

**Robbinsdale Area Schools  
FINANCIAL ADVISORY COUNCIL (FAC)  
MINUTES FOR September 14, 2021  
Approved November 9, 2021**

<b>Present</b>	<b>FAC Members</b>
X	Gregg Fishbein
X	Walter Gray
X	Earl Hoffman
X	Lennie Kaufman
	Greg Kugler
	O. Barry Rogers
X	Howard Schwartz
	Terry Swanson
	<b>School Board Member</b>
X	John Vento, Treasurer
	<b>District 281 Staff</b>
X	David Engstrom, Superintendent
X	Ukee Dozier, Executive Director of Finance
X	Virginia Verbrugge, Assistant Director of Finance
X	Beth Tomlinson, Controller
X	Karylanne Marchand, Business Office Manager

The meeting was called to order at 6:30 PM on September 14, 2021 with the Council members noted above in attendance. The meeting was held in person at the Educational Service Center.

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

Chair Gregg Fishbein opened the meeting welcoming the attendees. Mr. Fishbein invited all attendees to introduce themselves.

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

The agenda had been distributed to the members prior to the meeting. A motion was properly made and seconded to accept the distributed Agenda as amended. The motion passed unanimously.

**Agenda Item 3: Approve the Minutes of FAC meetings on May 11 and May 25, 2021:**

A motion was properly made and seconded to approve these minutes as distributed. The motion passed unanimously.

**Agenda Item 4: Election of FAC officers:** Mr. Fishbein's term on the FAC has ended. Motions were made and seconded to elect Lennie Kaufman as Chair and Earl Hoffman as

Secretary. Both motions passed unanimously. The FAC and District staff thanked Mr. Fishbein for his many years of service on the FAC.

**Agenda Item 5: Revised FAC bylaws:**

The FAC reviewed and commented on the proposed revised bylaws. John Vento said that the Board cleaned up redundant and outdated language and clarified the individuals who are eligible to become FAC members. In response to Mr. Kaufman’s question regarding the type of “confidential information” that the FAC won’t be given, Mr. Vento said that this includes personal information and labor contract negotiations in progress. However, once this information is presented to the Board, it becomes public and available to the FAC. Mr. Vento said that the Board is starting over as to how the FAC relates to the Board and what the FAC’s function should be. He spoke about “cadence”—the scheduling of when information is passed to and from the Board to and from the FAC. Mr. Hoffman emphasized the need for the FAC to review budgeting assumptions regarding changes in staff compensation, even if those assumptions are just preliminary.

In response to Walter Gray’s question regarding the meaning of “equity” in the District’s stated policy, Mr. Vento provided the Board’s view of what is meant by “equity.” This includes efforts to narrow the achievement gap and to remove and not add any barriers or layers that would hinder this goal.

Howard Schwartz asked why, in the revised bylaws, the Board deleted in Article II, second paragraph, the words “...provide insights as to the overall fiscal condition of the district.” Mr. Vento responded that the Board felt that this wording was redundant with other bylaw language. Mr. Schwartz also asked if the Board and/or District staff have reviewed the bylaws of the FACs of other school districts—i.e., how other FACs operate and how they relate to their boards. He mentioned that Hopkins district is smaller than Robbinsdale but has a larger FAC. He added that the Board should consider the financial expertise of potential new FAC members. Mr. Kaufman suggested that the Board and FAC should develop a “skills matrix” when considering new FAC members.

David Engstrom described how the equivalent of the FAC functioned in his former district. He said that the committee acted on specific items that the school board presented to the committee for its review and approval (e.g. the budget). Ukee Dozier described how the FAC of his former district, St. Louis Park, operated. He said that the St. Louis Park FAC had a diverse representation of district residents, including students. Mr. Gray spoke about the non-profit boards and committees that he’s worked on and the attributes of the members of these groups.

