Salt Lake Academy June 26,2025 Board Meeting

Transcript

The Salt Lake Academy Board Meeting on June 26, 2025, covered several key points. The 2025 budget showed a $109,000 deficit, but after adjustments, net income was $70,000 with a 1.3% operating margin. The 2026 budget projects a $391,000 net income and a 4% margin, based on an enrollment of 905 students. The board approved both budgets. The fraud risk assessment was positive, with minor areas for improvement. The board also approved the 2025-2026 fee schedule and a resolution authorizing bond financing, with a potential closing in August. The meeting concluded with a unanimous vote to adjourn.

Action Items

- [ ] Upload the completed fraud risk assessment to the State Auditor's Office.
- [ ] Provide annual financial and operating information to investors as required for the bond financing.

Outline

Roll Call and Pledge of Allegiance

- Samuel Gibbs notes that Roxy is still waiting and decides to text her.
- Casey Holmes asks Dan if he wants to share his screen, and Samuel Gibbs helps.
- Roxana Luna joins the call, and Samuel Gibbs asks Casey Holmes to proceed.
- Darrell suggests a roll call, and Samuel Gibbs confirms the attendance of board members and other attendees.
- Becki B leads the Pledge of Allegiance, and the meeting officially begins.

2025 Budget Presentation

- Casey Holmes presents the 2025 budget, noting that it is the final year-end budget.

- The budget shows a $109,000 deficit, but this includes capital expenditures and bond expenditures.
- After adjusting for these items, the net income is $70,000, with an operating margin of 1.3% and a debt service of 1.13%.
- Darrell asks about the reasons for the tight budget, and Casey Holmes attributes it to higher field rental costs from Rio Salt Lake.
- A motion to accept the 2024-2025 budget is made and seconded, and it passes with a unanimous vote.

2026 Budget Projection

- Casey Holmes presents the projected budget for 2026, covering both campuses.
- The budget projects a total net income of $391,000, a 4% margin, and a debt service coverage ratio of 1.16.
- The budget is based on an enrollment of 905 students, with a projected enrollment of 912 students.
- Casey Holmes mentions the projected debt for the next year at $1.8 million and the annual debt service of $2.4 million in the second year.
- A motion to approve the 2025-2026 budget is made and seconded, and it passes with a unanimous vote.

Fraud Risk Assessment

- Casey Holmes presents the annual fraud risk assessment required by the state auditor's office.
- The assessment covers various aspects, including separation of duties, written policies, and management team qualifications.
- The school meets all criteria except for having board members commit in writing to a statement of ethical behavior.
- The assessment will be uploaded to the State Auditor's Office after the meeting.
- Darrell asks if there are any questions, and none are raised.

Fee Schedule Approval

- Casey Holmes and Samuel Gibbs review the fee schedule for the next year.
- Roxana Luna asks about athletic fees, and Samuel Gibbs clarifies that high school athletic fees are under YSA.
- A motion to approve the 2025-2026 student fee schedule is made and seconded, and it passes with a unanimous vote.

Bond Financing Resolution

- Clint Biesinger provides an update on the bond financing, including the submission of the application to the Utah Charter School Finance Authority.
- The board is expected to approve the conduit issuance on July 23.
- The bond will fund the takeout of both the existing campus loan and the CLI loan held by Athlos.
- Brandon Johnson explains the resolution, which authorizes the board to move forward with the bond financing but does not obligate the school.
- The resolution also authorizes reimbursement of costs from bond proceeds and compliance with federal tax laws for tax-exempt bonds.

Meeting Closure

- Samuel Gibbs confirms the exact language for the motion on the bond financing resolution.
- Darrell makes the motion, and Roxana Luna seconds it.
- The motion passes with a unanimous vote.
- Darrell makes a motion to close the meeting, and it is seconded and passed without a roll call.
- The meeting concludes with Darrell thanking everyone for their hard work and wishing them a good summer.