

The Paideia Academies, Inc.

Corporate Board Meeting held at 1535 East Baseline Road, Phoenix, Arizona 85042

March 25, 2019

Called to order at 5:05 PM

Minutes

Verified Quorum- Absent Mrs. Leach, Mrs. Schmaltz

In Person- Dr. Winsor, Dr. Tietgen, Dr. Hess, Mr. Landreth, Mrs. Mendonca, Ms. Garrison

Telephonic – Mrs. Miranda

Guests- Joel Brice, Dane Fernandes of Law Firm **Kutak Rock LLP**

- I. Approve previous minutes
Motion to approve previous board minutes from February 25, 2019 and March 18, 2019
Motion made by Ms. Garrison
Second made by Dr. Hess
Vote:
Dr. Winsor-yes
Ms. Garrison- yes
Mr. Landreth- yes
Dr. Tietgen- yes
Mrs. Mendonca - yes
Motion passes by majority vote
- II. Call to the public
No members of the public requested comment
- III. Paideia Preschool – Academy Purchase
Dr. Winsor and Mrs. Mendonca recused themselves as they are equal owners of the preschool. There was discussion about the various routes that the board could take, including purchasing the preschool. There was expressed interest in purchasing the preschool, with decisions about the financing to be discussed at a later time. There was no vote on this item as there was not a quorum to present a motion (Dr. Winsor and Mrs. Mendonca recused themselves from the discussion and vote, and Mrs. Schmaltz and Mrs. Leach were absent) .
- IV. Creation of Management Company
Dr. Winsor recused himself as he would be the owner of the management company
Discussion presented by Mr. Fernandes and Joel Brice. There was a discussion regarding the creation of a management company. Mr. Fernandes discussed the various reasons for the creation of such a company and gave board members additional information about what it would entail. No motion or vote ensued from the discussion.
- V. Intellectual Property License Agreement
Dr. Winsor recused himself as he would own the IP License
Discussion presented by Mr. Fernandes regarding the interest Dr. Winsor has expressed in acquiring an IP License. There was a discussion about the intent of the IP License. No motion or vote ensued from the discussion.

VI. Bond Financing of Baseline Building –

Mr. Fernandes who is the school's bond counsel, briefly outlined the bond process. He explained that we need a resolution to allow the school to be reimbursed for expenses such as the ASU Playground project. The reimbursement resolution uses federal tax code to allow bond proceeds to reimburse the school for certain small projects and costs.

Motion by Dr. Hess to adopt the Resolution expressing official intent regarding certain capital expenditures to be reimbursed with proceeds of an obligation.

Second by Dr. Winsor

Vote:

Dr. Winsor-yes

Ms. Garrison- yes

Mr. Landreth- yes

Dr. Tietgen- yes

Mrs. Mendonca - yes

Motion passes by majority vote

VII. Financial Dashboard Review by Joel Brice

Mr. Brice reviewed the financial dashboard for month ending February 28, 2019.

The school is on track to meet and exceed all budget goals.


Net profit = \$333,820

Debt Service Coverage Ratio = 1.77

Days Cash on Hand = 81.77

Meeting adjourned at 7:30 pm

Next corporate board meeting to be held on April 22, 2019 at 5PM at the Baseline Corporate Headquarters.


Approved by


Date