

**Robbinsdale Area Schools  
FINANCIAL ADVISORY COUNCIL (FAC)  
MINUTES FOR April 4, 2019  
APPROVED**

<b>Present</b>	<b>FAC Members</b>
	Cheryl Felix
X	Gregg Fishbein
X	Kristina Harris
	Earl Hoffman
X	Lennie Kaufman
	Barry Rogers
X	Steven Schmidgall
	<b>School Board</b>
X	Helen Bassett, School Board Treasurer
	<b>District Staff</b>
X	Greg Hein, Interim Director of Finance
	Carlton Jenkins, Superintendent
X	Richard McGregory, Executive Director

**The meeting was called to order at 6:31 PM on April 4, 2019 with the Council members noted above achieving a quorum. Members and guests were welcomed to the meeting.**

**Agenda Item 1: Accept Agenda:**

A proper motion and second were made to accept the agenda and the motion passed unanimously.

**Agenda Item 2: Approve January 10, 2019 Minutes:**

A proper motion was made and seconded to approve the minutes of the January 10, 2019 meeting. The motion passed unanimously.

**Agenda Item 3: 2018-19 Budget Review (Greg Hein):**

Greg Hein led a discussion of the status of our 2018/2019 General Fund budget. We reviewed where the problems occurred, and what is being done to make sure similar issues do not arise again. Enrollment is a key metric impacting our budgeted and actual financial results. Enrollment levels directly impact the largest single source of District General Revenue, staffing levels, and class sizes. Our District has encountered challenges during the past few years with projecting enrollment. Changes have been made to modeling methods, and to the consulting support for our forecasting efforts.

We also reviewed some of the budgeting errors of commission and omission that brought us to the recent results we are experiencing. There have also been a number of changes to our budgeting process which should help us with improved accuracy. A stringent line-by-line review of our budget raised issues with both revenue and expense budgets. Mr. Hein was cautiously optimistic that we will achieve the projected \$3.8MM loss in the current year, and then be in a good position to have a (truly) balanced budget in the 2019/2020 budget year. This would still

leave the District with a negative \$5.8MM unassigned surplus. This is well below the 6% minimum level recommended by the FAC (and adopted by the School Board a few years ago).

**Agenda Item 4: Legislative Update:**

The committee engaged in a discussion of Governor Walz's recent proposal in support of education. His proposal included:

- Increase of 3% to the basic funding formula
- Increasing Special Education Funding
- Allowing School Boards to renew existing operating referendums
- OPEB Transfers
- Many Other Items

These proposal items were compared to those coming out of the State House & Senate, indicating there was a great deal of discussion/negotiation needed to bring the large differences together. It was hoped the legislature would finish its business prior to our requirement to pass a budget, but nobody knows for sure if they will or not.

**Agenda Item 5: Communications Update**

Dr. McGregory led the group in a discussion about communications activity related to financial activities in the District. Questions were asked about the current state of our communications, and where we might do more in our efforts to communicate financial activities affecting our District.

**Agenda Item 6: Schedule Next Meeting:**

The next FAC meeting will be held on Thursday, May 23, 2019 at 6:30 pm at the ESC Building.

**Adjournment**

The meeting adjourned at 8:12 PM.

**Submitted by Lennie Kaufman**