

Lake Oconee Academy Board of Governors

Regular Monthly Meeting
5:30 P.M., February 7, 2017

Chairman of the Board of Governors, Mark Lipscomb, opened the meeting with the Pledge of Allegiance.

- A. **Call to Order:** Chairman Lipscomb called the regular monthly meeting to order at 5:50 P.M. following the LOA Foundation Board meeting.
- B. **Establishment of Quorum/Roll Call:** Governors Byron Lombard, Richard Schmidt, Mark Lipscomb, Connie Hoyle and Kim Larkin were in attendance. Fatima Fields, and James Brooks were both out of town and absent. Also present was CEO, Otho Tucker, Foundation Executive Director Valerie Duvall, and Greene County Board of Education Chairman Mike Lynch.
- C. **Approval of Minutes:** Byron Lombard made a motion to approve the minutes from the January 3, 2017, regular monthly meeting. Seconded by Kim Larkin. The motion carried unanimously.
- D. **Finance Report:** CEO Dr. Otho Tucker gave a financial report on the December 2016 financials. A motion was made to approve the report as information by Connie Hoyle. Seconded by Kim Larkin. The motion carried unanimously.
- E. **Foundation Report:** Valerie Duvall, Executive Director of the LOA Foundation, reported the following:
1. The Denim and Diamonds fundraiser date is set for Saturday, February 18, 2017 and is almost sold out;
 2. The Foundation is working on a scholarship program to be completed sometime this spring.
- F. **CEO Report and Action Items:**
1. Dr. Tucker gave an update on the construction of the new high school. Currently LOA is waiting on lender approval from the USDA. The loan package has been approved by local and state offices in has been sent to Washington DC to the Federal level. They have initially indicated that LOA would be required to remove funding of any portion of the project which interferes with wetlands, which has been done, in the amount of approximately \$14,000.
 2. The ATLAS ministry provides afterschool classes and training in a number of child and young adult betterment, ethics and moral judgment programs. It hosts a monthly program where students and parents sit together, have dinner and do homework. LOA students appear to comprise a significant number of students taking advantage of those classes. ATLAS has requested LOA to sponsor the dinner on March 22, 2017. The board directed Doctor Tucker to sponsor the program and attend.
 3. Dr. Tucker made a presentation on modular classroom bids. It appears that it will cost roughly \$300,000 to rent for one year, install, equip and up-fit the buildings. Of that, approximately \$135,000 of FF&E will be transferable to the new buildings once those are built.
 4. Dr. Tucker gave an applications update. Currently there are 367 applications. February is a typically heavy month for receiving applications and it is expected a significant amount of additional applications will be received.
 5. Richard Schmidt made a presentation on the construction loan for the high school/middle school building project. The USDA loan will only participate in

permanent financing. It is necessary to get a separate construction lender. Once the construction is completed, then the USDA will refinance the construction loan to permanent financing. Four proposals were considered and Raymond James was the lowest proposal, over \$300,000 less than the closest competitor. The difference is based on utilizing a revenue bond which will generate a much lower interest rate. Raymond James had financed the original building construction and other projects within Greene County and by all accounts has been an excellent banking partner. After discussion, Byron Lombard made a motion to authorize the chairman, Mark Lipscomb, to execute the engagement letter with Raymond James and go forward with bond financing for the construction loan. Seconded by Connie Hoyle. Motion passed unanimously. The financing will go forward upon receipt of the commitment to loan from the USDA.

6. Dr. Tucker made a presentation of a proposed lease between Lake Oconee Academy as Lessee and Lakeside Church as Lessor for the Pre-K school facilities. The lease will be without cost except for payment of modifications required to conduct a school in the building and the differential in utility costs. After discussion, Kim Larkin made a motion to approve the lease and present it to Lakeside Church. Seconded by Byron Lombard. Motion carried unanimously

G. There was no public comment.

H. **Adjournment:** There being no further business, a motion to adjourn was made by Byron Lombard. Seconded by Kim Larkin. Motion carried unanimously and the meeting was adjourned.