

MINUTES

CALIFORNIA SCHOOL FINANCE AUTHORITY

Held via teleconferencing locations pursuant to
Government Code section 11133

January 26, 2023 – 10:33 a.m.

Public Participation

Call-In Number: (877) 810-9415 – Participant Code: 6535126

OPEN SESSION

Item #1: Roll Call

Members: Patrick Henning, Chief of Staff, designee for Fiona Ma, Treasurer – Present
Juan Mireles, designee for Tony Thurmond, Superintendent of Public Instruction – Present
Chris Ferguson, designee for Joe Stephenshaw, Director of Finance - Present

Staff Present: Katrina Johantgen, Executive Director (Sacramento)
Mita Parikh, Staff Services Manager (Sacramento)
Theodore (Ted) Ballmer, Legal Counsel (Sacramento)
Robert Rodriguez, Office Technician (Sacramento)
Ryan Storey, Program Lead (Sacramento)
Robert Biegler, Program Lead (Los Angeles)

Attendees

Via Microsoft Teams: Dan Lee, Financial Consultant, Pathways to College
Jessica Jimenez, Business Manager, Pathways to College
Craig Merrill, Executive Director, Pathways to College
Richard Hansberger, Attorney, Hansberger & Klein
Dane Fernandes, Partner, Kutak Rock
Rob Nickell, Executive Vice President, HJ Sims
Kaiti Wang, Vice President, HJ Sims
Kyle Ficker, Senior Associate, HJ Sims

Chief of Staff Patrick Henning welcomed those on the phone line to the California School Finance Authority (CSFA or the Authority) Board (Board) meeting. Executive Director, Katrina Johantgen, read the prompt regarding the teleconference line and public participation.

Board Member Chris Ferguson was delayed in arriving, and rather than delay the meeting, Mr. Henning opted to move forward with the existing quorum of Board Members, Juan Mireles and himself, with Mr. Ferguson submitting his votes when he arrived.

Item #2: Approval of the December 15, 2022 Board Minutes (Action Item)

Mr. Henning introduced Item #2: Approval of the December 15, 2022, Board Minutes. Mr. Henning asked if there were any public comments and there were none.

Authority Action

Motion to approve the minutes from the December 15, 2022, meeting. Robert Rodriguez called the roll.

MOTION: Henning SECOND: Mireles

AYES: Henning, Mireles, Ferguson

NOES: NONE

ABSTAIN: NONE

RECUSE: NONE

MOTION APPROVED.

Item #3: Executive Director's Report

Charter School Facility Grant Program: Staff is currently working on getting the initial disbursements out under the 2022/2023 funding round, as well as continuing to close out the 2021/2022 funding round. The Authority has been receiving overpayment checks in recent weeks, which will go back into the program fund. Staff is working with the Department of Finance on projections for the 2023/2024 funding round and anticipate an additional funding of \$30 million for other costs.

Conduit Financing Program: Staff is bringing one financing before the board and anticipate bringing another financing to the board in February. The Authority is actively working to close three approved financing as well as working with auditors on closing out the fiscal year.

Credit Enhancement: The Authority is working with the United States Department of Education on the new Charter Fine program performance agreement, a new grant program which the board recently approved regulations.

Charter School Facility Program: The Authority is anticipating bringing several financial soundness reviews to the February board meeting and throughout the spring.

Charter School Revolving Loan Fund Program: The Authority is continuing to work with the Department of Finance on changes to this program, which has approximately \$23 million for loans to be made under this program.

State Charter School Facilities Incentive Grants Program: Staff is currently working on a closeout report for this program, which is due to the federal government by March 2023.

The Authority is currently in the final stretch of a State Auditor's audit, which will be published on February 14, 2023. The Authority is looking forward to working with stakeholders in the legislature and board members on the findings of that report.

Mr. Henning asked if there were any additional questions from Board Members or from the public. There were none.

Item #6: Resolution No 23-03 – Resolution Authorizing the Issuance of Revenue Bonds In An Amount Not to Exceed \$27,000,000 To Finance and Refinance The Acquisition, Construction, Expansion, Remodeling, Renovation, Improvement, Furnishing And Equipping of Land and Educational Facilities Located in San Bernardino County for Use by Crosswalk: Hesperia Experiential Learning Pathways (Action Item)

Staff Manager Mita Parikh presented an overview of the project and introduced Dan Lee, Financial Consultant at Pathways to College, Jessica Jimenez, Business Manager at Pathways, Craig Merrill, Executive Director at Pathways to College, Richard Hansberger, Attorney, at Hansberger & Klein, Dane Fernandes, Partner at Kutak Rock, Rob Nickell, Executive Vice President at Hj Sims, Kaiti Wang, Vice President at Hj Sims and Kyle Ficker, Senior Associate at Hj Sims.

Craig Merrill presented next and shared information regarding the school’s history, student demographics, staff, and educational philosophy.

Mr. Henning noted that he appreciated Mr. Merrill’s presentation and dedication to education.

Mr. Henning asked if there were any additional questions from Board Members or the public on this item. There were none.

Authority Action

Motion to Approve the Issuance of Revenue Bonds in An Amount Not to Exceed \$27,000,000 To Finance And Refinance The Acquisition, Construction, Expansion, Remodeling, Renovation, Improvement, Furnishing And Equipping Of Land And Educational Facilities Located In San Bernardino County For Use By Crosswalk: Hesperia Experiential Learning Pathways.

Robert Rodriguez called the roll.

MOTION: Mireles SECOND: Henning

AYES: Mireles, Henning, Ferguson

NOES: NONE

ABSTAIN: NONE

MOTION APPROVED

Item #7: Resolution No. 23-04 – Approval of The Charter Access to Bank Loan Enhancement Program (Charter ABLE) (CFDA #84.354A) Award in An Amount Not to Exceed \$2,000,000 To Pathways to College Properties, LLC, On Behalf of Pathways to College K8 (Action Item)

Executive Director Katrina Johantgen presented and introduced Rob Nickell, Executive Vice President at HJ Sims.

Rob Nickell presented next and spoke about the significant benefit that this program provides the school, adding that it would save the school approximately \$167,000 per year in debt service, amounting to \$6 million over time.

Mr. Henning asked if there were any additional questions from Board Members or the public on this item. There were none.

Authority Action

Motion to Approve The Charter Access to Bank Loan Enhancement Program (Charter ABLE) (CFDA #84.354A) Award in An Amount Not to Exceed \$2,000,000 To Pathways to College Properties, LLC, On Behalf of Pathways to College K8.

Robert Rodriguez called the roll.

MOTION: Henning SECOND: Mireles

AYES: Mireles, Ferguson, Henning

NOES: NONE

ABSTAIN: NONE

MOTION APPROVED

Mr. Henning requested for the votes to be taken for Board Member Chris Ferguson, which have been reflected accordingly.

Item #8: As authorized by Government Code Section 11126.2, the Board will meet in closed session to confer with, and receive advice from, its legal counsel to discuss audit findings and responses. (Information Item)

Minutes for this closed-session item are stored confidentially by the Authority.

Item #9: Public Comments

Mr. Henning asked if there were any additional questions from the public on items not on the agenda.

Item #10: Adjournment

The Board adjourned the meeting at 11:28 a.m.