****

**Board Meeting Minutes**

|  |  |
| --- | --- |
| Meeting Information | |
| Date:  Time:  Location:  Next Meeting: | Wednesday, May 27, 2020  8:10 pm  Renaissance Academy, 3435 North 1120 East, Lehi, UT.  Wednesday, June 10, 2020 |

|  |  |  |  |
| --- | --- | --- | --- |
| Attendee Information | | | |
| **Board Members** | | **Schoolhouse** | **Public** |
| X | Ryan Hunter, Board Chair | Mark Ursic, Executive Director |  |
| X | Nate Sechrest, Vice-President | Stephanie Avery, Dean of Students and Families |  |
| X | Cameron Hughes, Treasurer | Patti Davis, Office Manager |  |
| X | Lance Anderson, Secretary | Ashley Doyle, Executive Assistant |  |
| X | Monica Wonnacott, Board Member | Shelby Dieters, Dean of Instruction |  |
| X | Crystal Huang, Board Member |  |  |
|  |  |  |  |
|  |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| Motions | | | |
| # | **Motion made by** | **Motion** | **Vote** |
| 1 | Monica Wonnacott | Approve the Bond Resolution | Crystal seconded. All voted in favor by name. Motion passed. |
| 2 | Monica Wonnacott | Approve a $1.6M budget for Phase I and $2.6M budget for Phase II. | Lance seconded. Cameron, Crystal, and Nate voted in favor. Motion passed. |
| 3 | Nate Sechrest | Adjourn the meeting | All voted in favor. Motion passed. |
| 4 |  |  |  |
|  |  |  |  |
|  |  |  |  |

|  |  |
| --- | --- |
| Time | Topics |
| 8:15 | Ryan started meeting. Welcomed all to the meeting. Roll call. Nate not yet here. |
| 8:16 | **Executive Director Update:** Introduced our Borrower’s Council, Brandon Johnson, who joined the call. He drafted the board resolution that board will vote on later. David, our Financial Advisor will be joining call later as well. Joe Reynolds, from SIRQ, is their pre-construction manager and is also on the call. |
|  | **Board Resolution:** Per Brandon Johnson, the resolution authorizes the board members to sign documents regarding our bonds. The Charter School Finance ??? will be who issues the bonds and who we are to pay. The interest rate is the same as under our loan agreement, which is also to be signed by the Board of Directors.  On our current bond we have a mortgage attached, which will still be the case with our new bond. |
| 8:21 | Nate Sechrest joined. |
| 8:21 | Brandon Johnson continued to explain the new bond resolution. Once a bond is issued, you are locked in for approximately 10 years. Monica asked if there would be any “budge factor” in the next few months in terms of lower rates. David said there may very well be an opportunity for even lower rates, but there is no perfect predictor. We are, however, at the best time during the year historically to initiate. There is potential of paying down the mortgage.  If we are able to have an average of 100 days’ cash in hand, build up enrollment, build up waitlist, continue to improve academics, for approximately 6-7 years, we would then be able to get a much better rate.  Schools usually look at bonds in a 30-year increment so they are able to spread it out & pay for it. If we receive more than 4M, we can look into a 35-year term agreement to lower the payments. Per Mark, in the last week, the State Board of Education has advised we plan on flat revenue for next year.  Right now, our construction plans sit at around $6M. We may be faced with having to make big decisions on where we make cuts if they do in fact happen. Signing the bond resolution is only showing intent to move forward, it is not a binding contract. |
| 8:47 | Monica asked what our current rate is for our current bond. Per David, our bond is at 5.62%. Monica voiced concern that the steps we’re taking feel backwards. Mark concurred that it does feel like the cart is before the horse, however this is the correct process. David also vouched for the steps we are taking. Signing resolutions is the next step before we can move on in finalizing rates. |
| 8:50 | Monica Wonnacott motioned to approve the Bond Resolution. Crystal seconded. All voted in favor by name. Motion passed. |
| 8:59 | **Approval of Construction Budget:** Phase I would be a reconfiguration of the front office, adding some office space, conference space, nurses room, and moving the current entrance to the left. As well as paint and carpet throughout the building. Mark also had several price quotes done for hard flooring (i.e. for the art & science room, the gymnasium, and hallways, upgrading the hallway lighting, etc.). If we proceed with the alternates that were quoted, we will have to downgrade plans for Phase II potentially from 12 classrooms to 8.  While Crystal feels that putting so much money into flooring may be lost on families, Nate pointed out that it may very well be more for the staff at RA than the attending families. |
| 9:21 | Discussion over the potential price for the additional 12 classrooms we originally planned on. Board also discussed which phase should have more emphasis placed on it moving forward. Joe, from SIRQ, came on to let the board know that SIRQ can provide data points to ease concerns, as they are very confident in making the budget work for what we are comfortable with.  Our budget should be between $4M and $5M. While we aren’t sure exactly how much we will be getting, we will most likely be receiving between $4.5M and $4.9M depending on rates. |
| 9:50 | Per Mark, any extra revenue we’ve received in the past has gone to teachers and support staff. If the USBE makes major cuts to our budget, we’ll need to be very smart about where we take those cuts. The last on our list would be salaries. |
| 10:03 | Monica motioned to approve a $1.6M budget for Phase I and $2.6M budget for Phase II. Lance seconded. All voted in favor, with the exception of Ryan Hunter (as it would be a conflict of interest). He abstained. |
| 10:06 | Lance asked how we are able to know what competitive salaries are for neighboring charters. Mark advised that while we aren’t too worried about competing with other *charter schools*, we are very aware of neighboring *districts* raising their starting salaries. While it may take us a few years to reach the new $50,000 incoming salary, we would like to reach it. |
| 10:15 | Nate motioned to adjourn the meeting. All voted in favor. Meeting adjourned. |
|  |  |