

**MINUTES OF THE MEETING OF THE  
S.N.A.C.S  
BOARD OF GOVERNANCE**

**October 22, 2008**

**CALL TO ORDER**

The Regular Meeting of the Board of Governance was called to order at 4:17 p.m. in the S.N.A.C.S. Main Building, 13880 Stead Blvd., Reno, Nevada.

**ROLL CALL**

Board Members Melinda Whitney, Karen Sheesley and Julie Ann Frey, By telephone, were present at roll call. Education Director, Victor Schoenfeldt Financial Director, Lori Driggers, SNACS Auditor, Chuck Morrison and Vickie Hale were also present.

**ACTION TO ADOPT THE AGENDA**

It was moved by Karen Sheesley, seconded by Julie Ann Frey **that the Board of Governance adopt the agenda as posted.** Motion carried unanimously.

**DIRECTORS' REPORTS**

**AGENDA DISCUSSION ITEMS**

1. none noted

**AGENDA ACTION ITEMS**

**2. FINANCIAL OVERSIGHT**

- a. **Final Budget: To review and approve the Final Budget per NRS 387.303 (NRS 386.600 (1) (b-j) for the 2008-2009 school year.**
  - i. **Background: The final budget for SNACS for the 2008-2009 school year will be presented based on final count day enrollment where actual apportionment numbers were used. The board will discuss the current budget, as presented, is based on Hold Harmless count of 233.6 for Distributive School Account (DSA) numbers due to the declining enrollment of 14.6% (as restricted by the City of Reno capacity requirement of 200, including the up to 19 children allowed in the toddler room) and the local apportionment monies based on current weighted count of 172.2 (kindergarten students attend 1 of 2 half day sessions and count for .6 of an allocation leaving actual count on count day at 189). DSA monies from last year were cut a second time after monies received by Governor Gibbons. SNACS reimbursed the State of Nevada \$15,065 in July due to Governor Gibbons budget shortfall and another \$15,352 in September due to**

decreased local apportionment monies (property taxes) for a total of \$30,417 to date, with an additional anticipated amount due in early 2009 of \$12,065. Additionally, the board is made aware there is discussion within the state another 14.5% may be necessary due to the state of the nation's economy. Nevada's economy is being rated as the worst in the country and being "hit harder" than any other state by the Rockefeller Institute, a policy research organization at the State University of New York in Albany. In projections of challenging budgetary scenarios, SNACS administration has already been realigning positions with resources and not bringing on new classified employees as teacher assistants when former employees leave. Part of this is due to the declining enrollment and part due to the given financial situation at the state level. Other expense reductions are included in this Final Budget such as there is no line item for the Governmental Fund Reduction, per External Auditor Charles Morrison. SNACS maintains a Governmental Fund Balance in excess of \$100,000 at year end and after accruals have been recorded. The Board works to adopt and maintain a budget that is balanced within each current fiscal year. The national economic situation may require the board to reconvene in a special session at a later date to discuss budgetary options for analysis of expenses and reductions therein to ensure the Governmental Fund Balance remains consistent over time and acts as a vital resource should the board ever deem an emergency situation to allocate such funds.

Victor Schoenfeldt reviews the budget with the board and explains that on line 25 the Audit/Legal has a slight increase. Line 29 for payroll had an increase of \$ 1,000.00. Line 28 had an increase of \$ 2,000.00 due to the psychologist needed for IEP's. Line 32 increased by \$1,000.00 for the year for the janitors and lines 35 through 42 changed due to the separation of the preschool from the regular school.

It was moved by Karen Sheesley **to approve the Final Budget per NRS 387.303 (NRS 386.600 (1) (b-j) for the 2008-2009 school year.** with a 2<sup>nd</sup> from Julie Ann Frey. Motion carried unanimously.

- e. **Nutrition Services Financials:** The board will review the current status of the nutrition services contract to compare income vs. expenses for the operation of the program. The board may take action to eliminate the contract if they determine it is too costly.
  - i. **Background:** SNACS has contracted with WCSD Nutrition Services for the previous 10 years. Lunches have increased in costs during the last few years. The district charges our school the same amount of money as they charge their students to drop off lunches, not including

