

Honey Creek Community School
Minutes of October 17, 2012 Special Board Meeting
Call to Order: 5:28p.m. by Board President Brian Hockley

Board Members Present: Brian Hockley (left at 6:25p.m.), Linda Knox, Kelly Krawcke, John Lonsway, Nina Nabors, Lisa Wozniak.

Staff and Community Members Present: Al Waters, Shellee Almquist, Karen Giltrow, Joe Griffith, Cindy Wauer, Jon Baek, Bill VanLoo, Alex Foulis, Tammy Hall, Mary Bassett, Elizabeth Scott, Barbara Naess, Salli Kropp.

Board Discussion with Joe Urban of Clark Hill PLC

Attorney Joe Urban began the discussion of for profit and nonprofit. Honey Creek is a 501(C)3 non-profit and as a charter school has certain freedoms different from public schools, however the budget is not free from MPSERS escalating costs. MPSERS costs are 27% and the system is currently underfunded. Choices can include; continuing to pay higher healthcare and benefit rates, decide to opt out of MPSERS and have a 3rd party employer (management company) govern funds. A for profit company would take approximately 15-18% cut, get taxed on money coming in to the corporation or out of the corporation. They would also have control over staff and the board would have control of budget approval.

Joe Urban recommended someone local look at the audit and see how much you can afford to determine if the costs still meet the needs of the school when determining profit or non-profit.

A discussion followed. Al Waters noted the next steps will include:

- 1) a board discussion on options and exploring of profit vs. non-profit
- 2) explore all costs and opportunities to provide staff with 401K, healthcare
- 3) gathering all information (pros and cons) to present to staff.

Adjournment: Lisa Wozniak moved to adjourn the meeting at 6:45p.m.