

FINANCE COMMITTEE – Minutes

3880 Cypress Drive Petaluma, CA 94954 (707) 778-6414

REGULAR MEETING: December 9, 2011

1. OPENING

Time: 8:35 AM

Location: RMCS Conference Room, 3880 Cypress Drive, Petaluma, CA 94954

Attendees: Tim Lohrentz, Julie Parnow, Beth Laurence

2. Approval of Agenda/Additions

3. Public Comment

Christy Chandler asked if the construction loan had been paid (yes) and whether there were firm enrollment numbers.

4. Old Business

Followup on 2010-11 financial report audit

5. New Business

A. First quarter financial report

Current enrollment: 152

\$5,077 original ADA K-3 rate used in 2010-2011; \$410 per ADA for categorical block grant

Wendy used \$4,700 ADA for this year's budget; now up to \$4,800+ (okay with state)

Wendy used 153 enrollment as P1 estimate

\$21,000 increase in net assets this year, added to \$158,000 fund balance = \$179K in bank at end of year, pretty good for first year without federal grant (but we need to keep 50K in reserve so we can pay off state revolving loan)

B. Budget implications and scenario, Interim Director

Discussion of backup plan for interim director or assistant director should it prove necessary.

C Long-range fiscal planning

Tabled.

G. ADJOURNMENT: approx. 9:50 am

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FINANCE COMMITTEE – Minutes

3880 Cypress Drive Petaluma, CA 94954 (707) 778-6414

REGULAR MEETING: November 4, 2011

1. OPENING

Time: 8:35 AM

Location: RMCS Conference Room, 3880 Cypress Drive, Petaluma, CA 94954

Attendees: Tim Lohrentz, Julie Parnow, Beth Laurence, Kelly Mannion

2. Approval of Agenda/Additions

3. Public Comment

None.

4. Old Business

Discussion of teacher salary scale

The teacher salary scale was discussed and compared with other districts. Kelly will work further on this and bring it to the board at a later date.

5. New Business

6. Future Agenda Items

1st interim report

Long-term strategic financial planning

Facilities: 2 ½ years on lease & renewal

Capital programs

G. ADJOURNMENT: approx. 9:50 am

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FINANCE COMMITTEE – Minutes

3880 Cypress Drive Petaluma, CA 94954 (707) 778-6414

REGULAR MEETING: September 7, 2011

1. OPENING

Time: 8:30 AM

Location: RMCS Playground, 3880 Cypress Drive, Petaluma, CA 94954

Attendees: Tim Lohrentz, Julie Parnow, Beth Laurence

2. Approval of Agenda

3. Public Comment

None

4. Old Business

A. Discussion of purchasing policy

Changes to purchasing policy: Admin will need to get board approval for purchases over \$4,000. We need record-keeping on purchases over \$4,000.

The bid process will follow the federal rules. Replace with federal language.

18) add new bullet: protest to full board after committee tries to resolve issue

20) add "while receiving federal grants"

21) add "whenever reasonably possible"

B. Update on RMCS year-end 2010-11 financial report

El Dorado wanted some changes and Wendy has been out, so the year-end report is not ready.

C. Review of cash-flow projection for 2011-12

If there are mid-year cuts, we will have tight cash flow in February, March, and April. But we have a reserve of \$50K-\$60K and River Crew is bigger this year.

5. New Business:

Discussion of teacher salary scale.

We had an initial discussion. We will be working on this in the coming months. Districts said they would require this.

6. Future Agenda Items

G. ADJOURNMENT: 9:45

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FINANCE COMMITTEE – Minutes

3880 Cypress Drive Petaluma, CA 94954 (707) 778-6414

REGULAR MEETING: August 3, 2011

1. OPENING

Time: 8:30 AM

Location: RMCS Playground, 3880 Cypress Drive, Petaluma, CA 94954

Attendees: Tim Lohrentz, Julie Parnow, Beth Laurence

2. Approval of Agenda/Additions

3. Public Comment

4. Old Business

5. New Business:

A. Update on RMCS year-end 2010-11 financial report

Tabled.

B. Review of cash-flow projection for 2011-12 considering state budget levels

Tabled.

C. Discussion of RMCS's of purchasing practice over the last 12 months.

Discussion of RMCS' purchasing policy, including possible changes to propose to the full Board for approval.

- Wendy, Tim and Kelly recall the \$2,000 limit over above which requires board approval was moved to \$4,000 or \$5,000. Committee agreed to recommend to board that limit should be moved to \$5K.
- As to joint purchasing agreements, Wendy suggests we explore CAN (California Association of Nonprofits)
- Kelly suggests that the Vendor Registration and Certification Form be edited to include a summary of how River pays vendors and how long it takes.

