

1. Welcome & Introductions
2. Meeting Norms
3. Acceptance of Agenda
4. Approve March 23, 2021 Meeting Minutes 2
5. Report Out
 - A. Cabinet Task Force / FAC meetings
 - B. April 28, 2021 OPEB Advisory Committee meeting
6. Review & Discuss
 - A. Building Capacity Study
 - B. Enrollment Update 6
 - C. Marketing Update
 - D. Finance Update 22
7. Other
 - A. June 7 School Board Work Session
 - B. Proposed 2021-22 meeting dates
 - C. Member appointment update
8. Save the date!
9. Adjournment

**Robbinsdale Area Schools
FINANCIAL ADVISORY COUNCIL (FAC)
MINUTES FOR March 23, 2021
DRAFT**

Present	FAC Members
X	Gregg Fishbein
X	Earl Hoffman
X	Lennie Kaufman
X	Greg Kugler
	O. Barry Rogers
X	Howard Schwartz
X	Terry Swanson
	School Board
X	Pam Lindberg, Treasurer
	District 281 Staff
X	Stephanie Burrage, Interim Superintendent
X	Greg Hein, Executive Director of Finance

Other Attendees: Karylanne Marchand (Business Office Manager), Virginia Verbrugge (Assistant Finance Director), Marti Voight (Interim Assistant Superintendent).

The meeting was called to order at 6:32 PM on March 23, 2021 with the Council members noted above in attendance. Due to the COVID-19 Pandemic this meeting was held virtually with all members attending via the Zoom platform.

Agenda Item 1: Welcome and Introductions:

Chair Gregg Fishbein opened the meeting welcoming the attendees.

Agenda Item 2: Acceptance of Agenda:

The Agenda had been distributed to the members prior to the meeting as a link to the revised Zoom meeting invitation. Future attachments will be managed in a similar fashion (as opposed to receiving e-mail attachments). FAC members will be able to access all links so identified within future agendas. Mr. Schwartz raised the need to include the item reported in the January 12, 2021 minutes regarding the rescheduling of FAC’s meeting with the School Board. Mr. Fishbein suggested that this be addressed during Agenda Item 9: Other. A motion was properly made and seconded to accept the distributed Agenda. This motion passed unanimously.

Agenda Item 3: Approve the January 12, 2021 FAC Meeting Minutes:

A motion was properly made and seconded to approve the minutes of the January 12, 2021 meeting as distributed. The motion passed unanimously.

Agenda Item 4: Enhancing the Role of FAC:

Mr. Fishbein opened discussion regarding conversations he has had with Interim Superintendent Dr. Burrage and School Board Treasurer Ms. Lindberg regarding how the FAC is currently functioning and what direction the FAC needs to take in order to fulfill its mission as

specified in the Bylaws. He focused on two major issues: (1) how and when information is provided to the FAC for consideration; and (2) clarification by the School Board regarding FAC's role, as well as FAC's relationship with the Executive Director for Finance. "Are we truly *advisory* before the School Board meets and approves various administrative recommendations, or are we simply a rubber stamp after the fact?"

Dr. Burrage commented that she has recognized a "piece missing" when the FAC has not been involved at the Cabinet Task Force level where all of the administrative recommendations are evaluated, including financial impacts. Consequently, two FAC members would be invited to the Cabinet Task Force. In addition, Dr. Burrage recommended that the FAC should meet with the School Board twice per year. Presently, the Bylaws only specify one annual meeting. Finally, Dr. Burrage believed these recommendations were in harmony with the current Bylaws. The Cabinet Task Force usually meets every week on Monday, beginning at either 9:00 or 10:00 AM.

Mr. Fishbein asked for volunteers for the two Cabinet Task Force FAC members. Howard Schwartz, Earl Hoffman, and Greg Kugler expressed an interest. Dr. Burrage suggested that maybe some kind of rotation might allow all three FAC volunteers to participate. Mr. Fishbein agreed to take that suggestion under consideration and discuss further with the prospective FAC volunteers.