**personnel to serve lunches. We had to switch to cold lunches due to the increasing costs. It was too costly for personnel to heat lunches. To date, SNACS has been able to run the program serving lunches at minimal expense as administration staff has shared the responsibility of preparing cold lunches and delivering them to classrooms. WCSD notified SNACS the lunches will increase from \$2.50 per lunch to \$2.65 and increase of \$.15. Previously, reimbursements for free/reduced lunches were \$2.49 for free and \$2.04 for reduced. Administration served lunches through the 2007-2008 school year to defray the cost of personnel to serve lunches. However, reimbursement rates remain the same for the 2008-2009 school year. This will mean free/reduced students will cost SNACS \$.61 per reduced and \$.16 per free lunch served resulting in approximate costs to the school of \$18 per day and \$3240 per year for food drop off costs. Additional costs to complete paperwork will be incurred at approximately \$2,000 for the year. SNACS regular students were charged \$3.00 per lunch to offset the cost of the program during the 2007-2008 school year. SNACS students incurred an increase to \$3.50 per lunch to offset the costs to maintain the program without a deficit. SNACS board will discuss options and determine appropriate action for the remainder of the 2008-2009 school year.**

Victor Schoenfeldt reviews the lunch analysis supplied to the board which demonstrates that the estimated loss to SNACS for our lunch program is \$ 6,201.00 for the year. WCSD determines that status of applicants for the free/reduced program. Victor explains that we do receive money back from the federal government but WCSD charges us more. Discussion included the possibility of keeping emergency lunches on hand for free/reduced students, eliminating the lunch program altogether, using kids café or the food bank. Another possibility would be to research grant money to keep the program afloat.

It was moved by Melinda Whitney **to table this item until the next board meeting** with a 2<sup>nd</sup> from Karen Sheesley. Motion carried unanimously.

**b. Annual Audit: The board will be provided with the Annual Audit per NAC 386.380, as completed by External Auditor, Charles Morrison, for the 2007-2008 school year.**

**i. Background: As the 2007-2008 fiscal year closed, there was an estimated year end governmental fund account with \$30,000 to be banked toward government fund balance and \$20,000 in projected preschool salary savings due to Executive Director taking over all daily operation of the Preschool Coordinator when that person left the position and served as coordinator of all daily operations, in addition to the Executive Director of the program, at no additional salary. The final audit will be presented to the board for adoption.**

Victor Schoenfeldt and SNACS Auditor, Charles Morrison, review the Financial highlights of the Annual Audit with the Board. **The governmental activities of SNACS had an increase in the fund balance of \$ 59,679. The overall net assets increased \$ 78,645. and had an ending balance of \$ 295,434. which includes the business activities which SNACS charges a fee. Victor adds that this is all due to the diligence and hard work of Kim. Page 4 of the audit indicates that SNACS went from a \$ 32,679. negative in 2006 to a \$ 295,434 positive in 2008. Page 5 indicates that the income has doubled in 2 years due to preschool and educare (after school program). Page 6 indicates that with regard to governmental funds an unreserved fund balance may serve as a useful measure of SNACS net resources available for spending at the end of the fiscal year. The most significant difference is in debt reduction and facilities as fewer payments were required than were budgeted. Other areas of difference reflect the efforts to reduce total expenditures to be in line with the sources of revenue along with the fee programs contributing to the facility costs. Page 7 indicates SNACS had invested \$ 369,215 in capital assets including leasehold improvements, classroom equipment, computers, furniture, curriculum and miscellaneous equipment as of June 30, 2008. On the governmental financial statements capitol assets are expensed in the period they are purchased as they are not considered financial resources. Page 9 indicates that there are no receivables. Page 11 indicates that SNACS total cash on hand, after payroll accruals are complete is \$ 158,770. This is soft cash meaning some used for expenses for 1<sup>st</sup> quarter since DSA monies have not all been received yet for the quarter. Page 15 indicates that there is \$ 70,108.00 in pre-k income that needs to be moved to the pre-k account as preschool has filed for 501 C 3 status. Page 16 indicates a loss in food service of \$ 1,284. and Chuck Morrison indicates that this program has always lost money. Page 23 indicates that SNACS had a cash balance of \$ 409,962 as of June 30, 2008 with \$ 70, 108. to be transferred into the pre-k account leaving a balance of \$ 339.854 before accruals. Page 25 indicates total lease payments as of June 30, 2008 were \$80,987. The lease expires in October 2009 and there is a renewal option of 5 years at an increase monthly rental. The increase is unknown, therefore consideration should be given to resigning the lease or possibly moving. CAM fees for this year remained the same. Page 30 indicates that according to accompanying financial statements, SNACS has operated at a deficit in prior years as a result current liabilities exceed current assets and liabilities exceed assets. During 2007, SNACS eliminated these prior deficits as shown in the accompanying financial statements. SNACS has continued operation at a surplus during 2008.**

It was moved by Karen Sheesley **to accept the Annual Audit per NAC 386.380, as completed by External Auditor, Charles Morrison, for the 2007-2008 school year as presented and transfer the \$ 70,108. to the Pre-k account** with a 2<sup>nd</sup> from Julie Ann Frey. Motion carried unanimously.