6. Future Agenda Items

G. ADJOURNMENT: 9:45

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FINANCE COMMITTEE – Minutes

3880 Cypress Drive Petaluma, CA 94954 (707) 778-6414

REGULAR MEETING: May 4, 2011

1. OPENING

Time: 8:35 AM

Location: RMCS Conference Room, 3880 Cypress Drive, Petaluma, CA 94954

Attendees: Tim Lohrentz, Julie Parnow, Beth Laurence, Christina Isetta

2. Approval of Agenda/Additions

Motion to approve: M:Beth S:Julie A:4 N:0

3. Public Comment

None.

4. Old Business

A. Fiscal Controls

Tabled until a future meeting.

B. Discussion of 2011-2012 budget

Tim notes that the charter school facility grant is a large piece of budget but is not guaranteed (not solely based on ADA); we should be continuously monitoring this grant to make sure we continue to get it.

Hopefully the River Foundation and River Crew donations as projected in the budget are on the low side. The River Foundation commitment for next year should be higher due to increased enrollment for 2011-2012. Approx. \$40K was brought in this year though the sustainer commitment.

The finance committee should meet with foundation leadership to discuss amount of commitment. Foundation needs information on the school's needs, numbers on salaries and budgets.

In the projected budget for school year 2011-2012, Line 2100, non-certificated instruction includes 2 full-time, 4 part-time assistants plus \$10K for a music teacher. Money has not been allocated yet for a PE teacher.

2011-2012 school year has 175 days as the calendar and budget are written; 170 days are required. Some districts are cutting number of days further. EAAP guide has attendance guide requirement.

If state budget not in by end of June, River may have to start with 2 full-time assistants in upper el, one floater assistant in lower el, until budget solidified in August or September.

5. New Business

A. & B. School size, facilities

Enrollment, attendance

We have an enrollment of 168 for 2011-2012, with a wait list of 15-20 families. 4% attrition would be normal; so we overenrolled by 4%.

Kelly is planning on having assistants, though there is no guarantee due to the state budget being up in the air.

Next year Kelly will work on getting daily attendance up 1% (the P2 report from this year shows lower el attendance rate is 96%; upper el attendance rate is 95%) and using independent study (IS) more. Wendy says school policy on IS is that it needs to be signed by 8:15 a.m. to count for that day. The board passed a policy on this but Wendy thinks the law is that it needs to be signed that morning or before. This needs follow up.

Note that the charter school facility grant is based on in-classroom ADA only, not IS.

Growth of school

About the ultimate size of the school, Tim read that as long as the school stays within 25% of the original enrollment mentioned in the chart (which was 190), it's ok (up to 237 students would ok according to this); the language in text of charter says that the numbers are projections and that River will advise the state if our numbers go up. The committee then shared opinions on whether the school should grow to approx. 230 children in 2013-2014 or stay at current levels (163 in 2011-2012 and 181 in 2012-2013, when all grades fill out). (The increase to 181 is due to more 1st graders coming in than 6th graders going out; upper el is likely to get a bit bigger.)

Beth: Would like school to stay smaller because it creates a tighter community, it's easier to track kids, no need for construction, simpler all the way around.

Julie: Would like to see school stay smaller, around 163-181 enrollment

Christina: Our current site can't fit more children in the playground, even with staggered lunches, or during drop off, etc.

Tim: 160 students would sustain full-time director and admin, but 180 would be very tight here. Wendy, Beth, and Julie agreed. Finance committee agreed to pass on opinion to board that school should stay at current levels and not grow to 230 in 2013-2014.

Wendy: Funding limits are \$5,000 per child due to state budget; this number may increase later.

6. Future Agenda Items

Fiscal controls

Purchasing policy & procedures

Joint mtg with foundation officers to discuss needs for next year

G. ADJOURNMENT: approx. 9:50 am

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FINANCE COMMITTEE – Minutes

3880 Cypress Drive Petaluma, CA 94954 (707) 778-6414

REGULAR MEETING: March 2, 2011

A. OPENING

Time: 8:30 AM

Location: RMCS Conference Room, 3880 Cypress Drive, Petaluma, CA 94954

Attendees: Tim Lohrentz, Julie Parnow, Beth Laurence

B. Approval of Agenda/Additions

Announcement added

Motion to approve: M: Julie; S: Beth A:3 N:0

C. Public Comment

None.

