Round Rock Christian Academy
Board of Directors Meeting
November 21, 2024

Directors Present

Kristi Haag
Allan Keith
Alexis Michael
Kristi Roark
David Fenwick
Gregg Johnson
Felecia Clark

Directors Absent

Clint Sonnier
Todd Whitley

Others Present
Becky Blauser
Julie Grosser

The Board meeting was called to order at 5:05 pm. David Fenwick led the Board members in prayer. Kristi Haag motioned for the agenda to be approved, Allan Keith seconded the motion, all were in favor and the meeting agenda was approved.

Diana Mill with Maxwell, Locke and Ritter attended the meeting to present the audit findings. The first document is the governance letter addressed to the Board. There were no new accounting policies that needed to be adopted. All accounting estimates were determined to be reasonable. There were no disagreements or difficulties in dealing with management. Once the Board of Directors officially approves the audit, ML&R will send a final letter to be signed and then the audit report will be officially released to the board.

Next is the Audit report (Independent Auditors Report), which gives the opinion. The opinion is a clean opinion, which is the highest level we can receive. The statement of financial position (page 3) shows the FY total assets was $19.8 million, which is an increase of $6 million from the previous year. (This includes the new gym placed in service in March 2024.) The increase in cash is also due to increases in enrollment. Liabilities are at about $15 million, which is an increase of about $6 million due to the new gym and two new classrooms. The total net assets are at $4.9 million.

The revenue of $7.9 million was an increase of $529,000 (again, due to more students). Expenses included an increase in salaries due to the enrollment increase. Page 6 shows a statement of cash flow, with a positive class flow of $1 million.

After the audit presentation, Kristi Roark motioned that the previous Board meeting minutes be approved, Kristi Haag seconded the motion, all were in favor and the minutes were approved.

Financials

David Fenwick went over the Financials (Proft and Loss) statement. The tuition line item is up a bit, and the New Student fees line is over budget. Interest income has gone down a little bit. The Other Income line is up over budget, due to the lockers being sold out of storage. The Annual Fund line is up, but will even out because new jog-a-thon revenue has come in. Total income is right on the mark.

Athletics Uniforms is over budget, but Athletics boosters will donate at the end of the year toward this line. The Student Events / Program events line is a little over budget but it's because we already had Spiritual Emphasis day. We also recently had to put new tires on the bus.

Becky went over tuition rates for next year (see Tuition Chart 2021-2025 in the packet). PreKinder tuition will go up 4.2 %, Elementary 4%, and Secondary 3.97%. Normally, every 2-3 years we increase the registration fee, which will help pay for the new online Enrollment and Admissions system through FACTS. This will move admissions and re-enrollment fully online. Parents will be able to log in and see what they owe, and enter in their own bank or credit card information. The credit card fee with this system is lower, a 2.9% fee for parents instead of the 3.5% higher amount now. FACTS charges $11 for family re-enrollment, and a $22 fee for each new family. Only new families would pay the $22 fee, current families would not pay. Currently we charge $125 for testing and processing fees. Based on next year's tuition rates, the $30,000 in new fees would be offset by the new higher tuition rates and registration fee rates. Allan Keith motioned that the proposed tuition rates be approved, David Fenwick seconded the motion, all were in favor and the tuition rates were approved for 2025-26.

There is a chart included in the packet with proposed Christmas bonuses for teachers and staff. The last few years we have tried to give a little more than normal. Gregg Johnson motioned for the proposed bonuses to be approved, Kristi Haag seconded the motion, all were in favor and the December bonuses were approved.

Head of School Report

Becky Blauser presented the Head of School Report. The Accreditation packet is enclosed, and shows each of the accreditation committees and that each Board member has been assigned to a Standard. Administration goes through and rates the standards, then teachers are asked to rate the standards, and then the committees (Board, staff, and parents) each go through and rate the standards. There will be 1-2 meetings in the spring of 2025 with each committee for each standard.

The recent Veterans Day celebration was well done, with over 800 in attendance. About 45 veterans came to the reception beforehand along with their families. Athletics is going great and there is a basketball game this evening, as well as the Fine Arts Showcase.

New Business

We have an opportunity to purchase additional land adjacent to the school. We bought our current land from Central many years back to be able to expand our campus. There are currently 6 acres available adjacent to our land. The "goat farm" had an owner who passed away a few months ago. His wishes were for the land to go to a Christian organization. The newly available land does not touch Central's property, so they are not interested at this point. The Church also has an acre that touches our property, which they used to build/renovate a mission house. They are currently paying taxes on the property. They paid $250,000 a few years ago, and we could offer $275,000 in cash.

We would use the land for additional programs, not necessarily more students. The land is currently in the flood plain. Alexis, David, and Gregg have talked a little about this property and its potential. On a side note, we recently had a phone call from the Ziegler group (cold call), about potentially partnering with us on future loans and property. We don't know what the land is worth, and we have an estimate presented in the Board packet from the Ziegler group. David Fenwick has met with the owner several times (Armando) and talked about the property with him. We will be getting a broker's price opinion, David thinks around $2 million might be appropriate. The Board was asked to decide if we want to proceed with pursuing acquiring the land. Allan Keith motioned to further pursue due diligence to acquire the 6 acre tract located contiguous to the school at 106 Chisholm Trail. Gregg Johnson seconded the motion, all were in favor, and the motion was approved.

Gregg Johnson motioned to approve offering the church $275,000 in cash for the one acre with the mission house on it. Allan Keith seconded the motion, all were in favor, and the motion was approved.

The regular Board meeting ended at 6:30 pm and the Board went into Executive session to discuss Becky's Christmas bonus.

Executive Session

Respectfully submitted,

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