



DATE: December 13, 2023

TO: Board of Education

FROM: Mrs. Kerstin Kramer, Superintendent Chief Learning Officer

SUBJECT: Annual Meeting of the Tahoe Truckee Unified School District Financing Corporation

PRESENTED BY: Todd Rivera, Assistant Superintendent Chief Business Officer

ACTION REQUESTED

- 1) Recess the regular board meeting.
- 2) Call the TTUSD Financing Corporation to order.
- 3) Follow the Corporation meeting agenda including approving the meeting minutes from December 14, 2022, and selecting new officers (Current Board President will be President of Corporation, current Clerk will be Treasurer/Secretary). Select Vice-President of the corporation from remaining TTUSD board members.
- 4) Adjourn the Financing Corporation. Reconvene the regular TTUSD meeting.

BACKGROUND INFORMATION

A school district has only a few options available to finance new facilities and capital projects. One of these financing options is to issue Certificates of Participations (COPs). COPs are lease backed securities sold to investors. COPs are used by public entities as a method of leveraging its existing assets to create funding for new capital projects. However, a school district or public entity cannot issue these securities itself; rather, it requires a third party to act as the Lessor/Trustee. Essentially the District turns over ownership of a facility to the Lessor who in turn leases the facility back to the District under a lease agreement. The Lessor then issues securities to investors based on the promise of lease payments to be made by the District. The proceeds from these securities are used by the District to fund new projects. For this purpose, the District formed The Tahoe Truckee Unified School District Financing Corporation (“Financing Corporation”) to act as the “third party”. The Financing Corporation is a nonprofit, public benefit corporation formed with the sole purpose of providing financial assistance to TTUSD by acquiring, constructing, remodeling, rehabilitating, equipping, improving, and financing various public facilities, land and equipment, and by leasing certain facilities, land and equipment for the use, benefit, and enjoyment of the public. The Financing Corporation has done this by issuing COPs on several occasions going back to 1991 for District projects. The Financing Corporation is a separate entity from the District with its own Board of Directors. As stated in the bylaws, the

Board of Directors shall be the same as the Board of Trustees for TTUSD. Also, per the organizational bylaws, the Financing Corporation is required to have an annual meeting of its Board for the purpose of organization, selection of officers, and the transaction of other business. Specifically, these meetings are used to approve the prior year's meeting minutes, discuss the status of projects funded through proceeds made available by the Financing Corporation, and to appoint new officers. The President and Treasurer/Secretary of the Financing Corporation are represented by the President and Clerk of the Board of Trustees of TTUSD. The Vice-President of the Financing Corporation shall be elected annually. This meeting is to be held separate from the regularly scheduled Tahoe Truckee Unified School District Board Meeting.

RESOURCES REQUIRED: N/A

PREPARED BY: Laura Rowe, Administrative Assistant for Todd Rivera, Assistant Superintendent Chief Business Officer

Attachments: Agenda, Project Status, Public Notice, Prior Meeting Minutes, Bylaws