

**Nova Classical Academy
Board of Directors Meeting Minutes
Regular Meeting – HELD ONLINE/REMOTELY
May 24, 2021**

Directors Present: Jason Belter, Mel Hernandez, Claudia Gumbiner Hungs, Divya Karan, Nick LaRusso, Becky Lund, Theresa Nelson, Frank Ross, Diane Ruday, Jennie Winter

Directors Absent: None

Advisors Present: Brett Wedlund, Michael Pelofske, Brooke Tousignant, Missy Johnson, Joe Aliperto (Dieci School Finance), Kriscell Estrella, Ginger Gabor (NPTO)

Others in Attendance: Nova staff, parents

I. Call to Order

The meeting was called to order at 6:06 pm. Frank Ross and Theresa Nelson led the meeting.

II. Business Meeting: Approval of Agenda

Ms. Belter moved to approve the agenda. Ms. Lund seconded. A roll call vote was held. Mr. Belter, Ms. Hernandez, Ms. Gumbiner Hungs, Ms. Karan, Dr. LaRusso, Ms. Lund, Ms. Nelson, Ms. Ruday, and Ms. Winter voted in favor. The motion passed unanimously.

III. Consent Agenda

- A. Agreement with Anderson Audiology Consulting for services for SY2022
- B. Regular April 26th minutes
- C. Accept the 2021 election results
- D. 2nd reading/ potential approval of revised policy NP 305 (Section Size)
- E. 2nd reading/ potential approval of revised policy NP 306 (Re-enrollment after Long-Term Leave)
- F. Amendment to FY21 Contracted Service Agreement with Strategic Staffing Solutions

Mr. Belter moved to approve the consent agenda. Ms. Gumbiner Hungs seconded. A roll call vote was held. Mr. Belter, Ms. Hernandez, Ms. Gumbiner Hungs, Ms. Karan, Dr. LaRusso, Ms. Lund, Ms. Nelson, Ms. Ruday, and Ms. Winter voted in favor. The motion passed unanimously.

Frank Ross arrived at 6:08 PM.

IV. Public Comment

Andrea Perzichilli asked about an update regarding the request for an ad hoc committee from the last board meeting.

Laura Linn echoed that request and added that she would love more opportunities for parents to have a discussion with the Board.

V. Board Training

Ms. Buri spoke about the Equity Team and gave an update of their work this year. She shared the history of the development of the Team as well as their mission statement. They

have three initiatives: Researching and developing a racial equity policy, reviewing the Student/Family Handbook with an equity lens, and programming (with an immediate goal of developing an equity home on the website). There was discussion. Ms. Buri said that their current focus is on racial equity, but that they are keeping their mission open for any area of equity need and they want to continue to work with the community to see what those needs are. There was further discussion. Based on their work so far, Ms. Buri said that we seem to be behind larger school districts (such as St. Paul), but that we're on par or ahead of the charter schools that the Team has contacted.

VI. Reports received by the Board.

A. Executive Director Report

Dr. Wedlund highlighted several new and on-going projects. There was discussion about summer academic support opportunities for students such as Summer Boost in the Lower School. There was further discussion.

B. Board Chair Report

Ms. Nelson congratulated all the senior students and spoke about some upcoming items in the meeting.

C. Board Committees

i. Governance Report

Ms. Lund congratulated Claudia Gumbiner Hungs and Sasha Ross for being elected to the Board.

ii. Finance and Budget Report

Ms. Winter thanked Ms. Gumbiner Hungs for chairing the Finance & Budget meeting for her.

iii. Academic Excellence Report

There was no report this month.

D. Ad Hoc Committees

E. NPTO Report

Mrs. Gabor spoke about the purpose of the NPTO and the challenges of doing community-building events over the past year. They are looking for more ideas to build connections next year. Mrs. Gabor also spoke about the need for a Vice-Chair and a Treasurer for the next year. She also requested community input and ideas and thanked people for all their work this year. There was discussion.

F. Student Report

Mr. Pelofske read the student report as the representatives were not able to attend. Some recent and upcoming school activities include Senior Day (last Wednesday), Prom, and the Student Senate's material drive. There was also an update about athletics including several that will be heading to state soon.

