



**Eagle Arts Academy, Inc.
Meeting of the Board of Directors**

Board Minutes

June 29, 2017

A meeting of the Board of Directors (the "Board") of the Eagle Arts Academy, Inc. ("Academy"), was held on Thursday, June 29, 2017, in the Academy administrative conference room, 1000 Wellington Trace, Wellington, Florida, pursuant to due notice commencing at 12:00p.m.

Roll Call: Via Teleconference: Dr. Jon Robertson, Tim Quinn, Sheri Klostermeyer; Donna McGowan and Colleen Kirk (quorum established).

Administrative Staff and Invitees: Principal Gregory Blount, Business Manager Kristin Kolbenschlag, Phil DiComo, Legal Counsel, Joe Asen, Financial Advisor from CSMC.

Board Chair Tim Quinn called the meeting to order. The meeting was called to order at 12:00p.m. As Mr. Quinn attended the meeting by phone he made a motion that Mr. Blount serve as temporary chair solely for the purpose of running the meeting for efficiency purposes, and Sheri Klostermeyer seconded the motion, which was approved unanimously.

1. Old Business:

Approval of June 14, 2017 Board Meeting Minutes:

After review,

Colleen Kirk motions to accept the June 14, 2017 Board Meeting Minutes

Tim Quinn seconds the motion

Motion unanimously approved

Update on Repayment of School Start-up Costs

Mr. Blount reported that on June 25 he presented EAA a check in the amount of \$46,725.37 payable to EAA from Sound Tree Entertainment for school start-up costs reimbursable as required by the School District of Palm Beach County. A copy of the check was provided to the board, and will be provided to the District.

Update on School District IGO Request and EAA Response

Mr. Asen reported that all of the information and documents requested from the school by the Office of the Inspector General for the School District of Palm Beach County on May 24, 2017, will be timely provided by close of business today. Mr. Blount stated that an ongoing area of concern from the District is the lease. Although approved by the District



upon granting of the Charter and consistent with policy, the District has recently expressed concerns regarding the lease term. EAA has proposed revised terms to the landlord and is awaiting their response. The school and its counsel continue good faith negotiations with the landlord in order to appease the District's request. The Board discussed these matters and no Board action was required to be taken at this time.

2. New Business:

FY17 Budget Amendment

Mr. Asen provided a line-by-line review of the proposed budget amendment previously provided to the members of the Board, including reviewing specific areas where the projected budget varied greatly from the actual budget to date, including the IDEA funding which is subject to mediation with the District after funding was withheld from county charter schools by the District. Members of the board discussed further and asked clarifying questions, and

Sheri Klostermeyer motions to authorize and approve the FY2017 Budget Amendment as presented.

***Tim Quinn seconds the motion
Motion unanimously approved***

2017-2018 Proposed Budget

Mr. Asen next reviewed in detail the school's proposed 2017-2018 proposed budget which had been previously provided to the members of the Board. Mr. Asen stated that they took a conservative approach to the budget although recent actions in Tallahassee indicate funding levels may increase in the upcoming year. He accepted questions for the directors. Upon review and discussion,

Sheri Klostermeyer motions to authorize and approve the 2017-2018 Year Budget as presented.

***Dr. Jon Robertson seconds the motion
Motion unanimously approved***

Christ Community Church Settlement

Mr. Blount updated the Board on the proposed settlement regarding payment of taxes owed by the church, which will vacate the subleased premises at month end, and after discussion:

Colleen Kirk motions that school counsel shall continue negotiations with the subtenant in order to come to an amicable settlement as soon as practicable, and



that the Executive Director of the school may enter into the form of settlement agreement, with such changes as he and legal counsel shall deem necessary or advisable.

Tim Quinn seconds the motion

Motion unanimously approved

Brand Licensing Update

Mr. Blount stated that Sound Tree Entertainment has assigned the management of its rights under the Brand Licensing Agreement with EAA to Element Management Group effective July 1, 2017. The license agreement enables the school access to the Eagle Arts intellectual property and brand, a propriety student information system and enrollment application management system, and the intellectual property license to use the images of Walt Disney. No modifications were made to any of the terms of the original license.

Proposed Management Agreement

Mr. Quinn and Mr. Blount reported that EAA is in the process of negotiating a management agreement with Element Management Group. Based on the contract with the Sponsor, a ESP agreement must be approved by the school district. When this happens, Mr. Blount will step-down as an employee and under Element will focus on business operations and opportunities while turning academics over to Dr. Copeland and Ms. Taggart as discussed at previous board meetings. Element will be paid a below market fee in order to ensure success and financial viability. Mr. Quinn and Mr. Blount will report back to the board with its progress at the next board meeting. Mr. Quinn will contact the Charter School office of the District to ensure a smooth transition.

Donna McGowan motions that the Board Chair and school counsel shall continue negotiations with Element Management Group to finalize an agreement as soon as practicable.

Colleen Kirk seconds the motion

Motion unanimously approved

EXECUTIVE DIRECTOR / PRINCIPAL UPDATE

Pre School Update

Mr. Blount reported on the progress of required approvals for the pre-school program. He answered questions from the Board.

Bank Accounts

Mr. Blount asked the board's cooperation in updating the bank accounts to add Board Chair Tim Quinn and Treasurer Sheri Klostermeyer as signatories.



Update on Potential Church Subtenant

Mr. Blount updated the directors on the status of ongoing negotiations with a new church subtenant. Mr. Blount reviewed details of the proposed agreement, including the church's willingness to add numerous improvements and to pay taxes and utilities. The church would begin services in January 2018.

Status of Principal

As a follow up to an announcement made at the prior board meeting, Mr. Blount submitted his resignation as principal of the school effective June 30, 2017. He confirmed that as of July 1, Ms. Taggart has agreed to become principal of the lower school as well as school testing coordinator while Dr. Paul Copeland has agreed to become principal of the middle school and Dean of Curriculum and Academics. The Board discussed further, and

***Dr. Jon Robertson motions to accept the resignation of Mr. Blount as principal, and to endorse the hiring of Ms. Taggart and Dr. Copeland in their respective roles.
Tim Quinn seconds the motion
Motion unanimously approved***

School Letter Grade

Mr. Blount announced that the school's official letter grade of a "C" has been confirmed and EAA showed a 13-point overall gain and only 7-points away from a "B" grade. Mr. Blount reported that Dr. Copeland is working on curriculum development for the upcoming school year to once again enhance and improve academics.

BOARD COMMENTS – Numerous board members expressed gratitude for the hard work of Mr. Blount and staff in recognizing the improved academic performance.

PUBLIC COMMENTS – None

The next meeting of the Board of Directors is scheduled for Monday, August 7, 2017, at noon.

***Tim Quinn motions to adjourn the meeting at 1:20pm
Colleen Kirk Seconds
Motion Unanimously Approved***