

**MINUTES OF THE BOARD OF DIRECTORS
BEACON COLLEGE PREP CHARTER SCHOOL
October 5, 2017**

The Board of Directors for Beacon College Prep Charter School held its regularly scheduled meeting on Thursday October 5, 2017 at 10:00 a.m. at Beacon College Prep – 13400 NW 28th Ave., Opa Locka, FL 33054

Members Present

Mr. Jeffrey Miller, President and Board Chair
Mr. Patrick Range, VP
Mr. Octavio Verdeja, Treasurer
Ms. Melissa Krinzman, Secretary – by phone

Others Present

Mr. Patrick Evans, Principal, Beacon College Prep
Mr. John Flickinger, Director of Development, Beacon College Prep
Richard Moreno, Building Hope
Brittany Bennett, Self Help FCU (by phone)

Call to Order

Jeffrey Miller called the meeting to order at 10:15 a.m.

Approval of Minutes for May 16, 2017

The minutes of the May 16, 2017 board meeting were presented by Melissa Krinzman. Mr. Range moved to approve the minutes. Mr. Verdeja seconded the motion and the minutes were approved unanimously.

Old Business - Property Acquisition

Mr. Miller reviewed with the board the proposed purchase of the school property at 13400 NW 28th Avenue including the financing package, due diligence steps taken, debt service coverage, enrollment projections, etc.

The agreed upon purchase price of the property is \$8.3M. Property and building improvements are estimated at \$1.8M. The proposed architect for these improvements is Civica Architects and the proposed General Contractor is Turin Construction. Both have been thoroughly vetted and their credentials and qualifications have been forwarded to Self Help FCU.

The primary lender will be Self Help Federal Credit Union. Additional loans will be provided by Build Hope (\$900K) and Charter School Growth Fund (\$750K). Jeffrey Miller has pledged \$1M in equity to the project.

After thorough discussion and careful consideration the following motion was presented.

Board Vote: Patrick Range moved that Beacon College Prep purchase the school property at 13400 NW 28th Avenue, Opa Locka, FL 33054 for \$8.3M and invest up to an

additional \$2M in upgrades and improvements pending approval of a loan from Self Help Federal Credit Union with additional financing provided by Building Hope and the Charter School Growth Fund.

Octavio Verdeja seconded the motion and the board voted unanimously to proceed with the purchase.

Mr. Miller asked Brittany Bennett to consider providing financing in the amount of \$8.3M. Mr. Miller requested that Richard Moreno and Patrick Evans work to develop 3 different debt service scenerios based on graduated enrollment numbers ranging from 710 to 810 students.

Treasurer's Report:

- A. 2016-17 Audit and Audited Financial Statements were reviewed. Mr. Verdeja reviewed the most recent financial audit with the board. He noted that the school received a "clean opinion" with no notable exceptions.
- B. Debt Forgiveness: As part of the audit review it was also noted that Mr. Miller agreed to forgive all principal and interest due on debt owed to him by the school for start-up and other costs in the amount of \$505,774. This is reflected in the audit and significantly improved the bottom line of the school. Other board members expressed their gratefulness for this very generous gift to the school.
- C. 2017-18 Budget – Revised: The revised budget for 2016-17 was presented to the board and discussed. Mr. Evans noted that the projected revenue from Capital Outlay was very conservative and based on last year's numbers. Richard Moreno recommended that the budget be revised to reflect the increase in capital outlay funding as proposed in House Bill 7069 – increasing funding from \$243/per student to \$743/per student.

Mr. Miller moved to approve the 2017-18 budget with the recommended changes to Capital Outlay revenue. Mr. Verdeja seconded the motion. It was approved unanimously.

Mr. Evans will revise the budget with increase to capital outlay revenue accordingly.

School Leader Report:

- A. Title 1 Budget: The Title I budget was presented to the board by Mr. Evans. Mr. Evans mentioned that the Title I allocation for 2017/18 was \$171,600. He mentioned that he wanted to spend the majority of these dollars on salaries, since BCP currently employs six 4th through 8th grade teachers and only has a need for four per FTE. Additionally, Mr.

Evans expressed wanting to spend Title I dollars on after school tutoring, software for interventions, and Title I approved supplies and parental involvement activities.

Mr. Range moved to approve the Title 1 Budget as presented
Mr. Verdeja seconded the motion and it was approved unanimously

- B. Student Enrollment: Mr. Evans reported that student enrollment currently stood at around 377 and he is expecting it to grow to the projected 400 this February.
- C. Student Transportation: Transportation continues to be a challenge. There is only one vendor who will serve the neighborhoods where our students live and that company (ADT) has been unable to provide quality service to date.
Mr. Verdeja noted that he knew of a bus company that was selling their buses and perhaps we should re-visit the idea of owning our own buses. The board asked Mr. Flickinger to work with Mr. Evans and Mr. Verdeja to investigate this possibility and report back to the board at our next meeting.
- D. Staffing & Professional Development: Mr. Evans noted that the new staff were integrating well within the culture of the school and that the school's annual professional development trip will be to Memphis and Nashville this year to visit Charter School Growth Fund supported schools.
- E. Programmatic Highlights:
 - a. Students attending the Breakthrough Miami program at Miami Country Day had a tremendous experience and the school looks forward to growing this relationship.
 - b. The school will be offering both after school tutoring and Saturday program this year.
 - c. Mr. Evans is interested in exploring summer programming commencing the summer of 2018.

Development Director's Report:

- A. Hurricane Irma Update: Mr. Flickinger reported that the school suffered minimal damage from Hurricane Irma. Damages and approximate costs associated with Irma include:
 - a. Downed trees & debris removal (\$12K)
 - b. Repair of front gates and fences around property (\$13K)
 - c. Minor roof damage to Building A (\$1500)
 - d. HVAC system affected (still being determined) (\$1200)
 - e. Flood mitigation/pumping (\$1200)

Mr. Flickinger has submitted an initial claim to the school's insurance company. After reviewing leases of both Beacon Prep and Florida International Academy the insurance company noted that Beacon Prep's policy only covers damages to the Building A which we occupy. FIA is responsible for the rest of the property and their insurance should cover their remaining storm damage costs.

There being no further business to come before the Board, the meeting was adjourned at 12:05pm

Approved by:

Melissa Krinzman, Secretary

Date _____