not including severance and health benefits payable are as follows:

Year Ending June 30,	General Obligation Bonds Payable		Capital Leases Payable	
	Principal	Interest	Principal	Interest
2011	\$ 9,970,000	\$ 8,716,611	\$ 397,549	\$ 82,569
2012	45,330,000	8,586,766	416,645	63,473
2013	10,790,000	6,569,546	190,255	43,458
2014	11,190,000	6,179,101	199,455	34,258
2015	11,700,000	5,746,413	172,199	24,611
2016 - 2020	66,465,000	21,343,571	322,872	23,067
2021 - 2024	45,200,000	6,668,580	-	-
2025 - 2030	6,795,000	771,925	-	-
Total	\$ 207,440,000	\$ 64,582,513	\$ 1,698,975	\$ 271,436

C. Description of Long-Term Debt

General Obligation School Building Bonds

These bonds were issued to finance acquisitions and/or construction of capital facilities. Assets of the Debt Service Fund, together with scheduled future ad valorem tax levies, are dedicated to the retirement of these bonds. Total deferred tax levies available to retire bond principal and interest payable at June 30, 2010 are \$284,534,858. These levies are subject to reduction if fund balances exceed limitations imposed by Minnesota law.

On August 1, 2002, the District issued \$28,625,000 of general obligation refunding bonds to refund, in advance of their stated maturities, the 2009 through 2021 maturities of the District's General Obligation School Building Bonds of 2000 totaling \$28,740,000. The proceeds of the 2002 issue were placed in an escrow account until the February 1, 2009 call date. After the refunding, the District will assume the principal and interest payments of the 2002 issue. This crossover refunding reduced the District's total future debt service payments by \$1,626,630 and resulted in a present value savings of \$965,568.

On February 1, 2005, the District issued \$37,180,000 General Obligation Refunding Bonds to refund, in advance of their stated maturities, the 2010 through 2022 maturities of the District's General Obligation School Building Bonds of 2001 totaling \$37,160,000. The proceeds of the 2005 issue have been placed in an escrow account until the call date of February 1, 2009. After the refunding, the District will assume the principal and interest payments of the 2005 issue. This crossover refunding reduced the District's total future debt service payments by \$2,789,625 and resulted in a present value savings of \$1,875,975.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 5 LONG-TERM LIABILITIES (CONTINUED)

C. Description of Long-Term Debt (Continued)

General Obligation School Building Bonds (Continued)

On February 1, 2006, the District issued \$14,125,000 General Obligation Refunding Bonds to refund, in advance of their stated maturities, the 2013 through 2024 maturities of the District's General Obligation School Building Bonds of 2002 totaling \$13,875,000. The proceeds of the 2006 issue have been placed in an escrow account pending the February 1, 2012 call date of the refunding issue. Until the call date, the District will continue to make all debt service payments on the 2002 issue. After the refunding, the District will assume the principal and interest payments on the 2006 issue. This crossover refunding reduced the District's total future debt service payments by \$616,738 and resulted in a present value savings of \$378,695.

In December 2007, the District issued \$6,530,000 of General Obligation Refunding Bonds. The proceeds of this issue were used to refund, in advance of their stated maturities, the 2009 through 2020 maturities of the District's 1999 General Obligation Refunding Bonds totaling \$6,600,000 in their February 1, 2008 call date. This refunding reduced the District's total future debt services payments by \$321,625 and resulted in a present value savings to the District of approximately \$257,143.

In December 2008, the District issued \$6,080,000 of General Obligation Refunding Bonds. The proceeds of this issue were used to refund, in advance of their stated maturities, the 2009 through 2020 maturities of the District's 1998 General Obligation School Building Bonds totaling \$6,100,000 in their February 1, 2009 call date. This refunding reduced the District's total future debt services payments by \$90,370 and resulted in a present value savings to the District of approximately \$78,830.

In May 2010, the District issued \$20,790,000 of General Obligation School Building Refunding Bonds. The proceeds of this issue were used to refund, in advance of their stated maturities, the 2012 through 2024 maturities of the District's 2003 General Obligation School Building Bonds totaling \$21,100,000 in their February 1, 2012 call date. This refunding reduced the District's total future debt services payments by \$923,403 and resulted in a present value savings to the District of approximately \$716,598.

D. Capital Leases

The District has entered into several capital lease agreements for equipment and additional space. The leases, with interest rates ranging from 3.26 to 6.15 percent, call for periodic principal and interest payments through January 15, 2017. At the end of each lease term, the District has the option to purchase the assets for \$1. The leased assets have been capitalized in equipment at a cost of \$4,112,216 (the present value of future minimum lease payments as of the inception dates of the leases). The leases are being paid through the General Fund and the Food Service Special Revenue Fund.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 5 LONG-TERM LIABILITIES (CONTINUED)

E. Changes in Long-Term Debt

	June 30, 2009	Additions	Retirements	June 30, 2010	Due Within One Year
Bonds Payable	\$ 195,245,000	\$ 20,790,000	\$ 8,595,000	\$207,440,000	\$ 9,970,000
Bond Premium	1,233,361	1,565,666	192,752	2,606,275	-
Bond Discounts	(983,753)	-	(68,255)	(915,498)	-
Lease Purchase Obligations	2,078,305	-	379,330	1,698,975	397,549
Net Pension Obligation	487,087	362,875	26,728	823,234	-
Severance Benefits Payable	4,678,561	-	365,677	4,312,884	435,079
Compensated Absences Payable - Net	1,381,057	1,343,520	1,381,058	1,343,519	1,343,519
	<u>\$ 204,119,618</u>	<u>\$ 24,062,061</u>	<u>\$ 10,872,290</u>	<u>\$217,309,389</u>	<u>\$ 12,146,147</u>

NOTE 6 RESERVED FUND BALANCES

Certain portions of fund balance are reserved based on state requirements to track special program funding, to provide for funding on certain long-term liabilities, or as required by other outside parties. Any such "reserves" which have an accumulated deficit rather than a positive balance at June 30 are included in unreserved fund balance in the District's financial statements in accordance with accounting principles generally accepted in the United States of America. However, a description of these "deficit balance reserves" is included herein since the District has specific statutory authority to levy taxes for such deficits.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 6 RESERVED FUND BALANCES (CONTINUED)

Reserved and unreserved designated fund balances at June 30, 2010 are as follows:

	Reserved	Unreserved/ Designated
General Fund:		
Reserved for Health and Safety	\$ 889,913	\$ -
Reserved for Operating Capital	5,501,638	-
Reserved for Prepaid Items	1,567,530	-
Designated for Separation/Retirement Benefits	-	413,497
Total General Fund	7,959,081	413,497
Special Revenue Funds:		
Food Service Fund:		
Reserved for Prepaid Items	8,328	-
Community Service Fund:		
Reserved for School Readiness	33,764	-
Reserved for Adult Basic Education	189,939	-
Reserved for Community Education Programs	987,046	-
Reserved for Early Childhood and Family Education Programs	260,860	-
Designated for Separation/Retirement Benefits	-	15,300
Total Special Revenue Funds	1,479,937	15,300
Capital Projects - Building Construction Fund:		
Reserved for Alternative Facilities Program	5,827,740	-
Debt Service:		
Reserved for Bond Refunding	37,616,669	-
Total All Funds	\$ 52,883,427	\$ 428,797

A. Reserved for Health and Safety

Reserved for health and safety represents available resources to be used only to provide for the removal of hazardous substances and other state approved life/health safety projects. Under Minnesota Statutes, a deficit in this reserve generates specific future levy authority.

B. Reserved for Operating Capital

The District levies taxes and receives state aid to be used for the purchase of equipment, books and vehicles and to purchase, rent, improve and repair school facilities as allowed by state statute. The cumulative excess of such revenues over equipment and facilities expenditures is reported as a reservation of fund balance in the General Fund.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 6 RESERVED FUND BALANCES (CONTINUED)

C. Reserved for Prepaid Items

At June 30, 2010, the General Fund includes a reserved fund balance for prepaid items. This represents amounts that are no longer available for general expenditures of the District.

D. Reserved for School Readiness Programs

The fund balance reservation represents accumulated resources available to provide school readiness programming.

E. Reserved for Adult Basic Education

The fund balance reservation represents the balance of carryover monies for all activity involving Adult Basic Education.

F. Reserved for Community Education Programs

The fund balance reservation represents accumulated resources available to provide general community education programming.

G. Reserved for Early Childhood and Family Education Programs

This fund balance reservation represents accumulated resources available to provide services for early childhood and family education programming.

H. Reserved for Alternative Facilities Program

This fund balance represents available for approved expenditures based on the ten-year plan for capital projects.

I. Reserved for Bond Refunding

Reserved for amounts held in escrow for the future refunding of callable bonds of the District.

J. Designated for Separation/Retirement Benefits

Represents resources segregated from Unreserved/Undesignated Fund Balance for retirement benefits, including compensated absences, pensions, other postemployment benefits, and termination benefits.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 7 RETIREMENT PLANS

Substantially all employees of the District are required by state law to belong to pension plans administered by Teachers' Retirement Association (TRA) or Public Employees' Retirement Association (PERA), all of which are administered on a statewide basis. Disclosures relating to these plans follows:

A. Teacher's Retirement Association (TRA)

1. Plan Description

All teachers employed by the District are covered by a cost sharing, multiple employer defined benefit pension plan administered by the State of Minnesota Teachers Retirement Association (TRA). TRA members belong to either the Coordinated Plan or the Basic Plan. Coordinated members are covered by Social Security and Basic members are not. All Basic members were first hired prior to July 1, 1989. All new members must participate in the Coordinated Plan. These plans are established and administered in accordance with Minnesota Statutes, Chapters 354 and 356.

TRA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by Minnesota statute and vest after three years of service credit. The defined retirement benefits are based on a member's highest average salary for any five consecutive years of allowable service, age, and a formula multiplier based on years of credit at termination of service.

TRA publicly issues a Comprehensive Annual Financial Report (CAFR) presenting financial statements, supplemental information on funding levels, investment performance, and further information on benefits provisions. The report may be accessed at the TRA website at www.tra.state.mn.us. Alternatively, a copy of the report may be obtained by writing TRA at Teachers Retirement Association, 60 Empire Drive Suite 400, St. Paul, MN 55103-1855 or by calling (651) 296-6449 or 1-800-657-3853.

2. Funding Policy

Minnesota Statutes Chapter 354 sets the rates for the employee and employer contributions. These statutes are established and amended by the state legislature. Coordinated and Basic Plan members are required to contribute 5.5% and 9.0%, respectively, of their annual covered salary while the District is required to contribute at an actuarially determined rate.

The District is required to contribute the following percentages of annual covered payroll: 5.5% for Coordinated Plan members and 9.5% for Basic Plan members. The contribution requirements of plan members and the District are established and may be amended by State Statute. The District contributions for the years ended June 30, 2010, 2009 and 2008 were \$3,249,502, \$3,163,057, and \$3,257,627, respectively, equal to the required contributions for each year as set by state statute.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 7 RETIREMENT PLANS (CONTINUED)

B. Public Employees' Retirement Association (PERA)

1. Plan Description

All full-time and certain part-time employees of the District (other than teachers) are covered by a defined benefit plan administered by the Public Employees' Retirement Association of Minnesota (PERA). PERA administers the Public Employees' Retirement Fund (PERF) which is a cost-sharing, multiple-employer retirement plan. This plan is established and administered in accordance with Minnesota Statutes, Chapters 353 and 356. PERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. All new members must participate in the Coordinated Plan.

PERA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by state statute and vest after three years of credited service. The defined retirement benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. PERA issues a publicly available financial report that includes financial statements and required supplementary information for PERF. That report may be obtained on the Internet at www.mnpera.org, by writing to PERA at 60 Empire Drive #200, St. Paul, MN 55103-2088, or by calling (651) 296-7460 or 1-800-652-9026.

2. Funding Policy

Minnesota Statutes Chapter 353 sets the rates for the employer and employee contributions. These statutes are established and amended by the state legislature. The District makes annual contributions to the pension plans equal to the amount required by state statutes. PERF Basic Plan members and Coordinated Plan members were required to contribute 9.10% and 6.00%, respectively, of their annual covered salary in 2010.

The District was required to contribute the following percentages of annual covered payroll: 11.78% for Basic Plan PERF members and 6.75% for Coordinated Plan members. Employer contribution rates for the Coordinated Plan increased to 7.00% effective January 1, 2010. The District's contributions for the years ended June 30, 2010, 2009 and 2008 were \$1,699,353, \$1,682,869, and \$1,717,191, respectively, equal to the contractually required contributions for each year as set by state statute.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 8 FLEXIBLE BENEFIT PLAN

The District has a flexible benefit plan which is classified as a “cafeteria plan” under Section 125 of the Internal Revenue Code. All employee groups of the District are eligible if and when the collective bargaining agreement or contract with their group allows eligibility. Eligible employees can elect to participate by contributing pre-tax dollars withheld from payroll checks to the plan for health care and dependent care benefits.

Before the beginning of the plan year, which is January 1 to December 31, each participant designates a total amount of pre-tax dollars to be contributed to the plan during the year. At June 30, the District is contingently liable for claims against the total amount of participants’ annual contributions to the plan, whether or not such contributions have been made.

Payments of insurance premiums (health and dental) are made by the District directly to the designated insurance companies. These payments are made on a monthly basis and are accounted for in the General Fund.

Amounts withheld for medical reimbursement and dependent care are deposited into a separate District checking account on a monthly basis. All assets of the plan are held in a separate bank account, administered by an employee of the District. Payments are made by the District to participating employees upon submitting a request for reimbursement of eligible expenses incurred by the participant. The medical reimbursement and dependent care activity is included in the financial statements as an Employee Benefit Trust Fund.

All plan property and income attributable to that property is solely the property of the District, subject to the claims of the District’s general creditors. Participants’ rights under the plan are equal to those of general creditors of the District in an amount equal to eligible health care and dependent care expenses incurred by the participants. The District believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS PLAN

At June 30, 2008, the District adopted Governmental Accounting Standards Board (GASB) Statement No. 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other than Pensions*. The District engaged an actuary to determine the District’s liability for post-employment healthcare benefits other than pensions as of July 1, 2008.

A. Plan Description

The District operates a single-employer retiree benefit plan (“the Plan”) that provides health and dental insurance to eligible employees and their spouses through the District’s health insurance plan. There are 1,780 active participants, 555 retired participants including spouses. Benefit and eligibility provisions are established through individual contracts and negotiations between the District and various unions representing District employees and are renegotiated each two-year bargaining period. The Plan does not issue a publicly available financial report.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

B. Funding Policy

Contribution requirements are also negotiated between the District and union representatives. The District contributes 100% of the cost of current-year premiums for specified coverage levels of eligible retired plan members and their spouses. For fiscal year 2010, the District contributed \$929,499 to the plan.

C. Annual OPEB Cost and Net OPEB Obligation

The District's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any un-funded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually paid from the plan, and changes in the District's net OPEB obligation.

Annual Required Contribution	\$ 2,098,134
Interest on Net OPEB Obligation	(760,127)
Adjustment to Annual Required Contribution	<u>1,099,085</u>
Annual OPEB Cost	2,437,092
Contributions Made	<u>(929,499)</u>
Increase in Net OPEB Obligation	1,507,593
Net OPEB Obligation - Beginning of Year	<u>(19,003,176)</u>
Net OPEB Obligation - End of Year	<u><u>\$ (17,495,583)</u></u>

The District's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation for 2010:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
<u>6/30/2010</u>	\$ 2,437,092	38.1%	\$ (17,495,583)
6/30/2009	2,103,028	991%	(19,003,176)

D. Funded Status and Funding Progress

Based upon the July 1, 2008, most recent actuarial valuation date, the District's unfunded actuarial accrued liability (UAAL) as of June 30, 2009 was \$723,716. The annual payroll for active employees covered by the plan in the actuarial valuation was \$71,439,550 for a ratio of UAAL to covered payroll of 1.0%.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS PLAN (CONTINUED)

D. Funded Status and Funding Progress

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

E. Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2008 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.0% discount rate which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date. The initial healthcare trend rate for medical insurance was 10%, reduced by decrements to an ultimate rate of 5% after ten years; and an annual healthcare trend rate of 5% for dental insurance. The UAAL is being amortized as a level percentage of projected payrolls on an open basis. The remaining amortization period at June 30, 2010 was 27 years.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 10 PENSION BENEFITS PLAN

The District engaged an actuary to determine the District's liability for its pension benefits plan in accordance with the District adopted Governmental Accounting Standards Board (GASB) Statement No. 27, as of July 1, 2008.

A. Plan Description

The District provides pension benefits to certain eligible employees through the Independent School District No. 281 Pension Benefits Plan, a single-employer defined benefit plan administered by the District. All pension benefits are based on contractual agreements with union groups. Eligibility for these benefits is based on years of service and/or minimum age requirements. These contractual agreements do not include any specific contribution or funding requirement.

The pension benefits range from 2 days per year of service to a maximum of 30 days, to 160 days for principals retiring after age 55 with 15 years of service.

B. Funding Policy

Payments under the plan are made on a pay-as-you go basis. There are no invested plan assets accumulated for payment of future benefits. The General Fund is used for funding of all pension/retirement benefits. The employer makes all contributions.

C. Annual Pension Cost and Net Pension Obligation

The District's annual pension cost (expense) is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 27. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any un-funded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the District's annual pension cost for the year, the amount actually paid from the plan, and changes in the District's net pension obligation.

Annual Required Contribution	\$ 371,561
Interest on Net Pension Obligation	19,483
Adjustment to Annual Required Contribution	<u>(28,170)</u>
Annual Pension Cost	362,875
Contributions Made	<u>(26,728)</u>
Decrease in Net Pension Obligation	336,147
Net Pension Obligation - Beginning of Year	<u>487,087</u>
Net Pension Obligation - End of Year	<u><u>\$ 823,234</u></u>

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 10 PENSION BENEFITS PLAN (CONTINUED)

C. Annual Pension Cost and Net Pension Obligation

The District's annual pension cost, the percentage of the annual pension cost contributed to the plan, and the net pension obligation for 2010 was:

Fiscal Year Ended	Annual Pension Cost	Percentage of Annual Pension Cost Contributed	Net Pension Obligation
6/30/2010	\$ 362,875	7.4%	823,234
6/30/2009	\$ 369,094	7.2%	487,087

D. Funded Status and Funding Progress

As of July 1, 2008, the most recent actuarial valuation date, the District's unfunded actuarial accrued liability (UAAL) was \$3,140,873. The annual payroll for active employees covered by the plan in the actuarial valuation was \$71,439,550 for a ratio of UAAL to covered payroll of 4.4%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and salary cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

E. Actuarial Methods and Assumptions

The annual required contribution for the current year was determined as part of the July 1, 2008 actuarial valuation using the projected unit actuarial cost method. The actuarial assumptions included a 4.0% discount rate, which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date and projected salary increases at 4%.

The actuarial methods and assumptions include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The unfunded actuarial accrued liability is being amortized as a level dollar amount of projected payroll. The remaining amortization period at June 30, 2010 is 27 years.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 11 COMMITMENTS AND CONTINGENCIES

A. Federal and State Programs

Amounts received or receivable from federal and state agencies are subject to agency audit and adjustment. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of funds which may be disallowed by the agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

B. Construction Contracts

At June 30, 2010, the District is committed to a number of contracts for the construction and improvement of various District properties. The District's remaining commitment under these contracts is approximately \$2,948,051.

C. Legal Contingencies

The District is a defendant in various lawsuits. Although the outcomes of these lawsuits are not presently determinable, the District believes that the resolution of these matters will not have a material adverse effect on its financial position.

REQUIRED SUPPLEMENTARY INFORMATION

DRAFT

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
SCHEDULE OF FUNDING PROGRESS FOR POSTEMPLOYMENT BENEFIT PLANS**

Other Postemployment Benefits						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/2008	\$ 18,299,992	\$ 19,023,708	\$ 723,716	0.96	\$ 71,439,550	1.0%
7/1/2006	-	20,628,741	20,628,741	-	71,439,550	28.9

Supplemental Pension						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/2008	\$ -	\$ 3,140,873	\$ 3,140,873	-	\$ 71,439,550	4.4%
7/1/2006	-	1,373,345	1,373,345	-	71,439,550	1.9

SUPPLEMENTAL INFORMATION

DRAFT

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
GENERAL FUND
BALANCE SHEET
JUNE 30, 2010
(WITH COMPARATIVE DATA AS OF JUNE 30, 2009)**

	<u>2010</u>	<u>2009</u>
ASSETS		
Cash and Investments	\$ 5,331,414	\$ 15,673,720
Receivables:		
Current Taxes	17,579,656	18,126,440
Delinquent Taxes	717,681	694,400
Accounts and Interest Receivable	128,027	161,059
Due from Other Minnesota School Districts	805,177	807,069
Due from Minnesota Department of Education	20,605,657	9,778,398
Due from Federal through the Minnesota Department of Education	4,539,938	2,816,509
Due from Federal Government Received Directly	5,376	7,512
Due from Other Governmental Units	480,704	402,341
Inventories	313,448	350,171
Prepaid Items	1,567,530	2,523,531
	<u>\$ 52,074,608</u>	<u>\$ 51,341,150</u>
Total Assets		
	<u>\$ 52,074,608</u>	<u>\$ 51,341,150</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Salaries and Compensated Absences Payable	\$ 557,604	\$ 1,011,777
Payroll Deductions and Employer Contributions Payable	439,711	313,420
Accounts and Contracts Payable	3,029,296	2,395,313
Due to Other Minnesota School Districts	701,786	2,487,147
Due to Other Governmental Units	78,368	84,702
Property Taxes Levied for Subsequent Year	30,594,517	32,226,759
Deferred Revenue - Delinquent Taxes	496,356	512,446
Deferred Revenue	691,615	711,497
Total Liabilities	<u>36,589,253</u>	<u>39,743,061</u>
Fund Balance:		
Reserved:		
Reserved for Staff Development	-	168,572
Reserved for Severance Benefits	-	526,485
Reserved for Health and Safety	889,913	1,001,588
Reserved for Operating Capital	5,501,638	5,519,473
Reserved for Prepaid Items	1,567,530	2,523,531
Unreserved:		
Designated for Separation/Retirement Benefits	413,497	-
Unreserved, Undesignated	<u>7,112,777</u>	<u>1,858,440</u>
Total Fund Balance	<u>15,485,355</u>	<u>11,598,089</u>
Total Liabilities and Fund Balance	<u>\$ 52,074,608</u>	<u>\$ 51,341,150</u>

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2009)**

	2010		Over (Under) Final Budget	2009
	Final Budget	Actual Amounts		Actual Amounts
REVENUES				
Local Sources:				
Property Taxes	\$ 29,430,468	\$ 30,324,738	\$ 894,270	\$ 21,737,121
Earnings on Investments	37,500	18,042	(19,458)	151,698
Other	5,445,231	5,569,169	123,938	6,029,570
State Sources	88,653,180	84,820,008	(3,833,172)	100,095,474
Federal Sources	16,814,329	15,917,134	(897,195)	5,826,420
Total Revenues	<u>140,380,708</u>	<u>136,649,091</u>	<u>(3,731,617)</u>	<u>133,840,283</u>
EXPENDITURES				
Administration:				
Salaries	3,105,394	3,026,887	(78,507)	3,965,068
Employee Benefits	802,264	884,928	82,664	2,232,051
Purchased Services	133,892	75,834	(58,058)	114,116
Supplies and Materials	46,025	57,014	10,989	50,143
Capital Expenditures	4,300	7,070	2,770	9,998
Other Expenditures	70,320	75,875	5,555	74,944
Total Administration	<u>4,162,195</u>	<u>4,127,608</u>	<u>(34,587)</u>	<u>6,446,320</u>
District Support Services:				
Salaries	2,060,637	2,145,549	84,912	2,142,266
Employee Benefits	623,143	552,845	(70,298)	1,443,846
Purchased Services	1,079,100	794,600	(284,500)	1,145,724
Supplies and Materials	173,739	143,696	(30,043)	161,320
Capital Expenditures	590,205	689,339	99,134	207,014
Other Expenditures	(71,450)	(71,786)	(336)	(13,801)
Total District Support Services	<u>4,455,374</u>	<u>4,254,243</u>	<u>(201,131)</u>	<u>5,086,369</u>
Elementary and Secondary Regular Instruction:				
Salaries	43,231,510	41,463,521	(1,767,989)	39,288,212
Employee Benefits	12,899,209	12,588,603	(310,606)	17,279,352
Purchased Services	5,457,748	4,157,209	(1,300,539)	4,792,953
Supplies and Materials	3,051,271	2,447,452	(603,819)	1,477,546
Capital Expenditures	1,150,911	2,097,020	946,109	914,373
Other Expenditures	453,470	253,948	(199,522)	638,105
Total Elementary and Secondary Regular Instruction	<u>66,244,119</u>	<u>63,007,753</u>	<u>(3,236,366)</u>	<u>64,390,541</u>

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2009)**

	2010		Over (Under) Final Budget	2009
	Final Budget	Actual Amounts		Actual Amounts
EXPENDITURES (Continued)				
Vocational Education Instruction:				
Salaries	\$ 1,865,454	\$ 1,655,443	\$ (210,011)	\$ 1,946,669
Employee Benefits	430,082	477,469	47,387	611,824
Purchased Services	1,195,785	1,013,905	(181,880)	1,021,679
Supplies and Materials	71,573	71,140	(433)	69,403
Capital Expenditures	30,900	9,610	(21,290)	21,217
Other Expenditures	7,068	16,407	9,339	45,013
Total Vocational Education Instruction	3,600,862	3,243,974	(356,888)	3,715,805
Special Education Instruction:				
Salaries	15,383,367	14,852,700	(530,667)	14,502,418
Employee Benefits	5,366,308	4,419,920	(946,388)	6,546,795
Purchased Services	2,298,495	2,169,590	(128,905)	2,745,164
Supplies and Materials	129,813	115,846	(13,967)	88,928
Capital Expenditures	189,500	138,780	(50,720)	15,149
Other Expenditures	3,000	49,272	46,272	23,854
Total Special Education Instruction	23,370,483	21,746,108	(1,624,375)	23,922,308
Instructional Support Services:				
Salaries	5,152,905	5,327,355	174,450	4,895,362
Employee Benefits	1,297,228	1,563,928	266,700	2,636,733
Purchased Services	643,278	525,605	(117,673)	274,673
Supplies and Materials	564,428	504,886	(59,542)	406,363
Capital Expenditures	282,853	357,363	74,510	272,897
Other Expenditures	11,970	10,303	(1,667)	12,662
Total Instructional Support Services	7,952,662	8,289,440	336,778	8,498,690
Pupil Support Services:				
Salaries	6,339,794	5,725,226	(614,568)	6,185,549
Employee Benefits	1,538,003	1,642,102	104,099	3,381,503
Purchased Services	3,450,961	3,415,186	(35,775)	4,991,971
Supplies and Materials	1,020,501	998,545	(21,956)	1,113,818
Capital Expenditures	411,300	386,472	(24,828)	330,093
Other Expenditures	500	57,455	56,955	72,507
Total Pupil Support Services	12,761,059	12,224,986	(536,073)	16,075,441

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2009)**

	2010		Over (Under) Final Budget	2009
	Final Budget	Actual Amounts		Actual Amounts
EXPENDITURES (Continued)				
Sites and Buildings:				
Salaries	\$ 4,937,815	\$ 4,645,538	\$ (292,277)	\$ 4,949,165
Employee Benefits	1,286,114	1,682,391	396,277	3,667,892
Purchased Services	6,349,106	6,103,255	(245,851)	5,351,234
Supplies and Materials	1,292,822	1,050,538	(242,284)	1,048,748
Capital Expenditures	3,811,913	2,153,856	(1,658,057)	1,949,783
Other Expenditures	3,700	16,040	12,340	7,832
Total Sites and Buildings	17,681,470	15,651,618	(2,029,852)	16,974,654
Fiscal and Other Fixed Cost Programs:				
Purchased Services	462,767	474,219	11,452	460,215
Total Fiscal and Other Fixed Costs Programs	462,767	474,219	11,452	460,215
Debt Service:				
Principal	349,245	349,245	-	620,331
Interest and Fiscal Charges	93,970	93,970	-	119,513
Total Debt Service	443,215	443,215	-	739,844
Total Expenditures	141,134,206	133,463,164	(7,671,042)	146,310,187
Excess (Deficiency) of Revenues Over (Under) Expenditures	(753,498)	3,185,927	3,939,425	(12,469,904)
OTHER FINANCING SOURCES (USES)				
Sale of Equipment Proceeds	-	7,386	7,386	571
Sale of Real Property Proceeds	-	262,000	262,000	3,088,985
Insurance Recovery Proceeds	350,000	469,458	119,458	9,475
Sale of Bonds Proceeds	-	-	-	15,950,345
Transfers Out	(47,614)	(37,505)	10,109	(36,745)
Total Other Financing Sources (Uses)	302,386	701,339	398,953	19,012,631
Net Change in Fund Balance	\$ (451,112)	3,887,266	\$ 4,338,378	6,542,727
FUND BALANCE				
Beginning of Year		11,598,089		5,055,362
End of Year		\$ 15,485,355		\$ 11,598,089

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
FOOD SERVICE SPECIAL REVENUE FUND
BALANCE SHEET
JUNE 30, 2010
(WITH COMPARATIVE DATA AS OF JUNE 30, 2009)**

	<u>2010</u>	<u>2009</u>
ASSETS		
Cash and Investments	\$ 1,327,545	\$ 1,274,509
Receivables:		
Accounts and Interest Receivable	8,502	5,847
Due from Other Minnesota School Districts	30,724	24,328
Due from Minnesota Department of Education	9,508	3,892
Due from Federal through the Minnesota Department of Education	118,395	55,730
Due from Other Governmental Units	1,083	722
Inventory	36,846	52,084
Prepaid Items	<u>8,328</u>	<u>11,205</u>
 Total Assets	 <u><u>\$ 1,540,931</u></u>	 <u><u>\$ 1,428,317</u></u>
 LIABILITIES AND FUND BALANCE		
Liabilities:		
Salaries and Compensated Absences Payable	\$ 22,414	\$ 17,717
Payroll Deductions and Employer Contributions Payable	16,720	16,386
Accounts and Contracts Payable	25,266	25,519
Deferred Revenue	<u>83,563</u>	<u>82,656</u>
Total Liabilities	147,963	142,278
 Fund Balance:		
Reserved for Severance and Health Benefits	-	5,595
Reserved for Prepaid Items	8,328	-
Unreserved, Undesignated	<u>1,384,640</u>	<u>1,280,444</u>
Total Fund Balance	<u>1,392,968</u>	<u>1,286,039</u>
 Total Liabilities and Fund Balance	 <u><u>\$ 1,540,931</u></u>	 <u><u>\$ 1,428,317</u></u>

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
FOOD SERVICE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2009)**

	2010		Over (Under) Final Budget	2009
	Final Budget	Actual Amounts		Actual Amounts
REVENUES				
Local Sources:				
Earnings on Investments	\$ 5,000	\$ 1,897	\$ (3,103)	\$ 12,625
Other - Primarily Meal Sales	2,909,485	2,619,119	(290,366)	2,908,809
State Sources	241,860	236,145	(5,715)	244,085
Federal Sources	2,858,589	3,143,672	285,083	2,809,818
Total Revenues	<u>6,014,934</u>	<u>6,000,833</u>	<u>(14,101)</u>	<u>5,975,337</u>
EXPENDITURES				
Current:				
Salaries	1,940,682	1,921,777	(18,905)	1,963,671
Employee Benefits	680,792	754,205	73,413	1,851,084
Purchased Services	234,800	162,169	(72,631)	178,494
Supplies and Materials	3,294,840	2,818,893	(475,947)	2,743,684
Other Expenditures	28,000	5,668	(22,332)	9,041
Capital Outlay	206,705	208,514	1,809	4,877
Debt Service:				
Principal	30,085	30,085	-	28,880
Interest	6,818	6,818	-	8,023
Total Expenditures	<u>6,422,722</u>	<u>5,908,129</u>	<u>(514,593)</u>	<u>6,787,754</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(407,788)	92,704	500,492	(812,417)
OTHER FINANCING SOURCES				
Sale of Equipment Proceeds	5,000	14,225	9,225	-
Sale of Bonds Proceeds	-	-	-	1,134,411
Total Other Financing Sources (Uses)	<u>5,000</u>	<u>14,225</u>	<u>9,225</u>	<u>1,134,411</u>
Net Change in Fund Balance	<u>\$ (402,788)</u>	106,929	<u>\$ 509,717</u>	321,994
FUND BALANCE				
Beginning of Year		<u>1,286,039</u>		<u>964,045</u>
End of Year		<u>\$ 1,392,968</u>		<u>\$ 1,286,039</u>

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
COMMUNITY SERVICE SPECIAL REVENUE FUND
BALANCE SHEET
JUNE 30, 2010
(WITH COMPARATIVE DATA AS OF JUNE 30, 2009)**

	<u>2010</u>	<u>2009</u>
ASSETS		
Cash and Investments	\$ 1,851,840	\$ 2,326,803
Receivables:		
Current Taxes	850,853	854,047
Delinquent Taxes	34,123	36,850
Accounts and Interest Receivable	15,510	36,005
Due from Other Minnesota School Districts	348	-
Due from Minnesota Department of Education	580,558	253,553
Due from Federal Government through the Minnesota Department of Education	130,215	60,732
Due from Other Governmental Units	55,402	15,971
Prepaid Items	<u>12,624</u>	<u>16,767</u>
 Total Assets	 <u><u>\$ 3,531,473</u></u>	 <u><u>\$ 3,600,728</u></u>
 LIABILITIES AND FUND BALANCE		
Liabilities:		
Salaries and Compensated Absences Payable	\$ 141,033	\$ 190,593
Payroll Deductions and Employer Contributions Payable	35,250	43,975
Accounts and Contracts Payable	51,489	69,953
Due to Other Governmental Units	1,170	6,346
Property Taxes Levied for Subsequent Year	1,627,141	1,626,979
Deferred Revenue - Delinquent Taxes	24,341	27,708
Deferred Revenue	<u>164,140</u>	<u>175,417</u>
Total Liabilities	2,044,564	2,140,971
 Fund Balance:		
Reserved for Community Education Programs	987,046	1,055,412
Reserved for Early Childhood Family Education Programs	260,860	210,140
Reserved for School Readiness	33,764	39,131
Reserved for Adult Basic Education	189,939	118,338
Reserved for Severance and Health Benefits	-	36,736
Designated for Separation/Retirement Benefits	<u>15,300</u>	<u>-</u>
Total Fund Balance	<u>1,486,909</u>	<u>1,459,757</u>
 Total Liabilities and Fund Balance	 <u><u>\$ 3,531,473</u></u>	 <u><u>\$ 3,600,728</u></u>

