

**Minutes
Imagine at Broward, Inc.
Imagine School at Broward
October 31, 2018
7:45 a.m.
FINAL**

Imagine School at Broward

Brian Schlang (Board Member-Chairperson) - in attendance
LuAnn Comes (Board Member) - in attendance
Christopher Buckley (Board Member) -in attendance
John Gerun (Board Member) - in attendance

Welcome

- Mr. Schlang called the meeting to order at 7:52 a.m. with all Governing Board members in attendance. Mr. Schlang welcomed the Board and public to the meeting. The meeting was begun with Christopher Buckley on speaker phone. He was continually on the speaker until he physically arrived at the meeting.

Public Notice

- Ms. Darling indicated that this emergency meeting was publicly noticed for an emergency meeting as required since it was within ten days of notice.

Update on Building Purchase

- The purpose of the meeting was for an update on the building purchase from those who had been working on it. Richard Moreno of Building Hope was called and placed on speaker phone so he could provide information to questions that had been posed to him individually by various Board members or any lingering questions.
- Brian Schlang said the seller would reimburse the school up to \$75,000 if there was a breach of contract on their end. That would pay for any expenses incurred by the school.
- A \$100,000 deposit will be made upon execution of the contract. Scott's full analysis is that the school could walk out at any point of the process, even if it is due to the interest rates.
- It was questioned why the escrow was not going to be placed in an interest bearing account. This is apparently customary at times. However, since the funds were not drawn from an interest bearing account, it really did not make a difference.
- The Moody's rating report was started. The request was signed by Brian Schlang for the Governing Board. The application was made with Broward County's Office of Economic and Small Business Development.
- The dates on the contract have been expanded so there was sufficient time to handle all matters needed prior to closing.
- Ms. Vernon stated she wanted everyone to just be aware of a Somerset K-8 state of the art charter school opening down the street on University Drive so there may be some competition for students. However, it was noted with the apparent savings by the purchase of the building, Imagine School at Broward would be in a position to upgrade the facility and the school was successful so parents would continue with the school.
- The continuing process and details of the purchase and bond were provided by Richard Moreno of Building Hope.
- After the purchase, the school will receive a Special Warranty Deed which is very common.
- It was questioned when the \$100,000 wire transfer would be due. It was explained that it would be due one day after the contract was approved and signed. The wire transfer would be

the first day after the effective date. Mr. Schlang, Elsa, and Ms. Darling all indicated that would be possible from their perspectives.

- An email from Karl Huber indicated School House Finance would release Imagine Broward from their lease. However, in a discussion with Mr. Schlang, since this was putting them somewhat in a financial cash flow situation, the school was asked to consider making a termination payment. The current monthly rent payment is approximately \$100,000. The termination payment was not a requirement to be released from the lease. The decision on whether or not to give a termination payment would have to be made prior to closing day and would not be voted on at this time.
- Richard Moreno indicated he would look at the new rates since financial times have been changing.
- Chris Buckley questioned if the purchase included land, building, fixtures, etc. It was explained the purchase was for all of it and it was bought "as is".
- Richard Moreno indicated he would be reaching out to some firms to determine building condition. He would check with Scott to see if he already has one from the sale several years ago, so it could be just updated. The appraisal is also being checked.
- Moody's had provided three dates for the site visit. Their visit would require the principal, one Board Member, Ms. Vernon, and probably Rob Sasse. No more than one Board member would be at the meeting. The visit would require specific documents to be prepared. A list would be provided. They usually come in the morning for three to four hours. Part of what they look for is the "feel" of the school.
- The application was going to be reviewed by Broward County's Office of Economic and Small Business Development to be the issuer of the bond. Hopefully they will be the issuer. We should hear back next week. This would save the school approximately \$60,000 for the application fee.
- Weekly update calls will be set up with Mr. Schlang, Ms. Darling, and Ms. Vernon. Based on their schedules, it would be requested for Monday mornings at 9:30 a.m. but that might change. The information would then be shared with all Board members by Ms. Vernon.
- The potential timeline and cost would be:

Appraisal	3-4 weeks	up to \$6,000
Building Condition	2 weeks	up to \$3,000
Stage 1 Environmental		approximately \$1,800
- Time table until closing is dependent upon receipt of the Moody rating and also the meeting schedules of the Broward County Board. To be heard, the request has to be on the agenda two weeks in advance. Since that timeline was short, it was discussed that waiting until January might even be better.
- Richard Moreno will monitor fund flows.
- Appendix A of the report will tell the story of the school. That text will need to be provided within approximately the next two weeks. Ms. Darling will handle this request.

Public Input

- No public input was given.

Board Input

No additional Board input was provided.

Board Actions

- A motion was made by John Gerun and seconded by Brian Schlang to approve the following expenses for the purchase: up to \$10,000 for the application, up to \$5,000 for the condition

report, up to \$3,000 for the environmental study, and up to \$10,000 for related expenses, including the appraisal. The motion was carried unanimously.

- A motion was made by John Gerun and seconded by Christopher Buckley to accept the "Agreement for Sale". The motion was carried unanimously.
- Christopher Buckley made a motion which was seconded by John Gerun to approve the earnest money agreement. The motion was carried unanimously.

Adjournment

- The meeting was adjourned at 8:55 a.m.

Minutes respectfully submitted by
LuAnn Comes

Minutes are accepted as a final copy by:



Brian Schlang, Board Chair Member

12-4-18

Date

Upcoming meeting for 2018 - 2019 School Year:

November 27, 2018

May 20, 2019

January 28, 2019

June 17, 2019

March 4, 2019

All meetings are scheduled for 5:30 p.m.