**c. Current Financials:** The board will be provided with a Profit and Loss Budget to Actual July 1, 2008 through September 30, 2008 to approve for filing.

**i. Background: This report provides the board with budget to actual comparisons and the percent of budgeted amounts incurred to date.**

It was moved by Karen Sheesley **to approve for filing the Profit and Loss Budget to Actual July 1, 2008 through September 30, 2008** with a 2<sup>nd</sup> from Julie Ann Frey. Motion carried unanimously.

**d. Current Expenses:** The board will be provided with a current list of expenses paid from August 1, 2008 through October 1, 2008 to approve for filing.

**ii. Background: This report provides the board with a list of current expenses from the last time the board received the previous report. The board members may, at any time, request additional information pertaining to any line item including verification of invoices and payment history.**

It was moved by Karen Sheesley **to approve for filing the current list of expenses paid from August 1, 2008 through October 1, 2008** with a 2<sup>nd</sup> from Julie Ann Frey. Motion carried unanimously

### **3. CONTRACT OVERSIGHT**

#### **Recommendations for the Board:**

**a. Certified Teacher Contracts:** To offer contracts for a certified mathematics teacher and special education teacher for the 2008-2009 school year. Maxine Weiss and Victor Schoenfeldt are collaborating on IEP's. Mr. Gorman is continuing on as the sped teacher until his replacement has finished his student teaching in January.

It was moved by Melinda Whiney **to accept the contract for a certified mathematics teacher for the 2008-2009 school year** with a 2<sup>nd</sup> from Julie Ann Frey. Motion carried unanimously.

### **AGENDA DISCUSSION ITEMS**

- 1. Executive Director's Report:** The Education Director will discuss and update the board regarding the development and implementation of the 501 c-3 and acquiring a business license to run the preschool as a separate organization as the board approved in June, and on the parking analysis, as conducted by Paul Solaegui, Solaegui Engineers, Ltd., required by the City of Reno to increase capacity of SNACS.
- 2. Education Director's Report:** The Education Director will discuss the After School Math Lab (per SIP goal), professional development for Math (all teaching staff to attend regional NCTM conference in November per SIP goal), RTI implementation, and upcoming events such as Harvest Festival, Math Night, Author's Books in process, etc.

## **1. BOARD OVERSIGHT**

### **Recommendations for the Board:**

- a. **New board membership:** the Board of Governance will discuss and determine positions of all board members for the 2008-2009 school year.
  - ii. Background: Two board members, Linda Miller & Marv Newell resigned after six plus years of service on the board. Both members retired to move on to other projects. Two new board members, Jayson Culbert and Les Banks, were voted on by the board during the June meeting. One board member was absent during the August 13<sup>th</sup> meeting, so Melinda Whitney was voted on as Acting President until all members could be present and discuss positions beginning October. Board members will determine who holds the positions of President, Vice President, Secretary, and Directors.
- b. **Minutes:** the board of Governance will review and approve the board meeting minutes for the June 25<sup>th</sup>, July 9<sup>th</sup>, and August 8<sup>th</sup>.

It was moved by Karen Sheesley **approve the table item 1 a. until the next board meeting** with a 2<sup>nd</sup> from Julie Ann Frey. Motion carried unanimously.

It was moved by Karen Sheesley **approve the board meeting minutes for the June 25<sup>th</sup>, July 9<sup>th</sup>, and August 8<sup>th</sup>** with a 2<sup>nd</sup> from Julie Ann Frey. Motion carried unanimously.

**PUBLIC COMMENT** – Comments from the public are invited at this time on topics not specifically addressed elsewhere in the agenda. A "Citizen's Request to Speak" card should be filled out and submitted to the Board President before speaking during the Public Comment section. The Board is precluded from discussing or acting on items raised by Public Comment, which are not already on the agenda.

### **BOARD REPORTS/REQUESTS** (Information Only/No Action)

Brief updates and notices from the Board regarding school activities, conferences, and/or action on requests by Board members for information or agenda items.

### **ANNOUNCEMENT OF MEETINGS**

The Board will meet at their regularly scheduled quarterly meeting on March 18, 2009 @ 4:00 p.m.

### **ADJOURNMENT**

There being no further business to come before the members of the Board in public meeting, Acting President, Melinda Whitney declared the meeting adjourned.

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**President**

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**Kimberly Regan Schoenfeldt, Executive Director**