

APPROVED



Vacaville Christian Schools

Minutes

VCS Board of Directors Meeting

Date and Time

Tuesday February 18, 2020 at 6:00 PM

Location

821 Marshall Rd., Room 202, Vacaville, CA 95687

Directors Present

A. Grafals, B. Craig, D. Perkins, J. Biard (remote), J. Smotherman, S. Jacobs, S. Jamel

Directors Absent

None

Guests Present

B. Davis

I. Opening Items**A. Record Attendance and Guests****B. Call the Meeting to Order****C. Devotion**

Tony Grafals gave this evening's devotion to the board.

D. Open Session

Mr. Martin in attendance - proud of the kids in the orchestra that did the movie score; they are getting ready for a Thomas Edison project; Jazz band is performing in Vallejo at the Empress Theatre for three short movies, including two Supermans made in the 1940's. The drama will be performing for the first time providing complete sound effects and voiceovers; they are also planning for the Safety Last silent film with Harold Floyd.

II. Old Business

A. Approve Minutes

B. Craig made a motion to approve the minutes from VCS Board of Directors Meeting on 01-21-20.

S. Jamel seconded the motion.

The board **VOTED** unanimously to approve the motion.

III. New Business

A. Head of School Report

Ben Davis presented a PowerPoint slideshow in pictures...are powerful. Recipients of Northbay grants to fund scholarships; viewed:15 ads VCS video; Boys basketball team will be in playoffs; new lighting improvements on multi-purpose auditorium; newly painted Gym this past weekend; new elementary roofing repairs happening this next week;

Updates on:

- **Bookkeeping** - interviewed local bookkeeping company; significant savings potential; looking at other companies; audit will be drafted by the end of the month;
- **Refinancing** - update in Financing
- **Marketing** - increased employment resources; website updates
- **Athletics, facilities, and HR** - continue budget planning and proposal will be submitted during the next board meeting;
- **Facilities** - turf and tech infrastructure; 150 to 600 increased speeds; patch improvements completed on 2/6 including the baseball field; improved internet speed in March is scheduled;
- **Human Resources** - reviewed and updated on latest HR issues of the past month;
- **Employee Survey** - reviewed the Employee survey results and the opportunities these insights provided.
- **Development** - What are thriving Christian schools doing in the area of development? They had a development staff; hire more support staff before you think you can afford it instead of building up cash reserves; additional resources needed, complete data to give insight and direction; how do we pay for it?
- The initial budget for 20-21 will be presented in March
- Reviewed upcoming school events

B. Craig made a motion to Authorize a letter of intent with the option to purchase with the negotiation of a larger deposit and legal review.

S. Jamel seconded the motion.

The board **VOTED** unanimously to approve the motion.

B. Finance

Becky reviewed the Finance committee meeting notes and activities as follows:

Vacaville Christian Schools
Finance Committee Meeting
February 12, 2020
Monthly Update:

1. The January financial statements were reviewed – balance sheet, activity, cash flow and debt service ratio. The cash balance is \$821,000 with \$114,000 restricted for class funds. Revenue activity is tracking above and expenses at the budget for a portion of the year. Class funds transactions are mingled with operating transactions and paid

from the wrong account. Need to identify processing change to correct recordings so manual transactions aren't required.

1. Debt Coverage Ratio is 1.58 and will be projected through 7/31.
1. The implied discount rate for the cell tower buyout of \$207,000 is a 7.5% discount rate. At a preferable 5% discount rate, a counter buyout would equate to \$248,000. Ben will present to gauge reaction.
1. Ben anticipates two loan refinancing proposals to address 1) interest rate, 2) debt coverage ratio, and 3) potential to withdraw capital improvement funds. The tax-exempt bonds consultant estimates that the school will receive a 2.5% issuance rate that will cost \$100,000 for tax-exempt status.

He also proposed spreading the payments across thirty-year term instead of the remaining ten years to significantly reduce the debt payments in the early years. The Committee doesn't support the latter recommendation since it passes the obligation to families not here today.

Staff will proceed with obtaining a tax-exempt quote from issuers to review.

1. Ben and Rosemary discussed the school's bookkeeping needs with a local service provider, Better Bookkeepers. The company currently provides fingerprinting services for the school. The owner has quoted an hourly rate with an estimate of \$500/mo, a significant savings from the current \$4500/mo contract. Treasurer cautioned that the hours will likely be more than the estimate most months based on her experience with the company. They will seek two more quotes per the purchasing policy.

Discussion Points:

1. Awaiting the annual financial and retirement fund audit reports. Anticipated receipt is month's end.
1. The Crab Feed fundraiser is on track to net \$60,000.
1. The budget is being drafted for review next month. Enrollment projections will support teachers' letters of intent. One goal will migrate Conservatory from class funds to an operating department. Only a handful of families have withdrawn to date. Ben will share known and anticipated vacancies at board meeting.

C. Academics Committee

Shared new academic goals for EE; March 20th professional development day; testing data with SATS and supporting students what they need for testing; curriculum review.

Practical art to be added to High School; new STEM room for Elementary;

Next Committee meeting will be held on Friday, Feb. 21st

D. Advancement/Marketing

Reviewed the need and objectives of a new school website redesign - getting estimates and exploring options

E. Athletics

Nothing to report; further discussed the football field turf, boys basketball; Donna is doing an excellent job as AD; booster relations are improving; discussed some behaviour concerns of a few sports teams;

F. Board Development

There will be a few seats to fill for next year's board, so the importance of seeking new candidates was reviewed and discussed; Seth, our Co-Chairman will be reaching out to potential new candidates as well as current board members to provide names of those individuals that may be interested or have shown interest.

G. Executive Committee

Scott Jacobs discussed:

Board Development – reviewed board on track resources to manage the Strategic Leadership to perform governance excellence and to measure board's performance and defining goals;

Discussed bookkeeping needs and planning; Head of School evaluation will be starting within a few months; Student Dress Requirements – reviewed student dress code purpose statement

IV. Closing Items

A. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 8:57 PM.

Respectfully Submitted,
S. Jacobs

Next VCS Board meeting is March 17th at the High School, Room 202.
John Baird will be providing the next meeting's devotion.