

**SAUSALITO MARIN CITY SCHOOL DISTRICT
BOARD MEETING MINUTES
June 14, 2018**

ATTENDANCE

Board Members Present: Joshua Barrow, Ida Green, Thomas Newmeyer, Debra Turner

Absent: Trustee Caroline Van Alst, Superintendent Will McCoy

Deputy Superintendent Terena Mares of the Marin County Office of Education was in attendance

The meeting was called to order at 6:05 p.m.

Trustee Turner led the pledge of allegiance.

PRESENTATION AND DISCUSSION - Wulff Hansen – Municipal Advisor

Ms. Mares said that the State had awarded the District \$374K for the demolition of the Annex building. Since we borrowed funds, using a Certificate of Participation, to build modular buildings for the lower grades on the Bayside MLK campus, we have satisfied the requirements of that grant and the funds can go into our general funds. The debt service obligation for the Certificate of Participation is \$194K a year over approximately 30 years - this is paid from general funds. Another sum under consideration is the \$1.2 million due to the District from our insurance carrier, to replace the district office building which was located at 33 Buchanan.

Mark Pressman of Wulff Hansen said his firm used all the above numbers to arrive at various scenarios for a possible pay down of the Certificate of Participation or the elimination of budget deficits. He then explained the ramifications of the various options for the District's cash flow as well as debt service savings.

Trustee Turner said that concern for paying down the debt leaves out the facilities and growth needs of Bayside MLK Jr. Academy. She added that she would be reluctant to walk away from the insurance settlement money intended for upgrading facilities.

Trustee Newmeyer said that the current debt service payments are debilitating for the district budget. Our current qualified budget certification lowers our debt rating and forces us to spend more in interest payment and dip into our reserves.

Trustee Turner asked about the guiding principles that led to moving all the students from Bayside to the Marin City campus and incurring the Certificate of Participation debt.

Trustee Newmeyer said that the Board was guided by the superintendent at the time. The intention was to go out for a general obligation bond and repay the Certificate of Participation as soon as possible. We wanted to see a bond which would help us fix both campuses in Sausalito and Marin City, he said.

One of the options outlined by Mr. Pressman would use the total available funds of approximately \$1.5 million to pay the debt service obligation through 2026. Mr. Newmeyer said this option would saddle a future Board in 2027 with yearly payments of \$194K.

Mr. Pressman said that this issue would be resolved if the Board is successful in going out for a general obligation bond.

Trustee Barrow said that it might be advisable to consider these options again once the Board has looked further at a facilities master plan and discussed the upcoming MOU with Willow Creek Academy.

Ms. Mares said that hiring a consultant and completing a new facilities plan will take anywhere between six and 18 months.

Trustee Barrow suggested that putting the \$374K State grant into the District's reserve fund will bring it closer to the desirable 10% reserve threshold rather than the present 5%.

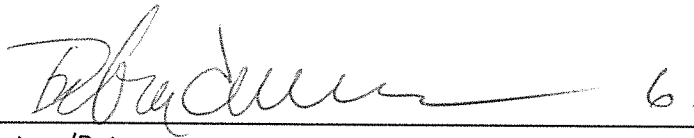
ADJOURNMENT

M/s/c Turner/Green to Adjourn at 7:38 p.m.

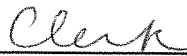
Ayes: Barrow, Green, Newmeyer, Turner

Noes: None

Absent: Van Alst

 6/26/18

Signature/Date



Title