

SOUTH SHORE EDUCATIONAL COLLABORATIVE
75 Abington Street, Hingham, MA 02043

BOARD MEETING MINUTES
Friday, December 9, 2016

Present: Cohasset Louise Demas
Hingham Dorothy Galo, Ph.D.
Hull Kathleen Tyrell, Ed.D.
Marshfield Jeffrey Granatino
Norwell Matthew Keegan
Randolph Thomas Anderson
Scituate John McCarthy

SSEC Henry W. Perrin, Ed.D., Executive Director
Richard Reino, Business Administrator

Guest: Paulajo Gaines, Collaborative Coordinator, Office of Regional
Governance, Department of Elementary and Secondary Education

Michael Nelligan, Powers & Sullivan

Rosalie O’Connell, Executive Director, CHARMS Collaborative
Marc Richard, Consultant, CHARMS Collaborative

1. Approval of minutes from the Friday, September 30, 2016 meeting. A motion to accept the minutes was made by Dr. Tyrell and seconded by Mr. Anderson, unanimously approved with Dr. Galo abstaining as she was not present for the meeting.
2. Acceptance of the financial summary and budget update. The business administrator reviewed the summary, noting that the SSEC credit line is back to zero. Student numbers are a little higher than budgeted for so far this year. The SSEC received the security deposit from the landlords at 40 Pond Park Road. Dr. Galo mentioned the importance of updating actuarial assumptions on a regular basis. Mr. Granatino asked for the SSEC OPEB amount and it is currently a bit under \$15,000. A motion to accept the financial summary and budget update was made by Dr. Tyrell and seconded by Mr. Granatino; unanimously approved.
3. DESE financial review; the Department of Elementary and Secondary Education sent a letter dated November 23rd which summarized the results of the compliance and fiscal review performed by Edward Sylvanowicz, Supervising Auditor, and Priya Kabare, Senior Auditor, from November 7th through November 14th, 2016. Included were some fiscal observations and recommendations regarding policies and procedures. The SSEC is encouraged to submit comments before the final summary is issued. The final report may be available by the next board meeting in January. Overall, the results of the review were positive.

4. Acceptance of the independent financial audit report. Mike Nelligan, Powers & Sullivan, presented the financial audit report in draft form for the board to review. The audit went smoothly; it was noted, however, that the collaborative had a challenging year financially. Changes made to the FY 17 budget should help reduce any budget deficit. A deficit in the general fund is concerning since there are no reserves built up. Reserves in the general fund would be helpful. Dr. Tyrell asked what percentage of the budget would be good to have in a reserve fund; Mr. Nelligan suggested a reserve of around 4 or 5%, or \$500,000 would be helpful. Mr. Nelligan also suggested working toward a reserve fund before making additional contributions to OPEB. Ms. Demas arrived at the meeting at this time. A motion to accept the financial audit report was made by Dr. Tyrell, and seconded by Dr. Galo; unanimously approved.

5. Review and acceptance of the annual report. The tuition comparison with private schools is significant. The Boston University licensure program for principals, administrators of special education, and superintendents is running its third cohort. SSEC is noticing savings with Randolph Public Schools and Hull Public Schools providing classrooms space. A motion to accept the FY 16 annual report was made by Mr. Granatino and seconded by Dr. Galo; unanimously approved.

6. Strategic plan update. A draft of the 2017-2022 strategic plan was distributed to board members. The strategic planning committee met in August of this year. Mr. McCarthy participated along with Suzan Theodorou from Norwell Public Schools. Surveys were sent to colleagues, staff and parents, and the committee narrowed down the following five areas to concentrate on; sustainability, data collection, program development, organizational operations, and benefits. A draft will be sent to participants for their review. Dr. Galo thought the short term goals were appropriate. The business administrator asked if any member district is considering changing the health insurance percentage share. A few districts are at 50/50, which is where the SSEC is. A few districts have left Mayflower Municipal Health Group. Another district plans on staying one more year. Some have transitioned to GIC. However, GIC doesn't offer Blue Cross Blue Shield coverage which many people select. Lot of consternation surrounded the change in one district, although the budget savings are significant.

7. Update on the status of CHARMS Collaborative. The SSEC executive director heard recently that CHARMS may be dissolving at the end of FY 17. Ms. O'Connell, CHARMS executive director, confirmed that her board voted to dissolve their collaborative agreement at the end of FY 17. Dr. Perrin and Ms. O'Connell have visited each other's programs, and legal counsel for both collaboratives has been consulted. The CHARMS staff is positive and shows respect for the executive director. There are no layoffs planned, but if referrals do not come in, or students leave the programs, the staffing needs would be reviewed. A transition to SSEC would give students, parents and staff some stability for at least another year. The DESE representative has been at board meetings for both CHARMS and SSEC, and feels confident about blending the collaboratives. CHARMS has a stable budget; they anticipate finishing the year cleanly, and should be able to fund closing costs as they arise. There are financial considerations involved (health insurance, possible layoff costs, tuition differentials), which will be examined. A suggestion was made to have an outside person examine the financial components of a merge. The questions were raised as to how a merge will look if SSEC moves forward, and whether or

not the SSEC board is open to the idea? There is no downside to exploring it further. The suggestion was made to have legal counsel present for the next board meeting. A motion in support of the executive director continuing to moving forward exploring a merge with CHARMS was made by Dr. Galo and seconded by Mr. Keegan; unanimously approved.

8. Milton Public Schools - SSEC member district. SSEC has received all but 3 approval letters from current member district school committees. As long as all the approvals are in by April 30th, 2017, Milton could join SSEC as of July 1, 2017. This item will be revisited at an upcoming board meeting. Dr. Tyrell left the meeting at this time.

9. Health Insurance Information Committee update. At a recent MMHG meeting it was recommended that the legacy plans be eliminated and that recommendation was rejected. All plans currently in place will be kept for FY 18. There may be rate increases in the legacy plans. A change in retiree health insurance plans is that Medex 2 will be offered instead of Medex 3. One difference in the plans is that there is no coverage for lifestyle drugs. The business administrator attended a MMHG meeting last week and was told to budget for an 11% rate increase for FY 18.

10. In other items; the SSEC treasurer needs to be reappointed. The executive director and the board chair met with the treasurer and reviewed his favorable evaluation. SSEC would like him to stay on for another year. A vote to reappoint the treasurer will be added to the next agenda. Mr. Keegan and Dr. Perrin sit on the Southeast Collaborative Regional Organization (SCRO) board. There is a behavioral health symposium coming up on December 15th and 16th. It is anticipated that 400 people are attending. Some of the funds that the symposium raises may be used to keep the Virtual Learning Academy going.

A motion to adjourn was made by Mr. Granatino and seconded by Dr. Galo; unanimously approved. The meeting adjourned at 9:45 a.m.