Mr. Fishbein announced that the FAC would be meeting with the School Board on June 7, 2021. At the next FAC meeting Mr. Fishbein recommended that there be a discussion on the agenda regarding proposing a Bylaws amendment to formally include language supporting two FAC/School Board meetings.

Agenda Item 5: Final Audit –Follow-up from January 12 Meeting:

Mr. Hein presented the *FY20 Comprehensive Annual Financial Report* and accompanying *Management Report*. A detailed discussion ensued regarding:

- Per-pupil spending data, including Sites/Building expenditures and capacity issues that would be impacted by enrollment declines.
- Enrollment trends, including impact of the pandemic and how many students the District might be losing to various competition options (i.e., "market share" losses).
- Excess building capacity costs, including custodial overhead and maintenance.

Mr. Hein also reviewed findings in the *Management Report*:

- All items found deficient have been corrected.
- Food Service bad debt situation needs to be addressed soon as there is still \$287,000 in bad debt beyond that which was written off during FY2020. Mr. Schwartz reiterated that this Food Service debt issue is not new and had been addressed by the FAC last year with a recommendation that the School Board needed to develop a policy that would effectively reduce the prospect of unpaid meals.

Mr. Fishbein expressed on behalf of the FAC a real appreciation for the excellent work done by the Finance Division and Mr. Hein. The auditor's *Management Report* stated that their overall impression was that the District's financial reporting is well-managed. Ms. Lindberg asked that the FAC convey this message to the public as part of the FAC's charge.

Mr. Hein reiterated that only structural changes in revenue and expense (as opposed to one-time revenue and/or soft funding opportunities) will continue to reflect School Board commitment to balancing the budget and enhancing the Unrestricted Fund Balance.

On the subject of federal and state COVID funding support, Mr. Hein reported that “COVID-2” represents an additional \$9.6 million to compensate for extraordinary costs incurred in the provision of unique COVID-related District expenses. This is in addition to the \$3.85 million received under CRF and the \$3.47 million received under CARES-1. It was requested that for the next FAC meeting Mr. Hein would produce reports on what and how these funds have been spent.

Agenda Item 6: Transportation Update:

Mr. Hein presented an update on the current status of Transportation bidding in conjunction with discussions pertaining to changing bell times at the Elementary, Middle and High Schools. Busing “efficiency” translates to reducing the number of buses and bus runs. By changing bell times [i.e., Elementary (8:00 AM – 2:20 PM), High School (8:30 AM – 3:20 PM), Middle School/SEA/RSI (9:15 AM – 4:00 PM)], the District could experience a reduction in 10-11 regular bus routes thereby generating potential savings of ~\$500,000. District Transportation currently follows a hybrid model whereby the District provides certain services along with First Student. Three proposals were received: First Student, Durham School Services, United Transportation. Providing all transportation services on an in-house basis has also been considered as an option. Mr. Hein also presented other ancillary costs (e.g., terminal upgrades, human resource expenses, etc.). Action on both Transportation and Bell Schedule will be taken up by the School Board at their next meeting.

Agenda Item 7: Building Capacity Study Update:

No additional information at this time. More information to be presented at the next FAC meeting.

Agenda Item 8: School Learning Pathways:

In Dr. Burrage’s absence, Interim Assistant Superintendent Marti Voight presented the Learning Pathways proposal currently under consideration by the School Board. Substantial questions were raised regarding how this program approach supports maintaining and increasing District enrollments, both residential students along with open enrollment students. Serious concerns were expressed regarding the loss of resident students to other districts and schools, along with how the pandemic will impact the number of students returning in the fall. How will the enrollment projections offset any increased costs associated with implementing School Learning Pathways? There was general consensus among FAC members that Mr. Hein needs to present a pro forma on financials associated with this proposal at our next meeting. Dr. Voight indicated that she would arrange for Ms. Meghan Hickey, Director for Student Services, to attend the next FAC meeting.

