



Round Rock Christian Academy
Board of Directors Meeting
September 21, 2023

Directors Present

Barry Haag
David Fenwick
Gregg Johnson
Allan Keith
Alexis Michael
Susan Oglesbee
Todd Whitley

Directors Absent

Russ Agosta
Clint Sonnier

Others Present

Becky Blauser
Julie Grosser

The meeting was called to order at 5:03 pm. Allan Keith opened the meeting in prayer. The first thing on the agenda is the audit presentation from Diana Mil with Maxwell Locke and Ritter. The communication letter and the audit are both in draft form and can be found in the Board packet. The audit was smooth and clean. There were no difficulties or disagreements in performing the audit in working with our team. The most significant adjustment was related to a construction in progress invoice and that is noted in the financials. In the actual audit report, which is a draft, the second paragraph states that financial statements are presented fairly, and this is the highest-level opinion that we can receive. Page 3 is the statement of financial position, with total assets of about \$14 million dollars. The majority of this is additions of property and equipment. In the liabilities section, the AP and accrued expenses are larger than normal, but this relates to the timing of the construction invoice that came at the end of the fiscal year. In the current and long-term position of notes payable, there is growth there because of the gym loan and payments on existing notes. On the Statement of Activities, net assets are \$4.4 million dollars, which is an increase from last year. Revenues are \$7.4 million. Tuition and enrollment both increased, as well as contributions, and a good portion of this was the employee retention credit that we received. Expenses are at \$6.3 million, with increases in the areas of salaries and benefits with a higher staff count. Page 5 shows a breakdown of the expenses among categories. The Construction in Progress (CIP line) grew \$2 million from the prior year.

Todd Whitley motioned that the audit be approved, Allan Keith seconded the motion, all were in favor, and the motion was passed.

David Fenwick motioned that the agenda be approved, Alexis Michael seconded the motion, all were in favor and the agenda was approved. Gregg Johnson motioned that the minutes be approved, Susan Oglesbee seconded, all were in favor, and the minutes were approved.

Financials

David Fenwick presented the financials. We are already earning a great interest in our new high yield checking account. On the Profit and Loss statement, revenue to date is \$92,000 over budget, about \$79,000 of that was from donations and an EANS grant. Expenses are a little high in Athletics, but we did purchase new football helmets. The curriculum and expenses are higher in

September because of deferred billing. There is an increase in our new copier lease, so that amount is a little higher. A lot of people paid tuition in July, so August tuition may look a little low.

The credit card fees line is high, but we voted to pass along 3.5% of the fees to families effective October 1, 2023. Alexis Michael motioned that the financials be approved, Todd Whitley seconded the motion, all were in favor and the financials were approved.

Proposed (Revised) Budget

Enrollment is fluctuating a little, has been at 700. Based on actual numbers, we should be at \$7.2 million, but the attached Proposed (revised) budget is based on \$7.19 million. Based on current enrollment in Extended Care, we dropped the projected income a little bit. We didn't have the Discovery program last year, and typically the budget is around \$25,000 in income for Discovery. Based on the number of kids enrolled this year, we will have more like \$45,000. We have about 45 employees enrolled in the health plan. We pay 85% of the premium, and our increase was only 4% this year. The textbooks and curriculum line will be about \$100,000 higher, so we bumped that to \$235,000 overall. For the merchant account fees, we moved from \$14K to \$20K.

Allan Keith motioned that the proposed budget be approved, Gregg Johnson seconded the budget, all were in favor, and the proposed budget for 2024-25 was approved.

Head of School Report

Enrollment is at 699 today. For Elementary students and their families, we had a great turnout for Grandparents Day. Due to our size, we split the alphabet into two separate events which gave ample space in the worship center and in the parking lot. Parent/Teacher conference day is October 9. We are having security film put up on the front doors, and there is now bulletproof glass up in the front lobby. The teachers have held parent nights for students in 3rd-5th grades. The Homecoming game and Spirit Week are all right around the corner. All of the Athletic teams are doing well. The health insurance renewal rates are attached to the Board packet.

Becky attended a legislative update today in San Antonio. They went over several legal updates, including that there are no more anonymous reports for Child Abuse Reporting. Also, private schools were taken off the life jacket law, but if we are at an event with a pool, there is a waiver parents would need to sign OR students will have to wear a life jacket.

The Crown act addresses policies involving hair styles and choices. Private school employees are included in this act, and we would need to allow employees to have cultural hair.

On the issue of school choice, they believe this may pass in Fall of 2024. The students must be in public school the year before they apply. The first eligible group will be small, and the amount will be between \$8-10K per child, and will be made available to economically disadvantaged families first. Schools would decide whether to participate in the program (we would have to ensure autonomy from government oversight or overreach). Then parents would apply to the scholarship committee with the state. Then the family applies to the school itself through its regular admissions process.

Construction Update

Everything seems to be going well with construction. The contractors and building committee team did a power walk through the building to check on all the outlets. The patio cover came in at \$400,000 but we have asked them to look for less expensive options.

The regular meeting was adjourned at 6:06 pm and the Board went into Executive session to discuss Becky's annual review.

AFTER APPROVED WILL BE SIGNED....

Respectfully submitted,

Mr. David Fenwick
Round Rock Christian Academy
Secretary/Treasurer, Board of Directors