

**Robbinsdale Area Schools
FINANCIAL ADVISORY COUNCIL (FAC)
MINUTES FOR December 9, 2019
Approved**

Present	FAC Members
X	Gregg Fishbein
X	Earl Hoffman
X	Lennie Kaufman
X	Thomas Klick
X	Barry Rogers
X	Howard Schwartz
X	Terry Swanson
	School Board
	Helen Bassett, Treasurer
	District 281 Staff
X	Greg Hein, Executive Director of Finance
X	Carlton Jenkins, Superintendent

Other District Attendees: Richard McGregory

The meeting was called to order at 6:31 PM on December 9, 2019 with the Council members noted above in attendance. This was the subsequent official FAC meeting to our prior meeting on October 10, 2019. There was a learning session held on November 13 which was not considered to be an official meeting and therefore no official minutes were taken.

Agenda Item 1: Welcome and Introductions:

Chair Gregg Fishbein opened the meeting welcoming the attendees.

Agenda Item 2: Accept Agenda:

When this item was brought forth for discussion, a request was made to amend the proposed agenda to include an update on the request for a forensic audit of ISD 281. Mr. Kaufman moved to approve the agenda, as amended, for the December 9, 2019 meeting. The motion was seconded by Mr. Schwartz, and it passed unanimously.

Agenda Item 3: Approve October 10, 2019 Minutes:

Mr. Schwartz moved to accept the minutes of the October 10, 2019 meeting as distributed. The motion was seconded by Ms. Swanson, and it passed unanimously.

Agenda Item 4: Review Bylaws and Purpose/Vision (of the FAC) Moving Forward:

During a periodic review of FAC Bylaws, questions arose about two expectations of the FAC (Article VI, Sections G and H) relating to the presentation of certain information to the School Board and the dissemination of FAC activity to the broader community. This led to a broader discussion of the FAC's role, and how to best achieve the desired outcomes in the future.

The ensuing robust discussion focused on how the FAC can better maximize its impact and support of District 281 activity, and on the decision-making process of the District Administration and the School Board. It was agreed the FAC should focus on those areas where its input was felt to be most valuable, with emphasis on audit evaluation, the budgeting process, ongoing District financial performance, and tax levy issues. Some of the issues that arose during the discussion dealt with the FAC's desire to be involved at a more strategic level, with an ongoing focus on long-term financial goals, performance against those goals, and raising issues for discussion about strategic financial alternatives—while at the same time, looking at the key annual items that have significant impact on current performance.

As this discussion was fleshed out, one item of focus became increasingly clear. It will be important to design the FAC's meeting calendar for the upcoming year so the Council can get information on a timely basis to discuss it and develop recommendations which can then be used when the Administration and School Board are discussing the related issues. There was consensus that allowing the FAC to be more proactive in our discussions will be helpful for the District. One area which was discussed, but still may need further discussion, is when the FAC receives the appropriate information to do its evaluation. The current process has the School Board getting information and discussing it first, before it is released to the FAC. This timing creates potential challenges for the FAC to evaluate the information and make recommendations early enough in the decision-making process. This can be especially true as it relates to the annual audit evaluation and the discussion regarding budget assumptions in the budgeting process. There will be further discussion about the best timeline for meetings at the next scheduled FAC meeting.

During the process of FAC Bylaw review, a request was made to also look at administrative amendments to help the Bylaws better conform to current FAC activity.

Agenda Item 5: Final Levy Certification (for taxes) Payable in 2020:

Mr. Hein led a discussion reviewing the process for final levy certification, and the underlying budget assumptions used to determine the final levy amount. The information was included in the presentation given during the prior week at the Truth In Taxation Meeting held for the public on Monday, December 2. We discussed various budget assumptions in the different District Financial Funds, with a focus on the projected impacts to the various fund balances.

Spirited discussion ensued regarding the impacts of open enrollment on the buildings, operations and financial results of District 281. There was also significant discussion about the unpaid student lunch receivable in the Food Service Fund, the expected performance of the Self-Insured Medical Fund, and the impact of an ongoing evaluation of the OPEB Debt Service Fund. The FAC expressed no concern over the District's projected Pay 2020 levy of \$65,553,000. This represents an increase of \$573,000 (0.88%) over the Pay 2019 levy approved in the prior year. The School Board is expected to approve this final levy at its meeting later in December.

Agenda Item 6: Schedule Future Meeting Dates:

Two meeting dates were discussed and are being scheduled. Those dates are January 14, 2020 and February 11, 2020. Both meetings are scheduled to start at 6:30.

Agenda Item 7: Update on the Request for Forensic Audit of ISD 281:

Greg Hein briefed the group regarding the status of the requested audit of District 281. Information has been requested from the District, and it has been provided. There may be additional rounds of requested information before the audit is complete. Greg indicated the information being asked for, and any discussion about that information, is confidential until a report is issued. At that time, the information will become public. No firm date for release of the report is available at this time.

Agenda Item 8: Adjournment:

The meeting was adjourned at 8:50 pm

Minutes submitted by Lennie Kaufman