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
COMMUNITY SERVICE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2009)**

	2010		Over (Under) Final Budget	2009
	Final Budget	Actual Amounts		Actual Amounts
REVENUES				
Local Sources:				
Property Taxes	\$ 1,397,148	\$ 1,555,933	\$ 158,785	\$ 1,391,777
Earnings on Investments	20,000	3,407	(16,593)	31,993
Other - Primarily Tuition and Fees	3,725,669	3,687,604	(38,065)	3,929,883
State Sources	2,073,956	2,000,815	(73,141)	2,082,135
Federal Sources	349,882	347,834	(2,048)	300,601
Total Revenues	7,566,655	7,595,593	28,938	7,736,389
EXPENDITURES				
Current:				
Salaries	5,077,027	5,044,305	(32,722)	5,331,166
Employee Benefits	1,565,161	1,500,937	(64,224)	3,647,040
Purchased Services	658,657	602,193	(56,464)	685,716
Supplies and Materials	342,472	321,738	(20,734)	327,274
Other Expenditures	64,111	54,128	(9,983)	70,965
Capital Outlay	84,048	82,645	(1,403)	63,351
Total Expenditures	7,791,476	7,605,946	(185,530)	10,125,512
Deficiency of Revenues Under Expenditures	(224,821)	(10,353)	214,468	(2,389,123)
OTHER FINANCING SOURCES (USES)				
Sale of Bonds Proceeds	-	-	-	2,174,768
Transfer In	35,764	37,505	1,741	36,745
Total Other Financing Sources (Uses)	35,764	37,505	1,741	2,211,513
Net Change in Fund Balance	\$ (189,057)	27,152	\$ 216,209	(177,610)
FUND BALANCE				
Beginning of Year		1,459,757		1,637,367
End of Year		\$ 1,486,909		\$ 1,459,757

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
CAPITAL PROJECTS FUND
BALANCE SHEET
JUNE 30, 2010
(WITH COMPARATIVE DATA AS OF JUNE 30, 2009)**

	<u>2010</u>	<u>2009</u>
ASSETS		
Cash and Investments	\$ 6,120,052	\$ 5,416,499
Other Receivables:		
Accounts and Interest Receivable	4,641	6,280
Due from Minnesota Department of Education	243,000	90,000
Due from Other Governmental Units	<u>49,000</u>	<u>49,000</u>
 Total Assets	 <u>\$ 6,416,693</u>	 <u>\$ 5,561,779</u>
 LIABILITIES AND FUND BALANCE		
Liabilities:		
Payroll Deductions and Employer Contributions Payable	\$ 802	\$ 972
Accounts and Contracts Payable	587,478	1,393,930
Due to Other Governmental Units	<u>673</u>	<u>-</u>
Total Liabilities	588,953	1,394,902
 Fund Balance:		
Reserved for Alternative Facility Program	<u>5,827,740</u>	<u>4,166,877</u>
 Total Fund Liabilities and Fund Balance	 <u>\$ 6,416,693</u>	 <u>\$ 5,561,779</u>

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2009)**

	2010			Over (Under) Final Budget	2009
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
REVENUES					
Local Sources:					
Property Taxes	\$ 5,700,000	\$ 5,700,000	\$ 5,700,000	\$ -	\$ 7,000,000
Earnings on Investments	95,000	95,000	6,680	(88,320)	99,495
Other	-	-	2,670	2,670	40,628
State sources:	<u>900,000</u>	<u>900,000</u>	<u>900,000</u>	<u>-</u>	<u>900,000</u>
Total Revenues	6,695,000	6,695,000	6,609,350	(85,650)	8,040,123
EXPENDITURES					
Current:					
Salaries	198,251	198,251	150,662	(47,589)	200,284
Employee Benefits	53,971	53,971	47,988	(5,983)	60,225
Purchased Services	-	-	21,485	21,485	45,429
Supplies and Materials	-	-	2,379	2,379	-
Bond Sale Costs	-	-	-	-	42,023
Capital Outlay	<u>5,596,956</u>	<u>5,596,956</u>	<u>4,725,973</u>	<u>(870,983)</u>	<u>14,154,758</u>
Total Expenditures	5,849,178	5,849,178	4,948,487	(900,691)	14,502,719
Excess (Deficiency) of Revenues Over (Under) Expenditures	845,822	845,822	1,660,863	815,041	(6,462,596)
OTHER FINANCING SOURCES (USES)					
Bonds Proceeds	-	-	-	-	9,285,000
Bond Premium (Discount)	-	-	-	-	(110,188)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,174,812</u>
Net Change in Fund Balance	<u>\$ 845,822</u>	<u>\$ 845,822</u>	1,660,863	<u>\$ 815,041</u>	2,712,216
Fund Balance - Beginning			<u>4,166,877</u>		<u>1,454,661</u>
Fund Balance - Ending			<u>\$ 5,827,740</u>		<u>\$ 4,166,877</u>

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
DEBT SERVICE FUND
BALANCE SHEET
JUNE 30, 2010
(WITH COMPARATIVE DATA AS OF JUNE 30, 2009)**

	Regular Debt Service	Other Postemployment Benefit Bonds	2010	2009
ASSETS				
Cash and Investments	\$ 10,262,579	\$ 923,530	\$ 11,186,109	\$ 11,268,547
Cash and Investments Held by Trustee	37,164,976	-	37,164,976	15,254,043
Receivables:				
Current Taxes	7,819,409	1,012,219	8,831,628	8,363,111
Delinquent Taxes	329,059	-	329,059	341,434
Accounts and Interest Receivable	464,242	-	464,242	668,649
Due from Minnesota Department of Education	174,775	-	174,775	54,599
Total Assets	<u>\$ 56,215,040</u>	<u>\$ 1,935,749</u>	<u>\$ 58,150,789</u>	<u>\$ 35,950,383</u>
LIABILITIES AND FUND BALANCE				
Liabilities:				
Property Taxes Levied for Subsequent Year	\$ 14,953,850	\$ 1,935,749	\$ 16,889,599	\$ 15,931,975
Deferred Revenue - Delinquent Taxes	232,548	-	232,548	254,146
Deferred Revenue	-	-	-	230,958
Total Liabilities	<u>15,189,973</u>	<u>1,935,749</u>	<u>17,125,722</u>	<u>16,417,079</u>
Fund Balance:				
Reserved for Bond Refunding	37,616,669	-	37,616,669	15,922,692
Unreserved - Undesignated	3,408,398	-	3,408,398	3,610,612
Total Fund Balance	<u>41,025,067</u>	<u>-</u>	<u>41,025,067</u>	<u>19,533,304</u>
Total Liabilities and Fund Balance	<u>\$ 56,215,040</u>	<u>\$ 1,935,749</u>	<u>\$ 58,150,789</u>	<u>\$ 35,950,383</u>

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2009)**

	2010				Total Actual Amounts	Over (Under) Final Budget	2009	
	Budgeted Amounts		Regular Debt Service	Actual Other Postemployment Benefit Bonds			Actual Amounts	Actual Amounts
	Original	Final						
REVENUES								
Local Sources:								
Property Tax	\$ 15,151,974	\$ 15,151,974	\$ 15,227,953	\$ -	\$ 15,227,953	\$ 75,979	\$ 13,419,687	
Earnings on Investments	617,294	617,294	245,953	-	245,953	(371,341)	2,640,119	
State Sources	780,000	780,000	647,315	-	647,315	(132,685)	545,994	
Total Revenues	16,549,268	16,549,268	16,121,221	-	16,121,221	(428,047)	16,605,800	
EXPENDITURES								
Debt Service:								
Bond Principal	8,595,000	8,595,000	8,595,000	-	8,595,000	-	7,455,000	
Bond Interest	7,646,835	7,646,835	7,647,476	647,677	8,295,153	648,318	10,918,192	
Paying Agent Fees and Other	15,000	15,000	94,971	-	94,971	79,971	58,036	
Total Expenditures	16,256,835	16,256,835	16,337,447	647,677	16,985,124	728,289	18,431,228	
Excess (Deficiency) of Revenues Over (Under) Expenditures	292,433	292,433	(216,226)	(647,677)	(863,903)	(1,156,336)	(1,825,428)	
OTHER FINANCING SOURCES (USES)								
Bonds Proceeds	-	-	20,790,000	-	20,790,000	20,790,000	6,696,493	
Bond Premium	-	-	1,565,666	-	1,565,666	1,565,666	51,945	
Payment to Refunded Bond Escrow Agent	-	-	-	-	-	-	(72,000,000)	
Total Other Financing Sources (Uses)	-	-	22,355,666	-	22,355,666	22,355,666	(65,251,562)	
Net Change in Fund Balance	\$ 292,433	\$ 292,433	22,139,440	(647,677)	21,491,763	\$ 21,199,330	(67,076,990)	
Fund Balance - Beginning			18,885,627	647,677	19,533,304		86,610,294	
Fund Balance - Ending			\$ 41,025,067	\$ -	\$ 41,025,067		\$ 19,533,304	

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
JUNE 30, 2010
(WITH COMPARATIVE DATA AS OF JUNE 30, 2009)**

	<u>Health Benefits Self-Insurance</u>	<u>Dental Self-Insurance</u>	<u>Totals</u>	
			<u>2010</u>	<u>2009</u>
ASSETS				
Current Assets:				
Cash and Investments	\$ 8,336,524	\$ 824,212	\$ 9,160,736	\$ 7,169,374
Accounts Receivable	-	-	-	712
	<u>\$ 8,336,524</u>	<u>\$ 824,212</u>	<u>\$ 9,160,736</u>	<u>\$ 7,170,086</u>
LIABILITIES AND NET ASSETS				
Liabilities:				
Current Liabilities:				
Accounts Payable	\$ 776,429	\$ 32,041	\$ 808,470	\$ 991,574
Deferred Revenue	485,860	64,785	550,645	855,179
	<u>1,262,289</u>	<u>96,826</u>	<u>1,359,115</u>	<u>1,846,753</u>
Non Current Liabilities:				
Total Liabilities	1,262,289	96,826	1,359,115	1,846,753
Net Assets:				
Unrestricted	<u>7,074,235</u>	<u>727,386</u>	<u>7,801,621</u>	<u>5,323,333</u>
Total Net Assets	<u>7,074,235</u>	<u>727,386</u>	<u>7,801,621</u>	<u>5,323,333</u>
Total Liabilities and Net Assets	<u>\$ 8,336,524</u>	<u>\$ 824,212</u>	<u>\$ 9,160,736</u>	<u>\$ 7,170,086</u>

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2009)**

	Health Benefits Self-Insurance	Dental Self-Insurance	Totals 2010	Totals 2009
OPERATING REVENUES				
Charges for Services:				
Contributions from Other Governmental Funds	\$ 11,235,598	\$ 1,244,519	\$ 12,480,117	\$ 13,454,667
OPERATING EXPENSES				
Health Insurance Claim Payments	8,875,687	-	8,875,687	9,075,078
Dental Insurance Claim Payments	-	1,139,072	1,139,072	1,156,892
Total Operating Expenses	<u>8,875,687</u>	<u>1,139,072</u>	<u>10,014,759</u>	<u>10,231,970</u>
Operating Income	2,359,911	105,447	2,465,358	3,222,697
NONOPERATING INCOME				
Earnings on Investments	<u>11,751</u>	<u>1,179</u>	<u>12,930</u>	<u>57,444</u>
Change in Net Assets	2,371,662	106,626	2,478,288	3,280,141
Net Assets - Beginning	<u>4,702,573</u>	<u>620,760</u>	<u>5,323,333</u>	<u>2,043,192</u>
Net Assets - Ending	<u>\$ 7,074,235</u>	<u>\$ 727,386</u>	<u>\$ 7,801,621</u>	<u>\$ 5,323,333</u>

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2010
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2009)**

	Health Benefits Self-Insurance	Dental Self-Insurance	Totals	
			2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES				
Contributions from Governmental Funds	\$ 10,924,149	\$ 1,251,434	\$ 12,175,583	\$ 13,823,999
Payments for Medical Fees and Insurance Claims	<u>(9,024,328)</u>	<u>(1,173,535)</u>	<u>(10,197,863)</u>	<u>(10,155,095)</u>
Net Cash Provided by Operating Activities	1,899,821	77,899	1,977,720	3,668,904
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	<u>12,368</u>	<u>1,274</u>	<u>13,642</u>	<u>59,563</u>
Net Increase in Cash and Cash Equivalents	1,912,189	79,173	1,991,362	3,728,467
Cash and Cash Equivalents - Beginning	<u>6,424,335</u>	<u>745,039</u>	<u>7,169,374</u>	<u>3,440,907</u>
Cash and Cash Equivalents - Ending	<u>\$ 8,336,524</u>	<u>\$ 824,212</u>	<u>\$ 9,160,736</u>	<u>\$ 7,169,374</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating Income	\$ 2,359,911	\$ 105,447	\$ 2,465,358	\$ 3,222,697
Adjustments to Reconcile Operating Income to				
Increase (Decrease) in Accounts Payable	(148,641)	(34,463)	(183,104)	76,875
Increase (Decrease) in Deferred Revenue	<u>(311,449)</u>	<u>6,915</u>	<u>(304,534)</u>	<u>369,332</u>
Total Adjustments	<u>(460,090)</u>	<u>(27,548)</u>	<u>(487,638)</u>	<u>446,207</u>
Net Cash Provided by Operating Activities	<u>\$ 1,899,821</u>	<u>\$ 77,899</u>	<u>\$ 1,977,720</u>	<u>\$ 3,668,904</u>

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
UNIFORM FINANCIAL ACCOUNTING AND REPORTING STANDARDS
COMPLIANCE TABLE
JUNE 30, 2010**

	AUDIT	UFARS	Difference
01 GENERAL FUND			
Total Revenue	\$ 137,118,549	\$ 137,118,549	\$ -
Total Expenditures	\$ 133,463,164	\$ 133,463,159	\$ 5
Reserved:			
403 Staff Development	\$ -	\$ -	\$ -
405 Deferred Maintenance	\$ -	\$ -	\$ -
406 Health & Safety	\$ 889,913	\$ 889,913	\$ -
407 Capital Project Levy	\$ -	\$ -	\$ -
408 Cooperative Programs	\$ -	\$ -	\$ -
413 Project Funded by COP	\$ -	\$ -	\$ -
414 Operating Debt	\$ -	\$ -	\$ -
416 Levy Reduction	\$ -	\$ -	\$ -
417 Taconite Building Maint	\$ -	\$ -	\$ -
419 Encumbrances	\$ -	\$ -	\$ -
423 Certain Teacher Programs	\$ -	\$ -	\$ -
424 Operating Capital	\$ 5,501,638	\$ 5,501,638	\$ -
426 \$25 Taconite	\$ -	\$ -	\$ -
427 Disabled Accessibility	\$ -	\$ -	\$ -
428 Learning & Development	\$ -	\$ -	\$ -
434 Area Learning Center	\$ -	\$ -	\$ -
435 Contracted Alt. Programs	\$ -	\$ -	\$ -
436 State Approved Alt. Program	\$ -	\$ -	\$ -
438 Gifted & Talented	\$ -	\$ -	\$ -
441 Basic Skills Programs	\$ -	\$ -	\$ -
445 Career and Technical Programs	\$ -	\$ -	\$ -
446 First Grade Preparedness	\$ -	\$ -	\$ -
449 Safe Schools Crime	\$ -	\$ -	\$ -
450 Prekindergarten	\$ -	\$ -	\$ -
451 QZAB Payments	\$ -	\$ -	\$ -
452 OPEB Liab Not In Trust	\$ -	\$ -	\$ -
453 Unfunded Sev & Retirement Levy	\$ -	\$ -	\$ -
Unreserved:			
418 Severance - Ins. Premium	\$ 413,497	\$ 413,497	\$ -
422 Unreserved/Undesignated	\$ 8,680,307	\$ 8,680,313	\$ (6)
02 FOOD SERVICE			
Total Revenue	\$ 6,000,833	\$ 6,000,833	\$ -
Total Expenditures	\$ 5,908,129	\$ 5,908,126	\$ 3
Reserved:			
419 Encumbrances	\$ -	\$ -	\$ -
452 OPEB Liab Not In Trust	\$ -	\$ -	\$ -
Unreserved:			
418 Severance - Ins. Premium	\$ -	\$ -	\$ -
422 Unreserved/Undesignated	\$ 1,392,968	\$ 1,392,970	\$ (2)
04 COMMUNITY SERVICE			
Total Revenue	\$ 7,595,593	\$ 7,595,584	\$ 9
Total Expenditures	\$ 7,605,946	\$ 7,605,937	\$ 9
Reserved:			
419 Encumbrances	\$ -	\$ -	\$ -
426 \$25 Taconite	\$ -	\$ -	\$ -
431 Community Education	\$ 987,046	\$ 987,046	\$ -
432 E.C.F.E.	\$ 260,860	\$ 260,860	\$ -
444 School Readiness	\$ 33,764	\$ 33,764	\$ -
447 Adult Basic Education	\$ 189,939	\$ 189,939	\$ -
452 OPEB Liab Not In Trust	\$ -	\$ -	\$ -
Unreserved:			
418 Severance Premium	\$ 15,300	\$ 15,300	\$ -
422 Unreserved/Undesignated	\$ -	\$ -	\$ -

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
UNIFORM FINANCIAL ACCOUNTING AND REPORTING STANDARDS
COMPLIANCE TABLE (CONTINUED)
JUNE 30, 2010**

	AUDIT	UFARS	Difference
06 BUILDING CONSTRUCTION			
Total Revenue	\$ 6,609,350	\$ 6,609,352	\$ (2)
Total Expenditures	\$ 4,948,487	\$ 4,948,489	\$ (2)
Reserved:			
407 Capital Projects Levy	\$ -	\$ -	\$ -
409 Alternative Facility Program	\$ 5,827,740	\$ 5,827,739	\$ 1
413 Project Funded by COP	\$ -	\$ -	\$ -
419 Encumbrances	\$ -	\$ -	\$ -
Unreserved:			
422 Unreserved/Undesignated	\$ -	\$ -	\$ -
07 DEBT SERVICE			
Total Revenue	\$ 16,121,221	\$ 16,121,220	\$ 1
Total Expenditures	\$ 16,337,447	\$ 16,337,445	\$ 2
Reserved:			
425 Bond Refundings	\$ 37,616,669	\$ 37,616,669	\$ -
451 QZAB Payments	\$ -	\$ -	\$ -
Unreserved:			
422 Unreserved/Undesignated	\$ 3,408,398	\$ 3,408,398	\$ -
08 TRUST			
Total Revenue	\$ 1,081,773	\$ 1,081,774	\$ (1)
Total Expenditures	\$ 1,062,013	\$ 1,062,013	\$ -
Reserved:			
419 Encumbrances	\$ -	\$ -	\$ -
Unreserved:			
422 Unreserved/Undesignated	\$ 602,176	\$ 602,176	\$ -
09 AGENCY			
<i>Unreserved: Should Always Be -0-</i>			
422 Unreserved/Undesignated	\$ -	\$ -	\$ -
20 INTERNAL SERVICE			
Total Revenue	\$ 12,493,047	\$ 12,493,047	\$ -
Total Expenditures	\$ 10,014,759	\$ 10,014,758	\$ 1
Reserved:			
419 Encumbrances	\$ -	\$ -	\$ -
Unreserved:			
422 Unreserved/Undesignated	\$ 7,801,621	\$ 7,801,621	\$ -
25 OPEB REVOCABLE TRUST			
Total Revenue	\$ -	\$ -	\$ -
Total Expenditures	\$ -	\$ -	\$ -
Reserved:			
419 Encumbrances	\$ -	\$ -	\$ -
Unreserved:			
422 Unreserved/Undesignated	\$ -	\$ -	\$ -
45 OPEB IRREVOCABLE TRUST			
Total Revenue	\$ 970,380	\$ 970,380	\$ -
Total Expenditures	\$ 678,525	\$ 678,525	\$ -
Reserved:			
419 Encumbrances	\$ -	\$ -	\$ -
Unreserved:			
422 Unreserved/Undesignated	\$ 18,673,806	\$ 18,673,806	\$ -
47 OPEB DEBT SERVICE			
Total Revenue	\$ -	\$ -	\$ -
Total Expenditures	\$ 647,677	\$ 647,678	\$ (1)
Reserved:			
425 Bond Refundings	\$ -	\$ -	\$ -
Unreserved:			
422 Unreserved/Undesignated	\$ -	\$ -	\$ -
FY10 OPERATING CAPITAL TRANSFER			
Per Pupil Amount	\$ -	\$ -	\$ -
AMCPU	\$ -	\$ -	\$ -
Total Transfer	\$ -	\$ -	\$ -

STATISTICAL SECTION (UNAUDITED)

DRAFT

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
NET ASSETS BY COMPONENT
LAST NINE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	Fiscal Year								
	2002	2003	2004	2005	2006	2007	2008	2009	2010
Governmental Activities									
Invested in Capital Assets,									
Net of Related Debt	\$ 29,104,054	\$ 43,741,896	\$ 42,714,842	\$ 52,592,852	\$ 61,350,940	\$ 76,314,964	\$ 83,337,459	\$ 88,847,464	\$ 92,743,347
Restricted	9,904,130	4,694,452	6,300,737	10,030,573	11,951,418	6,408,692	7,250,169	4,291,767	9,271,428
Unrestricted	(4,095,942)	(4,737,496)	3,773,321	3,808,033	161,405	(3,930,494)	342,979	8,937,032	8,515,087
Total Governmental Activities Net Assets	\$ 34,912,242	\$ 43,698,852	\$ 52,788,900	\$ 66,431,458	\$ 73,463,763	\$ 78,793,162	\$ 90,930,607	\$ 102,076,263	\$ 110,529,862

Note: The District began to report accrual information when it implemented GASB 34 in fiscal year 2002.

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**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
CHANGES IN NET ASSETS
LAST NINE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	Fiscal Year								
	2002	2003	2004	2005	2006	2007	2008	2009	2010
Expenses									
Governmental Activities:									
Administration	\$ 4,383,616	\$ 4,632,636	\$ 5,214,270	\$ 5,235,673	\$ 5,107,500	\$ 5,402,071	\$ 5,100,762	\$ 3,818,527	\$ 3,265,762
District Support Services	4,170,654	4,534,883	3,877,212	5,298,077	5,936,822	5,745,331	4,306,864	4,849,295	4,244,896
Regular Instruction	53,874,170	56,172,229	57,202,310	59,276,521	62,482,941	64,508,227	67,801,359	58,102,087	63,422,893
Vocational Education Instruction	2,748,357	3,277,514	2,795,618	2,974,670	3,864,581	3,754,694	3,404,780	3,653,486	3,268,132
Special Education Instruction	20,317,411	20,035,425	20,504,974	22,411,853	24,100,002	26,133,631	24,994,624	21,793,129	22,070,152
Instructional Support Services	6,374,353	6,943,816	7,446,207	7,045,401	7,072,539	7,437,755	7,817,597	5,480,770	6,887,487
Pupil Support Services	12,438,951	13,438,619	13,212,806	12,431,049	13,746,683	14,291,162	15,052,521	14,836,979	12,385,012
Sites and Buildings	19,871,954	16,683,146	14,761,896	12,554,931	15,836,442	13,852,363	16,616,469	25,418,110	26,617,949
Fiscal and Other Fixed Cost Programs	357,990	396,532	472,006	541,257	643,743	556,372	506,724	460,215	474,219
Food Service	4,809,166	5,083,827	5,427,225	5,280,997	5,890,900	5,847,565	6,201,918	5,778,326	5,940,503
Community Service	7,415,788	7,066,824	7,063,958	7,358,148	7,840,616	7,752,795	7,508,292	8,128,907	7,788,768
Deprecation Not Included in Other Functions	-	3,287,506	-	-	-	-	-	-	-
Interest on Long-Term Debt	5,731,831	7,269,950	8,843,020	9,077,366	10,278,443	11,691,901	11,285,863	10,889,988	8,598,049
Total Governmental Activities Expenses	144,613,531	148,822,907	146,821,502	149,485,943	162,701,212	166,973,867	170,597,773	163,209,819	164,963,822
Program Revenues									
Governmental Activities:									
Charges for Services:									
District Support Services	280,344	391,728	375,329	376,988	78,972	630	5,577	3,279	4,937
Regular Instruction	1,234,762	1,663,903	1,369,400	1,360,398	1,455,007	1,406,074	1,645,481	1,355,642	1,716,661
Vocational Education Instruction	1,020	704	3,329	8,684	3,695	614	6,712	661	2,118
Special Education Instruction	544,347	421,662	792,207	983,121	1,112,158	-	94,448	3,577	7,748
Instructional Support Services	77,445	41,789	66,894	15,791	13,380	21,341	21,803	24,911	15,524
Pupil Support Services	64,519	39,191	46,390	90,070	58,690	40,945	67,147	53,569	63,333
Sites and Buildings	1,471,663	1,559,922	1,539,971	1,332,248	1,321,771	1,135,458	1,610,412	2,299,097	1,629,512
Food Service	3,248,360	3,175,323	3,294,283	2,972,130	3,003,476	3,012,320	3,041,961	2,908,809	2,619,119
Community Service	3,234,146	3,178,079	3,173,119	3,111,009	3,350,744	3,457,365	3,402,691	3,431,613	3,211,959
Operating Grants and Contributions	22,593,447	22,915,215	23,216,017	22,564,759	25,167,057	25,114,338	27,647,715	25,307,867	31,893,287
Capital Grants and Contributions	997,222	989,065	939,539	931,500	996,350	1,010,651	946,211	3,160,964	3,052,837
Total Governmental Activities Program Revenues	33,747,275	34,376,581	34,816,478	33,746,698	36,561,300	35,199,736	38,490,158	38,549,989	44,217,035
Net Governmental Activities (Expense)/Revenue	(110,866,256)	(114,446,326)	(112,005,024)	(115,739,245)	(126,139,912)	(131,774,131)	(132,107,615)	(124,659,830)	(120,746,787)
General Revenues and Other Changes in Net Assets									
Governmental Activities:									
Property Taxes:									
General Purpose	31,247,931	15,811,990	22,750,796	16,137,361	8,478,897	19,803,459	19,353,381	25,682,507	33,967,511
Community Service	1,268,983	1,458,514	2,458,197	1,560,596	762,981	1,492,192	1,511,792	1,644,391	1,742,840
Facilities Improvement	3,675,539	5,500,000	7,000,000	7,000,000	7,500,000	6,754,779	8,500,000	-	-
Debt Service	4,975,962	8,543,354	8,860,017	13,570,111	13,437,178	13,579,060	14,379,806	15,855,421	17,057,218
Unrestricted Grants and Contributions	61,278,385	86,507,794	77,052,732	83,577,294	94,987,927	88,197,466	89,443,603	84,335,696	73,066,799
Gain on Sale of Capital Assets	-	-	(984,601)	448,754	-	-	-	2,456,890	-
Miscellaneous	2,586,949	1,931,033	3,259,395	4,277,162	4,066,492	2,183,860	2,745,252	2,968,695	3,087,196
Unrestricted Investment Earnings	1,361,387	3,480,251	698,536	2,810,525	3,938,742	5,092,714	5,097,327	2,861,886	278,822
Total Governmental Activities	106,395,136	123,232,936	121,095,072	129,381,803	133,172,217	137,103,530	141,031,161	135,805,486	129,200,386
Change in Net Assets	\$ (4,471,120)	\$ 8,786,610	\$ 9,090,048	\$ 13,642,558	\$ 7,032,305	\$ 5,329,399	\$ 8,923,546	\$ 11,145,656	\$ 8,453,599

Note: The District began to report accrual information when it implemented GASB 34 in fiscal year 2002.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE AND LEVY TYPE
LAST NINE FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

Fiscal Year	General Purposes	Property Tax			Total
		Community Service	Facilities Improvement	Debt Service	
2002	\$ 31,247,931	\$ 1,268,983	\$ 3,675,539	\$ 4,975,962	\$ 41,168,415
2003	15,811,990	1,458,514	5,500,000	8,543,354	31,313,858
2004	22,750,796	2,458,197	7,000,000	8,860,017	41,069,010
2005	16,137,391	1,560,596	7,000,000	13,570,111	38,268,098
2006	8,478,897	762,981	7,500,000	13,437,178	30,179,056
2007	19,803,459	1,492,192	6,754,779	13,579,060	41,629,490
2008	19,494,046	1,535,756	8,500,000	14,379,806	43,909,608
2009	25,682,507	1,644,391	-	15,855,421	43,182,319
2010	33,967,511	1,742,840	-	17,057,218	52,767,569

Note: The District implemented GASB Statement No. 34 in fiscal 2002. This information is not available for previous fiscal years.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	Fiscal Year				
	2001	2002	2003	2004	2005
General Fund					
Reserved	\$ 2,727,657	\$ 2,723,791	\$ 3,808,573	\$ 3,722,077	\$ 6,889,390
Unreserved	3,355,473	4,764,343	7,641,041	12,454,270	12,710,691
Total General Fund	<u>\$ 6,083,130</u>	<u>\$ 7,488,134</u>	<u>\$ 11,449,614</u>	<u>\$ 16,176,347</u>	<u>\$ 19,600,081</u>
All other Governmental Funds					
Reserved	\$ 38,868,311	\$ 7,783,768	\$ 32,548,064	\$ 32,548,772	\$ 72,249,250
Unreserved Reported in:					
Special Revenue Funds	318,573	299,123	485,000	799,638	940,863
Capital Project Funds	-	82,146	(5,790,706)	10,620,950	1,022,516
Debt Service Funds	2,241,397	384,915	857,956	429,612	1,217,090
Total All Other Governmental Funds	<u>\$ 41,428,281</u>	<u>\$ 8,549,952</u>	<u>\$ 28,100,314</u>	<u>\$ 44,398,972</u>	<u>\$ 75,429,719</u>
Total All Funds	<u>\$ 47,511,411</u>	<u>\$ 16,038,086</u>	<u>\$ 39,549,928</u>	<u>\$ 60,575,319</u>	<u>\$ 95,029,800</u>

Fiscal Year				
2006	2007	2008	2009	2010
\$ 5,849,585	\$ 3,891,962	\$ 3,081,848	\$ 9,739,649	\$ 7,959,081
9,092,489	3,323,829	1,973,514	1,858,440	7,112,777
<u>\$ 14,942,074</u>	<u>\$ 7,215,791</u>	<u>\$ 5,055,362</u>	<u>\$ 11,598,089</u>	<u>\$ 15,071,858</u>
\$ 99,892,812	\$ 90,720,046	\$ 85,532,009	\$ 21,566,126	\$ 44,924,346
827,199	1,065,497	958,871	1,269,239	1,384,640
-	-	-	-	-
2,400,172	2,975,311	4,175,487	3,610,612	3,408,398
<u>\$ 103,120,183</u>	<u>\$ 94,760,854</u>	<u>\$ 90,666,367</u>	<u>\$ 26,445,977</u>	<u>\$ 49,717,384</u>
<u>\$ 118,062,257</u>	<u>\$ 101,976,645</u>	<u>\$ 95,721,729</u>	<u>\$ 38,044,066</u>	<u>\$ 64,789,242</u>

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	Fiscal Year			
	2001	2002	2003	2004
Revenues				
Local Sources:				
Property Taxes	\$ 38,831,690	\$ 40,946,210	\$ 31,309,507	\$ 41,308,814
Earnings on Investments	2,194,604	1,361,388	3,480,251	698,536
Other	13,811,117	13,390,168	13,033,780	13,759,439
State Sources	74,511,966	79,251,644	103,924,379	94,453,060
Federal Sources	4,311,251	5,003,800	5,743,690	6,755,228
Total Revenues	<u>133,660,628</u>	<u>139,953,210</u>	<u>157,491,607</u>	<u>156,975,077</u>
Expenditures				
Current:				
Administration	5,131,240	4,288,276	4,620,756	5,055,107
District Support Services	4,167,795	4,258,836	4,618,537	5,065,616
Regular Instruction	50,903,754	52,280,030	56,273,772	53,811,523
Vocational Education Instruction	2,941,269	2,766,720	3,109,376	2,847,300
Special Education Instruction	18,769,432	20,178,776	20,159,184	20,607,297
Instructional Support Services	5,157,794	6,361,637	6,941,485	7,468,285
Pupil Support Services	11,920,764	12,336,898	13,563,668	12,522,634
Sites and Buildings	10,520,938	11,113,984	11,927,090	13,855,230
Fiscal and Other Fixed Cost Programs	337,551	357,990	396,532	472,006
Food Service	4,959,558	4,820,607	5,080,679	5,336,708
Community Service	7,118,458	7,356,927	6,995,240	6,842,041
Capital Outlay	44,250,045	36,900,800	39,680,948	32,644,681
Debt Service:				
Principal	1,045,805	2,384,166	3,984,298	4,115,471
Interest and Fiscal Charges	2,897,422	5,243,570	6,627,055	7,944,242
Total Expenditures	<u>170,121,825</u>	<u>170,649,217</u>	<u>183,978,620</u>	<u>178,588,141</u>
Deficiency of Revenues				
Over Expenditures	(36,461,197)	(30,696,007)	(26,487,013)	(21,613,064)
Other Financing Sources (Uses)				
Refunding Bonds Issued	-	-	28,625,000	-
Bonds Issued	50,766,402	-	21,017,806	41,315,000
Premium on Bonds Issued	-	-	-	-
Discount on Bonds Issued	-	-	-	(26,163)
Bond Retirement from Escrow Account	-	-	-	-
Sale of Real Property	115,972	2,365	356,050	-
Transfers In	-	23,720	24,832	24,343
Transfers Out	-	(23,720)	(24,832)	(24,343)
Capital Leases	815,223	-	-	1,349,618
Total Other Financing Sources (Uses)	<u>51,697,597</u>	<u>2,365</u>	<u>49,998,856</u>	<u>42,638,455</u>
Net Change in Fund Balances	<u>\$ 15,236,400</u>	<u>\$ (30,693,642)</u>	<u>\$ 23,511,843</u>	<u>\$ 21,025,391</u>
Debt Service as a Percentage of Noncapital Expenditures	3.1%	5.7%	7.4%	8.3%

