

The Governing Board of Freedom Preparatory Academy
HELD A PUBLIC MEETING
IN THE SECONDARY SCHOOL CONFERENCE ROOM

January 14, 2021 – 12:00 PM

Board members participated electronically with anchor location stated above. In attendance via zoom: Cary McConnell, CAO, Robert Merrill, CFO and board members Paul Baltas, and Jay Garlock. Executive Director Lynne Herring, Director of Finance Chris Helvey, Executive Administrative Assistant Tracey Noonan, Financial Advisors David Robertson and Nathan Robertson and Derek Marshall, FPA Legal Counsel. Board member Thomas Chan was absent.

PUBLIC COMMENT

None

REGULAR AGENDA

1. Approve FPA4 Lease Agreement

Agreement between One West Construction and the St. George expansion. Derek Marshall summarized the reasoning for the lease agreement: In the unlikely event that the bonds don't go through, it will be the governing document and lease for the future of this property. This lease will act as a short-term lease until the bonds go through (bonds expected to close in late February). Lease agreement gives FPA the right to buy the property (and construction fees). When the bonds go through, this lease will go away and FPA will own the land (and building) outright.

Robert Merrill moved to approve the Lease Agreement for the St. George expansion as presented. Jay Garlock seconded. Roll Call Vote. 4-0 passed, no opposition. (Thomas Chan absent)

2. Approve Preliminary Limited Offering Memorandum (PLOM)

David Robertson explained that this document summarizes the transaction and allows the underwriter to take the information and sell the bonds to the investing public. Investors will review this document and make their decision to buy the bonds based on part from the information here. PLOM and Appendix B need to be reviewed by Governing Board Members but no action needed at this time. GB members asked to send any comments to Derek, David, and Chris by Tuesday.

3. Approve Bond Resolution

This document incorporates the original bond from 2017 with addition of up to \$19 million to pay for the St. George Campus in addition to equipment and other startup expenses for the St. George campus. Also,

this bond offering will finance the bus storage facility next to the Provo secondary campus and certain other improvements in the Utah County facilities. 1st amendment to the loan includes minor definition changes. Reaffirms obligations in relation to 2017 and 2020 bonds. Allows pricing changes/negotiations by Cary McConnell and Robert Merrill.

Jay Garlock moved to approve the Bond Resolution as presented. Robert Merrill seconded. Roll Call Vote: 4-0 passed, no opposition. (Thomas Chan absent)

4. Approve Purchase Agreement

Between the school and the state charter finance authority. This sets forth the terms of purchase to sell bonds. This is the actual contract (form) with the underwriter and it's blank for now-will be filled in (finalized) on day of pricing because cost isn't fixed at this point. FPA is buying the land and assuming the construction contract. Agreement allows closing through end of July.

Paul Baltes moved to approve the Purchase Agreement as presented. Jay Garlock seconded. Roll Call Vote: 4-0 passed, no opposition. (Thomas Chan absent)

5. Approve Rule 15 Certificate

Briefly reviewed and discussed. No approval from GB needed. Any comments from GB members to Lynne Herring by Tuesday. Lynne will be signing on Wednesday.

6. Continuing Disclosure Policy and Update

Briefly reviewed and discussed. Disclosure to be discussed at least quarterly in audit committee meetings.

7. Auditor's Report

Moved to be discussed at a future board meeting.

8. The Governing Board may consider a motion for a Closed Meeting in accordance with The Utah Open and Public Meetings Act for purposes outlined in Utah Code*

Not needed.

Chris gave brief construction update: tractors should be on property starting Monday, January 25th! Subcontractors will be hired from all over the state. Exciting economic growth in St. George. For efficiency, FPA has rented a house in Desert Color. Parade of Homes Feb. 12-21.

9. Adjourn

Meeting adjourned at 12:58 pm

*The Freedom Preparatory Academy Governing Board may consider a motion to close the meeting to hold a strategy session to discuss the purchase, sale, exchange, or lease of real property, and/or the character, professional competence, or physical or mental health of an individual in conformance with § 52-4-204 and 52-4-205 et. Seq., Utah Code Ann.