VII. Business

A. Piper Sandler – Bond Refunding Information

Nick Hagen from Piper Sandler provided background information and training regarding the proposal to refund our bond. He started by speaking about Nova's existing debt profile and gave an overview of our current bonds. He stated that we

can refinance our 2011 bonds without penalty, but that right now our 2016 bonds don't make sense to refinance. He then gave a brief synopsis of charter school finances and a market update. There was discussion about risks and costs to Nova, especially if the bond refinancing doesn't go through. The costs to Nova would be the people we hire individually, such as our attorney or finance provider, and an application fee to the St. Paul HRA. As for Piper Sandler, they don't charge unless the deal is completed and they get paid at closing. Mr. Hagen spoke about scenarios that could result in the deal not being completed. There was discussion. Mr. Hagen then gave an overview of the refinancing process and spoke about the savings that refinancing would bring to Nova. This includes being under our lease aid amount so that we can save for capital improvements or development. There was discussion.

B. Best & Flanagan Proposal

Dr. Wedlund gave the background information behind this motion. There was discussion regarding the motion.

Ms. Winter, "Resolved that the Board accepts the proposal from Best & Flanagan for legal services not to exceed \$45,000." Mr. Belter seconded. There was discussion. A roll call vote was held. Mr. Belter, Ms. Hernandez, Ms. Gumbiner Hungs, Ms. Karan, Dr. LaRusso, Ms. Lund, Ms. Nelson, Mr. Ross, Ms. Ruday, and Ms. Winter voted in favor. The motion passed unanimously.

C. Resolution of Reimbursement Intent

Ms. Hernandez, "Resolved, that WHEREAS, Nova Classical Academy, a Minnesota nonprofit corporation (the "School"), is an organization described in Section 501(c)(3) of the Internal Revenue Code, exempt from the payment of income taxes under Section 501(a) of the Code; and

WHEREAS, the School has determined to undertake a project (the "Project") pursuant to Minnesota Statutes, Sections 469.152 to 469.1651, as amended, consisting of the refinancing of a school facility located in the City of St. Paul, Minnesota (the "City"); and

WHEREAS, to provide financing for the Project, Friends of Nova Classical Academy, affiliated building company and 501(c)(3) organization, (the "Company") expects to borrow proceeds of tax-exempt revenue bonds (the "Bonds"); and

WHEREAS, the School has agreed to make certain rental payments to the Company pursuant to a Lease Agreement (the "Lease Agreement") between the School and the Company.

WHEREAS, the School has made and will be advancing payment of certain costs of the Project in advance of the issuance of the Bonds and desires that proceeds of the Bonds be applied to the reimbursement of any of such prior expenditures and desires to express an official reimbursement intention with respect to all such expenditures to be reimbursed from the proceeds of the Bonds; and

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE SCHOOL, AS FOLLOWS:

1. It is desirable that certain expenditures for or relating to the Project be incurred and paid prior to the issuance of the Bonds;
2. The School reasonably expects to reimburse the above-described expenditures with the proceeds of the Bonds; and
3. No funds (from sources other than the Bonds) are, or are reasonably expected to be, allocated on a long-term basis, reserved or otherwise set aside pursuant to the School's budget or financial policies for such expenditures at this time." Ms. Winter

seconded. There was discussion. A roll call vote was held. Mr. Belter, Ms. Hernandez, Ms. Gumbiner Hungs, Ms. Karan, Dr. LaRusso, Ms. Lund, Ms. Nelson, Mr. Ross, Ms. Roday, and Ms. Winter voted in favor. The motion passed unanimously.

D. Fund Balance Spend Down

Ms. Gumbiner Hungs, “Resolved, that the Board approve the proposed fund balance spend down of \$636,575 on professional development and wellness programs under the Retain the Best program.” Mr. Ross seconded. A roll call vote was held. Mr. Belter, Ms. Hernandez, Ms. Gumbiner Hungs, Ms. Karan, Dr. LaRusso, Ms. Lund, Ms. Nelson, Mr. Ross, Ms. Roday, and Ms. Winter voted in favor. The motion passed unanimously.

E. Property & Casualty Insurance Renewal

Ms. Estrella gave the background information behind this motion.

Mr. Belter, “Resolved, that the Board approve the proposed property and casualty insurance renewal.” Ms. Lund seconded. A roll call vote was held. Mr. Belter, Ms. Hernandez, Ms. Gumbiner Hungs, Ms. Karan, Dr. LaRusso, Ms. Lund, Ms. Nelson, Mr. Ross, Ms. Roday, and Ms. Winter voted in favor. The motion passed unanimously.

VIII. Next Meeting Date/Agenda Items

The next regular board meeting will be on June 28, 2021.

IX. Adjournment:

The meeting was adjourned at 8:15 p.m.

Minutes submitted by Becky Lund.