

Board of Trustees Meeting

Location: New Dawn Charter High School
242 Hoyt Street
Brooklyn, NY 11217
Date: Tuesday, July 24, 2018
Time: 1:30 p.m.

Present: Mr. Ronald Tabano, Mr. Les Winter, Ms. Jane Sun, Ms. Darlene Anderson

Absent: Dr. Phil Weitzman,

Staff Members/ Visitors Present: Dr. Asmussen, Dr. Lisa DiGaudio, Ms. Amanda Morton, Mr. Jose Obregon, Ms. Rasheeda Jackson, Mr. Digant Bahl from Accounting Solutions, Ziegler Team from B.C. Zeigler and Company, Architect Team from Gerner Kronick and Valcacer Architects, DPC.

Mr. Tabano called the meeting to order at 1:30 pm.

I. Resolution: Minutes for June 2018 minutes

Mr. Winter requested that a change be made in the minutes regarding the need for a five-year budget rather than a 10-year budget.

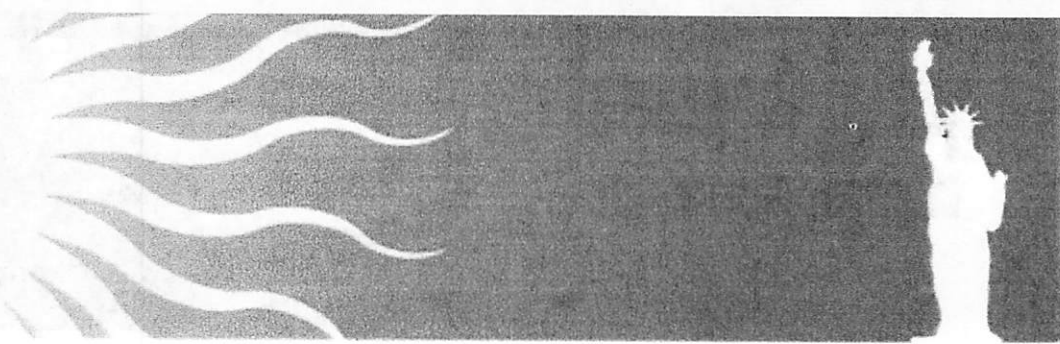
Motion: Mr. Tabano motioned to approve the June 2018 minutes with the discussed changes.

Motion Seconded: Ms. Jane Sun

Board Vote: Unanimous

II. Update on New Board Members

Dr. Asmussen stated that she reached out to several candidates recommended by Board members as well as others. She discussed the potential Board members who had expressed an interest. Mr. Ron Tabano indicated that the board should continue to actively seek out qualified potential board members that are willing to participate regularly in monthly meetings and that are able to bring the necessary expertise to the board as required. Dr. Asmussen also mentioned that she asked Jose Obregon to seek out vendors who are able to set up a video teleconferencing center, meeting all NYSED education requirements for off-site Board member participation.



III. Bonding Update –Ziegler

The Ziegler team reported that market interest rates are still very good and the timing of events on the 10-year treasury chart, provided to the board for review, indicates that we are still in a very good rate environment. Further, the bond market clearly indicates that there are record inflows into Municipal Bond Funds. Subsequently, there is a high demand on tax-exempt bonds. From a borrower's perspective (New Dawn Charter High School), fund inflow means that the bonds have the cash that they need to put them to work. From an investor's perspective, this may translate into investors being more aggressive in terms of pricing and/or Covenants. Ziegler explained that all of these market trends are positive indicators for the school and investors. Ziegler further explained that short term rates are going up and the cost to a charter school to buy a bond is very low. Given these market factors, Ziegler highly encourages New Dawn to take advantage of the market conditions now. Ziegler cautioned the board that while the bond market is currently favorable for borrowers (low interest rates) it is expected that rates will rise. Ziegler reminded the board that the timing of New Dawn's bond issue is tied to the project timetable. The goal is to be ready to go to market as soon as the project is ready.

Ziegler informed the board that the S&P due diligence meeting was completed on May 7, 2018 and that the S&P rating is expected to be issued in August or September 2018. There are no concerns with the exception that there are concerns about New Dawn's size and the transfer school program which is not widely understood. Aside from those concerns, there was nothing significant that would undermine the issuance of a good bond rating, especially since the school demonstrates sound fiscal management and notable cash assets. Notwithstanding these items, Ziegler indicated that the S&P Group wants to see what cash flow looks like in the school. Dr. Asmussen indicated that she will provide a cash flow report.

Ziegler further reminded the board that Build NYC approved the issuance of tax-exempt bonds on June 12, 2018 and that attorneys are working through final contract documents. Still pending is Mayor DiBlasio's signature prior to the final offering document issuance. Mr. Winter asked if bond rating will affect interest rates if the bond rating goes down in the future. Ziegler replied that interest rates will not be affected even if bond rating drops. Ziegler recommended to the board that a 30 year bond is best since it will preclude interest from going up. Ziegler also stated that it gave NYC a 19M Bond sizing which will provide the cushion needed to structure the loan accordingly. The expectation is that the bond will price at premium. Ziegler also confirmed that it is aware that IDB is completed with the under-writing for the bridge loan and is ready to issue.