Fiscal Year						
2005	2006	2007	2008	2009	2010	
\$ 38,209,467	\$ 30,206,352	\$ 41,457,260	\$ 43,742,997	\$ 43,548,585	\$ 52,808,624	
2,810,525	3,937,795	5,055,338	5,007,995	2,935,930	275,979	
14,568,427	14,816,609	12,166,427	13,200,939	12,908,890	11,878,562	
100,783,983	111,939,567	104,391,164	108,875,380	103,867,688	88,604,283	
6,289,570	8,418,823	8,996,614	8,602,694	8,936,839	19,408,640	
<u>162,661,972</u>	<u>169,319,146</u>	<u>172,066,803</u>	<u>179,430,005</u>	<u>172,197,932</u>	<u>172,976,088</u>	
4,953,172	5,019,474	5,434,638	5,136,706	6,436,322	4,120,538	
5,464,759	5,417,684	5,410,584	3,870,005	4,879,355	3,564,904	
54,369,786	57,513,966	59,128,600	61,004,645	63,476,168	60,910,733	
2,960,304	3,802,133	3,768,456	3,532,437	3,694,588	3,234,364	
22,272,197	24,138,496	26,214,918	25,172,502	23,907,159	21,607,328	
7,009,628	6,769,216	7,559,968	7,909,523	8,225,793	7,932,077	
12,242,275	14,316,255	13,901,826	15,862,991	15,745,348	11,838,514	
14,526,035	16,952,150	18,956,879	16,134,479	15,024,871	13,497,762	
541,257	543,743	556,372	506,724	460,215	474,219	
5,236,226	5,358,964	5,680,803	5,726,143	6,745,974	5,662,712	
7,081,412	7,556,152	7,588,438	7,508,986	10,062,161	7,523,301	
17,474,658	8,971,276	17,563,528	26,522,419	18,249,448	11,079,156	
5,970,584	6,873,776	6,939,286	7,847,953	8,104,211	8,974,330	
10,035,941	10,508,388	10,817,764	11,099,803	11,145,787	8,490,912	
<u>170,138,234</u>	<u>173,741,673</u>	<u>189,522,060</u>	<u>197,835,316</u>	<u>196,157,400</u>	<u>168,910,850</u>	
(7,476,262)	(4,422,527)	(17,455,257)	(18,405,311)	(23,959,468)	4,065,238	
37,180,000	14,125,000	-	-	6,080,000	-	
-	13,200,000	-	17,455,000	29,350,000	20,790,000	
370,311	-	-	-	51,945	1,565,666	
-	(176,570)	-	174,695	(299,171)	-	
-	-	-	(6,582,971)	(72,000,000)	-	
4,091,150	306,554	-	-	3,099,031	753,069	
28,390	32,382	40,067	36,667	36,745	37,505	
(28,390)	(32,382)	(40,067)	(36,667)	(36,745)	(37,505)	
289,282	-	1,369,645	1,103,671	-	-	
<u>41,930,743</u>	<u>27,454,984</u>	<u>1,369,645</u>	<u>12,150,395</u>	<u>(33,718,195)</u>	<u>23,108,735</u>	
<u>\$ 34,454,481</u>	<u>\$ 23,032,457</u>	<u>\$ (16,085,612)</u>	<u>\$ (6,254,916)</u>	<u>\$ (57,677,663)</u>	<u>\$ 27,173,973</u>	
10.5%	10.5%	10.3%	11.1%	10.8%	11.1%	

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE AND LEVY TYPE
LAST TEN YEARS
(UNAUDITED)**

Fiscal Year	Property Tax				Total
	General Fund	Community Service Special Revenue Fund	Capital Projects – Building Construction Fund	Debt Service Fund	
2001	\$ 30,936,522	\$ 1,252,749	\$ 4,992,049	\$ 1,650,370	\$ 38,831,690
2002	31,072,496	1,262,230	3,675,539	4,935,945	40,946,210
2003	15,807,639	1,458,514	5,500,000	8,543,354	31,309,507
2004	23,055,012	2,445,815	7,000,000	8,807,987	41,308,814
2005	16,303,601	1,546,014	7,000,000	13,359,852	38,209,467
2006	8,506,806	764,306	7,500,000	13,435,240	30,206,352
2007	19,686,017	1,487,241	6,754,779	13,529,223	41,457,260
2008	19,387,504	1,529,506	8,500,000	14,325,986	43,742,996
2009	21,737,121	1,391,777	7,000,000	13,419,687	43,548,585
2010	30,324,738	1,555,933	5,700,000	15,227,953	52,808,624

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
OPERATING FUND REVENUE BY SOURCE (1)
LAST TEN FISCAL YEARS
(UNAUDITED)**

Year Ended June 30,	Local Property Tax Levies	State Revenue	Federal Revenue	Other Local and Miscellaneous (2)	Total
2001	\$ 32,189,271 26.13%	\$ 73,445,071 59.61%	\$ 4,313,624 3.50%	\$ 13,263,035 10.76%	\$ 123,211,001 100.00%
2002	32,334,727 25.11%	78,346,058 60.84%	4,939,235 3.84%	13,144,233 10.21%	128,764,253 100.00%
2003	17,266,153 12.48%	102,235,334 73.87%	5,676,855 4.10%	13,225,060 9.56%	138,403,402 100.00%
2004	25,500,825 18.41%	92,846,918 67.05%	6,589,416 4.76%	13,542,193 9.78%	138,479,352 100.00%
2005	17,849,615 12.66%	98,989,581 70.23%	6,291,330 4.46%	17,827,196 12.65%	140,957,722 100.00%
2006	9,271,112 6.45%	110,263,251 76.72%	8,418,823 5.86%	15,761,962 10.97%	143,715,148 100.00%
2007	21,173,258 14.52%	102,800,232 70.51%	8,996,614 6.17%	12,828,899 8.80%	145,799,003 100.00%
2008	20,917,011 13.89%	107,346,719 71.28%	8,602,694 5.71%	13,727,526 9.12%	150,593,950 100.00%
2009	23,128,898 13.89%	102,421,694 71.28%	8,936,839 5.71%	13,064,578 9.12%	147,552,009 100.00%
2010	31,880,671 21.22%	87,056,968 57.94%	19,408,640 12.92%	11,899,238 7.92%	150,245,517 100.00%

(1) Operating funds include the General Fund, Food Service Special Revenue Fund, and Community Service Special Revenue Fund.

(2) Includes interest earnings.

Note: Beginning in fiscal year 2003, the general education tax levy was eliminated and replaced with state aid.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
OPERATING FUND EXPENDITURES BY FUNCTION (1)(2)
LAST TEN FISCAL YEARS
(UNAUDITED)**

Year Ended June 30,	District and School Administration	District Support Services	Regular Instruction	Vocational Instruction	Exceptional Instruction
2001	\$ 5,131,240 4.21%	\$ 4,167,795 3.42%	\$ 50,951,703 41.77%	\$ 2,941,269 2.41%	\$ 18,769,432 15.39%
2002	4,288,276 3.37%	4,258,836 3.35%	52,280,030 41.14%	2,766,720 2.18%	20,178,776 15.88%
2003	4,620,756 3.44%	4,618,537 3.44%	56,273,772 41.90%	3,109,376 2.32%	20,159,184 15.01%
2004	5,055,107 3.75%	5,065,616 3.76%	53,811,523 39.94%	2,847,300 2.11%	20,607,297 15.30%
2005	4,953,172 3.60%	5,464,759 3.97%	54,369,786 39.52%	2,960,304 2.15%	22,272,197 16.00%
2006	5,019,473 3.38%	5,417,684 3.64%	57,513,966 38.69%	3,802,133 2.56%	24,138,496 16.24%
2007	5,434,638 3.51%	5,410,584 3.50%	59,128,600 38.21%	3,768,456 2.43%	26,214,918 16.94%
2008	5,136,707 3.36%	4,153,570 2.72%	61,004,643 39.96%	3,532,437 2.31%	25,172,502 16.49%
2009	6,446,320 3.95%	5,369,933 3.29%	64,390,541 39.45%	3,715,805 2.28%	23,922,308 14.66%
2010	— 0.00%	— 0.00%	— 0.00%	— 0.00%	— 0.00%

Community Education	Instructional Support Services	Pupil Support Services (3)	Sites, Buildings, and Equipment	Fiscal and Other Fixed Cost Programs	Total
\$ 7,325,189 6.00%	\$ 5,162,514 4.23%	\$ 16,028,863 13.14%	\$ 10,977,678 9.00%	\$ 540,391 0.44%	\$ 121,996,074 100.00%
7,356,927 5.79%	6,361,637 5.01%	17,157,505 13.50%	11,350,906 8.93%	1,085,295 0.85%	127,084,908 100.00%
6,995,240 5.21%	6,941,485 5.17%	18,644,347 13.88%	12,030,512 8.96%	918,572 0.68%	134,311,781 100.00%
6,842,041 5.08%	7,468,285 5.54%	17,859,342 13.26%	14,212,367 10.55%	952,582 0.71%	134,721,460 100.00%
7,081,412 116.00%	7,009,628 5.10%	17,478,501 12.70%	14,644,220 10.64%	1,339,310 0.97%	137,573,289 100.00%
7,556,152 5.08%	6,769,216 4.55%	19,675,219 13.24%	17,507,239 11.78%	1,239,244 0.83%	148,638,822 100.00%
7,623,819 4.93%	7,559,968 4.88%	19,618,579 12.68%	18,956,879 12.25%	1,045,753 0.67%	154,762,194 100.00%
7,503,320 4.91%	7,909,523 5.18%	21,321,681 13.97%	16,397,133 10.74%	543,646 0.36%	152,675,162 100.00%
10,125,512 6.20%	8,498,690 5.21%	23,109,599 14.16%	17,184,530 10.53%	460,215 0.28%	163,223,453 100.00%
– 0.00%	– 0.00%	– 0.00%	– 0.00%	– 0.00%	– 0.00%

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
TAX CAPACITIES AND MARKET VALUES
LAST TEN FISCAL YEARS
(UNAUDITED)**

For Taxes Collectible	Tax Capacity Valuation						
	Agricultural	Non-Agricultural	Fiscal Disparities		Tax Increment	Total Taxable	
			Contribution	Distribution			
2001	\$ 5,052	\$ 88,081,671	\$ (9,108,716)	\$ 12,779,968	\$ (5,878,129)	\$ 85,879,846	
2002	4,667	69,243,762	(6,116,144)	8,262,211	(4,717,322)	66,677,174	
2003	5,169	74,303,160	(6,253,081)	8,882,380	(4,801,534)	72,136,094	
2004	5,676	81,064,921	(6,988,688)	9,841,663	(5,198,376)	78,725,196	
2005	6,156	88,825,046	(7,168,616)	10,249,312	(4,631,417)	87,280,481	
2006	7,001	96,626,046	(7,140,013)	10,429,065	(4,420,033)	95,502,066	
2007	8,039	104,339,645	(7,632,611)	11,277,082	(4,311,991)	103,680,164	
2008	6,257	109,023,705	(8,295,134)	12,889,339	(4,974,485)	108,649,682	
2009	2,090	107,097,428	(9,216,881)	14,526,516	(4,727,857)	107,681,296	
2010	-	-	-	-	-	-	

Source: State of Minnesota School Tax Report

<u>Total Direct Tax Rate</u>	<u>Taxable Market Value</u>	<u>Tax Capacity as a Percentage of Market Value</u>
46.682	\$ 5,159,502,428	1.66
30.213	5,650,773,030	1.18
29.179	6,205,075,300	1.16
34.258	6,896,806,800	1.14
29.989	7,649,568,300	1.14
28.489	8,394,674,999	1.14
28.750	9,069,367,363	1.14
27.243	9,442,319,235	1.15
27.214	9,222,353,100	1.17
-	-	#DIV/0!

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)**

Taxpayer	2009			2000		
	Net Tax Capacity	Rank	Percent of Total Net Tax Capacity	Net Tax Capacity	Rank	Percent of Total Net Tax Capacity
United Health Care Services, Inc.	\$ 560,010	1	0.52 %	\$ 701,925	2	0.90 %
Target Corporation	531,980	2	0.49	-	-	-
US Retail Partners, LLC	466,278	3	0.43	-	-	-
Honeywell, Inc.	433,290	4	0.40	768,425	1	0.98
BIGOS Management, Inc	432,500	5	0.40	-	-	-
Crystal Shopping Center Association	419,250	6	0.39	357,175	6	0.46
CRW Plymouth, LLC	290,350	7	0.27	-	-	-
HP 3 LLC	286,270	8	0.27	-	-	-
AGA Medical Corporation	281,470	9	0.26	-	-	-
Brooks Mall Properties, LLC	261,190	10	0.24	-	-	-
Plymouth SPE LLC	-	-	-	243,355	12	0.31
J P Foodservice Inc.	-	-	-	229,425	13	0.29
Talisman Brookdale, LLC	-	-	-	696,544	3	0.89
Liberty Property Ltd Partnership	-	-	-	292,845	9	0.37
U.S. West, Inc.	-	-	-	427,910	5	0.55
North Ridge Care Center, Inc.	-	-	-	317,068	8	0.41
Dayton Hudson Corporation	-	-	-	320,285	7	0.41
BPP Retail LLC	-	-	-	666,435	4	0.85
TLN Lanel A Ltd Partnership	-	-	-	228,750	14	0.29
Theis & Talle Management	-	-	-	225,000	15	0.29
Sears Roebuck and Company	-	-	-	278,425	11	0.36
Dayton Hudson Corporation No. T-664	-	-	-	290,035	10	0.37
Total	\$ 3,962,588		3.68 %	\$ 6,043,602		7.73 %
Total District Tax Capacity	\$ 107,681,296			\$ 78,209,973		

Source: Hennepin County Auditor

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Tax Collection Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Tax Levy
2001	\$ 41,315,362	\$ 40,682,957	98.5	\$ 486,546	\$ 41,169,503	99.6
2002	31,212,289	30,686,799	98.3	114,851	30,801,650	98.7
2003	32,842,187	32,626,772	99.3	131,130	32,757,902	99.7
2004	38,012,186	37,223,725	97.9	117,489	37,341,214	98.2
2005	38,359,997	37,961,423	99.0	163,321	38,124,744	99.4
2006	41,295,991	40,769,997	98.7	186,678	40,956,675	99.2
2007	43,274,446	42,385,731	97.9	253,915	42,639,646	98.5
2008	43,330,988	42,447,121	98.0	256,994	42,704,115	98.6
2009	51,829,311	25,685,713	49.6	-	25,685,713	49.6
2010	-	-	#####	-	-	#####

Note 1: Total tax levy includes certified levy (including fiscal disparities) less tax credits.

Note 2: Property taxes are remitted to the District based on a calendar fiscal year; the current tax collections for the most recent levy represents collections through the District's fiscal year-end of June 30.

Source: Hennepin County Auditor and district records

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
TAXABLE NET TAX CAPACITY AND ESTIMATED MARKET VALUE
ALL TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)**

<u>Tax Collection Year</u>	<u>Sales Ratio</u>	<u>Taxable Net Tax Capacity</u>	<u>Estimated Market Value</u>	<u>Percent Total Tax Capacity of Estimated Market Value</u>	<u>Indicated Market Value (1)</u>
2001	90.7	85,879,846	5,159,502,428	1.66	5,688,536,304
2002	87.4	66,677,174	5,650,773,030	1.18	6,465,415,366
2003	83.8	72,136,094	6,205,075,300	1.16	7,404,624,463
2004	83.1	78,725,196	6,896,806,800	1.14	8,299,406,498
2005	83.1	87,280,481	7,649,568,300	1.14	9,205,256,679
2006	86.0	95,502,066	8,394,674,999	1.14	9,761,249,999
2007	90.7	103,680,164	9,069,367,363	1.14	9,999,302,495
2008	95.7	108,649,682	9,442,319,235	1.15	9,866,582,273
2009	96.8	107,681,296	9,222,353,100	1.17	9,527,224,277
2010	0.0	—	—	#DIV/0!	#DIV/0!

(1) Calculated by dividing the estimated market value by the sales ratio.

Note: Taxable net tax capacity is as adjusted for fiscal disparities and tax increments.

Source Hennepin County Auditor

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
PROPERTY TAX CAPACITY RATES
ALL OVERLAPPING GOVERNMENTAL UNITS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Tax Collection Year	Property Tax Rate – Based on Tax Capacity Values									
	ISD No. 281 (1)	City of Brooklyn Center	City of Brooklyn Park	City of Crystal	City of Golden Valley	City of New Hope	City of Plymouth	City of Robbinsdale	Special Districts (2)	Hennepin County
2001	46.682	36.052	30.435	25.867	26.786	34.334	13.994	23.927	8.126	37.624
2002	30.213	58.901	49.130	44.538	51.488	53.735	24.658	47.111	7.068	50.409
2003	29.179	54.021	45.186	40.687	46.954	49.591	24.198	42.132	7.757	50.607
2004	34.258	53.693	43.771	41.451	45.445	49.253	23.922	40.784	7.192	47.324
2005	29.989	51.723	38.201	39.589	45.302	46.086	23.813	36.707	7.382	44.172
2006	28.489	48.069	39.099	37.887	43.308	42.375	23.746	37.214	6.998	41.016
2007	28.750	44.292	35.254	36.059	41.282	42.101	23.280	36.083	7.310	39.110
2008	27.243	43.896	37.744	35.441	42.990	41.694	22.887	35.067	7.397	38.571
2009	27.214	47.521	39.652	38.288	45.914	41.062	24.368	37.000	7.154	40.413
2010	-	-	-	-	-	-	-	-	-	-

Tax Collection Year	Total Tax Capacity Rate for Taxpayers as a							ISD No. 281 Market Value Base Tax (3)
	Brooklyn Resident	Brooklyn Park Resident	Crystal Resident	Golden Valley Resident	New Hope Resident	Plymouth Resident	Robbinsdale Resident	
2000	130.453	127.716	122.347	126.611	123.513	110.766	120.321	0.17106
2001	128.484	122.867	118.299	119.218	126.766	106.426	116.359	0.17950
2002	146.591	136.820	132.228	139.178	141.425	112.348	134.801	0.21625
2003	141.564	132.729	128.230	134.497	137.134	111.741	129.675	0.18362
2004	142.467	132.545	130.225	134.219	138.027	112.696	129.558	0.16580
2005	133.266	119.744	121.132	126.845	127.629	105.356	118.250	0.15038
2006	124.572	115.602	114.390	119.811	118.878	100.249	113.717	0.16298
2007	119.462	110.424	111.229	116.452	117.271	98.450	111.253	0.14295
2008	117.107	110.955	108.652	116.201	114.905	96.098	108.278	0.13703
2009	122.302	114.433	113.069	120.695	115.843	99.149	111.781	0.23696
2010	-	-	-	-	-	-	-	-

- (1) Beginning in 1999, the rate does not include the referendum, which is spread on School District Referendum Market Value.
- (2) Special districts include the Metro Mosquito Control, Metropolitan Council, Metropolitan Transit, Hennepin Parks, Park Museum, and the HCRAA.
- (3) District voters have authorized additional school funding through an operating referendum.

Source Hennepin County Auditor

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
SCHOOL TAX LEVIES AND TAX RATES BY FUND
LAST TEN FISCAL YEARS
(UNAUDITED)**

	Year Collectible	General Fund	Community Service Special Revenue Fund	Capital Projects – Building Construction Fund	Debt Service Fund	Total All Funds
Levies (1)						
	2001	\$ 41,158,009	\$ 1,282,324	\$ 3,675,539	\$ 5,001,298	\$ 51,117,170
	2002	16,305,540	1,605,059	5,500,000	9,413,709	32,824,308
	2003	16,077,193	1,797,826	7,000,000	9,499,620	34,374,639
	2004	16,641,319	1,702,830	7,000,000	14,334,041	39,678,190
	2005	16,454,466	1,593,550	7,500,000	14,257,044	39,805,060
	2006	19,948,502	1,581,123	6,754,779	14,320,955	42,605,359
	2007	19,405,120	1,600,173	8,500,000	15,011,999	44,517,292
	2008	22,037,194	1,446,549	7,000,000	14,005,938	44,489,681
	2009	29,770,358	1,626,979	5,700,000	15,931,974	53,029,311
	2010	-	-	-	-	-
Tax Capacity Rates						
	2000	0.39857	0.01599	0.04926	0.02110	0.48492
	2001	0.34359	0.01489	0.05028	0.05806	0.46682
	2002	0.03646	0.02498	0.09420	0.14648	0.30212
	2003	0.04064	0.02468	0.09610	0.13037	0.29179
	2004	0.04733	0.02183	0.08971	0.18371	0.34258
	2005	0.03643	0.01798	0.08462	0.16086	0.29989
	2006	0.04807	0.01653	0.07060	0.14969	0.28489
	2007	0.04637	0.01537	0.08161	0.14415	0.28750
	2008	0.06698	0.01324	0.06405	0.12816	0.27243
	2009	0.05029	0.01552	0.05437	0.15196	0.27214
	2010	-	-	-	-	-
Referendum Market Value Tax Rate (2)						
	2001	0.00180	-	-	-	0.00180
	2002	0.00216	-	-	-	0.00216
	2003	0.00184	-	-	-	0.00184
	2004	0.00166	-	-	-	0.00166
	2005	0.00150	-	-	-	0.00150
	2006	0.00163	-	-	-	0.00163
	2007	0.00143	-	-	-	0.00143
	2008	0.00137	-	-	-	0.00137
	2009	0.00237	-	-	-	0.00237
	2010	-	-	-	-	-

- (1) The levies include the HACA, Education Homestead Credit adjustment and the Homestead Market Value adjustment.
- (2) The referendum levy was converted to a market value referendum in 1999, resulting in a separate tax rate computed on the total market value of the District's property.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
PROPERTY TAX LEVIES AND RECEIVABLES
LAST TEN FISCAL YEARS
(UNAUDITED)**

For Taxes Collectible	Original Levy				Total Levy
	Local Spread	Fiscal Disparities	Education Homestead Credit Aid	Homestead Market Value Credit Aid	
2001	\$ 33,576,197	\$ 7,739,165	\$ 9,802,891	\$ -	\$ 51,118,253
2002	28,222,369	2,989,920	-	1,613,463	32,825,752
2003	28,305,424	4,536,763	-	1,533,904	34,376,091
2004	33,360,521	4,651,665	-	1,667,805	39,679,991
2005	33,148,334	5,211,980	-	1,446,525	39,806,839
2006	36,541,557	4,721,394	-	1,344,862	42,607,813
2007	38,252,655	5,022,136	-	1,245,826	44,520,617
2008	37,825,091	5,509,677	-	1,156,841	44,491,609
2009	45,963,074	5,913,454	-	1,155,523	53,032,051
2010	-	-	-	-	-

Note 1: Delinquent taxes receivable are written off after seven years.

Note 2: Beginning with the levy collectible in 2002, the general education levy was eliminated and replaced with state aid.

Note 3: A portion of the total spread levy is paid through various property tax credits received as state aid.

Note 4: A portion of the total spread levy is paid through various property tax credits which are paid through state aids and have been included in collections.

Note 5: Delinquent taxes receivable are written off after seven years. The amount of collections has been adjusted to reflect the write off of delinquent taxes receivable.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Governmental Activities			Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Capital Leases	Total Primary Government		
2001	\$ 108,275,000	\$ 2,201,990	\$ 110,476,990	0.23	\$ 1,095
2002	106,445,000	1,704,957	108,149,957	0.22	1,072
2003	151,520,000	1,327,792	152,847,792	0.31	1,516
2004	189,140,000	2,304,693	191,444,693	0.38	1,898
2005	221,010,000	1,981,145	222,991,145	0.41	2,211
2006	242,080,000	1,346,059	243,426,059	0.43	2,414
2007	235,580,000	2,302,108	237,882,108	0.40	2,359
2008	239,270,000	2,727,515	241,997,515	0.38	2,400
2009	195,245,000	2,078,303	197,323,303	N/A	1,957
2010	-	-	-	N/A	-

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

Note: Details regarding the District's outstanding debt can be found in the notes to basic financial statements.

N/A – Not Available

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO TAX CAPACITY, INDICATED
MARKET VALUE, AND ESTIMATED MARKET VALUE AND NET GENERAL OBLIGATION
BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Gross Bonded Debt	Less Debt Service Funds on Hand	Net Bonded Debt	Tax Capacity	Percent of Net Debt to Tax Capacity
2001	\$ 108,275,000	\$ 2,241,397	\$ 106,033,603	\$ 85,879,846	123.47
2002	106,445,000	384,914	106,060,086	66,677,174	159.07
2003	151,520,000	32,221,665	119,298,335	72,136,094	165.38
2004	189,140,000	30,808,215	158,331,785	78,725,196	201.12
2005	221,010,000	69,557,196	151,452,804	87,280,481	173.52
2006	242,080,000	84,405,017	157,674,983	95,502,066	165.10
2007	235,580,000	84,915,734	150,664,266	103,680,164	145.32
2008	239,270,000	86,610,293	152,659,707	108,649,682	140.51
2009	195,245,000	18,885,626	176,359,374	107,681,296	163.78
2010	-	-	-	-	#DIV/0!

(1) Calculated by dividing the estimated market value by the sales ratio established for the District by the Minnesota Department of Revenue.

Note: The gross bonded debt includes the proceeds of refunding issues in the amounts of \$28,625,000 for fiscal year 2003, \$37,180,000 for fiscal year 2005, and \$14,125,000 for fiscal year 2006. The amount held in escrow for these bonds is included in debt service funds on hand.

Sources: 1990 census data for 1999, 2000 census data for 2000–2009, annual school district census, and U.S. census

Indicated Market Value (IMV) (1)	Percent of Net Debt to IMV	Estimated Market Value (EMV)	Percent of Net Debt to EMV	Estimated Population	Net Bonded Debt per Capita
\$ 5,688,536,304	1.86	\$ 5,159,502,428	2.06	100,852	\$ 1,051
6,465,415,366	1.64	5,650,773,030	1.88	100,852	1,052
7,404,624,463	1.61	6,205,075,300	1.92	100,852	1,183
8,299,406,498	1.91	6,896,806,800	2.30	100,852	1,570
8,894,846,860	1.70	7,649,568,300	1.98	100,852	1,502
9,317,064,372	1.69	8,394,674,999	1.88	100,852	1,563
9,999,302,495	1.51	9,069,367,363	1.66	100,852	1,494
9,866,582,273	1.55	9,442,319,235	1.62	100,852	1,514
9,527,224,277	1.85	9,222,353,100	1.91	100,852	1,749
–	#DIV/0!	–	#DIV/0!	100,852	–

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
FOR GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES
LAST TEN FISCAL YEARS
(UNAUDITED)**

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest and Other Fiscal Charges</u>	<u>Total Debt Service Expenditures</u>	<u>Total General Expenditures (1)</u>	<u>Percent of Debt Service to General Expenditures</u>
2001	\$ 625,000	\$ 2,588,937	\$ 3,213,937	\$ 170,121,825	1.89
2002	1,830,000	5,002,880	6,832,880	170,649,217	4.00
2003	3,550,000	6,259,229	9,809,229	183,978,620	5.33
2004	3,695,000	7,551,018	11,246,018	178,588,141	6.30
2005	5,310,000	8,203,090	13,513,090	170,138,234	7.94
2006	6,255,000	7,344,726	13,599,726	173,741,673	7.83
2007	6,500,000	7,461,562	13,961,562	189,522,060	7.37
2008	7,165,000	7,378,289	14,543,289	197,835,316	7.35
2009	7,755,000	7,559,667	15,314,667	196,123,633	7.81
2010	-	-	-	-	#DIV/0!

(1) General expenditures includes all governmental funds.

Note: The Debt Service expenditures do not include bond refundings.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
DIRECT AND OVERLAPPING DEBT
JUNE 30, 2010
(UNAUDITED)**

Governmental Unit	Tax Capacity	General Obligation Debt	Percent Allocable to ISD No. 281	Portion Allocable to ISD No. 281
ISD No. 281	\$ 107,681,296	\$ 195,245,000	100.00 %	\$ 195,245,000
Overlapping Debt:				
Hennepin County	1,463,839,411	506,840,000	10.20	51,697,680
City of Brooklyn Center	19,982,186	23,835,000	22.30	5,315,205
City of Brooklyn Park	60,841,678	27,035,000	5.50	1,486,925
City of Crystal	17,076,268	2,630,000	100.00	2,630,000
City of Golden Valley	33,320,788	23,605,000	53.90	12,723,095
City of Plymouth	106,283,845	16,670,000	20.90	3,484,030
City of New Hope	17,357,938	5,960,000	100.00	5,960,000
City of Robbinsdale	11,309,066	7,985,000	100.00	7,985,000
Metropolitan Council	3,247,288,594	189,490,000	3.00	5,684,700
Hennepin Regional RR Authority	1,463,839,411	43,895,000	6.80	2,984,860
Hennepin Parks	1,106,071,828	82,325,000	9.10	7,491,575
Total Overlapping Debt				<u>107,443,070</u>
Total Direct and Overlapping Debt				<u><u>\$ 302,688,070</u></u>

Source: Hennepin County Property Tax Division

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Estimated Market Value	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Net Debt Applicable to Limit as a Percentage of Debt Limit
2001	\$ 5,159,502,428	\$ 515,950,243	\$106,033,603	\$ 409,916,640	20.55
2002	5,650,773,030	565,077,303	106,060,086	459,017,217	18.77
2003	6,205,075,300	620,507,530	119,298,335	501,209,195	19.23
2004	6,896,806,800	1,034,521,020	158,331,785	876,189,235	15.30
2005	7,649,568,300	1,147,435,245	151,452,804	995,982,441	13.20
2006	8,394,674,999	1,259,201,250	157,674,983	1,101,526,267	12.52
2007	9,069,367,363	1,360,405,104	150,664,266	1,209,740,838	11.07
2008	9,442,319,235	1,416,347,885	152,659,707	1,263,688,178	10.78
2009	9,215,649,967	1,382,347,495	176,359,374	1,205,988,121	12.76
2010	-	-	176,359,374	(176,359,374)	#DIV/0!

Legal Debt Margin Calculation for Fiscal Year 2010

Market value	<u>\$ 9,215,649,967</u>
Debt limit (15% of market value)	<u>\$ 1,382,347,495</u>
Debt applicable to limit	
General obligation bonds	195,245,000
Less amount set aside for repayment of general obligation debt	<u>18,885,626</u>
Total net debt applicable to limit	<u>176,359,374</u>
Legal debt margin	<u>\$ 1,205,988,121</u>

Note 1: Beginning in fiscal year 2003 the debt limit changed from 10 percent to 15 percent of market value.

Note 2: Under state finance law, the District's outstanding general obligation debt should not exceed 15 percent of total market property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
DEMOGRAPHICS AND ECONOMIC STATISTICS
AS OF JUNE 30, 2010
(UNAUDITED)**

Fiscal Year	Hennepin County (1)						ISD No. 281	
	Population	Personal Income	Per Capita Personal Income	Median Age	Labor Force	Unemployment Rate	Population (2)	School Enrollment (3)
2001	1,114,977	\$ 48,447,980,604	\$ 43,452	34.9	676,037	3.2	100,852	14,409
2002	1,122,259	49,078,630,588	43,732	34.9	687,258	4	100,852	14,544
2003	1,121,035	50,604,640,935	45,141	36.2	693,591	4.7	100,852	14,279
2004	1,120,897	53,849,012,777	48,041	36.7	675,296	4.5	100,852	14,043
2005	1,119,364	56,429,377,968	50,412	36.9	674,764	3.7	100,852	13,608
2006	1,122,093	59,364,330,165	52,905	37.2	664,469	3.5	100,852	13,630
2007	1,136,599	63,967,791,720	56,280	37.2	669,389	4	100,852	13,474
2008	1,140,988	N/A	N/A	N/A	660,319	4.9	100,852	13,140
2009	N/A	N/A	N/A	N/A	660,319 (4)	N/A	100,852	13,140
2010	N/A	N/A	N/A	N/A	660,319 (4)	N/A	100,852	13,140

Sources:

- (1) Hennepin County
- (2) U.S. census
- (3) ISD No. 281
- (4) Estimated

N/A – Not Available

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**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
PRINCIPAL EMPLOYERS
AS OF JUNE 30, 2010
(UNAUDITED)**

Employer	2009		
	Approximate Number of Employees	Rank	Percentage of Total County Employment
Wells Fargo Bank	20,000 (1)	1	3.10 %
North Memorial Medical Center	5,328	2	0.83
General Mills, Inc.	5,000	3	0.78
Boston Scientific	3,500	4	0.54
Robbinsdale Area Schools (ISD No. 281)	1,760	5	0.27
Honeywell	1,377	6	0.21
Promeon	1,350 (2)	7	0.21
Carlson Marketing Travel Group	1,300 (3)	8	0.20
Minnesota Masonic Homes North Ridge	900	9	0.14
Prudential Insurance Company	700	10	0.11
St. Therese Care Center	566	11	0.09
Caterpillar Paving Products	550	12	0.09
Assurant Health	450	13	0.07
Tennant Company	400	14	0.06
Nilfisk-Advance Incorporated	370	15	0.06
Total	<u>43,551</u>		<u>6.60 %</u>

(1) Total employees for the entire state. Data for previous years is not available.

(2) Includes locations in Brooklyn Center and Brooklyn Park.

(3) Includes the City of Robbinsdale location only.

Note: Residents of the District are employed throughout the metropolitan area. Major employers in close proximity to the District are listed above.