D. Announcements:

Meeting time changed back to 8:30

Julie finding out about tax sheltered annuities; trying to figure out if SCOE would be the 3rd party administrator (TPA).

E. New Business

1. Review of the school's 2nd **Quarter Interim Report** (cash flow summary and financial statement only): a Q&A session with staff on the financial portion of this report on which full board votes on March 8. Committee's role here is one of oversight.

Wendy: The multi-year budget was part of the interim report but not here today because Christina said it wouldn't be needed until the full board meeting.

Tim: It would have been good for finance committee to see the multi-year budget before it went to full board.

Financial statement review:

8096: In lieu property taxes went up in revised budget because of P1 going to state—
ADA numbers slightly different

8290: Additional federal planning & implementation grant (PCSGP) of \$125,000
approved on 2/23; may come April or May (had gotten \$387.5K last year) (575
total all years)

Will get remainder of facilities grant for reimbursement of lease
costs/construction for last year, in March, April or May (\$15,000)

May not get another \$52K in state facilities grant for reimbursement of this year's
lease/construction costs; will find out in April (has been removed from budget)
They may change this grant to forward funding rather than reimbursement, but
would only be 50% of what we submit.

3401: Wendy talking to broker (Cal Assoc of Nonprofits (CAN)) about various ways to
work health insurance; could go from \$20 to \$30 co-pays and save 15-20% on

the premiums RMCS pays (RMCS pays \$540 toward staff premiums); RMCS pays 100% of vision and dental (recommended by CAN).
Revised budget column shows a positive \$6,000 approx. at end of year.

Cash flow summary review:

Most months, the state is deferring funding until one month later
March cash flow projected to get low but may actually be higher because of various payments
State & county won't allow our treasury to get below \$10,000 without raising red flags

2. Discussion of the **2011-12 Budget**, including the project state funding levels and school's projected attendance, revenue, staffing, and expenditures
Tabled until board meeting because we don't have multi-year budget to look at

3. Discussion of **RMCS Fiscal Controls** – this first discussion is to list various fiscal procedures that may need additional fiscal controls
Everything is being documented painstakingly; system records initials of who makes changes.
May need extra controls where staff can have affect on staff salaries.
SCOE provides some oversight. We'll continue to revisit this.

4. Discussion of **Purpose** of the Finance Committee.
School has made big transition in having full-time business manager & HR person on staff. Finance committee and board are no longer needed to prepare the reports.
Tim: The purpose of finance committee is planning and oversight.
Planning—assisting staff in details of budget planning, particularly multi-year budget.
Oversight—Reviewing financial reports; bringing issues to board when necessary.
Finance Committee may need to meet less frequently now since not constantly monitoring cash flow, although meetings are helpful for board members to learn about finances, but Kelly notes that charter school dev corp offers financial training.
We'll try to skip every third month: No finance meeting April; finance meeting May 4, June 8; no finance meeting July.

May need to move June board meeting to June 21 because budget approval necessary by June 30?

F. Future Agenda Items

Still need to discuss class size, adapting facilities to class size, maximum enrollment for school, either here or at board meeting.

G. ADJOURNMENT: approx. 9:40 am

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FINANCE COMMITTEE – Minutes

3880 Cypress Drive Petaluma, CA 94954 (707) 778-6414

REGULAR MEETING: June 23, 2011

1. OPENING

Time: 6:40 PM

Location: RMCS Playground, 3880 Cypress Drive, Petaluma, CA 94954

Attendees: Tim Lohrentz, Julie Parnow, Beth Laurence

2. Approval of Agenda/Additions

3. Public Comment

Christy Chandler: Christy said she has questions about enrollment for next year, class size, and how many assistants.

4. Old Business

5. New Business: 4th quarter interim financial report

The committee review the 2011-2012 budget and Wendy's notes line by line. There was discussion about the various items. Various questions arose for Wendy and Kelly:

Are facility changes planned in upper el?

Why are the lower el assts. planned for four days instead of five, but there is a PE teacher?

Is 6K for consultants less than budget would be for conferences and transportation?

Is the construction from 2009 paid off?

The committee hopes to see the cash flow summary at the board meeting and also check in on how we are preparing for the possibility that the state budget is worse than planned.

6. Future Agenda Items

None discussed.