Zeigler emphasized the importance for the school to obtain a guaranteed price or fixed price construction contract. This will protect New Dawn and investors by ensuring that the project will not go over budget. Subsequently, a brief discussion on the differences between a General Contractor and a Construction Manager ensued. Important is the obtainment of a performance bond by the selected contractor. This provides protection and assurance to both investors and New Dawn that the contractor will do due diligence during the project.

The importance of plan approval by NYC is also important to protect investors and New Dawn against the possibility of new costs due to changes required for approval. Ziegler also issued a Bond Financing calendar indicating key events and target dates such as final architect drawing submission dates to NYC, Bond Offering and documents finalization, pricing, and closing dates.

Finally, Ziegler emphasized the importance of getting a contractor selected sooner than later to include an approved builder's plan. This will drive funding timetables. Contingent upon this, Ziegler remains ready to close as soon as the project is ready to go.

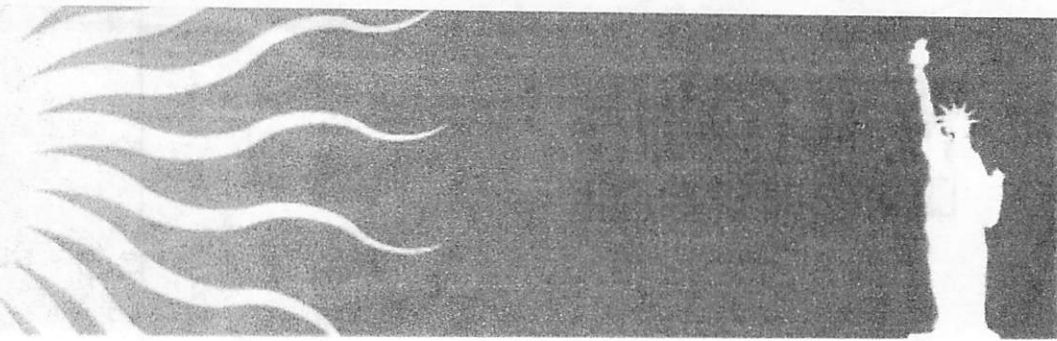
IV. Facilities Report – GVK Architects

The architectural team distributed the current architectural drawings to the board members for their review and comments. The board reviewed the plans, saw no significant issues, and called for no changes to the drawings. The Architectural team informed the board that it reached out to six potential contractors and five responded. The five companies that responded included Icon Interiors, Inc., Integrity Contracting, Inc., Clune Construction Company, Benchmark Builders, Inc., and Taurino Management, Inc. The architectural team reported that they assessed all bidders to be reputable and capable of handling the renovation project. They further recommended that contractor interviews should be conducted in one day and offered the Architect office space in Manhattan for the interviews. The date proposed for the interviews is Tuesday, August 7, 2018 beginning at 9:00 A.M. The board agreed that the date, place, and time for the contractor interviews was acceptable.

Dr. Asmussen reminded the board that she is still seeking an owner's representative for the construction project and is still speaking with potential candidates. She further stated that she will keep board members informed about such.

V. Finances

a. Monthly Financials.



Mr. Digant Bahl from Accounting Solutions reported that the school has approximately 9.2 M in cash and approximately \$340,000 in fixed assets. There is approximately 145K in liabilities that are mostly in accounts payable. In short, the school remains in a good financial position as of this report.

b. Audit Status.

Mr. Digant Bahl also informed the board that the yearly financial audit is underway and that it is broken down into two phases: 1. the review of financial compliance and 2. field work which will begin in August 2018. Subsequently, Mr. Digant Bahl spoke to the board about the 10-year budget projection. In the school's 10-year budget projection, Mr. Bahl indicated that a conservative per pupil rate was used to calculate future revenue. Dr. Asmussen commented that in addition to the conservative per pupil rate used in the budget projection, she is projecting that enrollment will increase in the school once construction is complete. With these two items factored, Dr. Asmussen and Mr. Digant Bahl agreed that the school should be in very good financial standing in the coming years.

c. Resolution: 2018-2019 Budget

Mr. Digant Bahl presented the 2018-2019 budget to the board for their review and comments. After board review, there were no objections to the 2018-2019 budget.

