



GREER MIDDLE COLLEGE  
CHARTER HIGH SCHOOL  
HOME OF THE BLAZERS

Board of Directors  
Special Board Meeting Minutes  
May 31, 2016

Present: Patty Baucom, Eddie Burch, Brian Dentler, Keith King, Vernon Rutland, Darin Scheidly, Pauline Sternick, Ryan Summey, Kathy McKinney, Teresa Cawley  
Absent: Tony Kouskolekas, John Mansure, Donna Smith

1. Call to Order at 1:10 PM

2. Finance Committee Recommendations

**Motion from committee** to accept BB&T proposal subject to final documentation between BB&T and GMC.

Vote: Unanimous

Proposal summary:

- BB&T proposal amortized over a 25 year period. Interest rate is set for 7 year increments; it will reset every 7 years.
- Fixed rate will be set and finalized 10 days prior to closing on June 28. May 25 rate was 2.975%.
- All money will be held at BB&T in an escrow account that we can draw down. Escrow agent fees are waived.
- 12 month debt service reserve requirement waived contingent upon GMC maintaining a 120 day operating reserve
- Lease hold mortgage as outlined in our ground lease agreement
- Lien security on net revenues for repayment of loan.
- If we continue to operate conservatively, we could possibly pay off the balance of the loan at the 2<sup>nd</sup> reset, so the bank did agree to waive prepayment penalty.
- Appraisal to be paid by bank.
- Title insurance is required.
- Annual financial statements, proof of debt service coverage which will be tied to audit.
- Quarterly management prepared financial statements to bank.
- Bank closing attorney capped at \$25,000.

**Motion from committee** to accept recommendation to move primary banking relationship to BB&T.

Vote: Unanimous

The move of primary banking to BB&T will be over a period of time – possibly 3 months.

**Action Item:** Teresa and Kathy will forward final commitment proposal to Mr. Armstrong and Vernon Rutland for signature.

**Action Item:** Deadline for drop dead total for construction is June 15. Vernon will contact Matthew Praytor to make sure we have total by that date at the latest. This total is needed for bank appraisal and for Title Insurance.

3. Adjournment at 1:25 PM.

*Minutes as submitted May 31, 2016 pds*