Sources: Minnesota Department of Employment and Economic Development and Springsted, Public Sector Advisor

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
FTE STAFF ALLOCATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	<u>2000-2001</u>	<u>2001-2002</u>	<u>2002-2003</u>	<u>2003-2004</u>	<u>2004-2005</u>
Superintendent	0.75	1.00	1.00	1.00	1.00
Cabinet	4.33	6.98	6.44	6.58	6.10
Principals	17.00	18.00	16.13	18.69	16.00
Assistant Principals	10.00	10.00	9.07	9.98	10.84
Program Directors	29.86	37.53	49.20	52.73	45.77
Program Assistants	84.67	94.68	94.46	94.45	97.33
Teachers	850.84	848.73	811.11	826.36	801.66
Counselors	17.04	17.60	17.42	17.93	17.76
Social Workers	9.12	9.38	12.26	13.54	13.13
Psychologists	12.82	13.35	11.99	12.69	10.64
Nurses	7.56	5.00	5.00	5.00	4.17
Special Assignments	32.37	36.65	36.68	38.57	36.96
Education Assistants	315.31	305.95	325.88	332.87	326.94
Bus Monitor	9.35	9.07	10.79	11.96	10.61
Custodians	117.71	111.37	107.08	108.10	102.53
Custodial/Bus Drivers	64.05	74.21	64.45	62.53	57.38
Mechanics	6.60	6.42	5.26	5.64	5.72
Transportation Part-Time	49.45	44.45	43.94	45.80	46.67
Community Education	60.84	70.49	81.34	74.92	68.74
Office Employees	87.78	114.29	82.09	84.77	84.68
Food Service	107.36	101.81	96.86	89.27	85.73
Casual	2.77	0.48	5.03	5.55	2.00
Total	<u>1,897.58</u>	<u>1,937.44</u>	<u>1,893.49</u>	<u>1,918.93</u>	<u>1,852.36</u>

<u>2005-2006</u>	<u>2006-2007</u>	<u>2007-2008</u>	<u>2008-2009</u>	<u>2009-2010</u>
1.00	1.00	1.00	1.00	-
7.00	6.00	5.00	5.00	-
15.00	15.00	15.00	15.00	-
11.08	11.00	11.00	11.00	-
40.71	43.40	43.58	40.69	-
82.70	88.16	85.40	87.93	-
825.93	843.76	824.16	760.80	-
17.98	18.40	18.28	17.11	-
12.10	13.70	12.47	11.50	-
9.69	11.09	10.85	9.96	-
10.86	10.57	9.89	10.03	-
40.78	40.66	38.33	47.62	-
346.20	351.74	333.91	357.16	-
10.34	11.11	12.35	12.31	-
102.17	104.60	95.81	101.30	-
50.32	45.49	40.58	35.37	-
5.53	5.45	6.00	6.00	-
56.59	60.26	48.85	47.11	-
71.32	74.73	69.50	63.05	-
83.22	83.48	83.29	84.58	-
92.94	90.24	93.80	91.12	-
-	-	-	-	-
<u>1,893.46</u>	<u>1,929.84</u>	<u>1,859.05</u>	<u>1,815.64</u>	-

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
PHYSICAL PLANT CHARACTERISTICS
AS OF JUNE 30, 2010
(UNAUDITED)**

Facility	Grades Housed	Year Built	Year of Major Additions	Acreage	Total Square Footage	Actual Enrollment*
Cooper	9-12	1964	2000	40	293,816	1,811
Armstrong	9-12	1970	1997	52	328,600	2,020
Plymouth	6-8	1968	1990	22	180,500	1,000
Sandburg	6-8	1959	1966, 1999	36	174,939	1,045
Robbinsdale	K-5	1956	1976	18.34	269,107	1,381
Forest	K-5	2005	-	14	75,870	546
Lakeview	K-5	1964	-	5.75	55,648	425
Meadow Lake	K-5	1961	1965	15	79,860	577
Neill	K-5	1957	1968, 2000	14	71,037	472
Noble	K-5	1954	1956, 2000, 2006	10	56,800	320
Northport	K-5	1956	1957, 1984	14	65,300	406
Pilgrim Lane	K-5	1966	-	11.5	58,168	382
Sonnesyn	K-5	1962	1968	15	76,187	569
Sunny Hollow	K-5	1960	1965	14	74,564	487
Zachary Lane	K-5	1969	1993	14	73,596	518
<u>Multi-Purpose Facilities</u>						
Highview	Vacant	1968	-	0.35	5,533	-
Hosterman	Leased	1962	-	28	176,400	-
Cavanagh	EC/K-ALC	1958	-	12	55,526	86
Olson	Leased	1971	-	9.2	44,000	-
New Hope	Various	1960	-	14	55,902	-
Winnetka	Community Education	1967	-	9	55,584	-
Transportation		1966	-	10.5	48,843	-
Administration		1968	-	3.32	41,412	-
Totals					<u>2,417,192</u>	<u>12,045</u>

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
MISCELLANEOUS STATISTICAL FACTS
AS OF JUNE 30, 2010
(UNAUDITED)**

Old district changed to ISD No. 281	1957
Form of government	School Board – Superintendent
Fiscal year begins	July 1
Area of ISD No. 281	32 square miles
Number of high schools	2
Number of middle schools	3
Number of elementary schools	10
Number of auxiliary buildings	8
Number of communities served	7
Staffing Ratio	
Elementary School	30.4 - 33.4
Middle School	23.6
High School	27.1
Extracurricular activities at high school	
Athletic	30
Non-athletic	30+
Teacher education	
Bachelors degree	100%
Masters degree or doctorate	71%

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
SCHEDULE OF INSURANCE COVERAGE
AS OF JUNE 30, 2010
(UNAUDITED)**

Type of Coverage	Amount of Coverage
Property Coverage:	
Real and Personal Property (All Locations)	\$ 391,854,100
Demolition Cost	1,000,000
Increased Cost of Construction	1,000,000
Exterior Signs	25,000
Supplementary Accounts Receivable	25,000
Supplementary Valuable Papers and Records	100,000
Inland Marine Coverage:	
Miscellaneous Equipment	2,500
Mini-computer Equipment and Media	12,000,000
Mini-computer Extra Expense	10,000
Liability Coverage:	
Bodily Injury and Property Damage per Occurrence	1,000,000
Combined Single Limit Annual Aggregate	1,000,000
Medical Payments:	
Other than Students:	
Each Person	5,000
Each Accident	50,000
Students:	
Each Student	1,000
Each Accident	5,000
Annual Aggregate	50,000
Crime Coverage:	
Employee Dishonesty	50,000
Faithful Performance	50,000
Money and Securities on Premises	10,000
Money and Securities off Premises	50,000
Automobile Coverage:	
Liability Protection	5,200,000
Personal Injury Protection	40,000
Uninsured and Underinsured Motorist Protection	1,000,000
Collision	Varies
Comprehensive	Varies
Excess Liability Coverage:	
Underlying Coverage	1,200,000
Excess Amount Coverage Per Occurrence	4,000,000
School Leaders Legal Liability Coverage Annual Aggregate	1,000,000
Boiler and Machinery Coverage	5,000,000

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
STUDENT ENROLLMENT
LAST TEN FISCAL YEARS
(UNAUDITED)**

Year Ended June 30,	Average Daily Membership (ADM) (Including Enrollment Option ADM)					Total Pupil Units
	Pre-Kindergarten and Handicapped Kindergarten	Kindergarten	Elementary	Secondary	Total	
2001	83.96	1,058.77	6,501.13	6,765.31	14,409.17	16,545.93
2002	90.25	1,080.09	6,478.74	6,895.04	14,544.12	16,713.63
2003	88.19	1,028.56	6,230.06	6,931.93	14,278.74	16,461.84
2004	110.28	1,020.12	6,057.45	6,854.68	14,042.53	16,191.14
2005	116.24	846.19	5,984.74	6,660.91	13,608.08	15,867.76
2006	109.00	840.24	6,003.49	6,678.18	13,630.91	15,804.23
2007	135.20	877.71	5,836.11	6,624.96	13,473.98	15,599.42
2008	148.47	823.46	5,707.23	6,462.19	13,141.35	15,277.10
2009	132.03	809.99	5,523.86	6,121.47	12,587.35	14,611.33
2010	*	-	-	-	-	-

*Estimated

(1) ADM is weighted as follows in computing pupil units. This is referred to as weighted average daily membership (WADM)

Fiscal Year	Pre-Kindergarten	Handicapped Kindergarten	Kindergarten	Elementary Grades 1-3	Elementary Grades 4-6	Secondary
2000-2007	1.250	1.000	0.557	1.115	1.060	1.300
2008-2009	1.250	1.000	0.612	1.115	1.060	1.300
2009-2010	1.250	1.000	0.612	1.115	1.060	1.300

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
UNIFORM FINANCIAL ACCOUNTING AND REPORTING STANDARDS
COMPLIANCE TABLE
JUNE 30, 2010
(UNAUDITED)**

	State Average	Seven-County	ISD No. 281	
	2008	Metro Average 2008	2008	2009
Expenditures (1) Per Student (ADM) (2):				
General Fund:				
Administration	\$ 412	\$ 363	\$ 417	\$ 505
District Support Services	399	402	335	383
Elementary and Secondary				
Regular Instruction	4,528	4,716	4,516	4,980
Vocational Education Instruction	142	145	264	290
Special Education Instruction	1,703	1,900	1,884	1,876
Instructional Support Services	461	546	486	645
Pupil Support Services	835	919	1,101	1,235
Sites and Buildings and Other	811	778	1,008	1,215
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total General Fund Expenditures	\$ 9,291	\$ 9,769	\$ 10,011	\$ 11,129
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
ADM Used Per Profile Model Format			<u>13,352</u>	<u>12,745</u>

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**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281**

**SCHEDULE OF EXPENDITURES OF FEDERAL
AWARDS AND OTHER REQUIRED REPORTS**

YEAR ENDED JUNE 30, 2010

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
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SINGLE AUDIT AND OTHER REQUIRED REPORTS

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Education
Independent School District No. 281
Robbinsdale Area Schools
New Hope, Minnesota

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 281 as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 9, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the District's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our test disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Education, management of the District, the Minnesota Department of Education, and state and federal awarding entities and is not intended to be and should not be used by anyone other than these specified parties.

Minneapolis, Minnesota
December 9, 2010

LarsonAllen LLP

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Education
Independent School District No. 281
Robbinsdale Area Schools
New Hope, Minnesota

Compliance

We have audited Robbinsdale Area Schools' compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Robbinsdale Area Schools' major federal programs for the year ended June 30, 2010. Robbinsdale Area Schools' major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Robbinsdale Area Schools' management. Our responsibility is to express an opinion on Robbinsdale Area Schools' compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Robbinsdale Area Schools' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Robbinsdale Area Schools' compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2010. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as items 2009-1 and 2009-2.

Internal Control Over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Robbinsdale Area Schools' internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. We also did not identify any deficiencies in internal control over compliance that we consider to be significant deficiencies. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

The District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the District's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Board of Education, management of the District, the Minnesota Department of Education, and state and federal awarding entities and is not intended to be and should not be used by anyone other than these specified parties.

LarsonAllen LLP

Minneapolis, Minnesota
December 9, 2010

**ROBBINSDALE AREA SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 281
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2010**

Federal Agency/Pass-Through Grantor/Program Title	Federal CFDA Number	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE		
Passed Through Minnesota Department of Education:		
Child Nutrition Cluster		
National School Lunch Program		
Cash Assistance	10.555	\$ 2,141,604
Non-Cash Assistance	10.555	59,665
School Breakfast Program	10.553	608,505
Summer Food Program	10.559	27,629
ARRA - National School Lunch Equipment	10.579	21,705
Total U. S. Department of Agriculture		<u>2,859,108</u>
U.S. DEPARTMENT OF EDUCATION		
Direct		
Indian Education Grants to Local Educational Agencies	84.060	32,623
Smaller Learning Communities Grant	84.215L	280,054
Passed Through Minnesota Department of Education:		
Special Education Cluster		
Special Education Grants to States	84.027	2,244,087
Special Education Preschool Grants	84.173	77,312
ARRA - Special Education	84.391	1,506,028
ARRA - Early Childhood	84.392	25,671
Special Education Cluster - Grants for Infants and Families		
Special Education Grants for Infants and Families	84.181	116,209
ARRA - Special Education Grants for Infants and Families	84.393	10,713
Title I Cluster		
Title I Grants to Local Education Agencies	84.010	1,874,419
ARRA, Title I, Part A	84.389	534,640
Education Technology Cluster		
Education Technology State Grants	84.318	146,487
ARRA - Education Technology State Grants	84.386	154,407
Special Education - State Personnel Development	84.323	36,774
Innovative Education Program Strategies	84.298	12,380
Career and Technical Education (Perkins IV)	84.048	80,934
Safe and Drug Free School and Communities	84.186	38,743
Title II Part A Improving Teacher Quality State Grants	84.367	453,521
Title III English Language Acquisition Grants	84.365	145,832
Twenty-First Century Community Learning Centers	84.287	-
Reading First State Grants	84.357	35,227
Adult Education State Grant Program	84.002	167,084
Even-Start State Educational Agencies	84.213	170,538
ARRA - State Fiscal Stabilization Fund	84.394	7,930,818
Total U. S. Department of Education		<u>16,074,501</u>
U.S. DEPARTMENT OF THE INTERIOR		
Passed Through Minnesota Department of Education:		
Indian Education Assistance to Schools	15.130	8,208
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		
Passed Through Minnesota Department of Education:		
Refugee and Entrant Assistance Discretionary Grants	93.576	55,566
Refugee and Entrant Assistance State Administered Grants	93.566	\$ 10,200
Total U. S. Department of Health and Human Services		<u>65,766</u>
INSTITUTE OF MUSEUM AND LIBRARY SERVICES		
Passed Through Minnesota Department of Education		
State Library Services	45.310	67,775
Total Federal Awards		<u>\$ 19,075,358</u>

Notes to Schedule of Expenditures of Federal Awards:

Note 1:

The Schedule of Expenditures of Federal Awards presents the activity of federal award programs expended by Independent School District No. 281.

Note 2:

The expenditures on this schedule are on the modified accrual basis of accounting, which is described in Note 1 to the financial statements of the District.

Note 3:

The pass-through entity identifying number is unknown.

REPORT ON MINNESOTA LEGAL COMPLIANCE

Board of Education
Independent School District No. 281
Robbinsdale Area Schools
New Hope, Minnesota

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 281 as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 9, 2010.

We conducted our audit in accordance with U.S. generally accepted auditing standards, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of the *Minnesota Legal Compliance Audit Guide for Local Government*, promulgated by the State Auditor pursuant to Minnesota Statutes Section 6.65. Accordingly, the audit included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The *Minnesota Legal Compliance Audit Guide for Local Government* covers seven main categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, uniform financial accounting and reporting standards for school districts, and other miscellaneous provisions. Our study included all of the listed categories.

The results of our tests indicate that for the items tested the District complied with the material terms and conditions of applicable legal provisions.

This report is intended solely for the information and use of the School Board, management of the District, the Minnesota Department of Education, and the Office of the Minnesota State Auditor and is not intended to be and should not be used by anyone other than these specified parties.

LarsonAllen LLP

Minneapolis, Minnesota
December 9, 2010

ROBBINSDALE AREA SCHOOL
INDEPENDENT SCHOOL DISTRICT NO. 281
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2010

B. FINDINGS – FINANCIAL STATEMENT AUDIT

None

DRAFT

**ROBBINSDALE AREA SCHOOL
INDEPENDENT SCHOOL DISTRICT NO. 281
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2010**

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

Finding 2010-1

Significant Deficiency – Special Education Cluster (CFDA 84.027, 84.173, 84.391, 84.392)

Criteria: OMB Circular A-87, Attachment B, Section 8, requires semi-annual payroll certifications to be prepared for employees who work solely on single Federal award, signed either by the employee or the employee's direct supervisor. When employees work on multiple programs, the employee's time must be supported by monthly Personnel Activity Reports or timesheets in accordance with specifications contained in the Circular.

Condition: Out of the 40 disbursements we tested from the Special Education program, we noted 15 employees who had not completed the required Personnel Activity Reports.

Cause: The District's had not yet implemented a process for completing this time reporting requirement.

Effect: Lack of support for salaries expenses which were charged to the federal program.

Recommendation: We recommend that the District implement a process to ensure employees working in the federal program complete the required time reporting documents.

CORRECTIVE ACTION PLAN (CAP):

Explanation of Disagreement with Audit Findings:

There is no disagreement with the audit finding.

Actions Planned in Response to Finding:

The District will implement a process to ensure the required time reporting documents are completed by all employees working in the federal program.

Official Responsible for Ensuring CAP:

The Director of Special Education is the official responsible for ensuring corrective action of the deficiency.

Planned Completion Date for CAP:

The planned completion date is June 30, 2011.

Plan to Monitor Completion of CAP:

The Board of Education will be monitoring this corrective action plan.

ROBBINSDALE AREA SCHOOL
INDEPENDENT SCHOOL DISTRICT NO. 281
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2010

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT (CONTINUED)

Finding 2010-2

Significant Deficiency – Child Nutrition Cluster (CFDA 10.553, 10.555, 10.559)

Criteria: Minnesota Department of Education regulations require that the District obtain prior approval from the MDE prior to making capital purchases greater than \$500.

Condition: Out of the eight capital purchases greater than \$500 that we selected for testing the District did not obtain prior approval from the MDE for three of them.

Cause: The District's controls did not ensure that prior approval was obtained for all capital expenditures over \$500 in the Food Service Fund.

Effect: The District did not have the required prior approval to purchase these capital assets.

Recommendation: We recommend that the District implement a process that ensures prior approval from the Minnesota Department of Education will be obtained for all capital expenditures greater than \$500.

CORRECTIVE ACTION PLAN (CAP):

Explanation of Disagreement with Audit Findings:

There is no disagreement with the audit finding.

Actions Planned in Response to Finding:

The District will begin establishing controls to ensure that students that prior approval will be obtained for all capital expenditures greater than \$500.

Official Responsible for Ensuring CAP:

The Child Nutrition Director is the official responsible for ensuring corrective action of the deficiency.

Planned Completion Date for CAP:

The planned completion date is June 30, 2011.

Plan to Monitor Completion of CAP:

The Board of Education will be monitoring this corrective action plan.

D. FINDINGS AND QUESTIONED COSTS – MINNESOTA LEGAL COMPLIANCE

None

EXTRACURRICULAR STUDENT ACTIVITY ACCOUNTS

DRAFT

INDEPENDENT AUDITORS' REPORT

School Board, Advisors, and Students
Independent School District No. 281
Robbinsdale Area Schools
Robbinsdale, Minnesota

We have audited the accompanying statement of cash receipts and disbursements of the extracurricular student activity accounts of Independent School District No. 281 as of and for the year ended June 30, 2010. This financial statement is the responsibility of the District's extracurricular student activity accounts management. Our responsibility is to express an opinion on this financial statement based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The District has not established procedures to provide assurance that all cash collections are recorded in the accounting records. Accordingly, it was not practicable for us to extend our audit of such cash collections beyond the amounts recorded.

As described in Note 1, this financial statement has been prepared on the cash basis of accounting, as prescribed by the Minnesota Department of Education, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

In our opinion, except for such adjustments, if any, as might have been determined to be necessary had the cash collections referred to above been susceptible to satisfactory audit tests, the financial statement referred to above presents fairly, in all material respects, the cash transactions of the District's extracurricular student activity accounts for the year ended June 30, 2010, and the cash balances at that date on the basis of accounting as described in Note 1.

LarsonAllen LLP

Minneapolis, Minnesota
December 9, 2010

**ROBBINSDALE AREA SCHOOL
INDEPENDENT SCHOOL DISTRICT NO. 281
EXTRACURRICULAR STUDENT ACTIVITY ACCOUNTS
NOTE TO EXTRACURRICULAR STUDENT ACTIVITY ACCOUNTS FINANCIAL STATEMENT
YEAR ENDED JUNE 30, 2010**

	Balance - June 30, 2009	Receipts	Disbursement	Balance - June 30, 2010
Senior High Schools:				
Robbinsdale Armstrong	\$ 30,487	\$ 125,810	\$ 131,325	\$ 24,972
Robbinsdale Cooper	66,111	128,656	115,026	79,741
Total Senior High Schools	<u>96,598</u>	<u>254,466</u>	<u>246,351</u>	<u>104,713</u>
Middle Schools:				
Plymouth	8,926	20,847	11,503	18,270
Sandburg	14,851	-	14,851	-
Robbinsdale	7,434	27,787	26,610	8,611
Total Middle Schools	<u>31,211</u>	<u>48,634</u>	<u>52,964</u>	<u>26,881</u>
Total All Schools	<u>\$ 127,809</u>	<u>\$ 303,100</u>	<u>\$ 299,315</u>	<u>\$ 131,594</u>

DRAFT

See accompanying Notes to Financial Statement.

**ROBBINSDALE AREA SCHOOL
INDEPENDENT SCHOOL DISTRICT NO. 281
EXTRACURRICULAR STUDENT ACTIVITY ACCOUNTS
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2010**

NOTE 1 BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

Extracurricular student activity account transactions are defined as extracurricular programs conducted for the motivation and enjoyment of students. These programs and activities are not offered for school credits nor required for graduation. Activities are generally conducted outside of school hours. The content of the activities is determined primarily by the students, under the guidance of a staff member or other adult.

Extracurricular student activities are to be self-sustaining with all expenses paid by dues, admissions, or other student fund-raising events.

The accounts of Independent School District No. 281, Robbinsdale Area Schools' extracurricular student activity accounts are maintained, and the accompanying financial statement has been prepared, on the cash basis of accounting which is a comprehensive basis of accounting other than generally accepted accounting principles. Consequently, receipts are recognized when received rather than when earned, and disbursements are recognized when paid rather than when the obligations are incurred.

NOTE 2 DEPOSITS AND INVESTMENTS

All cash and investments of the student activity accounts are held in demand accounts. Custodial credit risk is the risk that in the event of a bank failure, the School's deposits may not be returned to it. The School does not have a deposit policy for custodial credit risk and follows Minnesota Statutes for deposits.

Minnesota statutes require that all District deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by insurance.

Authorized collateral includes certain state or local government obligations, obligations of the U.S. Treasury and U.S. agencies, irrevocable standby letter of credit issued by the Federal Home Loan Bank accompanied by written evidence that the Federal Home Loan Bank's public debt is rated "AA" or better by Moody's or Standard & Poor's Corporation, and certificates of deposit insured by the FDIC.

Minnesota statutes require that securities pledged as collateral be held in safekeeping by the District Treasurer or in a financial institution (as agent for the District) other than that furnishing the collateral.

As of June 30, 2010, the carrying amount of the Student Activity Funds was \$131,594 and the bank balance was \$136,818. The Student Activity Funds' deposits at year-end were entirely covered by federal depository insurance or by collateral held in a financial institution other than that furnishing the collateral in the District's name.

School Board, Advisors, and Students
Independent School District No. 281
Robbinsdale Area Schools
Robbinsdale, Minnesota

In planning and performing our audit of the statement of cash receipts and disbursements of the extracurricular student activity funds of Independent School District No. 281 as of and for the year ended June 30, 2010, in accordance with auditing standards generally accepted in the United States of America, we considered Independent School District No. 281's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the extracurricular student activity funds financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Independent School District No. 281's internal control. Accordingly, we do not express an opinion on the effectiveness of the Independent School District No. 281's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, as discussed below, we noted a certain deficiency in internal control that we consider to be a material weakness.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control. We believe that the following deficiency constitutes a material weakness:

Student Activity Receipts

The District has not established procedures to provide assurance that all cash collections are recorded in the accounting records.

This communication is intended solely for the information and use of management, the School Board, and others within the District, and is not intended to be and should not be used by anyone other than these specified parties.

LarsonAllen LLP

Minneapolis, Minnesota
December 9, 2010

REPORT ON MINNESOTA LEGAL COMPLIANCE

School Board, Advisors, and Students
Independent School District No. 281
Robbinsdale Area Schools
Robbinsdale, Minnesota

We have audited the statement of cash receipts and disbursements of the extracurricular student activity funds of Independent School District No. 281 as of and for the year ended June 30, 2010, and have issued our report thereon dated December 9, 2010. In our report, our opinion was qualified because the District has not established procedures to provide assurance that all cash collections are recorded in the accounting records. Further, the financial statements are prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the *Manual for Activity Fund Accounting*, issued by the Minnesota Department of Education, pursuant to Minnesota Statutes § 123.38.

The *Manual of Activity Fund Accounting* provides uniform financial accounting and reporting standards for student activities. Compliance with student activity laws and regulations is the responsibility of the District's extracurricular student activity accounts management. We have performed auditing procedures to test compliance with the provisions of this manual. However, our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests indicate that, with respect to the items tested, the District's extracurricular student activity accounts complied with the material terms and conditions of applicable legal provisions, except as described in the Schedule of Findings and Corrective Action.

This report is intended solely for the information and use of the School Board, management, and students of Independent School District No. 281 and the Minnesota Department of Education, and the Office of the State Auditor of Minnesota, and is not intended to be and should not be used by anyone other than these specified parties.

LarsonAllen LLP

Minneapolis, Minnesota
December 9, 2010

**ROBBINSDALE AREA SCHOOL
INDEPENDENT SCHOOL DISTRICT NO. 281
EXTRACURRICULAR STUDENT ACTIVITY ACCOUNTS
SCHEDULE OF FINDINGS AND CORRECTIVE ACTION
JUNE 30, 2010**

FINDINGS AND CORRECTIVE ACTION

EXTRACURRICULAR STUDENT ACTIVITY ACCOUNTS

2010-1 Accounts with Deficit Balances

Condition – One of the District’s student activity accounts had deficit balance at June 30, 2010.

Recommendation – It is our recommendation that the District assure all student activity accounts do not spend in excess of available funds, and eliminate existing student activity account balance deficits.

CORRECTIVE ACTION PLAN (CAP):

Explanation of Disagreement with Audit Findings:

There is no disagreement with the audit finding.

Actions Planned in Response to Finding:

The District will take the necessary steps to assure there are no accounts with deficit balances in the future.

Official Responsible for Ensuring CAP:

The Executive Director of Business Services is the official responsible for ensuring corrective action of the deficiency.

Planned Completion Date for CAP:

The planned completion date is June 30, 2011.

Plan to Monitor Completion of CAP:

The Board of Education will be monitoring this corrective action plan.

ROBBINSDALE AREA SCHOOL
INDEPENDENT SCHOOL DISTRICT NO. 281
EXTRACURRICULAR STUDENT ACTIVITY ACCOUNTS
SCHEDULE OF FINDINGS AND CORRECTIVE ACTION
JUNE 30, 2010

FINDINGS AND CORRECTIVE ACTION (CONTINUED)

EXTRACURRICULAR STUDENT ACTIVITY ACCOUNTS

2010-2 Inactive Accounts

Condition – Nine of the District’s student activity accounts were inactive during fiscal year 2010 and need to be closed.

Recommendation – It is our recommendation that the District close all inactive accounts and transfer any residual balances to other active student activity accounts.

CORRECTIVE ACTION PLAN (CAP):

Explanation of Disagreement with Audit Findings:

There is no disagreement with the audit finding.

Actions Planned in Response to Finding:

The District will take the necessary steps to assure that all inactive accounts are closed as required by the *Manual for Activity Fund Accounting*.

Official Responsible for Ensuring CAP:

The Executive Director of Business Services is the official responsible for ensuring corrective action of the deficiency.

Planned Completion Date for CAP:

The planned completion date is June 30, 2011.

Plan to Monitor Completion of CAP:

The Board of Education will be monitoring this corrective action plan.

Process for Recommending Budget Adjustments for 2011-2012 and Beyond

Planning for Educational Excellence
and Future Financial Stability



Robbinsdale Area Schools
December 13, 2010



Budget Planning Committees

Rationale

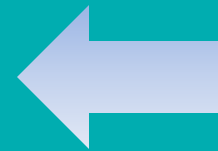
- Respond to state fiscal challenges that could negatively affect education funding
- Take a pro-active approach to financial challenges
- Research possibilities in advance of difficult decisions so we are better able to make informed decisions
- Search for creative ways to provide an excellent education to students



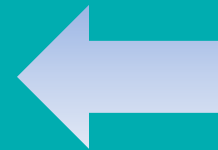
Budget Planning Committees

- Revenue Enhancement
- Online Learning
- Alternative Programming
- School Programs

- Operations
- Enrollment



Presented
Nov. 2010



Presented
Dec. 2010



Operations Committee

Charge Statement:

- The Operations Committee will review the current procedures of district warehouse and publications functions, review the best practices of other school districts and recommend ways that these functions can be operated more efficiently with the intended outcome of reducing the district's expenses in school year 2011-12 and beyond.



Operations Committee

Committee Members:

- Lonnie Smith, Executive Director, Business Services
- Jeff Dehler, Program Director, Community Relations
- Jim Gerber, Program Director, Facilities
- Marla Johnson, Program Director, Purchasing
- Rick Roberge, Program Director, Publications
- Jon Norrbom, Controller
- Barb Van Heel, School Board



Operations Committee

Publications

Work of the Committee:

- Researched 9 other districts
- Evaluated Publications office staffing, operations, budgets
- Evaluated district expenses on paper, postage
- Survey and focus groups conducted within the district



Operations Committee

Publications

Findings:

- No standard model for Publications departments
- Department covers more functions than other districts
- Robbinsdale district's cost per student for department, paper and postage use are on the high side of average
- Schools and programs have already begun taking steps to reduce copying, printing, postage costs
- Some communications are required to be done by U.S. mail
- Concern expressed about electronic communications not reaching everyone



Operations Committee

Publications

Option 1: Reduce materials and postage costs. Savings: \$20,000

Option 2: Reduce materials and postage costs as in Option 1, and reduce one (1.0) full-time equivalent position in the Publications Department. Savings: \$70,000

Option 3: Reduce materials and postage costs as in Option 1, and reduce three (3.0) full-time equivalent positions in the Publications Department. Savings: \$170,000*

Option 4: Reduce materials and postage costs as in Option 1, and eliminate the Publications Department. Savings: \$350,000*

* Additional costs would be added to building budgets for staff and/or equipment needs to cover copying and outsourcing of publications completed now in-house.



Operations Committee

Warehouse

Work of the Committee:

- Researched 7 districts with and 4 without central facilities
- Evaluated our warehouse functions and responsibilities
- Evaluated current leased spaces being used
- Researched alternative space for leasing
- Survey and focus groups conducted within the district



Operations Committee

Warehouse

Survey and findings:

- 63 respondents from different levels of staff
- Utilization of warehouse for furniture 18% monthly to 33% occasionally
- Utilization of warehouse for paper 42% monthly to 18% occasionally
- Needed delivery service 10% monthly to 21 % occasionally
- Storage in building 33 % one year to 26 % having no space at all



Operations Committee

Warehouse

Options:

- Reduce quantity of items in the inventory
- Require more delivery and receiving directly at the buildings
- Review and implement items in the Warehouse Evaluation
- Develop a policy to allow administrative decisions for sale/disposal of surplus items
- Reduce from three to one leased facility through sale or disposal of items currently being stored



Enrollment Committee

Charge to the Committee

- Determine ways to enhance revenue to the school district by increasing enrollment or slowing the trend of declining enrollment. The committee will also consider ways of reducing expenditures in areas that are related to enrollment.

Subcommittees

- Enrollment Policies
- Magnets/Partnerships



Enrollment Committee

Enrollment Policies Subcommittee

Membership

- Helen Bassett, School Board Director
- Dennis Beekman, Exec. Dir. of Tech. (Facilitator)
- Jane Byrne, Principal of RSIS
- Scott Croonquist, Parent & Exec. Dir. of AMSD
- Michael Favor, Principal of Cooper High School
- Patsy Green, School Board Director
- Aldo Sicoli, Superintendent
- Kenneth Turner, Integration & Equity Program Dir.



Enrollment Committee

Enrollment Policies Subcommittee

Work of the Committee

The committee reviewed:

- Our current policies regarding school transfers and the RSIS entrance policy
- Data related to resident students enrolled in schools other than Robbinsdale Area Schools
- Data related to the RSIS Kindergarten lottery
- Other districts' open enrollment and transfer policies
- Other districts' / schools' magnet school entrance policies



Enrollment Committee

Enrollment Policies Subcommittee

Findings

We determined that the enrollment policy changes most likely to impact the district financially would be:

- Removing the resident priority from the transfer policy
- Removing the date-certain closure of secondary transfers from the annual resolution to limit non-resident enrollment
- Allow for more non-residents to enroll in RSIS



Enrollment Committee

Magnets/Partnerships Subcommittee

Membership

- Helen Bassett, School Board member
- Dennis Beekman, Exec. Dir. of Technology
- Mark Bomchill, School Board member
- Jane Byrne, RSIS Principal
- Scott Croonquist, Parent & Exec. Dir. of AMSD
- Chris Gibbs, Parent
- Jim Gerber, Facilities Program Director
- Patsy Green, School Board member
- Al Ickler, Exec. Dir. of Community Education
- Randy Moberg, ZLE Principal
- Aldo Sicoli, Superintendent
- Lori Simon, Exec. Dir. of Ed. Serv. (Facilitator)



Enrollment Committee

Magnets/Partnerships Subcommittee

Work of the Committee

- Reviewed school district enrollment trend data
- Reviewed Robbinsdale Spanish Immersion School (RSIS) lottery trend data
- Explored a partnership with the city of Golden Valley
- Sent and reviewed survey data of families who go elsewhere to school
- Developed a list of magnet school concepts to explore
- Reviewed presentations/information related to potential magnet schools
- Reviewed a facilities analysis of Olson and Pilgrim Lane Elementary Schools



Enrollment Committee

Magnets/Partnerships Subcommittee

Work of the Committee (cont.)

- Reviewed financial considerations to determine financial viability of an RSIS expansion or STEM
- Developed and reviewed survey data related to Expansion of RSIS and opening a STEM magnet
- Developed Scenarios for RSIS expansion and for a STEM magnet school
- Discussed other avenues for gaining public feedback



Enrollment Committee

Magnets/Partnerships Subcommittee

Scenario Fiscal Analysis Includes:

- No increase in state revenue for four years, and a \$100 increase in the Pupil Formula beginning year 5
- Estimated integration revenue
- Staffing costs for all employee groups
- Materials
- Technology
- Utilities
- Professional development/curriculum writing costs
- Promotional expenses
- Transportation expenses
- Start-up costs at Olson



Model 1: RSIS Expansion beginning year one with kindergarten at current site, with 50% of expansion seats (33 out of 198 total) reserved for students open-enrolling.

		Annual Net Gain (Loss)	Cumulative Net Gain (Loss)
Year 1	2011-2012	\$ 29,451	\$ 29,451
Year 2	2012-2013	\$ (383,005)	\$ (353,554)
Year 3	2013-2014	\$ 700	\$ (352,854)
Year 4	2014-2015	\$ 13,894	\$ (338,960)
Year 5	2015-2016	\$ 73,759	\$ (265,202)
Year 6	2016-2017	\$ 214,598	\$ (50,604)
Year 7	2017-2018	\$ 449,362	\$ 398,758
Year 8	2018-2019	\$ 665,089	\$ 1,063,847
Year 9	2019-2020	\$ 904,313	\$ 1,968,160
Year 10	2020-2021	\$ 1,150,503	\$ 3,118,663
Year 11	2021-2022	\$ 1,405,660	\$ 4,524,323
Year 12	2022-2023	\$ 1,665,562	\$ 6,189,885
Year 13	2023-2024	\$ 1,949,293	\$ 8,139,178



Model 2: RSIS Expansion beginning year one at Olson with kindergarten and first grade, and with 50% of seats at each grade level (**33 out of 198 seats** per grade level, with both sites combined) reserved for students open-enrolling.

		Annual Net Gain (Loss)	Cumulative Net Gain (Loss)
Year 1	2012-2013	\$ (401,333)	\$ (401,333)
Year 2	2013-2014	\$ (13,667)	\$ (415,000)
Year 3	2014-2015	\$ 8,553	\$ (406,447)
Year 4	2015-2016	\$ 98,366	\$ (308,081)
Year 5	2016-2017	\$ 171,336	\$ (136,745)
Year 6	2017-2018	\$ 354,461	\$ 217,715
Year 7	2018-2019	\$ 677,092	\$ 894,808
Year 8	2019-2020	\$ 913,877	\$ 1,808,685
Year 9	2020-2021	\$ 1,157,742	\$ 2,966,427
Year 10	2021-2022	\$ 1,408,802	\$ 4,375,229
Year 11	2022-2023	\$ 1,666,591	\$ 6,041,821
Year 12	2023-2024	\$ 1,930,966	\$ 7,972,787



Model 3: RSIS Expansion beginning year one at Olson with kindergarten and first grade, and with 1/3 of seats at each grade level (**22 out of 198 seats** per grade level, with both sites combined) reserved for students open-enrolling.

