

Board Meeting



Date: September 14, 2022		Meeting Time: 9:00 AM	Location: Virtual Meeting via Zoom
Meeting called by	Sonia Kay		
Board Members Present by Roll Call	Sonia Kay, Michael Kridel, Valerie Silverman, Steve Padula, Jay Huebner, Orlando Ortiz, Nancy DiPiero, Elinor Siklossy		
Board Members Absent			
Note taker	Sonia Kay; Recorded by Zoom		
Other Attendees	Debra Johnson, Jason Portman, Steve Ellison, Jeff Wood		
	Moment of Silence in Memory of Dahud , a child in the school who died this week.		
Introductions:	Jeff Wood from Tripp Scott, our charter school attorney. Provided a description of the Building Hope and their aim at helping Charter Schools get their own buildings.		
	Steve Ellison from Nelson Mullins, the attorney representing us in the negotiations for this lease. Provided an overview of the process of negotiating this lease amendment and some of the more challenging sections. Mr Ellison reviewed the needed repairs needed to roof, AC, and elevator that will be covered by this lease amendment.		
Approval of Amended Lease			
Presenter: Sonia Kay	Amended Lease to Building Hope- Discussion		
	Presentation of pros and cons of this lease as related to financial health of Connections. Pros: stable rent, repairs to building, and purchase option between 3 and 5 years. Cons are 10 year lease, triple net lease which means we will be paying for any building costs with the exception of those listed in Exhibit B, and financial covenants which include 45 Days Cash on Hand and requirement for \$30,000 reserve starting in July 2023.		
Debi Johnson	Expressed support for approval of the lease so that school can move forward with more stability. It is not anticipated that expenses will be more than we currently paying between CAM and other repairs.		
Jason Portman	Expressed support for approval of lease so that building can receive the needed repairs so that it is an improved environment for our students. The relationship with Building Hope will allow us the opportunity to either purchase this building or another property using Bond financing.		
Questions/Answers Nancy DiPiero	Building Hope will be providing money for roof, AC, and elevator repair up to the \$400,000 listed in Exhibit B. Any overage will be added to the price of the building if Connections chooses to purchase. Work will completed by their contractors who are licensed and bonded within 12 month period. Negotiations went back and forth		

Michael Kridel Valerie Silverman Steve Padula Jay Huebner	trying to alter the financial covenants which require additional financial oversight. There was no movement in these as they are required for bond financing. The high school and vocational center or another non-profit entity connected to us can buy the building; not just the charter school. This lease does not include any option for expansion. It was discovered in the process that we cannot afford it at this time due to the change in interest rates and inflation of real estate prices.
Michael Kridel	Suggestion to share lease with current auditor.
Jeff	There are limited ways for Charter Schools to get funding for buildings. Traditional financing is hard to get and expensive because they are not used to the way charter schools receive their revenue.
Motion	Motion to approve the Amended Lease
1st	Jay Huebner
2nd	Michael
Vote	Roll Call Vote: 6 in favor, 1 abstention. Nancy not eligible to vote yet. Motion passes.
	Meeting adjourned 5:12 PM
Calendar	
Next Board Meeting: Sept 30th at 9:00AM	Virtual meeting:
Minutes Approved	
Board Member:	<i>Sonia F. Kay, Ph.D.</i> Date: 9-30-2022