Agenda Item 9: Other:

- Future FAC meeting date: May 11, 2021.
- School Board Business Meeting/Work Session: April 6, 2021, @ 6:00 PM.
- FAC Report to School Board: June 7, 2021, @ 6:30 PM.

Agenda Item 9: Adjournment:

After a proper motion was made and seconded to adjourn our meeting, the meeting was adjourned at 9:10 PM.

Minutes submitted by Howard Schwartz



ENROLLMENT

Dr. Meghan Hickey, Interim Director of Student Services
4/13/21

Thank you for joining us. We are about to engage in an important conversation.

Before we begin, I want each of you to know that your words will be valued in this space.

This gathering is designed to allow attendees an equal opportunity to provide feedback.

While some might not agree with all of the perspectives shared during this meeting, all voices will be honored and respected.

This is a place that values the differences in others' stories and ideas.

There are multiple avenues to share ideas and feedback and this meeting is one of those ways. Thank you for spending time with us on behalf of Robbinsdale students, staff and families.



ROBBINSDALE
Area Schools

KINDERGARTEN MAGNET LOTTERY



Magnet Lottery Process

- Lottery opens December 1 and closes on the last Friday in February
- Families may apply for seats in one or more magnet schools
- Families with more than one child enter once and if selected, receive seats for all children
- Families have one week to accept their seat
- Lottery is run starting the second Wednesday in March and every week until all seats are accepted

Seat Availability

- Seats are held in two “buckets”
 - Resident
 - Non-Resident
- Walkers are considered residents but also have seats set aside
- Seats are added for staff children

599 AP

20-21 Lottery

School	Resident Seats	Walkers	Non-Resident Seats	Staff Children	Total
FAIR-PL	75	2	14	1	89
RSI	112	3	22	3	135
SEA	55	10	11	0	66

19-20 Stats

School	Applications*	Resident	Non-Resident
FAIR-PL	195	161	34
RSI	340	259	81
SEA	318	258	60

*Total Seat Requests

19-20 Stats

- 32 Non-residents received no offers
 - 25 Residents received no offers
 - 16 enrolled in neighborhood schools
 - 1 attending magnet school
 - 8 are unknown
-



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Area Schools

INTRADISTRICT TRANSFER & OPEN ENROLLMENT



Intradistrict Transfer/Open Enrollment

- Opens Monday after MEA (~10/21)
- Priority Order
 1. Siblings
 2. Residents
 3. Children of Employees
 4. Currently enrolled non-residents
 5. Non-residents

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Policy 509

SEA @ FAIR-Crystal

- 56 of 74 current 5th grade students have opted to attend SEA@FAIR-Crystal
 - 13 students will attend other RAS middle schools, 1 attending a non-public, 3 attending other public schools and one family is undecided
 - Have not yet reached three families
- Will open remaining seats to other district families and then non-resident families



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Board Presentation

Questions



OUR UNIFIED DISTRICT VISION

Our mission is to inspire and educate all learners to develop their unique potential and positively contribute to their community.

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OUR UNIFIED DISTRICT VISION

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FY21 Budget Revision

School Board Work Session

Gregory Hein, Executive Director of Finance
May 3, 2021

Updated Budget Timeline

FY21 Final Revision	
May 3	Board work session to review CARES funding and revised budget
May 24	Board approves revised FY21 budget
FY22 Preliminary Budget	23
May 3	Board work session on preliminary FY22 budget
May 11	FAC review and recommendations of preliminary FY22 budget
June 7	Board work session on preliminary FY22 budget
June 21	Board approves final FY22 budget

Use of Federal Stimulus Funds: Coronavirus Act Relief and Economic Security (CARES I)

- Summer school (June 2021 portion)
- RVA (Grades K-5)
- Contingency to cover qualifying and unanticipated items that come up between now and June 30, 2021
- Total budget revision proposed = \$500,000

Remaining CARES I funding to carry over to FY22 = \$588,553

General Fund Reserves

(Note: FY 21 beginning balances are audited FY20)

