

**Pine Lake Preparatory
Board of Directors
Meeting Minutes**

Meeting Date: May 4, 2010

Location: PLP Upper School

Directors Present: Anne McIntosh, John Moloney, Bill Neal, Chris Perri, Evelyn Gerdes, Antoinette Ellison

Directors Absent: Cara Cassell Jones

Administrative Team: Kate Alice Dunaway, Kari Jolly, Amy Sevic, Jennifer Gnann, Chris Scholl, Gloria Miller

Guest: See attached list

- Meeting called to order at 6:15 p.m. by John Moloney.
- Kate Alice opens the meeting with updates on our negotiations with Mooresville Parks and Recreation. PLP is on the agenda for the upcoming Parks and Recreation board meeting regarding a potential shared use agreement that would benefit \$500,000 toward the construction of the ACC. Feedback at this time is very favorable. A Memorandum of Understanding is currently under development. The availability of funds remains to be determined; planning at this stage is preliminary.
- Kate Alice updates on the status of the recent case law in the Sugar Creek Charter School litigation. PLP received a letter last week from ISS outlining the amount that PLP is owed by ISS for years one and two (approximately \$181,000); the amount for 2009-2010 remains to be determined. PLP is also owed money from CMS, although that figure has yet to be determined; we have not received correspondence from CMS to date. We anticipate that Mooresville Grade School District will owe PLP as well; conversations with MGSD will be initiated after concluding the discussions with ISS and CMS.
- Kate Alice updates on conversations with John Woods (Peoples Bank). Mr. Woods remains committed to helping PLP achieve its financing goals and plans to have information available at the next general board meeting. We continue to focus on financing for 2 new buildings – the ACC and the Fine Arts Pavilion. The estimated cost for construction of both buildings is \$5 million. Discussion ensues.
- Discussion moves to the long term financial plan for PLP.
- Brief discussion of the addition of modulars to the campus ensues (pros and cons).
- Discussion moves to salary planning for Academic Partners.
- Bill Neal departs the meeting @ 7:00 p.m. Quorum remains.
- Discussion continues regarding the debt service of the long term financing plan, should we add the two buildings.
- Discussion regarding the time available to make this decision ensues. The results of the negotiations with the Town of Mooresville will play a large part in that time line along with the DPI requirement that PLP report the planned enrollment for 2010-2011 in November 2010.
- The pros and cons of across-the-board salary cuts are discussed. Kate Alice asserts that payroll cuts should be the last resort and opines that the families that enroll their children at PLP do so in large part because of the Academic Partners.
- Anne questions the future ownership of the campus by Beacon Partners and speculates on the motivation of a “new” property to negotiate with PLP in the event we miss our option to purchase the campus while Beacon is still the owners. Chris Perri asserts that as long as Beacon is the owner of the property he foresees their willingness to negotiate with PLP beyond the expiration of the option to purchase. Of course he cannot foresee what another owner may or may not do. Nor is it feasible for Beacon to obligate itself to PLP beyond that which is stated in the lease agreement.
- The need to continue to move hard on the bond financing option with Wells Fargo and potentially Bank of America. Kate Alice will continue to drive these efforts unless the Board wishes to appoint a designated representative to do so. The consensus is that Kate Alice will continue with her efforts.

- Mrs. Sykes-Gomez suggests that the advice of an experienced financier may be helpful in laying out alternate scenarios for the long term planning. Mr. Gomez may be available should the board wish to take advantage of his expertise.
- Kate Alice questions who from the board can represent the school at the Mooresville Parks and Rec department board meeting. Kate Alice suggests that she, Amy Sevic and Kevin Shannon can certainly represent the school effectively. Discussion continues on the benefit of having members of the parent community present at that meeting.
- Open meeting adjourned at 7:40 p.m.
- Evelyn makes the motion to move to closed session for the purpose of discussing matter of discussing student confidentiality; Chris seconds; unanimous approval. Motion carried and the board moves to closed session at 7:43 p.m.