Motion: Mr. Tabano motioned that the board approve the monthly Financial Report and the 2018-2019 Budget

Motion Seconded: Mr. Les Winter

Board Vote: Unanimous

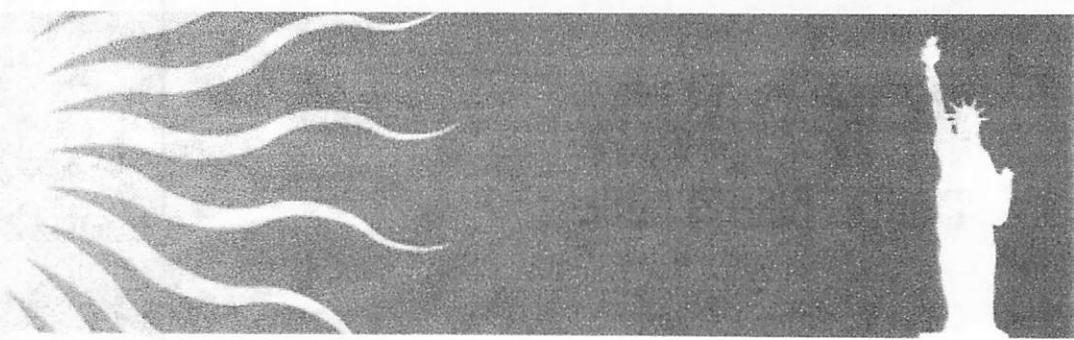
VI. School Updates

a. Recruitment Plan.

Dr. Asmussen submitted a copy of the student recruitment plan to the board members for their review. Comments to the plan will be discussed at the next board meeting.

b. Summer School.

Dr. Lisa DiGaudio reported that there are over 120 students enrolled in summer school. She further indicated that attendance is very good and she believes that it is due to a non-negotiable rules which have been implemented. Mr. Les Winter asked if the school gets reimbursed for having summer session and Dr. DiGaudio informed him that it does not.



Mr. Tabano interjected that only DOE schools get reimbursed during summer sessions. Dr. DiGaudio also commented that student orientation is scheduled for August and that she is striving to make 70% the benchmark for college readiness.

c. Update on Leadership PD.

ESSA was discussed and its implications for New Dawn. There was a discussion on engagement and feedback between students and teachers. Additionally, institutionalizing rubrics was discussed so students can more easily identify with standards and expectations.

d. Staffing Changes.

Dr. Asmussen informed the board of the following staff changes: Jaren Fournier will be assigned Perf Plus maintenance responsibilities and other duties. Mike Wolf will be the new outreach and engagement coordinator and he will be conducting home visits and focusing on 9th grade students. The new counselor leader will be Mr. Sanman Thapia. Ms. Sade Johnson will be the new counselor. New Dawn will move forward to hire two (2) new Internship Coordinators. Ms. Jahdiya Semper has left the organization. Ms. Donna Lobato will be the new Director of Support Services. Ms. Eleni Saloni will be moving from teaching History to ELA. Ms. Falicia Eddy will be teaching history. A new writing teacher is scheduled to come on board in September. Mr. Scott Mimnaugh has left the school. Mr. Zach Flory will be the new Dean of School. New dawn continues to look for a new Science teacher.

VII. New Business

Interviewing Construction Managers was previously discussed during the Architect's presentation. Therefore, the August Board meeting will be held on August 7, 2018, at 9 a.m., at 675 Third Avenue in Manhattan. The main business of the meeting is to interview construction managers.

VIII. Adjournment

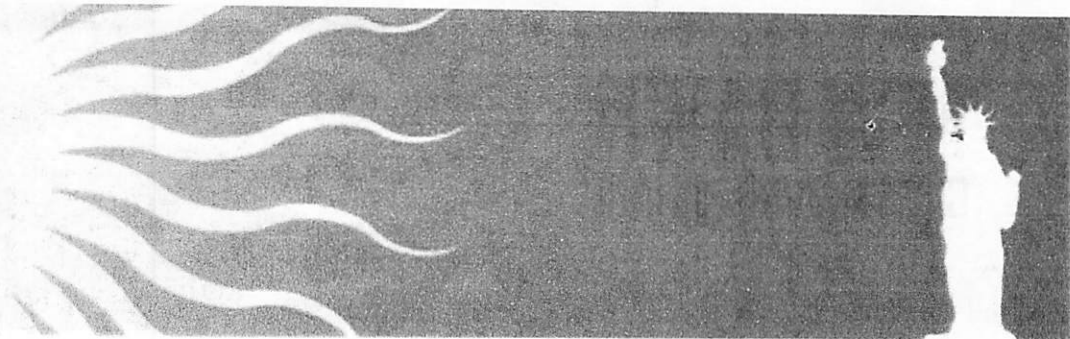
Motion: Mr. Tabano moved to adjourn the meeting at 3:35 P.M.

Motion Seconded: Mr. Les Winter seconded the motion.

Vote: The board unanimous voted to adjourn the meeting.

The meeting was adjourned at 3:35 P.M. and entered into Executive Session

The meeting was called back to order at 3:41.



Motion: Mr. Tabano motioned that all staff be awarded a 2% raise.

Motion Seconded: Ms. Jane Sun seconded the motion.

Vote: Unanimous

Meeting was adjourned at 3:43.

The next meeting will be held at the offices of GKV Architects, 675 Third Avenue, Fl 16,
NYC. NY 10017
212-679-6362

There will be a live feed to New Dawn.