

Minutes-Approved  
Ocean Charter School Board Meeting  
April 7, 2016

**Called to order by Joshua Dome, Chair and convened at 7:06pm.**

Board members present: Joshua Dome, Sue Ingles, Jason Haas, Lori Andrade and November McIlhargey.

Edward Eadon and Mark Galanty were absent. A quorum was present.

Also present was Executive Director Stephanie Edwards, Director Kristy Mack-Fett, Gordon Engstrom of Excellent Education and OCS teachers Katelynn Jaques, Aly Leavitt, D'Arcy Geanakos and Stephanie McGurk.

The board convened to closed session at 7:07pm.

**CLOSED SESSION: Board Members Only**

Pursuant to section 54957 – Public Employee: Discipline/Dismissal/Release

**Closed Session Continued with Board Members and Administration Only**

Also present was Neal Millard.

Pursuant to California Government Code Section 54956.8 – Conference with Real Property Negotiators regarding APN # 4223008003, # 4223008004 # 4221004011 – OCS Negotiators: Stephanie Edwards and Kristy Mack-Fett and OCS Board of Trustees Chairman, Joshua Dome, Counsel, Neal Millard.

November McIlhargey arrived at 7:19pm.

Neal Millard Left the meeting at 8:13pm.

Pursuant to section 54957.6 Conference with Labor Negotiator – Agency designated representatives: Chastin Pierman, Stephanie Edwards and Kristy Mack-Fett.  
Employee Organization: OCTA.

The board reconvened to open session at 8:38pm.

There were no action items to report from closed session.

**Open Forum**

Joshua Dome shared a quote from Rudolf Steiner.

Julia Caulder introduced Steve Andrews, an architect who has consulted with the OCS site committee.

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Steve Andrews spoke about planning for the design of facilities the school would potentially build on its new site.

**ACTION ITEM:** Joshua Dome requested that we schedule a board meeting for Thursday, April 14, 2016 with closed session for Conference with Real Property Negotiators regarding APN # 4223008003, # 4223008004 # 4221004011 and Conference with Labor Negotiators and open session to discuss the 2015-16 budget, and the lease extension with Marina Christian Fellowship Church.

## **Finance**

Gordon provided the March financial statements and check register. He informed the board that we have received confirmation from the state that we will not be able to recoup costs under SB740 for prior years of operation. Although we were encouraged to apply for reimbursement, our application submission did not meet the deadline and was denied.

**MOTION: Sue Ingles moved to accept the February and March 2016 financial statements and check register.** Lori Andrade seconded the motion. Joshua Dome, Lori Andrade, Sue Ingles, Jason Haas and November McIlhargey voted in favor. Motion passed.

Sue Ingles shared the work of the Finance Committee at its most recent meetings. There is a projected short fall for the 2015-16 fiscal year. A prioritized list of potential cuts to the budget was proposed. However, there is still an opportunity that Annual Family Giving pledges will increase over the next several weeks. The board agrees that before any cuts are made to the budget, which could affect programs and/or staff, more time will be allowed to collect pledges to the AFG campaign. If the projected shortfall can be made up with funds raised, cuts may not be necessary.

The board discussed the most significant overage in the 2015-16 budget which is for legal expenses. The Finance Committee asked the board to consider whether reserves could be used to cover this one-time unexpected overage for legal costs. While the board remains open to this possibility, the goal continues to be increasing fundraising, specifically Annual Family Giving. The administration will be communicating with the school community over the next few weeks to encourage giving. The board will discuss this further at the May 2016 board meeting.

The Finance Committee will continue to meet to track the 2015-16 budget as well as to begin reviewing the 2016-17 proposed budget.

## **Site**

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The site task force continues to work with the seller of the identified property. We believe we could be closing on the property in the next 30-90 days.

OCS's augmentation grant application will be reviewed by the LAUSD board at their regularly scheduled meeting on April 12, 2016. Our administrators as well as some teachers will be in attendance to represent OCS at this meeting.

The site task force has identified a most urgent need, which is to establish bridge funding for the site project. This includes the potential for acquiring funding through the sale of state bonds.

**MOTION: Jason Haas moved to approve the resolution of the Board of Trustees of Ocean Charter School authorizing actions in pursuit of financing for public charter school projects and declaring official intent to reimburse certain expenditures from proceeds of indebtedness, with the terms set forth in the attached exhibit (A).** November McIlhargey seconded the motion. Joshua Dome, Lori Andrade, Sue Ingles, Jason Haas and November McIlhargey voted in favor. Motion passed.

### **Board Composition**

Katelynn Jaques engaged the board in a discussion of meaningful ways for OCS teachers to participate in the work of the school, specifically as it relates to the board. Although it is felt by the board collectively that it would be inappropriate to have a teacher fill a voting seat on the board at this time, they are very eager to work more closely with teachers. The possibility of a task force or board committee whose membership is made up of teachers was discussed. Mrs. Jaques agreed to discuss these ideas with teachers at the next OCTA meeting and bring more feedback to the board at a future meeting.