**Agenda Item 6: Enrollment update:**

Mr. Dozier presented the latest enrollment figures. As of September 14, 2021, the District’s projected average daily membership (ADM) is 11,263. The ADMs of Plymouth and Sandberg Middle Schools are below projection, possibly due to last year’s gun incident at Plymouth. The ADMs of Robbinsdale Virtual Academy is above projection, probably due to parents’ continued COVID concerns. The ADM of FC STEAM is also above projection.

Mr. Dozier mentioned that the enrollment is 104 ADMs below projection; at August 27, it was

332 ADMs below projection. He said that 9<sup>th</sup> grade enrollment is 114 ADMs above projection and that, in his opinion, the District is “in a good place,” enrollment-wise.

Mr. Schwartz asked for the percentage of students residing in the District who attend District schools, how this percentage has changed in recent years, and how this percentage varies by community (city) within the District. Mr. Gray asked why the District isn’t emphasizing retention of resident students. Mr. Dozier said that his staff would provide the requested information in the future, on [rdale.org/business services/FAC](http://rdale.org/business/services/FAC).

**Agenda Item 7: Levy certification:**

Mr. Dozier presented the District’s FY22 levy amounts, with a line-by-line comparison to FY21. He discussed the reasons for some of the larger changes. The preliminary levy certification will be on September 22 and will be submitted to the state by September 30. The District will ask for the maximum levy. Mr. Vento stated that the District has requested the maximum levy every year for at least the last nine years. In response to a question from Mr. Gray, Mr. Vento clarified that the state legislature sets the maximum levy, and the Board makes the final decision of the levy amount.

Mr. Kaufman asked about the impact this levy request will have on property taxes. Mr. Schwartz asked about the correlation between house valuation increases and District property tax increases.

**Agenda Item 8: Audit update:**

Virginia Verbrugge mentioned that the auditors are at the District headquarters this week and that the process is going well. Ms. Verbrugge said that the audit is expected to be completed by November 30, with the auditors presenting their report to the Board by December 30.

**Agenda Item 9: ESSER III consultations and survey:**

The purpose of the survey is to help guide the District as to how it will use the approximately \$19.4 of COVID relief funds it has received or is expected to receive. According to Mr. Dozier, the responses will enable to the District to structure programs around what students and families want. The District must spend these funds by the end of FY24. The survey questions are based on information from District managers and the Minnesota Department of Education.

In response to Mr. Hoffman’s question, Mr. Dozier said that the relief funds should not be directly used to bolster the unassigned fund balance, but allowable expenditures related to the relief funds may end up having a positive impact on the unassigned fund.

Mr. Schwartz asked if the COVID funds can be used for programs such as Special Education that are now being cross-subsidized by other programs. Mr. Kaufman questioned whether the COVID funds should be used for one-time items or whether they’ll be used for new, ongoing programs that the District will need to fund in the future, when the COVID money is gone. He expressed concern about the sustainability of any new programs that the District undertakes using the COVID funds.

**Agenda Item 10: Future FAC meeting dates:**

The next FAC meeting will be on November 9, 2021. Historically, the FAC has looked to the Executive Director of Finance to recommend meeting times and frequency. Mr. Dozier wants the FAC meeting schedule to sync with the District's budget timeline. He presented the schedule for the school year that includes items that must be completed and their targeted completion dates. In particular, the Spring 2022 FAC Report should be issued on or before June 7, 2022.

Mr. Vento mentioned that, while the schedule outline calls for six FAC meetings, the actual number would depend on the items that the FAC needs to address. Mr. Schwartz stressed the importance of integrating FAC and Board schedules, so that the FAC can respond in a useful manner to financial issues before the Board. Mr. Engstrom said that the FAC, Board, and District administration must align their work, and that this alignment may require more FAC meetings.

There followed a discussion about the ongoing contract negotiations with various District employee unions.

**Agenda Item 11: Other items and adjournment:**

Mr. Gray requested that the Board and administration provide an orientation meeting in order that FAC members, particularly new ones, understand the basics of District finances and the meaning of various acronyms used by staff in presentations.

After a proper motion was made and seconded to adjourn, the meeting was adjourned at 8:16 PM.

**Minutes submitted by Earl Hoffman**