**STRIDE Academy**

Finance Committee Meeting Notes

3/18/2021 @ 2:30 pm

Virtual Meeting Held via Zoom

Eric Williams, Nathan Schwieters, Kelly Rimpila, Matt Chapman

**Enrollment Update:** Currently at 458. Projecting 528 for next year’s enrollment. 38 Kindergartner’s have registered for next year as of today. We will be holding at registration event the week of April 12th.

**Check Management Reports and Identify Missing VPR Info:** No items or concerns discussed.

**Finance Summary:** Kelly presented to the group. CRF and CAREs act funds have all been utilized. Final CAREs receipts will be done in March 2021. Cash on hand at the end of February 2021 was about $230,000. Food service fund looks negative, but January and February 2021 have not been receipted yet and we are projecting that fund to finish with a negative balance at year’s end.

**Review of Budget Line Items:**

**PPP Update:** PPP Loan has been submitted. Currently going back and forth with some questions, but we should have all funds by the end of March 2021.

**Important Dates:** Stride Academy- Bi-monthly Bondholder Call- Tuesday 5/18/2021 3:30-4:30 pm

**Working Budget Update:** Eric and Kelly will be meeting next week to chat about our current year working budget and they will also be working on the FY22 budget which will need to be approved by the full board at the May 2021 meeting.

**Outstanding Principal Deferment:** Eric received an email from the bondholder’s attorney that mentioned that if we are able to pay $131,700 April 1, 2021 that we would cease to have bondholder calls as well as not have to continue to pay interest or for the debt service. Plan would be to use the PPP loan to then pay that debt off.

**Info from email from Tom Longino, attorney for Bondholders:**

“UMB has consulted your bondholders on the conversation from the second half of yesterday’s call, and we wanted to give you more color about what is possible, especially with the federal and PPP funds coming in.

Holders have authorized UMB to offer to cancel the current conditional waiver agreement effective immediately upon catch up of the remaining back principal.  Taking into account payments Stride has made and interest earnings on funds under the Indenture (around $62,400 or so), if Stride were able to make an extra payment of approximately $131,700 by April 1, Stride would be fully caught up.  At that point, holders would instruct UMB to cancel the Conditional Waiver Agreement, and your organization would return to the status of having to only comply with the bond documents as written.  That means the bi-monthly calls would cease, and Stride would return to whatever the “regular” requirements of the bond documents are.

In that scenario, UMB’s fees would stop accruing within the default group, and Stride’s account would revert to regular administration, and back to the pre-existing monthly fee of around $541 ($6500 per year).  My involvement would stop completely as well once we button up the termination, so that cost would no longer accrue as part of this.

If this could be done before the 4/1 principal payment date, that would really be a fantastic thing.

Either Mark or I are happy to discuss this further at your convenience.”

**Other:**

Finance Committee Meeting adjourned at 3:01 pm. Next Finance Committee meeting will be April 15, 2021 at 3:15 pm