The board also discussed a potential board candidate, Michael Krutz. Mr. Krutz has a background in finance and is currently employed as VP of Finance for Alliance Public Charter Schools. Further discussion of Mr. Krutz as a potential board member will be scheduled at the May 2016 board meeting.

### **Director's Report**

Stephanie Edwards distributed the director's report for April 2016. She shared further details about the plan for a Summer Camp program to be offered by an outside provider at the Mar Vista Campus from June 13-August 5, 2016. The program provider would rent the space from OCS, which would help increase revenue over summer, a time when we are typically not receiving funding.

Ms. Edwards also shared with the board that the WASC review team was able to

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visit our school on March 23, 2016. In addition to visiting classrooms during the school day, the team also attended the faculty meeting and worked directly with our teachers to better understand our program. The feedback from the team has been very positive. We eagerly await their report to the WASC commission.

**Approval of Minutes**

**MOTION: Joshua Dome moved to approve the minutes from the March 3, 2016 and March 16, 2016 board meetings.** Jason Haas seconded the motion. Joshua Dome, Lori Andrade, Sue Ingles, Jason Haas and November McIlhargey voted in favor. Motion passed.

**Setting of Next Agenda**

The next regular board meeting is scheduled to begin at 7pm on May 5, 2016.

Joshua Dome adjourned the meeting at 10:30pm.

# Exhibit A

## RESOLUTION OF THE BOARD OF TRUSTEES OF OCEAN CHARTER SCHOOL

### AUTHORIZING ACTIONS IN PURSUIT OF FINANCING FOR PUBLIC CHARTER SCHOOL PROJECTS AND DECLARING OFFICIAL INTENT TO REIMBURSE CERTAIN EXPENDITURES FROM PROCEEDS OF INDEBTEDNESS

**WHEREAS, OCEAN CHARTER SCHOOL**, a nonprofit public benefit corporation organized and existing under the laws of the State of California (for purposes of this resolution and the Treasury Regulations referenced herein, the "Corporation"), intends to acquire, construct, improve and equip public charter school facilities, as described in Appendix A attached hereto (the "Project");

**WHEREAS**, the Corporation or a limited liability company or nonprofit public benefit corporation in which the Corporation is the sole member (for purposes of this resolution and the Treasury Regulations either entity referenced herein, the "Borrower") expects to pay certain expenditures (the "Reimbursement Expenditures") in connection with the Project prior to the issuance of indebtedness on behalf of the Borrower for the purpose of financing costs associated with the Project on a long-term basis;

**WHEREAS**, the Borrower expects it will be necessary to employ attorneys and consultants and to incur costs and expenses in preparing the proceedings for the issuance of said indebtedness on behalf of the Borrower, and in connection with the acquisition and construction of the Project and the lease thereof to charter school tenants;

**WHEREAS**, the Borrower reasonably expects that debt obligations in an amount not expected to exceed \$23,000,000 will be issued on behalf of the Borrower in order to finance the Project, and that certain of the proceeds of such debt obligations will be used to reimburse the Reimbursement Expenditures; and

**WHEREAS**, Section 1.150-2 of the regulations promulgated by the United States Department of the Treasury (the "Treasury Regulations") requires the Borrower to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing, if such proceeds are to be deemed spent upon the reimbursement allocation, for purposes of federal tax law;

**NOW, THEREFORE**, the Board of Trustees of the Corporation hereby finds, determines, resolves and declares:

Section 1. The Board of Trustees hereby finds and determines that the above recitals are true.

Section 2. For purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations, the Board of Trustees hereby declares its official intent to use proceeds of indebtedness to reimburse the Borrower for Reimbursement

Expenditures. This declaration does not bind the Borrower to make any expenditure, incur any indebtedness, or proceed with the Project.

Section 3. The officers, employees and agents of the Borrower, including the financing team assembled for the purpose, are hereby authorized and directed to prepare proceedings culminating in the authorization, sale and issuance of a series of bonds and the loan of proceeds to the Borrower, and to do any and all things which they may deem necessary or advisable in order to carry out, give effect to, and comply with the terms and intent of this Resolution, provided that this Board shall be presented with and shall approve the financing documents prepared for the purpose.

Section 4. The Corporation hereby authorizes the payment of any expenses incurred in connection with the preparation of proceedings for the issuance of said indebtedness on behalf of the Borrower and the lease of the Project, including legal and financial consulting expenses.

Section 5. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the Board of Trustees of Ocean Charter School this Seventh day of April, 2016, by the following vote:

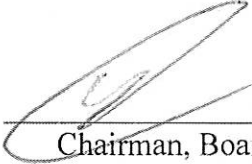
AYES: Jason Haas, Lori Andrade, Sue Ingles, Joshua Dome, November

NOES: MCI Hargrey  
None

ABSTAIN: None

ABSENT: Mark Galanty, Edward Eadon

DATE: 4/7/16

  
Joshua Dome  
Chairman, Board of Trustees

ATTEST:

Lori Andrade  
Secretary

## APPENDIX A

### (Project Description)

Finance the acquisition, construction, expansion, remodeling, renovation, improvement, furnishing and equipping of the charter school educational facilities known as Ocean Charter School to be located at 12870 Panama Street, Los Angeles, CA 90066.