		Annual Net Gain (Loss)	Cumulative Net Gain (Loss)
Year 1	2012-2013	\$ (454,427)	\$ (454,427)
Year 2	2013-2014	\$ (101,041)	\$ (555,468)
Year 3	2014-2015	\$ (113,101)	\$ (668,569)
Year 4	2015-2016	\$ (55,876)	\$ (724,445)
Year 5	2016-2017	\$ (19,141)	\$ (743,586)
Year 6	2017-2018	\$ 141,634	\$ (601,953)
Year 7	2018-2019	\$ 433,440	\$ (168,513)
Year 8	2019-2020	\$ 638,463	\$ 469,950
Year 9	2020-2021	\$ 849,649	\$ 1,319,599
Year 10	2021-2022	\$ 1,067,132	\$ 2,386,731
Year 11	2022-2023	\$ 1,290,468	\$ 3,677,199
Year 12	2023-2024	\$ 1,519,530	\$ 5,196,729



Model 4: Combination Alternative of RSIS expansion at Olson as well as expansion of Spanish Immersion and/or Dual Spanish Immersion program at selected sites (school within a school). Model 4 would be similar to Model 1 (shown below).

		Annual Net Gain (Loss)	Cumulative Net Gain (Loss)
Year 1	2011-2012	\$ 29,451	\$ 29,451
Year 2	2012-2013	\$ (383,005)	\$ (353,554)
Year 3	2013-2014	\$ 700	\$ (352,854)
Year 4	2014-2015	\$ 13,894	\$ (338,960)
Year 5	2015-2016	\$ 73,759	\$ (265,202)
Year 6	2016-2017	\$ 214,598	\$ (50,604)
Year 7	2017-2018	\$ 449,362	\$ 398,758
Year 8	2018-2019	\$ 665,089	\$ 1,063,847
Year 9	2019-2020	\$ 904,313	\$ 1,968,160
Year 10	2020-2021	\$ 1,150,503	\$ 3,118,663
Year 11	2021-2022	\$ 1,405,660	\$ 4,524,323
Year 12	2022-2023	\$ 1,665,562	\$ 6,189,885
Year 13	2023-2024	\$ 1,949,293	\$ 8,139,178



Model 5: STEM Magnet School at Olson with 50% of seats reserved for students open-enrolling and with 4th and 5th grade sections full beginning year 2 and year 3 respectively.

		Annual Net Gain (Loss)	Cumulative Net Gain (Loss)
Year 1	2012-2013	\$ (410,595)	\$ (410,595)
Year 2	2013-2014	\$ 37,829	\$ (372,766)
Year 3	2014-2015	\$ 234,104	\$ (138,662)
Year 4	2015-2016	\$ 388,757	\$ 250,094
Year 5	2016-2017	\$ 625,572	\$ 875,667
Year 6	2017-2018	\$ 875,782	\$ 1,751,448
Year 7	2018-2019	\$ 1,118,495	\$ 2,869,943
Year 8	2019-2020	\$ 1,368,558	\$ 4,238,501
Year 9	2020-2021	\$ 1,472,736	\$ 5,711,236
Year 10	2021-2022	\$ 1,578,632	\$ 7,289,869
Year 11	2022-2023	\$ 1,604,846	\$ 8,894,715
Year 12	2023-2024	\$ 1,630,116	\$ 10,524,831



Model 6: STEM Magnet School at Olson with 1/3 of seats reserved for students open-enrolling and with 4th and 5th grade sections full beginning year 2 and year 3 respectively.

		Annual Net Gain (Loss)	Cumulative Net Gain (Loss)
Year 1	2012-2013	\$ (530,137)	\$ (530,137)
Year 2	2013-2014	\$ (106,455)	\$ (636,591)
Year 3	2014-2015	\$ (10,582)	\$ (647,173)
Year 4	2015-2016	\$ 158,505	\$ (488,668)
Year 5	2016-2017	\$ 364,955	\$ (123,713)
Year 6	2017-2018	\$ 583,844	\$ 460,130
Year 7	2018-2019	\$ 794,300	\$ 1,254,430
Year 8	2019-2020	\$ 1,011,189	\$ 2,265,619
Year 9	2020-2021	\$ 1,095,186	\$ 3,360,805
Year 10	2021-2022	\$ 1,180,481	\$ 4,541,286
Year 11	2022-2023	\$ 1,200,030	\$ 5,741,317
Year 12	2023-2024	\$ 1,218,680	\$ 6,959,997



Budget Planning Committees

Summary

- Committees are necessary to take a pro-active approach to financial challenges
- Final reports of most committees have been presented
- Information will help school board make informed decisions about future budgets
- No decisions have been made

**Robbinsdale Area Schools
Operations Committee**

Charge to the Committee

The Operations Committee will review the current procedures of district warehouse and publications functions, review the best practices of other school districts and recommend ways that these functions can be operated more efficiently with intended outcome of reducing the district's expenses in school year 2011-12 and beyond.

Committee Membership

Barb Van Heel, School Board
Lonnie Smith, Executive Director of Business Services
Jeff Dehler, Community Relations Program Director
Jim Gerber, Facilities Program Director
Marla Johnson, Purchasing Program Director
Rick Roberge, Print Production Program Director

District Goals to which the charge is aligned

Priority 5, Maximize resources and demonstrate financial accountability. Goal B, evaluate existing systems to ensure maximum efficiency, effectiveness and cost-benefit.

PUBLICATIONS

Work of the Committee

The committee reviewed information comparing the Robbinsdale publications program with that of nine other metro districts. The information included staffing, operations, overall costs and costs per student. Also reviewed was the cost per student for postage. Additional information was reviewed regarding school news letters produced in our district.

The committee reviewed the detail of the 2008-09 and 2009-10 charge backs by building and departments. Also reviewed was a summary of the examples of the variety of responsibilities the department encompasses including design work, the mail room, production of materials, staffing the switchboard and electronic file creation.

The committee reviewed information gathered internally from an online survey of employees and focus groups with employees that use publications services or produce publications and/or large mailings. It also reviewed printing and postage expenses and publications department services in other districts.

Comparisons with other districts

The committee collected information from nine metro area districts ranging in size from small to large districts. An attempt was made to learn both about centralized publications departments as well as about districtwide postage costs and the cost of producing all curricular and communications materials.

Centralized publications departments range widely in size and scope. Some districts do not have a centralized publications department; all publications are produced at the school level and the schools are responsible for mailings. Others have a copier center or a print shop, usually with one staff member who operates the equipment and/or assists with obtaining quotes from outsourced vendors on design, print and mail services. Others, including Robbinsdale, offer a wide variety of services, including printing, copying, design and mailing.

Only the Robbinsdale district oversees the district's switchboard and provides partial coverage and break relief.

Cost comparisons were broken down to cost per student because of the large range of district sizes. Because of past practice and the range of service provided, the Robbinsdale district's cost per student is greater than the other districts in the study, even though the department was reduced by 1.0 FTE this year. Districtwide postage and paper expenses also appear to be on the high end of the range, compared with other districts.

Operations Budget Committee Survey

Survey Methodology and Goal

An on-line survey of district leadership, including Cabinet, Principals, Program Directors, Program Assistants, Administrative Assistants and other leadership was conducted between September 20 and September 30, 2010. The survey was intended to gather suggestions from users of the district's publications office, warehouse and intra-district delivery system on ways to reduce printing, paper, postage, storage and delivery expense. There were 63 respondents.

Results

A small percentage of respondents report printing and postage expenses of more than \$10,000 annually. Nearly three-quarters of respondents' expenses are less than \$5,000 annually.

A large majority of respondents would either no longer print or mail some publications, or would find alternative communications methods if they were required to reduce costs.

If Publications Department services were reduced, 54 percent of respondents would still print and or mail projects, which means they would need to complete projects at buildings, or outsource.

How to Reduce Printing and Postage Costs

Ideas on how to reduce printing and postage costs focused mainly on the use of electronic communication and education of staff on waste reduction (reducing number of emails and other documents printed). Some respondents reported reduction of postage already. Innovative ideas included use of pdf forms that can be filled out electronically, mailing postcards instead of first-class letters and having students supply notebooks for homework instead of providing workbooks/worksheets.

Operations Budget Committee Focus Groups Comments

Two focus groups were held with Jeff Dehler and Lonnie Smith. One group was thirteen staff and the second was six staff. The individuals represented building staff, principals, teaching and learning, activities, office staff, support staff and district administrators.

The participants in the focus groups provided valuable information on the types of publications that are currently produced, including those which are required. These include Federal Title 1 communication, MCA and AYP communication and applications and information for those qualifying for free and/or reduced price lunch.

The result of the focus groups mirrored the results of the survey with many questions and comments. We wanted to know, if we changed the present way of doing business, how would we be able continue to provide the same or better level of service currently in place for staff, parents and the community?

Educational Ramifications

Employees only mentioned one common theme with regard to the potential educational ramifications of reducing print and postage costs. The concern was that families may not receive information, either because they may not be able to access electronic communication, because electronic communications are more likely to be missed than printed materials, or because we simply don't have updated email addresses for families. Community education programs feel some printing and postage is a necessity for marketing purposes. One respondent mentioned curricular items that are printed each year, including writing journals, dictionaries, cursive writing, A-Z books and other publications that are essential. Employees said the service provided by the Publications Department is excellent, and respondents are concerned about potential service reductions. Several respondents said students would be negatively impacted by increased costs if the publications department services were reduced and schools outsourced printing to more expensive vendors.

Financial Ramifications

The survey said that savings in the areas of printing and postage are likely to be minimal. A small percentage of survey respondents report printing and postage expenses of more than \$10,000 annually. Nearly three-quarters of respondents' expenses are less than \$5,000 annually. If budgets were reduced, a large majority of respondents would either no longer print or mail some publications, or would find alternative communications methods if they were required to reduce costs. However, if Publications Department services were reduced, 54 percent of respondents would still print and or mail projects, which means they would need to complete projects at buildings, or outsource the

projects. Mailings to families with preschool children have been increased recently, which has resulted in better attendance and enrollment at K registration nights. A reduction could result in last minute enrollment, or even lower enrollment. Others expressed concern that, with reduced copy budgets, employees will print materials to local printers which is more expensive. It was suggested that an education plan for employees could change behavior to reduce printing expense.

Options for consideration:

Option 1:

Reduce materials and postage costs. Each building and the Education Service Center could complete a comprehensive inventory of publications and mailings, evaluate their necessity and find alternate ways to provide information. Provide training to employees on reducing printing costs.

Savings: \$20,000

Option 2:

Reduce materials and postage costs as in Option 1, and reduce one (1.0) full-time equivalent position in the Publications Department. Service would be reduced as follows: Switchboard evening and break coverage would be provided by another department, publications design functions would be absorbed by buildings and/or outsourced.

Savings: \$70,000

Option 3:

Reduce materials and postage costs as in Option 1, and reduce three (3.0) full-time equivalent positions in the Publications Department. Service provided would include coordination of outsourcing projects, copy center and mailroom.

Savings: \$170,000*

Option 4:

Reduce materials and postage costs as in Option 1, and reduce four and a half (4.5) full-time equivalent positions in the Publications Department. This eliminates the department and redistributes functions to the buildings.

Savings: \$350,000*

* Additional costs would be added to building budgets for staff and/or equipment needs to cover copying and outsourcing of publications completed now in-house.

WAREHOUSING/DELIVERY

Work of the Committee

The committee reviewed information comparing seven districts in the metro area and how they handle warehousing. The information included owned or leased facilities, number of employees and their salaries and benefits, number of items in inventory and value of inventory, if they have central receiving, surplus storage and/or recycling services. The committee also received information from four districts not having warehousing as a function. The committee also received a breakdown of the staffing and duty time allocation for the current Robbinsdale warehouse.

An evaluation of the various functions and responsibilities of the warehouse department was completed in May of 2010. The categories reviewed were central receiving and delivery, laundry delivery, media services delivery, print shop services, curriculum materials services, recycling and hazardous waste disposal, interschool mail delivery, storage and management of surplus furniture and miscellaneous pick up and delivery.

The evaluation of use of leased space for storage of surplus district material and equipment was completed in October of 2010. The goal of the research was to determine if the current three leased spaces could be combined into a single space which would reduce the district's leased costs. The research focused on spaces within or close to the district boundaries. It also focused on a smaller space that could be utilized through improved inventory management and elimination of unnecessary storage of outdated and no longer needed items with the result that a smaller space would cost less. As a result of this research and in the course of discussion with the current landlord, a reduction of \$500 per month was offered if we retain our current leased space.

One of the largest uses of the warehouse and its delivery service is the handling of 8 ½ by 11 white copy paper. The district orders this paper by semi load and then distributes cases to the various building sites. In November, information was gathered comparing the amount of paper used by site over the past 5 years.

Operations Budget Committee Survey

Survey Methodology and Goal

An on-line survey of district leadership, including Cabinet, Principals, Program Directors, Program Assistants, Administrative Assistants and other leadership was conducted between September 20 and September 30, 2010. The survey was intended to gather suggestions from users of the district's publications office, warehouse and intra-district delivery system on ways to reduce printing, paper, postage, storage and delivery expense. There were 63 respondents.

Results

A fairly even range of warehouse use, from never to monthly, was reported by respondents.

Of those that use warehouse services, respondents are more likely to access the warehouse monthly.

If the district reduced warehouse space and asked buildings to store materials, 13 respondents could store materials for a year, while 10 have no available space, indicating a significant imbalance between available space in different district facilities.

Similar to warehouse use, respondents reported a fairly even range of use of intradistrict delivery service, from daily to occasionally, though there may have been some confusion between interschool mail and delivery of furniture, curricular materials, etc.

How to Reduce Warehouse/Delivery Costs

Respondents most often mentioned throwing more unnecessary or damaged things away instead of storing them and using surplus facilities to store things instead of leasing warehouse space. Some reported already shifting their practices by ordering office supplies directly from the vendor. This is encouraged by the district purchasing department as the most efficient practice.

Educational Ramifications

Interschool mail is seen as critical for delivery of receipts, invoices, checks, educational materials, student records and state testing materials. Many reported not being familiar with the delivery or warehouse service, and therefore unable to responsibly recommend changes.

Options for Consideration

Option 1:

Reduce the amount and quantity of supplies in the warehouse to the bare minimum keeping only those items that are required for control and supply purposes that cannot be ordered directly and delivered directly to each site.

Savings: Estimated in inventory \$100,000 - \$150,000 (one-time savings)

Option 2:

Eliminate all purchase and storage of new furniture items in the warehouse and require all future orders to be placed directly with a vendor and require delivery directly to the site ordering.

Savings: \$20,000 (one-time savings)

Option 3:

Require more delivery directly to buildings to reduce greatly or eliminate the ordering of items to stock in the warehouse, move to a smaller facility with less storage of furniture and equipment, utilize electronic time cards, produce and communicate more information electronically, expand the use of P-cards and de-centralize as much as possible the warehouse function. Review the current staff with an eye toward consolidating and reducing positions through revised job descriptions including staff in the warehouse and district office.

Savings: \$25,000 – \$100,000

Option 4:

Functions defined as modifiable or able to be eliminated as noted in the Warehouse Evaluation information attached should be pursued and implemented with whatever cost savings can be obtained.

Savings: Whatever can be obtained.

Option 5

Increase the use of shared curriculum materials amongst the schools. Currently we saved \$ 60,000 through the scheduling and sharing of math kits among the schools. Continue to use the warehouse for the resupply of the science kits as up to 50% of the costs of the consumables has been saved.

Savings: Whatever can be obtained.

Option 6:

Reduce from three to one the leased facilities for storage and warehouse functions. The current space maintained for surplus equipment can be eliminated by developing a district policy to allow administrative decisions to be made for sale or disposal of district items declared surplus. This would eliminate the need to retain surplus items for long periods of time in order to conduct annual sales with an accumulation of items. It also allows for disposal of items no longer having value or chance of being repurposed for district use. Any items remaining that are deemed appropriate to retain will have to fit within the space of the one remaining warehouse.

Savings: Eliminating this leased space will save \$26,136 annually (Lease levy).

Option 7:

Sell or dispose of equipment stored by the Buildings and Grounds department that is no longer in use or that has no potential need for use in the future. Any items deemed absolutely necessary to maintain will have to fit within the space of the one remaining warehouse.

Savings: Eliminating this leased space will save \$42,204 annually (Lease levy).

Operations Committee Report Summary

Each school district is unique in how it performs the two areas of service studied by the Operations Committee. These are district functions that have evolved over time in each district through periods of growth and, often, periods of contraction. They are essentially products of themselves.

As Robbinsdale Area Schools considers changes to how these functions are performed, the options should be carefully considered so that services are not changed too quickly or to an extent that is detrimental to the organization.

The functions currently provided will continue to need to be provided in some way. The district should continuously evaluate these functions so that when new technology, such as high-speed copiers, or business practices, such as just-in-time delivery, become cost-efficient, they are implemented to provide the best service to our students and our community.

Attachments

- Operations Budget Committee Survey Report
- Focus Group Summary
- Publications Department Comparisons
- Warehouse Department Comparisons Report
- Warehouse Department Comparisons Summary
- Information Gathered from School Districts with no Warehouse
- Warehouse Evaluation
- Paper Use by Site
- Warehouse Staffing Information
- Warehouse Lease Comparison Information



ROBBINSDALE AREA SCHOOLS

4148 Winnetka Avenue North New Hope MN 55427

Jeff Dehler Communications Director
Jeff_dehler@rdale.org 763-504-8029

MEMORANDUM

Date: October 5, 2010

To: Lonnie Smith

From: Jeff Dehler

Subject: Operations Budget Committee Survey

A summary of the Operations Budget Committee Survey is below. Attached are reports from the multiple choice questions and each response to the open ended questions.

SURVEY METHODOLOGY AND GOAL

An on-line survey of district leadership, including Cabinet, Principals, Program Directors, Program Assistants, Administrative Assistants and other leadership was conducted between September 20 and September 30, 2010. The survey was intended to gather suggestions from users of the district's publications office, warehouse and intra-district delivery system on ways to reduce printing, paper, postage, storage and delivery expense. There were 63 respondents.

RESULTS - PUBLICATIONS

A small percentage of respondents report printing and postage expenses of more than \$10,000 annually. Nearly three-quarters of respondents' expenses are less than \$5,000 annually.

A large majority of respondents would either no longer print or mail some publications, or would find alternative communications methods if they were required to reduce costs.

If Publications Department services were reduced, 54 percent of respondents would still print and or mail projects, which means they would need to complete projects at buildings, or outsource.

HOW TO REDUCE PRINTING AND POSTAGE COSTS

Ideas on how to reduce printing and postage costs focused mainly on the use of electronic communication and education of staff on waste reduction (reducing number of emails and other documents printed). Some respondents reported reduction of postage already. Innovative ideas included use of pdf forms that can be filled out electronically, mailing postcards instead of first-class letters and having students supply notebooks for homework instead of providing workbooks/worksheets.

EDUCATIONAL RAMIFICATIONS

Respondents only mentioned one common theme with regard to the potential educational ramifications of reducing print and postage costs. The concern was that families may not receive information, either because they may not be able to access electronic communication, because electronic communications are more likely to be missed than printed materials, or because we simply don't have updated email addresses for families. Community education programs feel some printing and postage is a necessity for marketing purposes. One respondent mentioned curricular items that are printed each year, including writing journals, dictionaries, cursive writing, A-Z books and other publications that are essential. Several respondents said students would be negatively impacted by increased costs if the publications department services were reduced and schools outsourced printing to more expensive vendors.

RESULTS – WAREHOUSE/DELIVERY

A fairly even range of warehouse use, from never to monthly, was reported by respondents.

Of those that use warehouse services, respondents are more likely to access the warehouse monthly.

If the district reduced warehouse space and asked buildings to store materials, 13 respondents could store materials for a year, while 10 have no available space, indicating a significant imbalance between available space in different district facilities.

Similar to warehouse use, respondents reported a fairly even range of use of intradistrict delivery service, from daily to occasionally, though there may have been some confusion between interschool mail and delivery of furniture, curricular materials, etc.

HOW TO REDUCE WAREHOUSE/DELIVERY COSTS

Respondents most often mentioned throwing more unnecessary or damaged things away instead of storing them and using surplus facilities to store things instead of leasing warehouse space. Some reported already shifting their practices by ordering office supplies directly from the vendor.

EDUCATIONAL RAMIFICATIONS

Interschool mail is seen as critical for delivery of receipts, invoices, checks, educational materials, student records and state testing materials. Many reported not being familiar with the service, and therefore unable to responsibly recommend changes.

RECOMMENDATIONS FOR FURTHER RESEARCH

Focus groups would help to identify specific publications that could be eliminated or disseminated in alternate ways. Teachers were recommended to be invited to focus groups, in addition to leadership. Evaluation of costs of just-in-time ordering as opposed to leasing warehouse space was recommended.

Operations Budget Committee Survey






Respondents: 64 displayed, 64 total

Status: Open



Launched Date: 09/17/2010

Closed Date: N/A

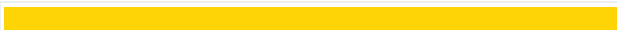
1. How much do you spend on printing and postage each year?

		Response Total	Response Percent
Less than \$2,500		17	42%
\$2,500 to \$5,000		11	28%
\$5,000 to \$10,000		6	15%
\$10,000 to \$15,000		2	5%
More than \$15,000		4	10%
Total Respondents		40	
(skipped this question)			24



2. If you had to reduce your costs in this area, would there be things you would no longer do?

		Response Total	Response Percent
Yes		26	65%
No		14	35%
Total Respondents		40	
(skipped this question)			24

3. Would you find alternative ways to complete tasks?

		Response Total	Response Percent
Yes		30	77%
No		9	23%
Total Respondents		39	
(skipped this question)			25

4. If services were reduced in the district Publications Department, would you choose not to have some projects printed/mailed?

		Response Total	Response Percent
Yes		17	45%
No		21	55%
		Total Respondents	38
		(skipped this question)	26







5. How might you reduce your printing and postage costs?

		Total Respondents	36
		(skipped this question)	28







6. If you reduced your printing and postage costs, or if services were reduced in the district Publications Department, what would the educational ramifications be (any negative or positive impact on student learning)?

		Total Respondents	35
		(skipped this question)	29







7. How often do you access the warehouse for stored items such as construction materials or furniture?

		Response Total	Response Percent
Monthly		7	18%
Once a quarter		4	10%
Twice a year		6	15%
Once a year		5	13%
Occasionally		13	33%
Other, please specify		9	23%
		Total Respondents	39
		(skipped this question)	25







8. How often do you access the warehouse for stored materials like paper or office supplies?

		Response Total	Response Percent
Monthly		17	42%
Once a quarter		10	25%
Twice a year		2	5%
Once a year		2	5%
Occasionally		7	18%
Other, please specify		5	12%
Total Respondents		40	
(skipped this question)			24

9. If the district reduced storage space, I could store enough materials to last me:

		Response Total	Response Percent
A year		13	33%
A quarter		9	23%
A month		4	10%
A week		1	3%
I have no space		10	26%
Other, please specify		4	10%
Total Respondents		39	
(skipped this question)			25

10. How often do you need delivery services (furniture, curricular materials, etc.)

		Response Total	Response Percent
Monthly		4	10%
Once a quarter		6	15%
Twice a year		7	18%
Once a year		4	10%
Occasionally		8	21%
Other, please specify		11	28%
Total Respondents		39	
(skipped this question)			25

11. Do you have suggestions on how to reduce costs in this area?

Total Respondents	21
(skipped this question)	43

12. If warehouse space and delivery services were reduced, what would the educational ramifications be (any negative or positive impact on student learning)?

	Total Respondents	29
	(skipped this question)	35

Operations Budget Committee Focus Group Summary

Two focus groups facilitated by Lonnie Smith and Jeff Dehler were held with 19 participants in two separate sessions on Oct. 19, 2010, to learn more about employee expectations of publications and warehouse services and how they could be streamlined. The participants represented building staff, principals, teaching and learning, activities, office staff, support staff and district administration.

The participants in the focus groups listed the types of publications that are currently produced, including those which are required, such as Federal Title 1 communication and information for those qualifying for free and/or reduced price lunch. They also listed the types of uses of district warehouses and delivery service. Examples of efficient uses of warehouse and delivery services include storage and delivery of elementary science curriculum materials (allowing schools to share), copy paper storage, and laundry and intra-district mail delivery.

In addition, participants suggested ways to run operations more efficiently, including these examples:

PUBLICATIONS

- Communicate electronically (report cards, course guides, etc.)
- Look for alternate forms of funding (PTA pays for some newsletters)
- Reduce staff time on data entry with online forms
- Reduce curricular copying
- Print efficiently (high speed copiers, not local printer)
- Print only what is needed (change employee behavior)

U.S. mail:

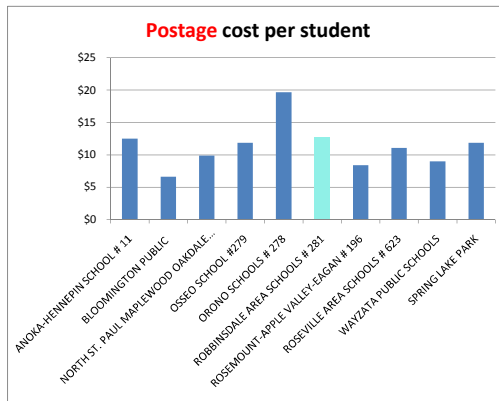
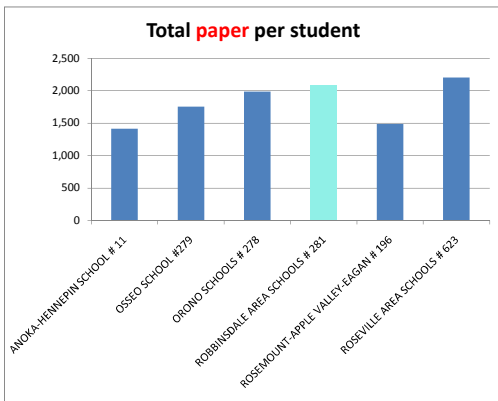
- Send only required communication by mail
- Consider sending postcards instead of letters

WAREHOUSE

- Continue bulk order and storage of paper, food service supplies, custodial supplies, and health safety equipment (for nursing staff)
- Use warehouses as transition points for surplus supplies such as desks, but reduce amount of surplus supplies being stored
- Create new policy and procedure for online surplus supply sales to more quickly eliminate surplus
- Establish receiving guidelines at each school so centralized receiving process is not needed

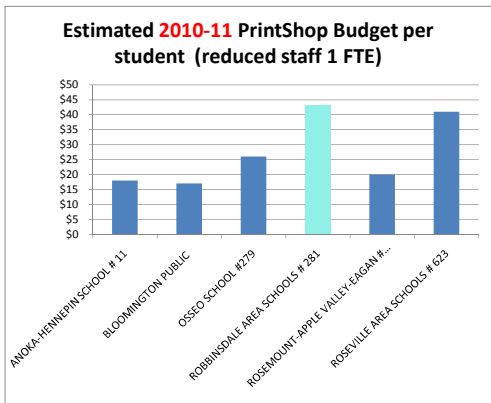
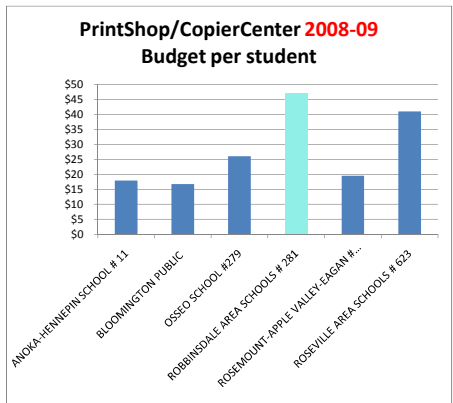
Publications Department Comparisons

2008-2009 Budget Year	ANOKA-HENNEPIN SCHOOL # 11	BLOOMINGTON PUBLIC	NORTH ST. PAUL MAPLEWOOD OAKDALE # 622	OSSEO SCHOOL #279	ORONO SCHOOLS # 278
ADDRESS	2727 North Ferry Street Anoka MN 55303	4571 West 102nd Street Bloomington 55437	2520 East 12th Avenue North St. Paul 55109	11200 93rd Avenue N. Maple Grove	685 Old Crystal Bay Rd N. Long Lake 55356
Phone #	763-506-1343	952-806-8778	651-748-7624	763-391-7172	952-449-8306
CONTACT	SUE GEISLER - sue.geisler@anoka.k12.mn.us	Patti Marrin -	Jeff Reif - jreif@isd622.org	Tracy Reishl - reishl@district279.org	Neil Lawson - nlawson@orono.k12.mn.us
# Students	39,100	10,113	10,300	20,510	2,728
# High School	5	2	2	3	1
# Middle	7	3	3	4	1
# Elementary	28	10	9	17	2
# other Learning centers	6	3	4	9	
Print Shop / Copier center	Print Shop	Print Shop	Print Shop	Print Shop	
Shops' Annual Budget 2008-09	\$700,000	\$170,000	\$81,600	\$535,000	
Shops' Annual Budget 2010-11	\$700,000	\$170,000	\$81,600	\$535,000	
Dept. Employees	8	3	1	3	
	Supervisor (1) Graphic designers (2) Press Operators (3) Bindery (1) Records Keeper (1)	Supervisor (1) Press Operator (1)	Press Operator (1)	Supervisor (1) Graphic Designer (1) Press Operator (1)	
Press - Equipment	DPM 2340 Ryobi 2800 W/T-Head 9810 W/T-Head 9810,(2) Harris 125 Diddi Apollo small web press Challenge cutter Folder W/right angle Horizon collator 3 hole drill Stitcher/Staple scorer-perforator GBC Strapper	No electronic to plate (3) AB Dick Duplicators Collator Display maker Sign Engraver Large Paper cutter - with air bed Able to print window clings folder - small Stitcher/Staple GBC Label applying machine Strapper	No electronic to plate (3) Printing Presses Collator Sign Engraver Laminator 3 Hole punch Paper cutter GBC	DPM (2) Ryobi Presses T-51 Collator Poster Printer Laminator 3 Hole punch Paper cutter folder - small Stitcher/Staple Label applying machine GBC Strapper	
Copier capabilities	(2) High speed B/W copiers (1) Color copier	(1) High speed B/W copier (1) Color copier	(1) High speed B/W copier NO Color copier	(1) High speed B/W copier (1) Color copier	
Mailing Machine	Located at ESC Hanson Blvd location	Located at ESC		Looking into purchasing one Has United Business Co. pick-up daily	
Annual Press Impressions	4,500,000	N.A.	3,000,000	3,000,000	
Annual B/W Copier Clicks	2,600,000	N.A.	1,500,000	1,000,000	
Annual Color Copier Clicks	100,000	N.A.	n.a. comercial vendor	350,000	
Press Labor / hour	35.00	27.00	40.00	40.00	
Graphic Design Labor	20.00	36.00	n.a.	40.00	
Bindery Labor	35.00	25.00	40.00		
Charge for B/W s.s.copies	0.02	0.07	0.04	0.15	
Charge for B/W d.s.copies	0.04	0.11	0.08	0.20	
Charge for Color s.s. copies	0.25	0.49	0.16	0.15	
Charge for Color d.s. copies	0.50	0.98	0.98	0.20	
District-wide copier paper white 8.5"x11"	50,400,000	N.A.	18,621,000	34,030,000	4,925,000
Print Shop white 11"x17"	2,000,000	8,000,000	500,000	900,000	
NCR	570,000		100,000	380,000	
Pastel Colors	1,060,000	20,000	150,000	270,000	500,000
Bright colors	625,000		100,000	65,000	
Cover stocks	250,650		100,000	47,000	
Other specialty	50,000	2,000,000	50,000	120,000	
Envelopes	458,000		150,000	215,000	
Paper totals	55,413,650	10,020,000	19,771,000	36,027,000	5,425,000
Annual postage cost	\$488,109	\$67,100	\$101,980	\$243,157	\$53,643
Postage cost per student	\$12	\$7	\$10	\$12	\$20
PrintShop/CopierCenter 2008-09	\$18	\$17	\$8	\$26	
Budget per student					
Estimated 2010-11 PrintShop Budget per student	\$18	\$17	\$8	\$26	
Total paper per student	1,417	991	1,920	1,757	1,989



Publications Department Comparisons

ROBBINSDALE AREA SCHOOLS # 281	ROSEMOUNT-APPLE VALLEY- EAGAN # 196	ROSEVILLE AREA SCHOOLS # 623	WAYZATA PUBLIC SCHOOLS	SPRING LAKE PARK
4148 Winnetka Avenue N New Hope 55427 763-504-8061 Rick Roberge - rick_roberge@rdale.org	14445 Diamond Path West Rosemount 55068 651-423-7718 Barb Nelson - barb.nelson@dist196.org	1910 County Road B West Roseville 55113 651-604-3561 Ryan Taylor - ryan.taylor@isd623.org	4955 Peony Lane N. Plymouth 55446 763-745-5070 Pat Harris - pat.harris@wayzata.k12.mn.us	Westwood Middle School 763-783-5604 Lori Gram - lgram@district16.org
11,766 2 2 9 8	31,300 4 6 18 4	6,458 1 1 7 1	10,279	4,729
Print Shop \$555,000 \$506,000 5.5	Print Shop \$612,000 \$612,000 6.5	Copier Center \$265,000 \$265,000 3		Copier Center \$50,000 \$50,000 2
Supervisor (1) Graphic Designer/layout (1.5) Press Operator (1) Mail Specialist (1) Interschool mail/switch board relief (1)	Supervisor (1) Graphic Designer (1) Press Operator (1) Bindery (1.5) Mail room (2)	Supervisor (1) Operators (2)		Operators (2)
DPM (2) AB Dick Duplicators T-51 Collator Mail piece printer Laminator 3 Hole punch Paper cutter folder - small Stitcher/Staple GBC Strapper	DPM (1) Two color Ryobe Press Collator Display maker Laminator 3 Hole punch Paper cutter folder - small Stitcher/Staple GBC Shredder	Paper cutter folder - small Spiral Binder		
(1) High speed B/W copier (1) Color copier	(1) High speed B/W copier (1) Color copier	(3) High speed B/W copiers (1) Color copier		(2) High speed B/W copier No color copiers
			Located at ESC	
4,000,000		4,500,000	0	
2,800,000		1,550,000	13,000,000	N.A.
275,000		56,300	15,000	N.A.
27.00 27.00 22.80		43.20 36.00	0.00 0.00 .30 tape binding .60 spiral binding	
0.022 0.036		0.045 0.090	0.03 0.06	N.A. N.A.
0.15 0.30		0.30 0.60	0.20 0.40	
21,315,000	44,000,000	12,600,000	4,200,000	N.A.
1,802,500 320,000 172,000 131,000 99,000 284,000 394,000	1,600,000 430,000 410,000 62,000 93,000 50,000 25,000	100,000 950,000 375,000 100,000 75,000 22,500	600,000	N.A.
24,517,500	46,670,000	14,222,500	4,800,000	N.A.
\$150,614 \$13	\$263,413 \$8	\$71,575 \$11	\$92,283 \$9	\$56,000 \$12
\$47	\$20	\$41		\$11
\$43	\$20	\$41		\$11
2,084	1,491	2,202	467	N.A.