Category	FY 21 Begin (Actual)	Rev	Exp	FY21 End (Projections)
Inventory	\$ 391,697	\$	\$	\$ 391,697
Prepaid	\$ 321,818	\$	\$	\$ 321,818
Tech Levy	\$ 805,991	\$ 4,826,922	\$ 4,826,922	\$ 805,991
Op Cap	\$3,195,733	\$ 5,334,701	\$ 5,334,701	\$3,195,733
Basic Skills	\$ 626,401	\$ 12,756,645	\$ 12,756,645	\$ 626,401
MA	\$	\$ 360,000	\$ 220,000	\$ 140,000
Bldg Carryover	\$ 584,228	\$	\$	\$ 584,228
Scholarships	\$ 450,170	\$	\$	\$ 450,170
Activities	\$ 92,997	\$	\$	\$ 92,997
Q-Comp	\$ 277,664	\$ 3,280,553	\$ 3,280,553	\$ 277,664
LCTS	\$ 645,937	\$ 165,000	\$ 165,000	\$ 645,937
H&S / LTFM	\$ 191,056	\$ 1,083,617	\$ 1,083,617	\$ 191,056
Safe Schools	\$ 34,824	\$ 622,224	\$ 675,000	\$ (17,952)
Unassigned	\$ 622,412	\$153,292,086	\$152,192,086	\$1,722,412
TOTAL	\$8,240,928	\$181,721,748	\$180,534,524	\$9,428,152