G. ADJOURNMENT: approx. 7:50 pm

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FINANCE COMMITTEE – Minutes

3880 Cypress Drive Petaluma, CA 94954 (707) 778-6414

REGULAR MEETING: February 10, 2012

1. OPENING

Time: 8:35 AM

Location: RMCS Conference Room, 3880 Cypress Drive, Petaluma, CA 94954

Attendees: Tim Lohrentz, Julie Parnow, Beth Laurence

Guest: Kelly, Wendy, Sara Peracca

2. Approval of Agenda/Additions

Lighting to move to beginning so that Sara Peracca can explain PGE free loan program.

Update from MYM (law firm): need to agenda finance mtg

3. Public Comment

None

4. New Business: Lighting

New development (now plan A):

PGE has on bill financing where they will front \$15,000 to replace lighting in school per audit (daylight rather than fluorescent) lighting

\$1,855 leftover from walkathon

\$500 from donations

\$500 would still be needed for last classroom (Kawaeh) Wendy says Kawaeh doesn't really need to be done

Yuba, Klamath, San Lorenzo, Kawaeh

Motion: Sarah move forward and ask PGE re on bill financing

M: Julie S: Tim A: 3 N:0

And will talk to PGE consultants to interact with schools re any HVAC

Kelly is having people come in re skylights on Monday

It will go on agenda for March and we'll hope for decision by then

4. Old Business

A. Approve Minutes from Sept, Nov., Dec. 2011

M: Tim S: Julie A:3 N:0

Include Kelly and Wendy on distribution

B. Long-range fiscal planning: scenarios and next steps

We are running a good size surplus, and next year's predicted to be bigger; state funding is expected to be flat

Wendy: ADA might have lost \$10 because of transportation cuts, but generally expected to be flat; no COLA

If tax initiative in November doesn't pass, could mean a cut; if does pass, state may buy back some deferrals-

Kelly would like Tim to contribute blurb for newsletter re finances, like site committee

5. New Business

A. River Foundation funding procedures

When does RMF want letter signed by board? Jan 15?

Kelly likes idea of survey determining wishes of the RMF community.

K & W not comfortable putting funds dependent on fundraising into budget.

RMF needs to clarify: Half of remaining funds after the RMCS request has been made minus the reserve will be dispersed after the May RMF board meeting with the remaining funds from the previous fiscal year to be dispersed after the September Board meeting of that year.

Beth and Julie will work with Stephanie on RMF funding procedures ; Julie meeting Steph Saturday will see when she needs list of priorities for funds over commitment to school (March or April)

March board mtg: Presenting list of priorities-can be on board agenda to RMF for extra money this year.

Needs something about emergency financial situations, school has right to ask foundation for funds; school can go to RMF as first place to go to for funds since primary purpose is to serve the school; even if RMF has already met obligation

B. Fundraising policy

Kelly: Problem with putting on River website; requiring guides to promote RMF events; dates too specific for a policy

Tim recommends change for website section: Many families choose to donate \$50 per month and could say we hope all families participate in supporting school, either through monthly financial donations, volunteer hours, or other support.

RMF likes a \$5,000 reserve; policy should be to give rest to the school after each month.

C. 2nd Quarter Financial Report

Tabled until March 7.

6. Adjournment

10:00 am

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An individual who requires disability-related accommodations or modifications, including auxiliary aids and services, in order to participate in the Board meeting should notify the board in writing at least 48 hours prior to the meeting. Board agendas are available on the school website www.rivermontessori.org.

The regular meeting of the Governing Board, held in public, will be advertised and recorded in accordance with the Brown Act.

REGULAR MEETING: January 5, 2011

A. OPENING

Time: 8:30 AM

Location: RMCS Conference Room, 3880 Cypress Drive, Petaluma, CA 94954

Attendees: Christina Isetta, Tim Lohrentz, Julie Parnow, Beth Laurence

B. DISCUSSION: Four-year projected budget was discussed. It was noted that the year was started with \$68,037 because we took the \$100,000 charter school grant money early. There's a possibility of a \$150,000 grant—a supplement to the P&I grant.

Current enrollment is 124, which should go up by a few more by the end of the year. Next year (2011-2012) there will be 39 new first graders, for a possible total of 163. (This could be 24 per class in lower el and about 33-34 per class in upper el.) Discussion with teachers found the lower el can be comfortable up to 24 per class; upper el comfortable up to 33 per class.

It was decided there are some key issues to discuss in detail before deciding on a four-year budget.

- Class size as fits in with Montessori ideals (for when River gets CSR again)
- Adapting facilities to class sizes
- Maximum enrollment for school (projected at 180 in 2012-2013; one projection has enrollment going up to 230 in 2013/2014, which might be outside charter. Charter called for 190 students in the 5th year of the school).

B. ADJOURNMENT: approx. 9:40 am

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