ROBBINSDALE AREA SCHOOLS

OPERATIONS COMMITTEE

Meeting 5/4/10

School districts surveyed:

Anoka Hennepin

Burnsville

Elk River

Minneapolis

Osseo

South Washington County

Wayzata

Five out of the seven districts have warehouses, or 71%. In addition, Burnsville maintains a 10,000 sq.ft. central receiving facility that houses an amount of supplies, but does not maintain a formal inventory.

Four district warehouses provide central receiving.

The five districts with warehouses, and one with central receiving facility own their facilities.

Marla Johnson

ANOKA HENNEPIN

Yes, have a warehouse.

Approx. 4,000 items – health, office, and school supplies, custodial cleaning, paper, maintenance parts.

of employees: 7

Central receiving: Yes

Recycling handled by warehouse.

BURNSVILLE

Warehouse: No.

Central receiving: yes. Receive and distribute incoming goods.

No receiving docks in some schools.

Keep a few items at facility: paper towels, a few cleaning/custodial supplies. Have a freezer.

Warehouse eliminated in the 1990's.

Approx. 10,000 sq.ft. facility is central receiving facility.

2 full time employees, \$112,000

ELK RIVER

Have a warehouse.

Approx. # items: 2,700, inventory value: \$230,000, stock paper, food service, cleaning, H&S, nurses, custodial, etc.

Part of District Service Center

of employees: 2 ½ - 1 full time in warehouse, one full time driver, one part time driver. Also a curriculum inventory person, during school months – doesn't report to warehouse.

Surplus furniture – yes. Keep some in warehouse. Put pictures of items on intranet. If items aren't taken, they are sold on PublicSurplus.com Surplus items are on inventory.

Central receiving: not much – only large shipments; technology, curriculum, clay orders, etc.

District recycling handled by warehouse.

MINNEAPOLIS

Warehouse was eliminated approximately 1 – 2 years ago. Eliminated entire warehouse (9 people) and print shop. Warehouse charged 19% overhead, and still provided items at a cheaper rate than could be gotten on the open market. Also eliminated print shop, which operated on a break even

Provided central receiving. Problems with no central receiving: timely receiving documents, knowledge of who to contact, issues with shortages, freight damage, people signing for things they know nothing about, people reluctant to sign for things, and don't check what they've signed for.

How are shipments without docks handled: Have to arrange for custodial help to go to that building to assist with unloading. Can't identify cost, but it is painful and difficult to do.

Did they see increase in costs? Yes, mostly in paper.

OSSEO

Have a warehouse, approx. 120' x 240' plus mezzanine areas for storage of seasonal items, surplus equipment, AV, and repair type items. Items include: instructional items, stationary, computer & printer accessories, office supplies, art, clay, early childhood kindergarten items, musical instruments, games, calculators, Av aids, PE, food service, and custodial.

Surplus furniture – keep in warehouse.

of employees: 6.5 FTE's, budget: \$377,904.

Warehouse is attached to ESC own the building.

Central receiving: Yes

District recycling handled by warehouse.

SOUTH WASHINGTON COUNTY

Have a warehouse.

Approximately 7-10,000 sq.ft.

Inventory value approximate \$200,000

Typically stock B&G items and paper. Not food service.

Surplus furniture: typically not an issue, as they are growing, and have very little to no surplus.

of employees: 3 supervisor, freight driver, and inter school mail driver

Building: part of 50,000 sq.ft. district service center

Central receiving: Yes

WAYZATA

Yes – primarily food service, some paper items when they can buy at a reduced rate, printed brochures, and temporary storage of some items. Copy paper, ice melt.

of employees: 1 whse clerk, 2 delivery drivers. Plus office space for B&G, wood shop, large vehicle parking, etc., approx. \$150,000

Surplus furniture – no storage of surplus. The sites rent pods to store excess furniture all year waiting for annual garage sale, organized by Pat, held in the arena.

Always have to order trucks with lift gates.

Order furniture assembled – costs extra.

SCHOOL DISTRICT WAREHOUSE SURVEY MAY 3, 2010

SCHOOL DISTRICT	Warehouse?	Building Specifics	# of employees	Annual salaries & benefits	# of items in inventory	SCHOOL DISTRICT	Inventory value	Central Receiving?	Surplus storage?	Recycling Services (fl. Lamps, computers, hazardous waste, etc.)
Anoka Hennepin	Yes	Part of a building including staff development center, purchasing, buildings & grounds, etc.	7 - includes warehouse workers and truck drivers		4,000	Anoka Hennepin		Yes	Minimal	Yes
Burnsville	No (central receiving)	Has a 10,000 sq.ft. central receiving facility. Keeps small stores of items such as paper towels, cleaning supplies. Has a food service freezer.	2 - central receiving and truck driver	\$112,000	No items officially on inventory	Burnsville		Yes	Some	No
Elk River	Yes	Attached to district service center	2 1/2 - 1 full time warehouse work, 1 1/2 drivers		2,700	Elk River	\$230,000	Minimal	Yes	Yes
Minneapolis	No					Minneapolis				
Osseo	Yes	Attached to ESC.	6.5 - warehouse and truck drivers	\$377,904		Osseo		Yes	Yes	Yes
S. Wash. County	Yes	Part of district's 50,000 sq.ft. district service center.	3 - supervisor, freight driver, inter school mail			S. Wash. County	\$200,000	Yes	Very little due to growth	
Wayzata	Yes	Own building. Includes office space for B&G, wood shop, large vehicle storage, etc.	3 - 1 warehouse worker, 2 truck drivers	\$150,000		Wayzata		Yes	No Rent pods for annual storage of surplus pending annual garage sale	
Robbinsdale	Yes	Lease warehouse facility. 1/2 warehouse, 1/2 B&G	3 - 1 warehouse supervisor, one freight driver, one inter school mail driver	\$121,004	1,800	Robbinsdale	\$189,500	Yes	Yes. In a separate, leased facility	Yes

OPERATIONS COMMITTEE
 INFORMATION GATHERED FROM SCHOOL DISTRICTS WITH NO WAREHOUSE

SCHOOL DISTRICT	WHERE ARE PO'S RECEIVED?	ARE THERE SCHOOLS WITHOUT REGULATION DOCKS?	DO YOU PAY MORE FOR DELIVERIES TO THOSE SITES?	INTER SCHOOL MAIL TRUCK? DELIVERY TRUCK?	CENTRAL LAUNDRY SERVICE?	CENTRAL MEDIA SERVICES?	PRINT SHOP?	HAZARDOUS WASTE AND RECYCLED MATERIALS	DISTRICT STORAGE FOR CURRICULUM ?
Chaska	At schools	Yes	No	Yes	No. Each high school is equipped with washer/dryer. Maintain their own athletic uniforms.	No	Yes. Deliveries made by ISM	Handled by B&G. picked up and combined at one site	No
St. Paul	At schools	Yes	Yes	Yes	No	No	Yes	Handled by safety dept. Picked up and combined at one site	
Eden Prairie	At schools	No		Yes. Two trucks - one truck runs 2 shifts - day and evening.	No	No	Yes. Deliveries made by ISM		
Minneapolis	At schools	Yes	Uncertain	Yes	No	Yes	No	Handled by health & safety dept. Picked up and combined at one site.	
Minnetonka	Waiting or info								

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**OPERATIONS COMMITTEE
WAREHOUSE EVALUATION**

WAREHOUSE FUNCTION	FREQUENCY	IS THE FUNCTION REQUIRED?	CAN THE FUNCTION BE SHIFTED ELSEWHERE?	CAN THE FUNCTION BE MODIFIED?	IMPACT TO THE DISTRICT	COST IMPACT
<p>CENTRAL DELIVERY Delivery site for incoming common carrier shipments</p> <p>Approximately 89 common carrier deliveries annually. <i>This figure does not include local shipments and deliveries.</i></p> <p>Only 5 sites with docks or regulation docks: AHS; CHS; ESC; FOREST; PMS</p> <p>Additional cost for liftgate truck deliveries: Minimum charge: \$131.50 plus \$6.50 per CWT</p>	Daily	No	No	Yes Specify that lift gate trucks are required for delivery.	Additional expense: Building custodian must be available to accept shipment and assist with unloading truck. Delays in unloading trucks on a timely basis may lead to demurrage charges. Security concern? Truck drivers walking through buildings to find someone to help unload. Is the building equipped with the proper unloading equipment?	\$8,416.00
<p>CENTRAL RECEIVING Inspect materials received, and provide receiving information so accounts payable may process payment</p>	Daily	No	Yes Ship materials direct to sites. Shift burden of inspection and receiving to sites.	No	Possible delays in getting receiving documents on a timely basis. Functions such as order discrepancies, shortages, freight damage claims, and product returns to vendor are currently handled by warehouse personnel. Someone in the schools would need to accept that responsibility.	Undetermined

CNS

**OPERATIONS COMMITTEE
WAREHOUSE EVALUATION**

WAREHOUSE FUNCTION	FREQUENCY	IS THE FUNCTION REQUIRED?	CAN THE FUNCTION BE SHIFTED ELSEWHERE?	CAN THE FUNCTION BE MODIFIED?	IMPACT TO THE DISTRICT	COST IMPACT
<p>DELIVER LAUNDRY</p> <p>Laundry is hauled daily between schools and the laundry located in the RMS building.</p> <p>Laundry is processed for the following departments Secondary athletic programs (wash and mend) Kitchens/child nutrition Nurses Custodial items Schools lost and found</p>	Daily	Yes	<p>No</p> <p>Laundry containers are typically large, bulky, and heavy.</p> <p>Pick up schedule must be routine, predictable, and dependable.</p>	<p>Yes</p> <p>Investigate alternative delivery schedule to reduce frequency of hauling</p> <p>Investigate cost to outsource laundry service.</p>	<p>Reduction in level of service district users have come to expect.</p> <p>Possible increase in cost to outsource laundry service.</p>	Undetermined
<p>DELIVER MEDIA SERVICES MATERIAL</p> <p>Pick up and deliver items sent in for repair</p> <p>Pick up and deliver items checked out for temporary use</p> <p>Receive large incoming shipments destined for Media Services at the warehouse. Deliver to Media Services for check in.</p> <p>Deliver new materials received in Media Services to destination site.</p> <p>Pick up and deliver items on reserve at the local county library.</p>	Daily	Yes	<p>No</p> <p>Pick up schedule must be routine, predictable, and dependable.</p> <p>Some items are cumbersome and heavy. Some school palletize items if quantity warrants.</p>	<p>Yes</p> <p>Investigate alternative delivery schedule to reduce frequency of delivery.</p> <p>Investigate cost to purchase weekly courier service for deliveries.</p>	<p>Reduction in level of service district users have come to expect.</p> <p>Possible increase in cost to purchase courier services.</p>	Undetermined

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**OPERATIONS COMMITTEE
WAREHOUSE EVALUATION**

WAREHOUSE FUNCTION	FREQUENCY	IS THE FUNCTION REQUIRED?	CAN THE FUNCTION BE SHIFTED ELSEWHERE?	CAN THE FUNCTION BE MODIFIED?	IMPACT TO THE DISTRICT	COST IMPACT
<p>PRINT SHOP SERVICE</p> <p>Deliver bulk mailings to Minneapolis Post Office. Pick up mailing supplies if needed and return to Publications.</p> <p>Deliver printed materials out to sites from Print Shop.</p>	<p>4-6 X/mo</p>	<p>Yes Post Office will not pick up bulk mailings</p> <p>No</p>	<p>Yes</p> <p>Print shop personnel can make deliveries. Sometimes requires a vehicle at least the size of a van.</p> <p>Utilize a courier service to haul bulk mailings to post office. Would require a minimum of 2 hours time because of the Post Office process. Yes - Partially</p> <p>Small print jobs can be picked up by end users.</p>	<p>No</p>	<p>Possible liability by allowing individuals to haul items in personal vehicles. Possible individual injury associated with moving/lifting heavy, bulky items. Personnel loss of time on the job. Possible increase in paying mileage for delivery of materials in privately owned vehicle.</p> <p>Possible additional expense to utilize courier service.</p> <p>Increase in mileage paid to pick up print jobs. Loss of time on the job spent driving to pick up print job.</p>	<p>Undetermined</p> <p>Undetermined</p>

CZD

**OPERATIONS COMMITTEE
WAREHOUSE EVALUATION**

WAREHOUSE FUNCTION	FREQUENCY	IS THE FUNCTION REQUIRED?	CAN THE FUNCTION BE SHIFTED ELSEWHERE?	CAN THE FUNCTION BE MODIFIED?	IMPACT TO THE DISTRICT	COST IMPACT
<p>SCIENCE CONSUMABLES</p> <p>Keep all science kit consumables on warehouse inventory.</p> <p>Warehouse assumes responsibility for maintaining inventory and replenishing inventory as needed.</p> <p>Schools order what is needed for science kits by placing a warehouse requisition in Skyward.</p>	<p>Undetermined. Project will begin July 1, 2010</p>	<p>Yes</p>	<p>Yes</p> <p>Warehouse has worked with Stephanie Skelly to assume responsibilities for inventorying, packing and shipping science consumable supplies. Previously, science was assigned a room in which to maintain consumables. Science budget paid for part time employees to manage consumable inventory, and replenish inventory as necessary, and prepare items for delivery to sites. Inventory management can be returned to T&L. Stephanie would require space dedicated at ESC for managing consumables.</p>	<p>Yes</p> <p>Investigate possibility of school science teachers being responsible for replenishing inventory.</p>	<p>Additional annual expense casual salaries to manage consumable inventory.</p> <p>Stephanie reports that the warehouse assuming responsibility for consumables, and assisting with other curriculum areas, will save approximately 30 days of her time that she will now be able to dedicate to managing additional curriculum areas assigned to her as a result of staff reductions in the curriculum area.</p>	<p>\$5,000 - \$6,000 annually</p>

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**OPERATIONS COMMITTEE
WAREHOUSE EVALUATION**

WAREHOUSE FUNCTION	FREQUENCY	IS THE FUNCTION REQUIRED?	CAN THE FUNCTION BE SHIFTED ELSEWHERE?	CAN THE FUNCTION BE MODIFIED?	IMPACT TO THE DISTRICT	COST IMPACT
<p>MATH Warehouse manages math lego kits.</p> <p>A lesser volume of Lego kits were ordered to be shared between elementary sites.</p> <p>Warehouse keeps the Lego kits in the warehouse, and delivers them to various sites on a rotating schedule</p> <p>Warehouse maintains approximately 6 pallets (1 pallet per grade level) of misc. elementary math curriculum. All items are in warehouse inventory. Schools can view math item inventory, and place a requisition in Skyward for their needs</p>	3Xyear	Yes	<p>Yes</p> <p>Storage space is scarce. The items must be kept in a secure location. The kits are very expensive to purchase. The district was able to order less sets by sharing rather than ordering sets for each site. The district was able to save \$30,000 by sharing kits.</p>	<p>Yes</p> <p>Given budget availability, additional kits could be purchased so each building owned their own set.</p> <p>Storage space could be dedicated for Math curriculum items. Investigate the possibility of Media Services assuming responsibility for math curriculum if space permits, and can be managed with new textbook management software recently purchased.</p>	<p>Overburden of T&L specialist for routine tasks that can be handled systematically through the warehouse.</p>	<p>\$30,000 one time cost savings to rotate from warehouse.</p>
<p>B & G UNIFORMS Manage district buildings & grounds uniform program. Issue and collect order forms to eligible B&G employees for apparel. Order, inventory, and ship apparel to employees. Monitor B&G uniform point system. Handle apparel returns and exchanges.</p>	1Xyear	No	<p>Yes</p> <p>Buildings & Grounds could maintain the program themselves.</p>	<p>No</p> <p>The uniforms are handled mostly on an annual basis. There would be no way to modify the program that would be of benefit to the district.</p>		<p>Undetermined</p>

**OPERATIONS COMMITTEE
WAREHOUSE EVALUATION**

WAREHOUSE FUNCTION	FREQUENCY	IS THE FUNCTION REQUIRED?	CAN THE FUNCTION BE SHIFTED ELSEWHERE?	CAN THE FUNCTION BE MODIFIED?	IMPACT TO THE DISTRICT	COST IMPACT
<p>RECYCLING AND HAZARDOUS WASTE DISPOSAL</p> <p>The warehouse collects recyclable waste materials (computers, electrical items, batteries, ballasts, tv's, etc.) from all sites, and delivers them to Asset Recovery for recycling.</p> <p>Approximately 9 times per year, the warehouse collects recyclable waste materials from all sites, and delivers them to Asset Recovery for recycling. In 2009-10, the warehouse made 46 pickups from district buildings to remove recyclable waste.</p>	9Xyear	Yes	<p>Yes</p> <p>Pickups could be organized as time permits. Buildings & grounds may be able to assume responsibility.</p>	<p>Yes</p> <p>Asset Recovery charges \$86 per pick up per site. Schools may be able to store items for recycling, and organize a one or two x per year pick up, and pay the pick up fee.</p>	<p>Storage space in the buildings is tight. It may prove a hardship to hold and store recyclable items for infrequent pickups.</p> <p>Additional expense to utilize Asset Recovery pick up services.</p>	<p>\$1,462.00 (17 buildings X 1 pickup per site per year)</p>
<p>Warehouse collects hazardous waste materials (paints, chemicals, mercury, etc.). Hazardous waste vendor makes one stop to the warehouse versus stopping at each site</p>	1-2Xyear	Yes	<p>Yes</p> <p>Pickups could be organized as time permits. Buildings & grounds may be able to assume responsibility.</p>	<p>Yes</p> <p>Each site can order individual pickups of hazardous waste.</p>		<p>Minimum district trip charge: \$90. Additional mile charge to each site: \$4.50 per mile.</p>

**OPERATIONS COMMITTEE
WAREHOUSE EVALUATION**

WAREHOUSE FUNCTION	FREQUENCY	IS THE FUNCTION REQUIRED?	CAN THE FUNCTION BE SHIFTED ELSEWHERE?	CAN THE FUNCTION BE MODIFIED?	IMPACT TO THE DISTRICT	COST IMPACT
<p>MISCELLANEOUS LOCAL PICK UPS</p> <p>Warehouse picks up set supplies for secondary plays from places such as Home Depot. The materials require at least a pick up or van size vehicle. School drama heads were renting trucks to deliver materials to their schools.</p> <p>Warehouse picks up local orders too large for individual vehicles.</p> <p>Warehouse picks up donated materials and equipment from local vendors.</p> <p>Warehouse picks up obsolete books from each site 3-4 times per year as needed, and delivers to Books for Africa in St. Paul.</p>	<p>Unknown New this year. 3 pick ups so far</p>	<p>No</p> <p>No</p> <p>No</p>	<p>Yes</p> <p>Can arrange for the order to be shipped in some cases. Can require that all orders too large for individual pick up must be ordered through purchasing so delivery arrangements can be made.</p>	<p>No</p>	<p>Additional expense to rent a truck. Additional liability to load and transfer large and heavy items.</p>	<p>Truck rental: \$25 per hour</p>

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**OPERATIONS COMMITTEE
WAREHOUSE EVALUATION**

WAREHOUSE FUNCTION	FREQUENCY	IS THE FUNCTION REQUIRED?	CAN THE FUNCTION BE SHIFTED ELSEWHERE?	CAN THE FUNCTION BE MODIFIED?	IMPACT TO THE DISTRICT	COST IMPACT
<p>MANAGE SURPLUS FURNITURE & EQUIPMENT</p> <p>Warehouse surplus storage acts as a clearing house for used furniture.</p> <p>Warehouse picks up surplus furniture from sites as requested.</p> <p>Warehouse makes surplus items available to all district sites and programs, and delivers items as requested.</p> <p>To date in 2009-10, the warehouse has delivered approximately:</p> <ul style="list-style-type: none"> 30 file cabinets 12 teacher desks 3 teacher's chairs 31 bookcases 3 refrigerators 4 microwaves 298 student chairs 48 tables 17 student desks 63 carts Plus miscellaneous items 	2Xweek	No	No Function requires the ability to manage inventory, meet interested district parties to view surplus, and schedule truck delivery on a timely basis.	<p>Yes</p> <p>Utilize the intranet to advertise available surplus items. Sell or dispose of asset versus storing for future use.</p> <p>Secure storage space that is owned by the district, eliminating the need to lease a facility.</p>	<p>Surplus furniture availability allows program and school needs to be filled without purchasing new. The loss of surplus storage will increase the need to purchase new furniture to meet program needs.</p> <p>Eliminating surplus storage will save annual lease cost.</p>	<p>Purchase value of items shipped from surplus in 2009-10: approximately \$34,500.00</p> <p>Eliminate lease of Mello Smello site: (\$12,000)</p>

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OPERATIONS COMMITTEE

WAREHOUSE FUNCTION	FREQUENCY	IS THE FUNCTION REQUIRED?	WAREHOUSE EVALUATION CAN THE FUNCTION BE SHIFTED ELSEWHERE?	CAN THE FUNCTION BE MODIFIED?	IMPACT TO THE DISTRICT	COST IMPACT
<p>INTERSCHOOL MAIL DELIVERY Interschool mail pickup and delivery.</p> <p>Interschool mail truck route includes approximately 29 stops per day.</p> <p>Interschool mail truck delivers small packages, i.e., warehouse orders, print shop orders, media services items, etc., along with mail.</p>	Daily	Yes	No	<p>Yes</p> <p>Decrease level of service to every other day mail delivery.</p> <p>In 2008-09, the mail driver position was cut to half time. Due to the myriad of inconveniences and issues with delayed mail delivery, the position was reinstated to full time beginning 2009-10 school year.</p>	<p>Untimely delivery of time sensitive items such as time cards.</p>	<p>Undetermined.</p>

5 YEAR 8 1/2 X 11 XEROGRAPHIC PAPER USE BY SITE

SITE	2005-06	2006-07	2007-08	2008-09	2009-10	2010 to date
063 Transportation	23	14	22	16	22	6
065 Warehouse	9	6	6	7	5	2
070-073 ESC	561	601	509	431	358	65
250 CHS	504	572	521	496	471	160
253 AHS	602	551	565	553	520	143
255-343 RMS	411	411	447	484	396	180
403-415 CAV/HV	129	146	122	128	131	37
405 Forest	143	201	160	201	162	80
406 Lakeview	126	129	60	122	43	40
410 Meadow Lake	123	166	129	121	92	40
411 Neill	102	124	136	138	169	40
412/423 RSIS/SH	201	182	160	171	137	43
413 New Hope	74	225	151	136	127	33
417 Noble	42	93	43	83	82	
419 Northport	173	205	105	143	187	
422 Sonnesyn	164	129	123	85	126	
429 WTKA	102	144	123	48	31	16
430 Zach Lane	121	125	121	121	201	1
339 PMS	376	370	393	343	447	81

*TOTAL CASES USED 4470 4911 4287 4212 3707 967

*Total cases used includes schools no longer in operation. The schools no longer in operation (SMS, Pilgrim Lane, and Lincoln) usage are included in the total cases used, but not listed as a line item on the spreadsheet.

November 2, 2010

WAREHOUSE OPERATIONS COMMITTEE

WAREHOUSE STAFFING INFORMATION: The warehouse employs three full time individuals.

The positions are:

- 1) Warehouse Supervisor
- 2) Delivery Driver
- 3) Inter School Mail Delivery Driver

Warehouse Staff Duty Time Allocation

Warehouse Supervisor		Delivery Driver		Inter School Mail Driver	
Duty	# hours/day	Duty	#hours/day	Duty	#hours/day
Receive incoming shipments including UPS, Speedee, Fed X, local vendors	3	Fill orders, assist with receiving	2	Mail delivery, post office	6.5
Fill warehouse orders	1.5	Deliver laundry, whse orders, PO's	3.5	Fill warehouse orders, clean	1.5
Load delivery and mail trucks	0.75	TMA's, surplus storage, media services, BFA, recycle, bulk mail, etc.	2.5		
Receive PO's in Skyward, returns to vendors, TMA management, phone work & emails, inventory management	2.25				
Surplus storage/move TMA's	0.5				

WAREHOUSE LEASE COMPARISON INFORMATION
Friday, October 08, 2010

Warehouse property toured	Sq.ft	Est. gross monthly lease rate	Plus utilities, est. \$1.25/sq.ft.	Est. total annual lease cost	Est. cost per sq.ft.	Comments
4730-4740 Quebec Ave	6 - 8,000	\$2,500	\$729	\$38,748.00	\$5.54	Angled walls, short ceilings, unloading, dock leveler, geometrics issues. 16' ceiling height. Not a viable space
9900 S. Shore Drive	7,523	\$4,000	\$784	\$57,408.00	\$7.63	Location is out of the district.
9900 S. Shore Drive	6,900	\$4,000	\$719	\$56,628.00	\$8.21	Undesirable location. 23' ceiling height
3300 Winpark	5,426	\$2,858	\$565	\$41,076.00	\$7.57	Dock/unloading issues. A built-in wall would prohibit unloading long materials. capability. Uncertain of air handling/exhaust/ventilation ability
3320 Winpark	7,605	\$4,005	\$792	\$57,564.00	\$7.57	
2711 Nevada	,6000	Year 1: \$2,835	\$625	\$41,520.00	\$6.92	Unsecured storage area. 20' ceilings
		Year 2: \$2,891	\$625	\$42,192.00	\$7.03	
		Year 3: \$2,950	\$625	\$42,900.00	\$7.15	

Existing warehouse space:

3510 Winnetka	6,000	\$3,517	Included	\$42,204.00	\$7.03
5100 Hwy. 169 N	4,000	\$2,178	Included	\$26,136.00	\$6.53
Total:	10,000	\$5,695	Included	\$68,340.00	\$6.83

Existing Landlord option to reduce space by combining warehouse needs in an available space at 5100 Hwy. 169 N:

Rent would increase by approximately \$.70 per square foot.

Proposed Existing Landlord option to remain in occupied spaces for the remainder of 2010-11:

\$500 reduction of monthly lease:	\$5,195	Included	\$62,340	\$6.23
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**Robbinsdale Area Schools
Enrollment Policy Sub-committee**

Charge to the Sub-committee

The Enrollment Policy Sub-committee was formed to research potential policy changes to the district's enrollment policies and identify the fiscal implications and educational ramifications of each potential policy change.

Membership

Helen Bassett, School Board Director
Dennis Beekman, Executive Director of Technology (facilitator)
Jane Byrne, Principal RSIS
Scott Croonquist, Parent & Executive Director of AMSD
Mike Favor, Principal Cooper High School
Patsy Green, School Board Director
Aldo Sicoli, Superintendent
Kenneth Turner, Integration and Equity Program Director

Meeting Dates

Friday, April 23 2010
Tuesday, May 18 2010
Tuesday, June 29 2010
Thursday, July 15 2010
Friday, September 17 2010

Work of the Committee

The committee reviewed

- Our current policies regarding school transfers (Appendix E) and the RSIS entrance policy (Appendix F);
- Data related to resident students enrolled in schools other than District 281;
- Data related to the RSIS Kindergarten lottery;
- Other districts' open enrollment and transfer policies;
- Other districts' / schools' magnet school entrance policies;

Findings

We determined that the enrollment policy changes most likely to impact the district financially would be:

- Removing the resident priority from the transfer policy;
- Removing the date-certain closure of secondary transfers from the annual resolution to limit non-resident enrollment; and
- Allow for more non-residents to enroll in RSIS.

The members of the enrollment policy sub-committee believe that the educational ramifications related to each of the potential policy changes are minimal. The more important ramification would be the potential to increase revenue through enrollment policy change. The

additional revenue would lessen potential cuts to classrooms or educational programs affecting the educational experiences of students.

Each of the potential enrollment policy changes certainly has fiscal implications. Below is a summary of each.

- 1. Remove the resident priority from the transfer policy**
 - a. Has the potential to serve more non-resident students. Data analysis (appendix A) shows potential net gain of more than 20 students (ADM) annually, estimated General Education Revenue value of \$118,000. Compensatory revenue would follow students if they qualify per state statute.
 - b. May have additional resident students leave the district. Data analysis (appendix A) shows that the attrition rate for residents if their transfer request is not approved is 33%. This rate is factored into the net value in 1.a.

- 2. Remove the date-certain closure of secondary transfers from the annual resolution.**
 - a. Has potential to serve more non-resident students. We could fill more seats at the high schools where attrition is greater. Data analysis (appendix B) shows potential gain of about 10 students (ADM) annually, estimated General Education Revenue value of \$67,000. Compensatory revenue would follow students if they qualify per state statute.

- 3. Allow for more non-residents to enroll in RSIS. (Assume no expansion of the program)**
 - a. Will serve more non-resident students. These students will likely stay K-12.
 - b. Approximately 52% of the residents who do not get in the lottery will not enroll in another district elementary school (appendix C).
 - c. If the policy was modified to reserve non-resident slots equal to the percentage of non-residents enrolled in district schools, it would have the potential to enroll 4 more non-resident students (appendix D). The net district effect would be a gain of approximately 2 ADM annually, estimated General Education Revenue value of \$12,000 annually.
 - d. If the policy was modified to eliminate residential preference, it would have the potential to enroll 13 more non-resident students (appendix D). The net district effect would be a gain of approximately 6 ADM annually, estimated General Education Revenue value of \$36,000 annually.

In addition to the potential policy changes that could impact revenue, the sub-committee also identified two inconsistencies which exist between the current RSIS Entrance Policy and the district transfer policy.

1. **Sibling Preference** – The RSIS Entrance Policy grants sibling preference. This preference has existed in policy for many years and was originally instituted because of research supporting the need for immersion students to continue speaking Spanish outside of the school day. Siblings helping siblings in the target language was one way to support this need. In contrast, the transfer policy is silent regarding sibling preference. Although there is no financial benefit to considering this change to policy, sibling preference would be more family-friendly and may lead to a more cohesive school community.

2. **Employee Preference** – The RSIS Entrance Policy grants enrollment to children of RSIS teaching staff. The rationale is that qualified Spanish-speaking immersion teachers are difficult to employ and this benefit would help attract qualified applicants. RSI teachers agreed that they would not take any open slots, but rather their lottery seats would be over and above the established board ratio. There is no similar benefit to any other Robbinsdale employee.

Q: What is the fiscal implication to removing resident priority from the transfer policy?

A: Removing the resident priority from the policy would result in enrolling more total students in the school district.

The following example takes the enrollment options and enrollment data from 2008-2009 and analyzes the enrollment impact if residents did not have transfer priority to illustrate the fiscal impact.

2008-2009			
Application Type	Not Approved	Never Attended	Transfer Attrition Rate
K1: Grade K - Resident Transfer	3	1	33%
K3: Grade K - Non-Resident (Open Enrollment)	2	2	100%
E1: Grades 1-5 - Resident Transfer	16	5	31%
E2: Grades 1-5 - Currently Enrolled / Open Enrolled Request	3	2	67%
E3: Grades 1-5 - Non-Resident (Open Enrollment)	20	16	80%
M1: Grades 6-8 - Resident Transfer	9	3	33%
M2: Grades 6-8 - Currently Enrolled / Open Enrolled Request	1	1	100%
M3: Grades 6-8 - Non-Resident (Open Enrollment)	1	0	0%
H1: Grades 9-12 - Resident Transfer	28	9	32%
H2: Grades 9-12 - Currently Enrolled / Open Enrolled Request	1	1	100%
H3: Grades 9-12 - Non-Resident (Open Enrollment)	8	8	100%
	92	48	

2008-2009				
	OE Applications Approved	Resident Applications Denied	Resident Denied Attrition	Net Students <i>(OE Approved - (Res Denied * Attrition))</i>
Grade K	2	2	33%	1.3
Elementary	20	20	31%	13.8
Middle School	1	1	33%	0.7
High School	8	8	32%	5.4
				21.2

Mid-Year Secondary Open Enroll Students

School Year	ADM
2002-2003	20.11
2003-2004	22.28
2004-2005	9.11
2005-2006	12.48
2006-2007	13.54
2007-2008	11.67
2008-2009	10.67

Effective 2004-2005 school year, the district closed mid-year secondary transfers. The data reflects continuously enrolled students who moved out of district but stayed enrolled in school. There are also some student mid-year transfers approved under administrative special circumstances.

The decision to close mid-year secondary transfers did affect overall district enrollment as defined by ADM. Depending on the school year, the effect ranged from 6.57 – 13.17 ADM.

Students Not Selected in RSIS Kindergarten Lottery
2006 - 2011

The number of student applications for RSIS Kindergarten.

Category	2006-07	2007-08	2008-09	2009-2010	2010-2011
Siblings / Selected from Lottery	110	110	110	132	132
Total Not Selected	126	100	155	171	109
• Accepted Later Opening	10	22	17	48	
• Declined Later Opening	4	8	14	26	
• Remained on Waiting List	29	17	29	24	
• Chose Not to Remain on List	83	53	95	73	

Where are the students who were not selected via lottery currently attending school?

Category	2006-07	2007-08	2008-09	2009-2010	2010-2011
RSIS - Accepted Later Opening	10	22	17	48	
Another District 281 School	46	25	45	34	
Enrolled in another MN Public School	6	12	16	11	
Charter School		2	2	4	
Non-Public School	6	3	16	9	
Unknown – resident student	36	31	36	30	
Unknown – non-resident student	22	10	23	35	

What percentage of students who were not selected via lottery into RSIS currently attends a District 281 school or program?

Category	2006-07	2007-08	2008-09	2009-2010	2010-2011
Percent of students retained in District 281 schools / programs	44%	47%	40%	48%	

Notes

- The vast majority of the category “Unknown – resident student” are families that have since moved out of the district. At the time of lottery they were district residents but have since likely moved and do not attend Robbinsdale Area Schools. Therefore we do not have record of their enrollment.
- The “Unknown – non-resident student” category represents non-resident applications to the RSIS lottery. These students remained non-residents and since they are not enrolled in Robbinsdale Area Schools, we do not have record of their enrollment.