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Area Schools

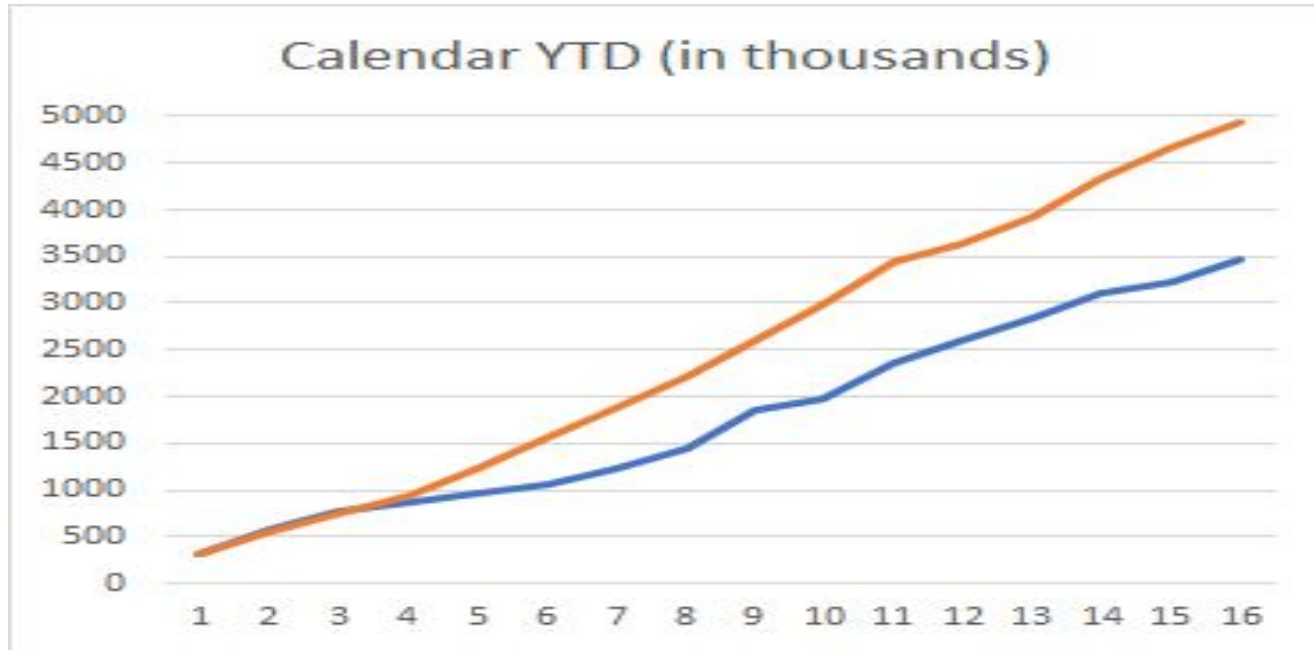
Unassigned Detail

Unassigned Detail:	Revenue	Expense	+ / -
Unassigned	\$ 113,738,307	\$ 92,636,479	\$ 22,801,828
STAFF D	\$ 1,693,918	\$ 1,693,918	\$ -
CHEM AWARENESS	\$ -		\$ -
CARES	\$ 6,650,000	\$ 6,650,000	
ALC	\$ -	\$ 3,312,222	\$ (3,312,222)
A&I	\$ 2,832,706	\$ 2,832,706	\$ -
A&I INCENTIVE	\$ 65,000	\$ 65,000	\$ -
INDIAN ED	\$ 82,000	\$ 82,000	\$ -
L&D	\$ 2,534,591	\$ 2,534,591	\$ -
G&T	\$ 167,664	\$ 696,128	\$ (527,464)
TITLE I	\$ 2,389,818	\$ 2,389,818	\$ -
TITLE II	\$ 506,064	\$ 506,064	\$ -
TITLE III	\$ 168,953	\$ 168,953	\$ -
FED SPED	\$ 2,064,230	\$ 2,064,230	\$ -
SPED PRESCHOOL	\$ 49,932	\$ 49,932	\$ -
SPED BIRTH TO 2	\$ 75,826	\$ 75,826	\$ -
VOLUNTARY CEIS	\$ 55,773	\$ 55,773	\$ -
MANDATORY CEIS	\$ 317,124	\$ 317,124	\$ -
TITLE III IMMIGRANT	\$ 1,429	\$ 1,429	\$ -
INDIAN ED	\$ 45,000	\$ 45,000	\$ -
PERKINS	\$ 50,000	\$ 50,000	\$ -
TRANSPORT INTEGRATION	\$ 2,000,000	\$ 300,000	\$ -
Foster Trans	\$ 200,000	\$ 1,415,000	\$ (1,215,000)
Title 8	\$ 40,000	\$ 40,000	\$ -
REGULAR TRANSPORT	\$ 315,000	\$ 315,000	\$ -
STATE SPED	\$ 16,976,827	\$ 33,118,967	\$ (16,142,140)
CTE	\$ 271,924	\$ 778,928	\$ (505,002)
TOTALS	\$ 153,292,086	\$ 152,192,086	\$ 1,100,000

Self-Insured Medical Fund

- Ended FY20 at -\$691,000 (audited)
- Originally budgeted for break-even in FY21
- Now projected at \$1 million loss for FY21
- Adverse selection due to rate increase in January 2020
- Catch up of delayed procedures due to COVID
- Claims calendar year-to-date for 2021 are up 42% year-over-year

Self-Insured Medical Fund



Questions?





FY22 Preliminary Budget

School Board Work Session

Gregory Hein, Executive Director of Finance
May 3, 2021

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FY22 General Fund Revenue Assumptions

- General education revenue loss due to declining enrollment (K-12)
- Increased Special Education funding due to increased costs and formula changes
- 0% increase on Basic Formula

FY22 General Fund Expenditure Assumptions

- Staff reductions due to FY21 enrollments short of original budget and expected decline in enrollment in FY22
- Teacher staffing ratio to remain unchanged

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FY22 General Fund Expenditure Assumptions (continued)

- Contract settlements
 - All bargaining group contracts are expiring June 30, 2021 except SEIU, which expired June 30, 2020
- VPK funding set to expire at the end of this fiscal year
 - Funding to come from CARES in FY22
- Other inflation (mainly transportation RFP and utility rate increases)

FY22 General Assumptions

- Expected deficit prior to strategic budgetary realignments = \$1.45 million thus requiring \$2.55 million in realignments to maintain \$1.1 million structural fund balance build target
- Leadership has been working on recommendations since early November
- Retaining structural unassigned revenue exceeding expenditures by \$1.1 million, continuing fund balance build of FY20 audited and FY21 revised

