

Charms Board Meeting

May 18, 2016

2:30pm

Open Session

Members Present: Mr. Farmer (Sharon), Mr. Zinni (Avon), Dr. Lally (Holbrook), Ms. Henderson (Canton), Dr. Rizzi (Stoughton)

Members Absent: Mrs. Gormley (Milton)

Also Present: Rosalie O'Connell (Executive Director), Cari-Ann Dufresne (Charms teacher, taking meeting minutes), Paulajo Gaines (DESE Representative), Andrew Paquette (TMSolutions, Business Management), and Mr. Parker Elmore (via phone conference)

Board meeting commenced at 2:33. Cari-Ann Dufresne was introduced to members

2:34 Mr. Elmore contact via phone to discuss **Actuarial** Report about retiring/medical benefits. Due to Charms being open for so long they have more retirees than most other collaboratives. These are accruing benefits. The figures range in the area of \$2 million but could also go as high as \$3.1 million that could potentially be needed in the future.

Mr. Zinni thanked Mr. Elmore for the information and posed some questions for him including

- What do other collaboratives do with their retired employees?
- Does Charms have enough money set aside to cover these expenses?
- If Charms dissolves what is liability for the member districts?

Mr. Elmore asked how would they invest the money if the collaborative closes because they would not have any revenue coming in. They would need to determine who is eligible and how much money each individual person is entitled to.

Ms. Henderson: Is there a legal obligation to pay out future retirees?

Mr. Elmore: I don't have the answer. What has been communicated to employees?

Dr. Rizzi: Section 32

Ms. Henderson to Ms. O'Connell: Is there any specific information about retirement to current employees? Ms. O'Connell stated that there is no wording on current contracts about retirement.

Dr. Rizzi asked Mr. Elmore: What would happen if funds were not there for the retirees? Mr. Elmore stated that he is not a lawyer and could not give legal advice.

Mr. Zinni wanted to know what the payout would be if Charms dissolved?

Mr. Farmer asked how much money is needed for retirees and how do we pool it. Mr. Elmore answered that there needs to be a formation of the \$800,000.

Mr. Zinni feels the key point is to pool money and set it aside for retirees who are eligible for funds.

Mr. Farmer asked for clarification as to how long retiree benefits were for? No affirmative answer was given as no one knew.

3:01 – Parker Elmore’s phone call ended.

Mr. Farmer inquired how the collaborative would finance \$1.3 million dollars needed for a payout. He also wanted asked how many retirees are eligible for services. The Board was referred to page 21 of the report for the information about ages for potential retirees who have reached majority age.

Ms. Henderson asked if retirees are Medicaid eligible could they be using Charms as supplemental income. Dr. Rizzi would like to know what the legal obligation the board has to the retirees.

Ms. Gaines read the terms of the dissolution as Mr. Farmer asked about the current talks to dissolve. Holbrook has already started the process and Stoughton indicated that they will. Ms. Henderson wanted clarification about Milton’s role in the 2/3 vote for dissolution. She was told that Milton would have to take part in the voting process.

Stoughton told the board that their next School Committee they are having is 6/21. Avon has one on 6/13. Mr. Zinni would like to have a meeting with the attorney to have written clarification about the legal obligation for retirees. A new meeting date for 5/25 at 1 pm was agreed upon. Mr. Zinni said that he would get in touch with the Charms attorney about the board’s questions.

3:35pm- Charms staff invited in for meeting

Charms staff was invited to the board meeting to discuss the future of Charms. Mr. Zinni discussed how great the programming is at Charms and the dedication of the staff, but looking ahead the board was finding it difficult to sustain costs with the low enrollment. There is no final decision about the future of Charms but will be open through June 2017. He assured staff that the students would be well cared for and during the 2016-2017 school year it will be “business as usual”. Dr. Rizzi talked about the potential of another collaborative possibly coming in and assuming Charms. Mr. Farmer advised staff to look at the Collaborative Agreement to find out what the process should look like to keep the board on the “straight and narrow”. Staff was allowed to ask questions and voice concerns. Most questions were about making sure the students would have a smooth transition in the event of a closure. Question about current finances was asked. Dr. Rizzi indicated that Charms had a deficit.

4:14pm- Proposed FY 17 Budget

Mrs. O’Connell provided board members with 3 different versions of a balanced budget which did not include the surplus. Dr. Rizzi wanted to know the cuts made to this budget as opposed to others presented. Mrs. O’Connell referred the board to the color coded pages which shows cuts in the

administrative section, office supplies. She also referred to the Instructional level (blue coded area) which has \$27,000 in cuts as we are contracting through Easter Seals for both PT and OT services. Mr. Farmer asked about the increase in the vocational program and Mrs. O'Connell was able to show that the Vocational Program is growing, especially with the hybrid program with the Alternative Education program. Mrs. O'Connell provided the board with the FY17 project roster. One main goal of the Voc program is to have students out in the community and on jobs so a .5 teacher will be hired along with a job coach. Mr. Farmer questioned why there would be an increase of staff and Mrs. O'Connell stated that the numbers were based on active students and she currently has 5 perspective referrals for the programs. Dr. Rizzi asked Mrs. O'Connell if all 3 proposed plans were balanced and she assured them that they were. Dr. Rizzi asked Mr. Paquette if these plans were verified by him and he said that they were and they were balanced.

Mr. Farmer motioned to make the 2nd proposal the agreed budget. Dr. Rizzi 2nd the motion. Mr. Zinni wanted to know why Mr. Farmer liked the 2nd proposal best. He told him that the first proposal did not leave enough "wobble room" with a surplus of \$57 and he felt that the increase for the members/non-members tuition in the 3rd proposal was too much.

Vote for 2nd proposal- all voted to accept the FY17 budget.

Mrs. O'Connell presented to the board the staff she would like to hire for the 2016-2017 school year. Dr. Rizzi motioned to accept the proposal with Dr. Lally 2nd. All voted in favor of proposed staff list.

Mr. Farmer felt that transparency is important and that parents should be able to know about the future of Charms. Mr. Zinni said that it could go on the agenda for next meeting on how parents can have the information and what meeting they could attend to have their voices heard. Mr. Zinni said agenda items for 5/25 will be:

1. The attorney- Mr. Zinni will contact the lawyer himself.
2. Letter to parents- Mrs. O'Connell will draft the letter
3. Mr. Paquette will get more specific information about retirees
4. The potential for other collaboratives to be a part of discussions in the event of a closure.
5. FY 16 Budget Update

There were no items for Executive Session.