Q: What is the fiscal implication of reserving RSIS Kindergarten slots equal to the percentage of non-residents enrolled in all district schools?

A: The net district effect would be a gain of approximately 2 students (ADM) annually.

KG Lottery Slots	132
Average Siblings	53
Average Remaining Slots for lottery	79
2009-10 District Non-Resident %	9%
Total Seats Reserved for Non-Resident Students	7
Seats already reserved for Choice Is Yours Students	3
Net additional Non-Res Students	4
2009-10 Resident Attrition Rate – Percentage of resident students who do not attend a district school if they are not selected in the lottery	52%
Net Additional District Students (ADM)	1.92

Q: What is the fiscal implication of removing resident priority from the RSIS Kindergarten lottery?

A: The net district effect would be a gain of approximately 6 students (ADM) annually.

Average Number of RSIS Kindergarten Applications	251
Additional Non-Resident Applications	28
Number of Potential Applications	279
Resident Applications – (Based on Average)	223
Non-Resident Applications – (Assumption: Marketing has potential to double current non-resident applications)	56
Lottery Slots	132
Average Siblings	53
Average Remaining Slots	79
Likely Residents Selected in Lottery	63
Likely Non-Residents Selected in Lottery	16
Seats already reserved for Non-Resident Choice Is Yours Students	3
Net additional Non-Resident Students	13
Resident Attrition Rate	52%
Net Additional District Students (ADM)	6.24

ENROLLMENT OF NON-RESIDENT STUDENTS

I. PURPOSE

Robbinsdale Area Schools participates in the Enrollment Options Program established by Minn. Stat. §125D.03 as set forth in this policy. In administering these procedures the district superintendent may delegate any of the duties except as noted.

II. ACCEPTANCE PROCEDURES

A. **Application.** The student and parent or guardian must complete and submit an Application for Enrollment Options Program developed by the Minnesota Department of Education.

B. **Eligibility.** Applications for enrollment under the Enrollment Options (Open Enrollment) Law will be approved provided that acceptance of the application will not exceed the capacity of a program, class, grade level, or school building as established by school board resolution and provided that:

1. Space is available for the applicant under non-resident enrollment capacity limits established by school resolution or other directive; and
2. In considering the capacity of a grade level, the school district may only limit the enrollment of non-resident students to a number not less than the lesser of: (a) one percent of the total enrollment at each grade level in the school district; or (b) the number of school district resident students at that grade level enrolled in a non-resident school district in accordance with Minn. Stat. §124D.03.
3. The applicant is not otherwise excluded by action of the school district because of previous conduct in another school district.

C. **Standards that may be used for rejection of application.** In addition to the provisions of Paragraph IIA, the school district may refuse to allow a pupil who is expelled under Section 121A.45 to enroll during the term of the expulsion if the student was expelled for:

1. possessing a dangerous weapon, including a weapon, device, instruments, material, or substance, animate or inanimate, that is used for, or is readily capable of, causing death or serious bodily injury, with the exception of a pocket knife with a blade less than two and one-half inches in length, at school or a school function;
2. possessing or using an illegal drug at school or a school function;
3. selling or soliciting the sale of a controlled substance while at school or a school function; or
4. committing a third-degree assault involving assaulting another and inflicting substantial bodily harm.

D. **Standards that may not be used for rejection of application.** The school district may not use the following standards in determining whether to accept or reject an application for open enrollment;

1. Previous academic achievement of a student;
2. Athletic or extracurricular ability of a student;
3. Disabling conditions of a student;
4. A student's proficiency in the English language;
5. The student's district of residence; or
6. Previous disciplinary proceedings involving the student. This shall not preclude the school district from proceeding with exclusion as set out in Part III of this policy.

E. **Enrollment Priority Order.** School transfer and open enrollment applicants are approved in priority order, and in the order the application is received:

1. The first priority is to enroll resident students in their attendance area school;
2. The second priority is to allow resident students to transfer to their school of choice;
3. The third priority is to allow currently enrolled non-resident students to transfer to their school of choice;
4. The fourth priority is to enroll students who reside outside the district boundaries.

III. EXCLUSION PROCEDURES

A. **Exclusion for cause**

1. **Administrator's initial determination.** If a school district administrator knows or has reason to believe that an applicant has engaged in conduct that has subjected or could subject the applicant to expulsion or exclusion under law or school district policy, the administrator will transmit the application to the superintendent with a recommendation of whether exclusion proceedings should be initiated.
2. **Superintendent's review.** The superintendent may make further inquiries. If the superintendent determines that the applicant should be admitted, he or she will notify the applicant. If the superintendent determines that the applicant should be excluded, he or she will notify the applicant and determine whether the applicant wishes to continue the application process. Although an application may not be rejected based on previous disciplinary proceedings, the school district reserves the right to initiate exclusion procedures pursuant to the Minnesota Pupil Fair Dismissal Act as warranted on a case-by-case basis.

B. **Termination of enrollment**

1. The school district may terminate the enrollment of a non-resident student enrolled under an enrollment options program pursuant to Minn. Stat. §124D.03 or 124D.08 at the end of a school year if the student meets the definition of a habitual truant, the student has been provided appropriate services for truancy under Minn. Ch. 260A, and the student's case has

been referred to juvenile court. A “habitual truant” is a child under 16 years of age who is absent from attendance at school without lawful excuse for seven school days if the child is in elementary school; or for one or more class periods on seven school days if the child is in middle school, junior high school or high school; or a child who is 16 or 17 years of age who is absent from attendance at school without lawful excuse for one or more class periods on seven school days and who has not lawfully withdrawn from school under Minn. Stat. §120A.22, Subd. 8.

2. The school district may also terminate the enrollment of a non-resident student over 16 years of age if the student is absent without lawful excuse for one or more periods on 15 school days and has not lawfully withdrawn from school under Minn. Stat. §120A.22, Subd. 8.
3. A student who has not applied for and been accepted for open enrollment pursuant to this policy and does not otherwise meet the residency requirements for enrollment may be terminated from enrollment and removed from school. Prior to removal from school, the school district will send to the student’s parents a written notice of the school district’s belief that the student is not a resident of the school district. The notice shall include the facts upon which the belief is based and notice to the parents of their opportunity to provide documentary evidence, in person or in writing, of residency to the superintendent. The superintendent will make the final determination as to the residency status of the student.

Legal References: Minn. Stat. §120A.22, Subd. 3(e) (Residency Determined)
Minn. Stat. §120A.22, Subd. 8 (Withdrawal from School)
Minn. Stat. §121A.40-121A.56 (The Pupil Fair Dismissal Act)
Minn. Stat. §124D.03 (Enrollment Options Program)
Minn. Stat. §124D.08 (School Board Approval to Enroll in Non-resident District)
Minn. Stat. §124D.68 (High School Graduation Incentives Program)
Minn. Ch. 260A (Truancy)
Minn. Stat. §206C.007, Subd. 19 (Habitual Truant Defined)
Op. Minn. Att’y Gen. No. 169-f (August 13, 1986)
Indep. Sch. Dist. No. 623 v. Minn. Dept. of Educ., Co. No. A05-361, 2005
WL 3111963 (Minn. App. 2005) (unpublished)

Cross References MSBA/MASA Model Policy 506 (Student Discipline)
MABA/MASA Model Policy 517 (Student Recruiting)
MSBA Service Manual, Chapter 5, Various Educational Programs

Adopted August 19, 1985

Amended June 16, 1986

Amended: January 20, 2010

Robbinsdale Area Schools School Board Resolution February 17, 2010

Whereas, Minnesota Statute 124D.03 provides that a board of education may, by resolution, limit the enrollment of nonresident pupils in its schools or programs to a number not less than one percent of the total enrollment at each grade level in the district, and

Whereas, Robbinsdale Area Schools enrolls the number of nonresident students that meet or exceed one percent of the total enrollment at each grade level in the district, and

Whereas, district secondary schools are staffed at the beginning of the school year to meet the needs of the enrolled students, and

Whereas, the enrolled students who attend school from the beginning of the school year experience higher levels of success,

Now, therefore be it resolved that the School Board of Robbinsdale Area Schools will limit the enrollment of nonresident secondary students to those who submit open enrollment applications on or before the last day of the first week of school in September.

Now, be it further resolved that the superintendent or designee may also close a grade, building or program to nonresident students as necessary due to space limitations.

Now, be it further resolved that the superintendent or designee may also limit nonresident elementary enrollment so that 2010-2011 class sizes remain within the following ranges:

2010-11	K	1	2	3	4	5
Student to Teacher Ratio	25	26	28	28	29	30
Minimum	18	19	21	21	22	23
Maximum	25	26	28	28	29	30
Average Class Size	21.5	22.5	24.5	24.5	25.5	26.5

Admissions Procedure: Robbinsdale Spanish Immersion School for grades K-5

General Assumptions

- Robbinsdale Area Schools will provide a fair and open process for enrolling students in the Robbinsdale Spanish Immersion School (RSIS).
- The number of kindergarten students admitted each year is determined by the superintendent.
- To qualify as an applicant, families must complete and submit an application before the annual deadline.
- Admission is determined through a lottery procedure when more students apply than the number of available openings.
- The lottery continues until all student names are drawn. Students not selected for open spaces are placed on a randomly drawn wait list (see lottery procedures below). The lottery event is open to the public.
- Families of students admitted to RSIS are notified by mail and must accept by a pre-determined date.
- The timeline, application deadline and admissions procedure are published each year.
- The administration of the lottery and admissions procedures is the responsibility of the RSIS principal.
- Once enrolled, students admitted through The Choice is Yours program are afforded all privileges of this policy for as long as they remain in the K-5 program and the middle school immersion program (see provision for Minnesota Choice is Yours program below).

Special Provisions

PROVISION FOR SIBLING PREFERENCE

Applicants with siblings currently enrolled in RSIS and/or the middle school immersion program are enrolled automatically providing the completed application is submitted by the annual application deadline.

PROVISION FOR SIBLINGS IN THE SAME GRADE

In the event that siblings from the same grade apply, only one name is entered into the lottery and if drawn, each of those students is admitted.

TERMINATION OF THE SIBLING PREFERENCE PROVISION

The sibling preference provision is terminated when the family moves out of the district boundaries or when the family of children enrolled through the Minnesota Choice is Yours Program moves outside of the qualifying sections of Minneapolis. Children enrolled before the move may remain in the program.

PROVISION FOR GRADE 5 RSIS STUDENTS

Students enrolled in grade 5 at RSIS are automatically enrolled in the middle school immersion program. Grade 5 RSIS students who leave the immersion program are automatically enrolled in their neighborhood middle school unless an Intra-District Transfer has been approved or the student has been accepted to a Special Program (IBMYP or Pre-AP).

PROVISION FOR CHILDREN OF IMMERSION CLASSROOM TEACHERS

Licensed classroom teachers from RSIS and from the middle school immersion program who demonstrate proficiency in the Spanish language, and who complete and submit an application before the annual application deadline, may have their kindergarten child enrolled automatically. Students admitted under this provision do not displace other students admitted through the lottery process or students from the wait list. Children in grades 1-5 are admitted as seats become available providing they have been consecutively enrolled in a Spanish immersion program elsewhere. This provision will be reviewed every three years.

Admissions Procedure: Robbinsdale Spanish Immersion School for grades K-5

PROVISION TO IMPROVE ACCESSIBILITY FOR DISTRICT STUDENTS

The information night for RSIS is held shortly after the other district schools' kindergarten registration night. An RSIS application form, including an application for the Educational Benefits/Meals*, is available to all families attending the kindergarten registration night, as well as to all families attending the RSIS information night.

- The RSIS application form is also included in Kindergarten Information and Registration, a district publication provided to all families during the pre-school screening process.
- The RSIS kindergarten lottery is held shortly after the RSIS information night. This provision will be reviewed every three years.

*Form submitted to qualify for free/reduced tuition slots

PROVISION TO ENCOURAGE A MORE DIVERSE STUDENT BODY

The number of kindergarten openings at RSIS reserved for students who qualify for the federal lunch subsidy is equal to the number of students included in one section of RSIS kindergarten for the upcoming school year.

- One-half of these openings are reserved for qualified applicants who reside in the attendance area of Northport and Meadow Lake Elementary Schools* and who qualify for the federal lunch subsidy. Names of applicants not selected under this provision are placed into the general lottery.
- The number of scholarships awarded for full-day kindergarten at RSIS will be equal to one-half the number of students included in one section of RSIS kindergarten for the upcoming school year. This provision will be reviewed every three years.

*Northport and Meadow Lake Elementary Schools meet the statutory description of racially identifiable schools and are thus named in the district desegregation/integration plan.

PROVISION FOR MINNESOTA CHOICE IS YOURS PROGRAM

Two openings for the kindergarten program are reserved for applicants qualifying for the Minnesota Choice is Yours program. Students admitted under this provision do not displace other students admitted through the lottery process. The openings are eliminated if they do not fill before the second week of school in the fall. This provision will be reviewed every three years.

LOTTERY PROCEDURES

All qualifying applicants eligible for automatic enrollment are subtracted from the total number of openings (this does not include students admitted through provisions for Choice is Yours and Children of Licensed Staff). The names of remaining qualified applicants are drawn until all openings are filled.

If names remain after all openings are filled, a wait list is created by continuing the lottery selection process until all applicant names have been drawn, recording the names in the order in which they were drawn. Non-resident applicants are randomly drawn and recorded last on the wait list, after resident students.

PROCEDURES FOR FILLING AN OPENING FROM THE WAIT LIST

An opening* that occurs through November 30 of the kindergarten year is filled according to the wait list order.

**BUDGET PLANNING
ENROLLMENT COMMITTEE**

**Magnets/Partnerships
Sub-Committee**

School Year 2010-11

Report includes:

- Charge to the Committee
- Models for Potential Magnet Schools
- Supporting Information and Documentation

**Robbinsdale Area Schools
Magnets/Partnerships Sub-Committee Report**

Charge Statement

As one of the budget steering committees formed to plan for future financial stability and educational excellence, the Magnets/Partnerships Sub-committee, a sub-group of the Enrollment Committee, was charged to:

Determine ways to enhance revenue to the school district by increasing enrollment or slowing the trend of declining enrollment by examining the following:

- *The Robbinsdale Spanish Immersion school's entrance policy for non-resident students*
- *Creation of magnet or specialty schools and/or programs*
- *Partnerships with the cities served by the school district and with other entities*

Membership

Helen Bassett, School Board Member
 Dennis Beekman, Executive Director of Technology
 Mark Bomchill, School Board Member
 Jane Byrne, Robbinsdale Spanish Immersion School (RSIS) Principal
 Scott Croonquist, Executive Director of AMSD and Parent
 Peter Eckhoff, Robbinsdale Federation of Teachers
 Chris Gibbs, Parent
 Patsy Green, School Board Member
 Al Ickler, Executive Director of Community Education
 Randy Moberg, Zachary Lane Elementary Principal
 Aldo Sicoli, Superintendent
 Lori Simon, Executive Director of Educational Services

Meeting Dates

Wednesday, May 5, 2010
 Thursday, May 27, 2010
 Thursday, June 24, 2010
 Wednesday, June 30, 2010
 Friday, July 30, 2010
 Wednesday, August 11, 2010
 Wednesday, August 18, 2010
 Wednesday, August 25, 2010
 Wednesday, September 8, 2010
 Wednesday, September 15, 2010
 Wednesday, September 22, 2010
 Wednesday, September 29, 2010
 Wednesday, October 6, 2010
 Wednesday, October 13, 2010
 Wednesday, October 27, 2010
 Thursday, December 2, 2010

Work of the Sub-committee

The sub-committee:

- Reviewed school district enrollment trend data
- Reviewed Robbinsdale Spanish Immersion School (RSIS) lottery trend data
- Explored a partnership with the city of Golden Valley
- Sent and reviewed survey data of families who go elsewhere to school
- Developed a list of magnet school concepts to explore
- Reviewed presentations/information related to potential magnet schools
- Reviewed a facilities analysis of Olson and Pilgrim Lane Elementary Schools
- Reviewed financial considerations to determine financial viability of an RSIS expansion or STEM
- Developed and reviewed survey data related to Expansion of RSIS and opening a STEM magnet
- Developed Scenarios for RSIS expansion and for a STEM magnet school
- Discussed other avenues for gaining public feedback

Enrollment Trend Data

The sub-committee reviewed information detailed in the supplemental Enrollment Report outlining enrollment trends for resident students attending Robbinsdale Area Schools (RAS), RSIS enrollment and lottery trends, and resident students attending other schools than the RAS. Overall, District enrollment previous to the current school year has been decreasing.

RSIS Lottery Trends

Analysis of the RSIS lottery trend data indicates that the total number of students not selected through the RSIS kindergarten lottery grew from 126 students in 2006-2007 to 171 students in 2009-2010. 109 students were not selected for the current school year. In addition, trends over a four-year period indicate that on average, 45% of the students not selected in the lottery leave the RAS.

Partnership Exploration with Golden Valley

A partnership with Golden Valley was explored regarding the possibility of sharing space at the former Olson Elementary site. However, due to financial constraints, a partnership is not feasible at this time. Partnerships will be explored further as part of magnet school development. In addition, the committee recognizes there is great potential for savings with other partnerships and will explore those possibilities.

Survey of Resident Families Attending other Schools/Districts

A survey was conducted of resident families currently enrolled in schools or districts other than the RAS with the purpose of gaining more information about particular school programs families left the RAS to enroll in. The survey was sent to 2414 households with 611 households responding, and asked three questions:

1. Why did they enroll their child/children in a school other than in the Robbinsdale Area Schools?
2. Would they ever consider enrolling their student in the Robbinsdale Area Schools?
3. If so, what would be the primary reason?

While the information gained from the survey is useful to the RAS District overall; the information was wide-ranging, and did not inform the sub-committee of any particular school program trends families were seeking. Few families indicate that they enrolled in their current school for a particular educational focus or magnet program.

Magnet School Concepts Reviewed

Science, Technology, Engineering, and Mathematics (STEM) Magnet School

Arts Magnet School

Popular Language Immersion Programs/RSIS Expansion

Leadership Academy Magnet School

Service-Learning Magnet School

STEM Magnet School

STEM information was presented to the sub-committee for consideration at two meetings. During the first presentation, background information on STEM schools and programs was provided, as well as information regarding current STEM initiatives being implemented at all of the elementary schools in the RAS. During the second presentation, further information on ways in which a STEM magnet school might differ from the current STEM implementation at the elementary schools was presented and discussed. STEM magnet schools often choose one or two areas within STEM to be the primary focus of their school. Additional STEM magnet school information is being gathered and will be presented to the sub-committee in December, 2010.

Arts Magnet School

Information on a popular arts magnet school in the Saint Paul Public Schools was presented to the sub-committee for consideration. The Arts Plus magnet school model is a nationally recognized arts program model that revolves around the theory that educating through arts infusion is a highly effective way to help students find academic success. Student learning is supported through music, drama, dance, and the visual arts in both their regular classroom and specialist classroom environments; with the vision that by infusing arts into the curriculum, the opportunities for academic success for all students is enhanced. While there is strong support for the arts in the RAS, the sub-committee deleted an arts magnet school from its list for further consideration, due to the popularity of the FAIR schools and the District's partnership with WMEP.

Popular Language Immersion Programs/RSIS Expansion

Information on popular language immersion programs in the state/region. Growing in popularity are Chinese Immersion Schools. While there appears to be growing interest in Chinese Immersion schools, the research has indicated that finding licensed Chinese teachers is difficult. This information, combined with the data that on average, 132 students apply to but are not selected for

the RSIS lottery – nearly half of which leave the District – informed the sub-committee’s decision to further study the expansion of RSIS, as it is a successful, well-developed program in popular demand.

Leadership Academy Magnet School

The sub-committee was presented information on a leadership academy concept that combined the use of International Baccalaureate (IB), Advancement Via Individual Determination (AVID), service-learning, and an after-school Mathematics Engineering and Science Activities (MESA) program in a K-8 magnet school where teachers would loop with their classes for two school years. This magnet school concept was dropped from further consideration due to a lack of information on successful leadership magnets and program development, and little data to support families would be interested in a leadership magnet school.

Service-Learning Magnet School

Information on service-learning and a service-learning magnet school was presented. Service-learning is a teaching approach that actively engages students in meaningful and relevant service projects that are integrated across the curriculum and with state standards. Service-learning engages students in their communities through youth-voice and relevant community needs identified through a community needs assessment. The sub-committee decided not to proceed with the development of a service-learning magnet school, but determined that it should be considered for further discussion as part of a STEM magnet school model.

Olson and Pilgrim Lane Elementary Schools Facilities Analysis

An analysis of the Olson and Pilgrim Lane Elementary facilities was conducted and the findings were presented to the sub-committee. Overall, the Olson Elementary building is in very good condition and would be ready for occupancy almost immediately. Minor upgrades needed would include floor repair around the freezer/cooler area, and a small amount of new classroom lighting. Two major upgrades that would be needed eventually include installation of an elevator and of a new playground area. The Pilgrim Lane building would need substantial improvements before it could be occupied again. Areas requiring immediate attention include air conditioning, extensive classroom flooring, extensive classroom lighting upgrades, new kitchen equipment, and major capital investment in a classroom ventilation system (See Appendix A, additional information to come).

Financial Considerations of a RSIS Expansion or STEM Magnet School

Several financial considerations were explored and analyzed in depth by the sub-committee. Areas researched and discussed included a facilities analysis of the Olson and Pilgrim Lane facilities; several transportation costs scenarios related to both a RSIS expansion beginning year one at current RSIS site or year one at Olson, as well as a STEM magnet school at Olson; new magnet program development costs; annual expenses including staffing and supplies, and anticipated revenue sources. Using this information, a spreadsheet was developed for analyzing the financial feasibility of opening another elementary magnet school in the RAS.

Magnet Survey

A survey was conducted of five family groups to identify the level of interest in expanding RSIS or opening a STEM magnet school. Groups identified for the survey include:

1. Resident and non-resident families not selected in the 2010 RSIS kindergarten lottery
2. Families with students in District 281 grades K-3 including RSIS and excluding group 1.
3. Resident students not enrolled in District 281 grades K-3
4. Families of resident pre-school aged children ages 3-5.
5. Non-resident employees with children ages 2-8 not in District 281 schools.

The survey was sent to 4975 households with 1089 households responding. In addition, 83 District staff members responded to the online survey.

The findings of this survey indicate that there is support for opening a STEM magnet school, particularly with families who reside on the west side of the school district. Many of the families who indicated they would enroll their student in a STEM school have students in a District 281 school. There appears to be less interest in STEM from resident families who attend school other than in District 281 and from non-resident families compared to their interest in the expansion of the RSIS program.

The findings also indicate support for the expansion of RSIS. Families not selected in the 2010 RSIS lottery were the group most interested in the expansion of the RSIS program. However, more families with District 281 students in K-3 not enrolled in District 281 schools were more interested in RSIS expansion than applying to a STEM magnet school.

Overall, while school choice appears to be valued by families of preschool-aged children, a specific educational focus such as a magnet is not a major factor influencing their preference.

RSIS Expansion and STEM Magnet School Scenarios

Based upon the financial considerations spreadsheet, several RSIS expansion and STEM magnet school models were developed to further analyze financial viability. All of the models were premised on a fiscal analysis of the following:

- No increase in state revenue for four years, and a \$100 increase in the Pupil Formula beginning year 5
- Estimated integration revenue
- Staffing costs for all employee groups
- Materials
- Technology
- Utilities
- Professional development/curriculum writing costs
- Promotional expenses
- Transportation expenses
- Start-up costs at Olson

Based on this analysis, the following models have been forwarded for consideration:

1. RSIS Expansion beginning year one with kindergarten at current site, with 50% of expansion seats (33 out of 198 total) reserved for students open-enrolling.

		<u>Annual Net Gain (Loss)</u>	<u>Cumulative Net Gain (Loss)</u>
Year 1	2011-2012	\$ 29,451	\$ 29,451
Year 2	2012-2013	\$ (383,005)	\$ (353,554)
Year 3	2013-2014	\$ 700	\$ (352,854)
Year 4	2014-2015	\$ 13,894	\$ (338,960)
Year 5	2015-2016	\$ 73,959	\$ (265,202)
Year 6	2016-2017	\$ 214,598	\$ (50,604)
Year 7	2017-2018	\$ 449,362	\$ 398,758
Year 8	2018-2019	\$ 665,089	\$ 1,063,847
Year 9	2019-2020	\$ 904,313	\$ 1,968,160
Year 10	2020-2021	\$ 1,150,503	\$ 3,118,663
Year 11	2021-2022	\$ 1,405,660	\$ 4,524,323
Year 12	2022-2023	\$ 1,665,562	\$ 6,189,885
Year 13	2023-2024	\$ 1,949,293	\$ 8,139,178

Educational Ramifications: RSIS is a well-known and respected program that is in demand by families. Expanding the program provides more students with access to this rigorous, academic program. Beginning year 7, the program should be expanded sufficiently to support Spanish Immersion in both middle schools.

Fiscal Implications: The annual net loss in the second year takes six years to recover. The cumulative net gain over time appears to be substantial, but is predicated upon retaining students as they matriculate through the school system. An additional savings of \$93,100 per year is included as a result of decreased busing due to Spanish Immersion programming at both middle schools.

- RSIS Expansion beginning year one at Olson with kindergarten and first grade, and with 50% of seats at each grade level (33 out of 198 seats per grade level, with both sites combined) reserved for students open-enrolling.

		<u>Annual Net Gain (Loss)</u>	<u>Cumulative Net Gain (Loss)</u>
Year 1	2012-2013	\$ (401,333)	\$ (401,333)
Year 2	2013-2014	\$ 13,667	\$ (415,000)
Year 3	2014-2015	\$ 8,553	\$ (406,447)
Year 4	2015-2016	\$ 98,366	\$ (308,081)
Year 5	2016-2017	\$ 171,336	\$ (136,745)
Year 6	2017-2018	\$ 354,461	\$ 217,715
Year 7	2018-2019	\$ 677,092	\$ 894,808
Year 8	2019-2020	\$ 913,877	\$ 1,808,685
Year 9	2020-2021	\$ 1,157,742	\$ 2,966,427
Year 10	2021-2022	\$ 1,408,802	\$ 4,375,229

Year 11	2022-2023	\$ 1,666,591	\$ 6,041,821
Year 12	2023-2024	\$ 1,930,966	\$ 7,972,787

Educational Ramifications: RSIS is a well-known and respected program that is in demand by families. Expanding the program provides more students with access to this rigorous, academic program. Additionally, this model provides more opportunity for families to gain access to this program for their students as it is open to kindergarten and first grade enrollment year one. Beginning year 7, the program should be expanded sufficiently to support Spanish Immersion in both middle schools.

Fiscal Implications: The annual net loss in the first year is slightly larger than in Model 1, and takes five years to recover. The cumulative net gain over time appears to be slightly less than in Model 1, and is predicated upon retaining students as they matriculate through the school system. An additional savings of \$93,100 per year is included as a result of decreased busing due to Spanish Immersion programming at both middle schools.

3. RSIS Expansion beginning year one at Olson with kindergarten and first grade, and with 1/3 of seats at each grade level (22 out of 198 seats per grade level, with both sites combined) reserved for students open-enrolling.

		<u>Annual Net Gain (Loss)</u>	<u>Cumulative Net Gain (Loss)</u>
Year 1	2012-2013	\$ (454,427)	\$ (454,427)
Year 2	2013-2014	\$ (101,041)	\$ (555,468)
Year 3	2014-2015	\$ (113,101)	\$ (668,569)
Year 4	2015-2016	\$ (55,876)	\$ (724,445)
Year 5	2016-2017	\$ (19,141)	\$ (743,586)
Year 6	2017-2018	\$ 141,634	\$ (601,953)
Year 7	2018-2019	\$ 433,440	\$ (168,513)
Year 8	2019-2020	\$ 638,463	\$ 469,950
Year 9	2020-2021	\$ 849,649	\$ 1,319,599
Year 10	2021-2022	\$ 1,067,132	\$ 2,386,731
Year 11	2022-2023	\$ 1,290,468	\$ 3,677,199
Year 12	2023-2024	\$ 1,519,530	\$ 5,196,729

Educational Ramifications: RSIS is a well-known and respected program that is in demand by families. Expanding the program provides more students with access to this rigorous, academic program. Additionally, this model provides more opportunity for families to gain access to this program for their students as it is open to kindergarten and first grade enrollment year one. Beginning year 7, the program should be expanded sufficiently to support Spanish Immersion in both middle schools.

Fiscal Implications: The annual net loss in the first year is somewhat larger than in Models 1 and 2, and takes more time, at seven year to recover. The cumulative net gain over time appears to be substantially less than in Models 1 and 2, and is predicated upon retaining students as they matriculate through the school system. An additional savings of \$93,100 per year is included as a result of decreased busing due to Spanish Immersion programming at both middle schools.

4. Combination Alternative of RSIS expansion at Olson as well as expansion of Spanish Immersion and/or Dual Spanish Immersion program at selected sites (school within a school).

Educational Ramifications: RSIS is a well-known and respected program that is in demand by families. Expanding the program provides more students with access to this rigorous, academic program. This model provides potential for all resident families who apply to Spanish Immersion to gain access to this program for their students. Additionally, a potential Dual Spanish Immersion program offers increased educational opportunities for both native English speaking students and native Spanish speaking students. If this model included the Spanish Immersion school within a school option at additional school sites, one potential area of concern may be that it may be difficult to find enough licensed, Spanish-speaking teachers. Another potential concern with this option is that it could displace other teachers.

Fiscal Implications: Similar to Models 1 and 2, depending on whether expansion at Olson begins year one or year two. Also, further analysis is needed to determine potential increased revenue for new open-enrolled students and families who may return to district.

5. STEM Magnet School at Olson with 50% of seats reserved for students open-enrolling and with 4th and 5th grade sections full beginning year 2 and year 3 respectively.

		<u>Annual Net Gain (Loss)</u>	<u>Cumulative Net Gain (Loss)</u>
Year 1	2012-2013	\$ (410,595)	\$ (410,595)
Year 2	2013-2014	\$ 37,829	\$ (372,766)
Year 3	2014-2015	\$ 234,104	\$ (138,662)
Year 4	2015-2016	\$ 388,757	\$ 250,094
Year 5	2016-2017	\$ 625,572	\$ 875,667
Year 6	2017-2018	\$ 875,782	\$ 1,751,448
Year 7	2018-2019	\$ 1,118,495	\$ 2,869,943
Year 8	2019-2020	\$ 1,368,558	\$ 4,238,501
Year 9	2020-2021	\$ 1,472,736	\$ 5,711,236
Year 10	2021-2022	\$ 1,578,632	\$ 7,289,869
Year 11	2022-2023	\$ 1,604,846	\$ 8,894,715
Year 12	2023-2024	\$ 1,630,116	\$ 10,524,831

Educational Ramifications: STEM is a very rigorous academic program that prepares students with foundation skills for careers in science, technology, engineering, and mathematics. There is strong support for STEM schools at the state and federal levels.

Fiscal Implications: The annual net loss in the first year is slightly larger than in Models 1 and 2, but takes less time, only 3 years to recover. The cumulative net gain over time appears to be substantially more than the previous scenarios, but is predicated upon retaining students as they matriculate through the school system. In addition, depending on the STEM focus area(s), some additional expenses may occur as a result of increased technology or professional development needs. Grant opportunities may offset start-up costs with opening a STEM magnet school, and will be explored further pending next steps.

6. STEM Magnet School at Olson with 1/3 of seats reserved for students open-enrolling and with 4th and 5th grade sections full beginning year 2 and year 3 respectively.

		<u>Annual Net Gain (Loss)</u>	<u>Cumulative Net Gain (Loss)</u>
Year 1	2012-2013	\$ (530,137)	\$ (530,137)
Year 2	2013-2014	\$ (106,455)	\$ (636,591)
Year 3	2014-2015	\$ (10,582)	\$ (647,173)
Year 4	2015-2016	\$ 158,505	\$ (488,688)
Year 5	2016-2017	\$ 364,955	\$ (123,713)
Year 6	2017-2018	\$ 583,844	\$ 460,130
Year 7	2018-2019	\$ 794,300	\$ 1,254,430
Year 8	2019-2020	\$ 1,011,189	\$ 2,265,619
Year 9	2020-2021	\$ 1,095,186	\$ 3,360,805
Year 10	2021-2022	\$ 1,180,481	\$ 4,541,286
Year 11	2022-2023	\$ 1,200,030	\$ 5,741,317
Year 12	2023-2024	\$ 1,218,680	\$ 6,959,997

Educational Ramifications: Same as in Model 5.

Fiscal Implications: The annual net loss for this model is the largest in the first year of all the models. The cumulative net gain over time appears to be similar to Model 5, but is predicated upon retaining students as they matriculate through the school system. In addition, depending on the STEM focus area(s), some additional expenses may occur as a result of increased technology or professional development needs. Grant opportunities may offset start-up costs with opening a STEM magnet school, and will be explored further pending next steps.

Next Steps

To be determined pending outcome of December 13, 2010 School Board work session.

Appendix A

8/18/2010

FACILITY FEATURE OVERVIEW

FACILITY FEATURE	OLSON SCHOOL	PILGRIM LANE SCHOOL
Site Area (Acres)	9.21	11.5
Parking Stall Count	90	110
Playfield	1 Baseball Field 1 Multipurpose Field	1 Baseball Field 1 Multipurpose Field
Playground Equipment Area	City Park Playground Age: 0-5	Age: 5-12
Parking Lot Pavement	Reconstruct within 5 years	Reconstruct within 8 year
Building (Sq. Ft.)	44,000	57,000
Music Room	1	1
Kindergarten Classrooms	2	2
Other Classroom count (All)	18	24
Class Room Floor Area (Average Sq. Ft.)	730	840
Cafeteria	1	1
Gymnasium	1	1
Multipurpose Room	0	1
Student Lockers		N/A
Classroom Air Conditioning	All rooms with cooling and humidity control	Window Air conditioning at ____ rooms
Classroom Heating Units	Radiation	Radiation
Classroom Ventilation	Rooftop Units Replaced in 2007	Original Room Unit Ventilator Equipment
Building Heating Plant	Original steam boiler & piping system	Original steam boiler & piping system

Classroom Wall Writing Surfaces	Mix of chalk and whiteboards	Chalkboards
Classroom Technology		
Classroom Flooring	Approximately 10 years remaining service life	End of useful life range
Classroom IAQ	No noticeable odors except for temporary educational curriculum sorting	
Classroom Lighting	T-8 (10 Years old)	T-12 (Original)
Roofing	Midlife	Midlife
Elevator	<ul style="list-style-type: none"> • Two story - no existing elevator • Program for an elevator to help address accessibility needs • East exterior building entry - grade slope not ADA compliant 	N.A.