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FY22 Preliminary Strategic Realignment

- Educational Assistants – elementary - \$350,000
- Clerical – middle school - \$175,000
- Counselor at Fair Crystal - from 1.5 to 1.0 - \$37,500
- Educational Assistants – middle schools - \$160,000
- Health Services – add \$90,000 – Licensed Nurse vs. EA

FY22 Preliminary Strategic Realignment (continued)

- A new approach – pilot at High Schools
- Give principals and staff discretion over total General Fund unassigned₃₇ dollars spent at site
 - Cooper - \$325,435 reduction
 - Armstrong - \$374,333 reduction
 - Robbinsdale Academy - \$96,711



FY22 Preliminary Strategic Realignments (continued)

- Department reductions
 - Special Education - \$900,000
 - Communications - \$19,920
 - Finance - \$75,374
 - Technology - \$92,707
 - Human Resources - \$35,108
-

Federal Stimulus Funds

- One-time funding
- Coronavirus Relief Funds (CRF) - \$3.8 million
- CARES I - \$3.5 million
- CARES II - \$8.6 million

Federal Stimulus Funds

- Disposable food service supplies
- Hazardous duty pay
- Increased custodial staff
- Cleaning supplies and equipment
- Personal protective equipment
- Computers for distance learning
- Content filter
- Hot spots
- Zoom / Google Meets
- Publications / signage
- Child care for critical workers
- Food Service Equipment
- Curriculum materials and software
- School supplies
- Learn & Grow program
- Grant writer
- Additional allied middle school staff
- Transportation for summer school
- Summer school programming
- Mental health supports
- Robbinsdale Virtual Academy curriculum
- Marketing

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Federal Stimulus Funds

- RVA Elementary Staff
- RVA Support Staff
- Staff Retention
- VPK Program
- Social / Emotional Support
- LETRS training

Food Service Fund

Revenues of \$9.0 million up substantially

- Extension of Summer seamless program through FY22 – free meals for all students
- Lower student counts

Expenditures of \$7.6 Million

- Labor costs flat – increased contract offset by fewer staff due to attrition and lower meal counts
- Food costs rising – supply shortages in some areas
- Point of sale equipment and software replacement

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Community Service Fund

- Revenues of \$9.5 million and expenditures of \$9.8 million
- Down from previous year due to lower enrollment and program participation
- Fund balance decline from \$0.8 million to 0.5 million (6%)
- Conservative revenue budgeting
- Last “normal” year (pre-covid) was a surplus

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Construction Fund

- Revenues of \$22.2 million from new bond issuance, levy and aid
- Expenditures of \$19.5 million

Debt Service Fund

- Revenues of \$18 million from levy and aid
- Expenditures of \$18 million to pay principal and interest

Dental Self-Insured Fund

- Revenues of \$1.5 million from employee and employer paid premiums
- Expenditures of \$1.7 million to pay claims and fixed costs
- Ending fund balance still healthy at roughly \$1 million

Medical Self-Insured Fund

- Revenues of \$21.3 million from employee and employer paid premiums
- Expenditures of \$19.6 million to pay claims and fixed costs
- Ending fund balance back to \$0

OPEB Trust Fund

- Revenues of \$0.7 million from investment earnings
- Expenditures of \$0.5 million to pay claims for severance retirees
- Actuarial surplus (assets minus expected future payouts of all severance obligations) still substantially large
- \$14,735,749 plan assets vs. \$7,923,155 liability as of June 30, 2020
- New (required) actuarial study underway for June 30, 2021

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OPEB Debt Service Fund

- Revenues of \$2.6 million from levy
- Expenditures of \$2.6 million to pay principal and interest

Future Budget Considerations

- One-time revenues from federal stimulus are substantial, but cannot be used to sustain ongoing operations
- Special Education maintenance of effort
- Labor contracts
- Self-insured medical fund
- Food service uncollectible debt
- Enrollment
- Rebuilding general fund unassigned fund balance

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