8/18/2010

FACILITY CONDITION ISSUES

SYSTEM	OLSON SCHOOL (DOLLARS)	PILGRIM LANE SCHOOL (DOLLARS)
Elevator	210,000	N.A.
Classroom Flooring	N.A.	280,000
Classroom Lighting	10,000	200,000
Site Playground Equipment Area	If Contact Age Appropriate System 90,000	Compliant: 7200 Sq Ft Multi Station
Kitchen Equipment		
<ul style="list-style-type: none"> Freezer / Cooler Floor Repair 	10,000	
<ul style="list-style-type: none"> Deteriorated Food Preparation Tables and Kitchen Food Heating & Prep Stations 	N.A.	50,000
<ul style="list-style-type: none"> Kitchen Flooring 	N.A.	40,000
<ul style="list-style-type: none"> Kitchen Ceiling - Replacement Required 	N.A.	8,500
Site Parking Lot Pavement Repairs / Reconstruction <ul style="list-style-type: none"> Similar Needs for Olson & Pilgrim Lane Olson's will occur 4 years earlier 		
Classroom Ventilation / Humidly Control	No current Issues	<ul style="list-style-type: none"> Major Capital

		Reinvestment • Depends on Scope
Other Facility Items:		
ADA Compliance – Restroom Layouts	Improve	Improve

Legend:

- N.A. – Not Applicable
- TBD – To Be Determined

INDEPENDENT SCHOOL DISTRICT No. 281
ROBBINSDALE AREA SCHOOLS

DRAFT

TO: School Board
Aldo Sicoli, Superintendent

FROM: Lonnie Smith
Executive Director of Business Services

DATE: December 13, 2010

RE: Budget Assumptions for 2011-2012

1. FUNDING

We are assuming there will be no changes in funding. Any known changes in funding, prior to budget adoption, will be incorporated. The General Education formula per Adjusted Marginal Cost Pupil Unit is currently \$5,124. All other formula revenues will be calculated at the same value as in the current budget.

The approximate \$2 million in stimulus funding in this year's budget will be replaced with the approximate \$2 million in federal jobs funding for 2011-2012. The specific uses for these funds will need to be determined prior to staffing.

Federal revenue for programs such as the Title programs and Special Education will be based on MDE estimates and known amounts.

Miscellaneous and other revenues will be maintained at current budget amounts unless specific changes are known prior to budget adoption.

Revenue provided through the levy and aid formula will be included as levied.

2. ENROLLMENT: ESTIMATED ENROLLMENT

	<u>2011-12</u>				<u>2010-11</u>					
	PUPIL COUNT		WEIGHT FACTOR	=	MARGINAL COST PUPIL UNITS	PUPIL COUNT		WEIGHT FACTOR	=	MARGINAL COST PUPIL UNITS
KGN.	848	x	.612	=	519	842	x	.612	=	515
GR. 1-3	2632	x	1.115	=	2935	2532	x	1.115	=	2823
Gr. 4-6	2568	x	1.06	=	2722	2476	x	1.06	=	2625
GR. 7-8	1734	x	1.3	=	2254	1751	x	1.3	=	2276
GR. 9-12	3793	x	1.3	=	4931	3672	x	1.3	=	4774
*TUITION, ALC AND PRE-KGN.	<u>342</u>	x	<u>1.25</u>	=	<u>428</u>	<u>736</u>	x	<u>1.25</u>	=	<u>920</u>
TOTAL	11917	x		=	13789	12009	x		=	13933

* Estimated

3. STUDENT TO TEACHER RATIOS

ELEMENTARY

KINDERGARTEN	18-25
1 ST GRADE	19-26
2 ND GRADE	21-28
3 RD GRADE	21-28
4 TH GRADE	22-29
5 TH GRADE	23-30

MIDDLE SCHOOL STUDENT TO TEACHER RATIO

GRADE 6-8 24.22

HIGH SCHOOL STUDENT TO TEACHER RATIO

*GRADE 9-12 27.10

*Adjusted from 2010-11 to account for students enrolling in more than 6 classes.

We will budget 6 FTE reserve positions for K-12 staff estimated cost \$360,000.

SPECIAL EDUCATION STAFFING RATIOS

The special education department will utilize the same staffing ratios in planning for 2011-12 as were utilized for 2010-11. They are as follows:

Weighted student numbers (based on amount of special education service received):

- Federal setting I – 1.0
- Federal setting II – 1.25
- Federal setting III – 1.5

Licensed resource-level teachers: Elementary 18:1 (weighted student #)
Middle School 18:1 (weighted student #)
High School 20:1 (weighted student #)

Center-based classrooms (ASD, DCD, EBD): 8:1; can be adjusted based on amount of time students participate in the mainstream.

Early Childhood Special Education classrooms: 8:1

Speech/Language: 50:1

Psychologist: 1500 students: 1.0 (total student population): additional allocation based on number of center-based classrooms in the building.

Social Workers: Elementary 100:1 (weighted student #)
Middle School 200:1 (weighted student #)
High School 250:1 (weighted student #)

Occupational Therapists: 50:1

Physical Therapists: 50:1

Adapted Phy Ed: 6 students = 1 class/.1 FTE
Center-base classrooms DCD/CID 2 classes = .15 FTE
EBD 2 classes = .10 FTE

4. SUPPORT STAFF

All support staff position currently in place will remain in place for 2011-12 unless reduced due to loss of revenue for a specific program (i.e. grants, special funding). We will budget 4 FTE reserve positions for support staff estimated cost \$160,000.

5. TRANSPORTATION

Intra-district reductions/phase out as approved by the Board on December 6, 2010 will be included. The budget will be adjusted to reflect changes in routing and an estimated cost increase for gasoline and supplies.

6. INSURANCE AND UTILITIES

These costs will be calculated based on historical increases and future estimates. They will be included as the budget is developed.

7. SALARIES AND BENEFITS

There will be no increases included for salary schedule improvement. Salary amounts will be included with an estimated cost increase of 2.4% to cover required step lane and other career increments. Fringe benefits will be adjusted accordingly for TRA, PERA, FICA, LTD and Workers Compensation. The co-curricular budget expenses will reflect step increases only and estimated increases for professional services and transportation.

8. OTHER EXPENSES

The per pupil unit amount budgeted for instructional supplies will not change from the current years budget. Carryover will only be allowed for specific items approved prior to final budget approval. Increases due to inflation and other known cost increases will be included for other required items. Miscellaneous costs increases will be included at 2%. Expenditures for grants will be budgeted to equal revenue.

9. CAPITAL EXPENDITURES

The Capital Expenditure budget will be presented for approval in March.

The Capital Expenditure budget will include the same allocation per pupil unit for buildings as in 2010-2011.

Carryover will only be allowed for specific items approved prior to final budget approval.

10. Budget Calendar for 2011-12 is attached.

**INDEPENDENT SCHOOL DISTRICT #281
ROBBINSDALE AREA SCHOOLS
2011-2012 BUDGET CALENDAR**

Task	Responsibility	Completion Date
Set Preliminary Levy	Business Services	October 4
Truth In Taxation Hearing	School Board	December 6
Set Final 2010 Pay 2011 Levy	School Board	December 6
Present Audit to Financial Advisory Council	Finance Advisory Council	December 7
Review General Fund Budget Assumptions	Finance Advisory Council	December 7
Present Audit at Worksession	School Board	December 13
Present Budget Assumptions at Worksession	School Board	December 13
Approve Audit	School Board	January 3
Administration Recommendations for Budget Adjustments	Cabinet	January 10
Teacher/Pupil Staffing Ratios Adopted by School Board	School Board	January 19
Enrollment Projections and FTE Allocation to Principals	Cabinet	January 26
Compensatory Allocation to Principals	Business Services	January 26
Distribution of Budget Allocation Amounts to Executive Directors, Program Directors, School Principals and ALC Managers	Business Services	February 4
Secondary Principals receive final FTE allocations	Business Services	February 16
Capital Expenditure Due to Business Services	Various Departments	February 19
Completion of Preliminary Capital Expenditure Budget for 2011-2012	Business Services	March 5
Approval of Preliminary Capital Expenditure	School Board	March 21
2010-2011 Budget Revisions Due to Business Services	Various Departments	April 1
Completion of Budget Entry by All Administrators	Budget Administrators	April 1
Approval of 2010-2011 Budget Revisions	School Board	April 20
Review Preliminary General and Transportation, Child Nutrition, Community Services, Building Construction and Debt Service Fund Budgets	Business Services	May 10
Review of Budgets	Finance Advisory Council	May 10
Review All Budgets	School Board	June 13
Approval of Final All Fiscal Year 2012 Budgets	School Board	June 20



Revised Strategic Plan Action Plans
12/13/2010

TO: Members of the School Board
FROM: Aldo Sicoli, Superintendent
DATE: December 6, 2010
RE: Revised Strategic Plan Action Plans

DISCUSSION:

In October 2009 the administration presented the School Board with action plans for the Robbinsdale Area Schools five-year strategic plan. It is often prudent to periodically revise action plans as things change and as more becomes known over time. Much has transpired since October 2009, so the administration has created the attached strategic plan action plans. We look forward to any feedback provided by the School Board regarding the revised action plans.

Priority Objective	Date Completed	Action	Measures of Accomplishment	Baseline Data Collected to Date	Status of Action Plan
Strategic Plan Priority 1: Enrich and accelerate academic achievement.					
Primary Responsible Division: Teaching and Learning & Educational Services					
Priority 1 Objective 1	2010	By 2010 district-level and school-level equity teams will effectively identify and remedy inequitable district and school practices, policies and procedures. - <u>Educational Services</u>	An annual list/log from each school. Improvement on District Student Survey. <u>Action plan from each school with clear goals for year.</u>	List/log from each school noting progress to-date. Historical data from building Student Survey results from 2002, 2005, 2007 and 2010.	Equity Teams have been reformed <u>formed</u> in elem., MS, and HS after reboundary. PEG training continues <u>for staff</u> . District Student Survey data to be added in 2010. <u>Equity walk framework is being developed.</u>
Priority 1 Objective 2	2011	By 2011 the Integration/Equity Logic Model will be aligned with the Strategic Plan. - <u>Educational Services</u>	A revised Logic Model	Current Logic Model - <u>Done</u>	Alignment activities to begin in 2010. <u>In progress. Revised logic model completed.</u>
Priority 1 Objective 3	2013	By 2013 grade 9 students will have a plan for post-secondary educational opportunities that will be monitored through grade 12.	An electronic portfolio for career planning is currently available but only to students enrolled in high school courses that include a career focus.	A post-secondary plan is currently required by students enrolled in specific courses that focus on career exploration.	MDE/MnSCU Programs of Study is currently underway. CHS is <u>The high schools are</u> reviewing a software program, Naviance.
Priority 1 Objective 4	2013	By 2013 the scope of Pre-AP at PMS and MYP at RMS and CHS will have expanded to full-school.	The course taking structure for CHS-MYP students in grades 9 and 6-10 is aligned to IBNA <u>Q</u> requirements.	In progress.	Teacher training in progress. The IB Continuum Committee has formed and regular meetings have been occurring. Two vertical articulation, 3-hour meetings will have occurred by October 20, 2010.
Priority 1 Objective 5	2014	By June of 2014 the number of high school students of color taking AP and MYP courses, AP tests, IB exams and the ACT will reflect the diverse race, culture and income of the schools' students.	Descriptive statistics for each demographic subgroup.	See report to MDE as result of 2008-09 grant for this purpose. See also data collected for the Federal Smaller Learning Communities grant.	Grant has expired but work continues. AHS preparing for whole-school AVID and a national demonstration site.

Priority Objective	Date Completed	Action	Measures of Accomplishment	Baseline Data Collected to Date	Status of Action Plan
Priority 1 Objective 6	2014	By 2014 Response to Intervention (RtI) in reading and math will be implemented with fidelity in every school and will include appropriate progress monitoring and best practice intervention strategies that are aligned to student needs.	Implementation evaluation report from each school after years 2, 4 and 5.	RtI training began for elementary schools in 2008-09. RtI implementation plan for secondary schools underway.	Elementary instructional coaches hired; extensive training underway including the coaching process; search for progress monitoring tool continues; planning and implementation for Tier I instruction well underway. <u>Data Coaches hired for secondary schools for 2010-11 school year.</u>
Priority 1 Objective 7	2014	By 2014 the average score for all NCLB ethnic groups will be at or above the national norm for academic growth, there will be no significant difference the gap between the in test scores of NCLB ethnic groups, between Caucasian students and students of color will appreciably narrow, and all subgroups will meet the NCLB targets for attendance and graduation rates.	MAP growth scores. AYP targets are accomplished including academic proficiency, attendance and graduation. All HS students pass GRAD before graduation day.	Continuously enrolled students have met growth goal; several AYP groups do not meet academic goal; attendance and graduation goals are met. GRAD results are problematic for reading and math. Writing is more positive.	MAP contract negotiated in 2008-09. District-wide Assessment Council completed recommendations in 2008-09 with implementation underway. School Improvement Goals include measures of growth, AYP & GRAD results. High schools implemented Interactive Math and are reviewing options that will strengthen their reading program. School Board established a goal for narrowed achievement gap.
Priority 1 Objective 8	2014	By 2014 participation in arts and activities will reflect the diverse race, culture and income of district students.	Descriptive statistics for each demographic subgroup.	Goal is met for Visual Arts at all levels and for select music courses. Goal is not met for after-school activities.	Music Café (daytime course elective) introduced in 2005; participation meets goals. General fund for MS theater arts increased for purpose of integration.
Strategic Plan Priority 2: Provide high quality, engaging teaching that challenges every student.					
Responsible Division: Human Resources, Teaching and Learning, and Educational Services					
Priority 2 Objective 1	2010 <u>2011</u>	By 2010 <u>2011</u> the district will <u>have a plan for expanding</u> expand its system for recognizing and promoting outstanding achievement of teachers and staff.	Description of revised system	Description of current system	Study of current plan is underway.

Priority Objective	Date Completed	Action	Measures of Accomplishment	Baseline Data Collected to Date	Status of Action Plan
Priority 2 Objective 2	2010 2012	By 2010 2012 the Professional Development Academy will provide sessions on cultural proficiency, differentiation, compacting, higher order questioning skills, essential standards and other best practices; other professional development opportunities regarding these topics will also be available. <u>Primary responsible division: Teaching and Learning.</u>	Description of revised offerings	Description of current offerings	Study of current offerings is underway as is plan for introducing new offerings
Priority 2 Objective 3	2011	By 2011 the district will conduct an evaluation of the current structure for teacher professional development to improve alignment with the National Staff Development Council standards, expand methods to meet individual learner's needs, and increase the number of professional development opportunities.	All components of the evaluation report have been implemented. An evaluation is submitted to district administration	A report of current best practice <u>has been completed.</u>	An evaluation plan will be developed in Winter 2011
Priority 2 Objective 4	2012	By 2012 the district will develop a plan to provide high quality, relevant professional development for non-licensed staff.	Plan is adopted.	Evaluation of current system.	Will assign responsibility for this task once district reorganization is in place.
Priority 2 Objective 5	2012	By 2012 the district will develop relationships with local colleges, universities, and businesses to develop and support innovative, research-based methods, materials, programs and technology.	Annual description of relationships compared to each previous year.	Description/list of current relationships.	A new relationship with MnSCU has developed through the CTE Programs of Study. The Teaching and Learning Division has a relationship with the University of Minnesota Department of Education for RtI implementation.

Priority Objective	Date Completed	Action	Measures of Accomplishment	Baseline Data Collected to Date	Status of Action Plan
Priority 2 Objective 6	2012	By 2012 all staff will be evaluated according to appropriate evaluation schedules. - <u>Educational Services</u>	Annual descriptive statistics reflecting number of staff evaluated according to schedule.	Descriptive statistics reflecting current practice.	All school administrators have received the schedule for staff that need to be evaluated by school year 2010-11 and 2011-2012
Priority 2 Objective 7	2012	By 2012 all school principals, assistant principals and teacher instructional leaders <u>will receive training and will implement a process where purposeful observations of classrooms are frequent, random, conducted according to clearly identified criteria, and concluded with timely feedback for the purpose of continuously improving practice and gathering information about professional development needs.</u> <u>Educational Services</u>	Annual descriptive statistics reflecting extent of training. Evaluation of perceived value. <u>Completed walk-through criteria tools.</u>	Number of administrators from each school who have attended prescribed training.	All school administrators have received initial overview on Walk-Through. PMS has participated in school-level training. Other school-level trainings occur as the site is ready. Three elementary schools and one high school have implemented.
Priority 2 Objective 8	2014	By 2014 the tenure teacher evaluation protocol will include observation of practices associated with cultural proficiency, differentiation, compacting, higher order questioning skills, essential standards, <u>aligned curriculum and early intervention practices.</u>	Description of revised protocol	Description of current evaluation protocol.	A revised tenure teacher evaluation protocol will be developed in 2012

Priority Objective	Date Completed	Action	Measures of Accomplishment	Baseline Data Collected to Date	Status of Action Plan
Priority 2 Objective 9	2014	By 2014 the district will examine its current system of tenure and non-tenure teacher evaluation with emphasis on the effectiveness of the evaluation instrument, the adequacy in the number of evaluation events for an individual teacher, and the administrative capacity (time and training) to perform an effective teacher evaluation.	Description of revised system according to the components of evaluation report.	Evaluation report reflecting current system.	A revised tenure and non-tenure teacher evaluation system will be developed according to the components of the evaluation report.
Strategic Plan Priority 3: Cultivate learning environments characterized by mutual respect and personal responsibility.					
Primary responsible division varies					
Priority 3 Objective 1	2010	By 2010 a cycle of Crisis Prevention Intervention (CPI) initial and refresher training will be established for identified employees, including non-licensed staff, (i.e., bus drivers, playground supervisors, security monitors). Primary responsible division: Teaching and Learning	Training plan is implemented and all identified employees demonstrate CPI strategies when encountering problem situations with children/students.	List of district employees who have completed recent training. Reports from supervisors regarding use of the CPI strategies.	Planning to occur during Summer 2010; funding sources uncertain. <u>Training completed.</u>
Priority 3 Objective 1 & 2	2011	By 2011 safety and security training and practice drills for building administrators and for all other staff will occur annually. Primary responsible division: Buildings and Grounds	Drills and training will be provided to administrators who will have the competency to deliver additional drills at the building level.	Drills will be planned with the assistance of police departments in the district to improve disaster preparedness and response. Principals/Building Managers will be responsible for the execution of the drills with staff.	Police Chiefs have unanimously endorsed the training concept and have agreed to take a role in the planning and execution of the drills with Buildings and Grounds. <u>Drill checklist distributed. Incident Command System.</u>

Priority Objective	Date Completed	Action	Measures of Accomplishment	Baseline Data Collected to Date	Status of Action Plan
Priority 3 Objective 2 <u>3</u>	2011	By 2011 every district school will be equipped with a front-door intercom security system. Primary responsible division: Buildings and Grounds	Ratio of school buildings to front door security systems	Lakeview, Cavanagh and Plymouth MS have been previously completed. Armstrong HS, Cooper HS and Robbinsdale MS will not be part of the plan since they have staffed front entrances.	Buildings and Grounds is reviewing parameters of the work at the remaining buildings as well as cost estimates with vendors to be submitted as part of the overall 5 year security plan for budgeting.
Priority 3 Objective 3 <u>4</u>	2011	By 2011 building access standards will be determined for every employee. Primary responsible division: Business Office and Buildings and Grounds	All employees will have personal ID card access to pertinent sites; all brass keys will be accounted for.	Standards for building access cards have been set. Staff transition to new identification badges is nearing completion.	The last remaining group to receive the new access cards are substitute teachers who have been coming in to receive the new badges as requested by Human Resources. All new hires are receiving the new access cards. <u>Completed.</u>
Priority 3 Objective 5	2011	<u>By September 2011, the Student Rights, Opportunities and Responsibilities and Discipline Policy will be revised and aligned with the recommendations from the Minnesota Department of Education's Report: Disproportionate Minority Representation in Suspension and Expulsion in Minnesota Public Schools. Primary responsible division: Educational Services</u>	<u>Revised Student Rights, Opportunities and Responsibilities and Discipline Policy for the 2011-2012 school year.</u>	<u>Recommendations from the Minnesota Department of Education's Report: Disproportionate Minority Representation in Suspension and Expulsion in Minnesota Public Schools . Also, District historical data on out of school suspensions and expulsion referrals.</u>	<u>Process to be determined by January, 2011.</u>
Priority 3 Objective 4 <u>6</u>	2012	By 2012 70% of middle school students will participate in at least one after-school activities opportunity. Primary responsible division: <u>Educational Services</u>	Descriptive statistics reflecting student participation.	Participation statistics by subgroup will be compiled for the 2009-10 school year.	Equity Team to review participation by subgroup and work toward reducing barriers to participation.

Priority Objective	Date Completed	Action	Measures of Accomplishment	Baseline Data Collected to Date	Status of Action Plan
Priority 3 Objective 5 <u>7</u>	2012	By 2012 all modes of transportation drop-off and pick-up, as well as student and staff parking procedures, will be evaluated and upgraded as necessary to ensure efficient, safe and effective practices. Primary responsible division: Transportation	All sites will have safe and effective busing procedures and staff parking.	Planning is underway to upgrade parking lot accommodations at Northport and Meadow Lake	Upgrades to Northport and Meadow Lake parking lots to begin summer of 2010. <u>Meadow Lake lots completed.</u>
Priority 3 Objective 6 <u>8</u>	2012	From 2009 to 2012 the number of out-of-school suspensions will decrease by at least 10%. Primary responsible division: - Educational Services	Descriptive statistics from each site.	The district has historical in-school and out-of-school suspension rates for each site.	Behavior intervention coaches regularly track suspension data and intervene as indicated to reduce overall suspensions for the site.
Priority 3 Objective 7 <u>9</u>	2013 <u>2014</u>	By 2013 the district's Student Survey will show no discrepancy among subgroups of students. By 2014, 80% of students will report positive responses on the district's Student Survey in categories that include Sense of Belonging, School Safety, Fair and Equitable Treatment, and High Expectations.	The results of the District's Student Survey	Some discrepancy currently exists between various race and ethnic minority groups. Survey results from 2005, 2007, and 2010.	Equity Teams at elementary and middle schools are re-forming since boundary changes. Training with Pacific Education Group (PEG) through WMEP continues. Results from the 2010 administration of the student survey are being prepared for distribution in early January.
Priority 3 Objective 8 <u>10</u>	2014	By 2014 security accommodations, including regular drills, will be established for before and after-school, <u>Community Ed.</u> , and evening activities. Primary responsible division: Buildings and Grounds	Training will be provided to program directors who will have the competency to deliver drills at the building level.	Drills will be planned with the assistance of police departments in the district to improve disaster preparedness and response. Program directors will be responsible for the execution of the drills with staff.	Police Chiefs have unanimously endorsed the training concept and have agreed to take a role in the planning and execution of the drills with Buildings and Grounds.

Priority Objective	Date Completed	Action	Measures of Accomplishment	Baseline Data Collected to Date	Status of Action Plan
Priority 3 Objective 9 11	2014	By 2014 a sustainable system for School-Wide Positive Behavioral Interventions and Supports (PBIS) will be fully implemented with fidelity at every school, as measured by an external evaluator's assessment. Primary responsible division: Teaching and Learning - <u>Educational Services</u>	Implementation evaluation report from outside evaluator after years 3 and 5 and periodically after year 5.	PBIS training began for all schools in August 2009. Focus is on Tier I. Coaches trained in Tier II strategies in December 2009.	Behavior specialists hired; extensive training underway including the coaching process. Staff approval, school conditions and teaching strategies underway. <u>Funding for PBIS coaches cut for 2010-11; sustainability plan implemented 1 year early.</u>
Priority 3 Objective 10- 12	2014	By 2014 best practices in family involvement (i.e., Epstein's Framework of Six types of Involvement) will be implemented in all district schools. Primary responsible division: Teaching and Learning / <u>Educational Services</u>	Revised annual description of the family involvement plan from each site with evidence that plan has been executed with fidelity.	Current family involvement plan from each site.	Staff from Title I school attending upcoming Parent Involvement conference in Minneapolis. <u>All Title I schools submit annual plans to MDE.</u>
Strategic Plan Priority 4: Strengthen relationships among students, staff, families and community members.					
Primary Responsible Division: Community Relations					
Priority 4 Objective 1	2009	By December 2009, establish a reporting schedule for the district's strategic plan priorities and annual report so that staff and community members report greater awareness of progress on the strategic plan.	Report to superintendent of Action Plans grouped by year, including a summary of reporting guidelines and practices.	NA	Guidelines and practices cabinet discussion - 12/09. - <u>Completed</u>
Priority 4 Objective 2	2010	By February 2010, inventory current community relations and communications practices and research best practices.	Report to superintendent.	NA	Process begun - 12/09. - <u>Completed</u>

Priority Objective	Date Completed	Action	Measures of Accomplishment	Baseline Data Collected to Date	Status of Action Plan
Priority 4 Objective 3	2010	By January 2010, create a timeline to implement a publicity campaign to recruit and retain resident students by improving the high school, middle school and elementary school information nights, providing materials and web resources for Realtors, and developing an advertising <u>marketing</u> plan based on key messages.	Increase in resident students retained. Families report knowledge of and satisfaction with school district program as a result of communications efforts.	Survey in April 2010.	Plan created, all materials updated. Recap meetings with principals to be scheduled to adjust for 2010-11. <u>Outward enrollment survey completed in July 2010. Plan drafted.</u>
Priority 4 Objective 4	2010 and 2012	By April 2010 and April 2012 , conduct quantitative and qualitative research to determine current staff and community impressions of Robbinsdale Area Schools and community relations needs.	Report to superintendent in April 2010 and April 2012 .	NA	Quotes for research are being solicited - 12/09. - <u>Completed</u>
Priority 4 Objective 5	2011 <u>2012</u>	By June 2012 , provide training for all staff on <u>evaluate</u> customer service provided by staff <u>districtwide</u> and <u>develop a training plan to increase levels of customer service.</u> communications responsibilities and include these objectives in district job descriptions so that a secret shopper reports increased levels of customer service.	Follow-up evaluation shows improvement in customer service. In a report to the superintendent, a secret shopper reports increased levels of customer service in an evaluation of facilities in April/May 2011.	<u>Evaluate customer service by building in winter 2010-11.</u> Secret shopper report at the beginning of the process, November 2010.	<u>Determining evaluation process. Inactive—</u> solicit bids summer 2010.

Priority Objective	Date Completed	Action	Measures of Accomplishment	Baseline Data Collected to Date	Status of Action Plan
Priority 4 Objective 6	2011	By June 2011, refine existing communication vehicles (website, newsletters, voice messages, etc.) and develop new communication tools. so that staff and community members surveyed report greater awareness of district issues between 2010 and 2012.	Informal research shows satisfaction with existing and new communication vehicles. community members surveyed report greater awareness of district issues through communications efforts between 2010 and 2012.	Best practices report compiled; research with Communications Advisory Council in fall 2010. Survey in April 2010.	Report inventory and best practices to Communications Advisory Council; solicit suggestions for refinements. Inactive—complete inventory and best practices first.
Priority 4 Objective 7	2011	By September 2011, develop support systems for current staff and community ambassadors and recruit additional ambassadors who can build relationships with underserved communities so that staff and community members surveyed report greater awareness of district issues between 2010 and 2012.	Staff and ambassadors report satisfaction with program; target audiences behaviors are positively impacted. Community members surveyed report greater awareness of district issues through word-of-mouth generated by ambassadors between 2010 and 2012.	Research in 2010. Survey in April 2010.	<u>Work with Community Education Director, Integration and Equity Director and principals to create a list of ambassadors. Bids being solicited for research.</u>
Priority 4 Objective 8	2012	By June 2012, hold focus groups with stakeholders to test branding options; develop brand platform and supporting communications plan so that staff and community members report greater awareness of the district brand.	Report to superintendent that outlines brand platform deliverables, including standards, guidelines, training modules, etc.	Report includes inventory of past practice.	Inactive - solicit bids summer 2011.
Priority 4 Objective 9	2012	By June 2012, increase the presence of district administrators and school board members at district facilities, district events and community meetings. so that district staff, families and community members surveyed report increased visibility of leadership between 2010 and 2012.	District staff, families and community members surveyed report increased visibility of leadership between 2010 and 2012. Leadership increases visibility in schools.	Survey in April 2010. <u>Inventory of scheduled building visits by leadership.</u>	Plan should be developed to increase presence. <u>Completed.</u>

Priority Objective	Date Completed	Action	Measures of Accomplishment	Baseline Data Collected to Date	Status of Action Plan
Strategic Plan Priority 5: Maximize resources and demonstrate financial accountability.					
Primary responsible division is listed with each objective					
Priority 5 Objective 1	2009	By August 2008-09 a financial advisory council will be created; by-laws will be developed and members will be selected. Primary responsible division: Business Office	Finance Advisory Council established		Complete
Priority 5 Objective 2	2009	By the first quarter of 2008-09 regular meetings will begin with the council evaluating the district's economic conditions, developing future budget assumptions, reviewing revenue and expenditure projections, making recommendations to the school board and developing consumer-oriented presentations. Primary responsible division: Business Office	Minutes of meetings. Annual report to School Board.		Complete
Priority 5 Objective 3	2009	By 2009 a facilities plan will be created that recognizes 10-year demographic trends, financial and facility limitations, stakeholder values, and current and future educational programming needs. Primary responsible division: Superintendent and School Board	Completed facilities report is submitted to the school board		Complete

Priority Objective	Date Completed	Action	Measures of Accomplishment	Baseline Data Collected to Date	Status of Action Plan
Priority 5 Objective 4	2010	By 2010 the district will have a plan to aggressively seek sufficient and predictable funding for comprehensive educational programming. Primary responsible division: Community Education	Legislative Platform developed. Contacts with Legislators. Impact on legislation	Contacts with policy makers. LAC membership and activity.	Complete
Priority 5 Objective 5	2010	By 2010 the district will develop a federal legislative platform including implementation strategies. Primary responsible division: Community Education	Federal Platform developed	Federal legislators committees and interests identified.	2010 platform developed and adopted. - <u>Completed</u>
This Objective Priority 5 Objective 6	2011	By 2011 the district will implement a plan to systematically analyze tasks for duplication of work, streamline these efforts, and recognize staff that develop improved, streamlined methods to accomplish routine tasks. Primary responsible division: Business Office, Human Resources, Teaching and Learning, Technology	Plan is established, staff is trained, streamlined tasks are logged, plan for staff recognition is in place		Administration is exploring best model for task analysis
Priority 5 Objective 6	2011	<u>By November 2010 the district will have a comprehensive plan for systematically updating the policy manual.</u>	<u>The completed plan.</u>	NA	<u>The draft plan has been completed.</u>

Priority Objective	Date Completed	Action	Measures of Accomplishment	Baseline Data Collected to Date	Status of Action Plan
Priority 5 Objective 7	2011	By 2011 self-service manuals <u>and/or forms</u> describing district procedures (i.e., business office procedures, human resources procedures) will be available online. Primary responsible division: All Business Office, Human Resources, Teaching and Learning, Communications	Essential information is identified; manuals are created and available on district Intranet.		Business offices procedures updated and posted on employee intranet web site. - <u>Completed</u>
Priority 5 Objective 8	2011	By 2011 the district will have a plan to engage volunteers with specialized expertise to meet specific district initiatives. as well as a plan to incorporate a curriculum-based training program for volunteers to better prepare them to work with students on improved academic achievement. Primary responsible division: Community Education and Teaching and Learning	Action Plan to engage volunteers with expertise developed. Specific curriculum areas for training identified and training developed.		<u>Completed (Financial Advisory Council and Divestiture Committee.)</u>
Priority 5 Objective 9	2013	By 2013 residents will report a strong and positive relationship with the district including a positive opinion about district accountability for fiscal management, educational programming, student academic performance and facilities. Primary responsible division: Superintendent.	Survey in 2012.	Survey in March 2008.	

Priority Objective	Date Completed	Action	Measures of Accomplishment	Baseline Data Collected to Date	Status of Action Plan
Priority 5 Objective 10	2014	By 2014 residents will report strong, positive recognition of the need for stable and predictable local support. Primary responsible division: Business Office	Passage of the next referendum.		

SCHOOL BOARD COMPENSATION 2011-2012

DISTRICT	CHAIR	VICE CHAIR	CLERK	TREASURER
EDINA	\$2,400/annual	\$2,400/annual	\$2,400.00	\$2,400/annual
	\$200.00/mo	\$200.00/mo	\$200.00/mo	\$200.00/mo
HOPKINS	\$5,987.72/annual	\$4,953.34/annual	\$4,953.34/annual	\$4,953.34/annual
\$50,000 term life	<i>\$689.00/annual stipend</i>	\$412.78.00/mo	Business mgr is clerk/he does not get this stipend	\$412.78/mo
MINNETONKA	\$6,000.00/annual	\$5,250.00/annual	\$4,500.00 annual	\$4,500.00
\$50.00/extra meetings	\$375.00/mo	\$375.00/mo	\$375.00/mo	\$375.00/mo
	<i>\$1,500/annual stipend</i>	<i>\$750.00/annual stipend</i>		
ROBBINSDALE	\$6,900.00/annual	\$5,700.00/annual	\$6,000.00/annual	\$5700.00/annual
Mileage & Conf Exp	\$575.00/mo	\$475.00/mo	\$500.00/mo	\$475.00/mo
WAYZATA	\$5,100.00/annual	\$4,320.00/annual	\$4,320.00/annual	\$4,320.00/annual
\$50.00/extra meetings	\$425.00/mo	\$360.00/mo	\$360.00	\$360.00/mo
Mileage & Conf Exp				
EDEN PRAIRIE	\$5580.00/annual	\$5580.00/annual	\$5580.00/annual	\$5580.00/annual
Board took a 5% cut for the upcoming school year	\$465.00/mo	\$465.00/mo	\$465.00/mo	\$465.00/mo
BLOOMINGTON	\$7200.00/annual	\$7200.00/annual	\$7200.00/annual	\$7200.00/annual
	\$600.00/mo	\$600.00/mo	\$600.00/mo	\$600.00/mo
ST. LOUIS PARK	\$3893.00/annual	\$3225.00/annual	\$3607.00/annual	\$3225.00/annual
\$55.00/extra meetings	\$324.41/mo	\$268.75/mo	\$300.58/mo	\$268.75
Zero increase/cut this year				
OSSEO	\$9,000.00	\$7,800.00/annual	\$8,100.00/annual	\$7,800.00/annual
	\$750.00/mo	\$650.00	\$\$675.00/mo	\$650.00/mo