**CHARMS Collaborative**

**Open Session Meeting Minutes, December 7, 2017**

**Members Present:** Mr. Zinni (Avon), Dr. Lally (Holbrook), Mr. Farmer (Sharon), Dr. Rizzi (Stoughton), Dr. Fischer-Mueller (Canton)

**Also Present:** Rosalie O’Connell (Executive Director), Marc Richard (Business Manager), David Lockwood (Business Manager), Gretchen Conlon (Charms Administrative Assistant), Paulajo Gaines (DESE Representative), Deb Bromfield (SPED Director Canton), Barry Necktow (Business Manager Canton), Beth DeSousa (Audit Team), Sharon Blaise-Jowski (Audit Team), Hank Perrin (SSEC), Rick Reino (SSEC), Sarah Catignani (Attorney)

**Introductions were made**

**Open Session**

* **Audit FY16 Review**
	+ Management’s discussion and analysis
		- Audit draft report was presented to the board
		- Prior auditors recorded liability for OPEB. There is no obligation to pay into OPEB. Actuarial Study done in spring 2016 did not need to be done.
		- Mr. Richard brought up question on who will be responsible for the audit after the close of June 30, 2017
			* Ms. Gaines stated that Member Districts will be responsible for the Audit, Financials, and File Retention after June 30, 2017
	+ Amendments were discussed and Audit team left to make those amendments to the report so that a vote to approve can take place during this meeting
* **FY17 Budget Overview**
	+ Mr. Richard presented the budget overview
	+ Revenue
		- Lost one student totaling $40,500
		- After reviewing lease for YMCA, May-April lease was off by $125
			* Total loss of revenue equaling $40,625
		- Mr. Farmer asked if there were any ways to reduce spending to compensate for the loss?
		- Mrs. O’Connell indicated that there are still 8 students in that program plus 2 new students added. The student who left would have had a 1 to 1 educational assistant.
		- Mrs. O’Connell stated that there are several districts with referrals waiting on confirmation of the program
		- Mr. Zinni suggested we watch the budget and make a decision closer to the end of the year to cover the deficit
	+ Motion to approve the budget and accept the line item transfer of Nurse Salary to Nurse Sub Salary of $50,494.85
		- Mr. Farmer so moved, Dr. Lally Seconded, All in favor, So moved
* **Annual Report**
	+ Must be submitted by January 1, 2017
	+ Secondary transition –Staff worked hard creating a path moving forward for students
		- 2 students moved on to Adult Services
		- 4 students Graduated and moved on to college or employment
		- 2 students elected to stay in restrictive service
	+ Trauma Sensitive Classroom – Strengths and challenges discussed
		- FY17 starting a book study
	+ Student Roster – 36 Students
		- 3 New – Summer FY17
		- 1 New – Fall FY17
	+ Cost Savings – Comp to member districts
		- $10,000 - $15,000
	+ Highlight
		- Board voted to dissolve CHARMS
	+ Motion to accept the Annual Report
		- Dr. Rizzi, So moved, Dr. Lally Seconded, Discussions - Small correction on Susan’s last name, All in favor, So Moved
* **CHARMS Dissolution Updates**
	+ Mrs. O’Connell presented all new changes marked in red
	+ Biggest discussion is with Mr. Perrin from SSEC, Both attorneys are discussing next steps should SSEC take over CHARMS program
	+ Mr. Perrin discussed his interest in the CHARMS program, as well as his collaborative details.
		- Has already discussed with this with his board. He will present information at his next board meeting on Friday, December 9, 2016 for approval to further explore options. Hoping to get approval as soon as possible to begin discussions with parents and staff
		- Would like to see the program transition as seamlessly as possible
	+ Mr. Zinni thanked Mr. Perrin for coming and discussed reasons for voting to close
	+ Dr. Fischer-Mueller thanked Mr. Perrin for coming to Canton and discussion options of continuing program and Canton.
	+ After the approval from SSEC , CHARMS can make the information public
		- Mrs. O’Connell has prepared a draft letter for staff, parents and districts.
		- Dr. Rizzi questioned if it’s a good idea to send the letter before it is a done deal? Perhaps send a more general letter to avoid giving false hope
		- Mr. Perrin stated after the meeting and SSEC board approval to move forward, we will have a good feel for the outcome
		- Charms Board approved letter to staff, parents and districts.
		- Ms. Catignani mentioned to verbally discuss with staff to continue to explore their options just in case
		- Mr. Zinni thanked Mr. Perrin and his board for helping with the transition.
	+ Mr. Perrin and Mr. Reino left the meeting
* **Audit Updates**
	+ Audit team returned to meeting with corrected number and language
		- Page 6 will read – The budget for fiscal year 2016 provided for a net deficit of $82,394. The budget numbers were based on a goal of increasing the surplus, which would be used to offset the increased OPEB liability. In 2016, actual revenues were higher than budgeted amounts by approximately $98,251 due to higher enrollment. Total expenditures were lower than budgeted amounts by approximately $172,000 as the collaborative responded to prior year lower enrollments through cost cutting measures.
		- Page 18 – Operating Leases – The Collaborative leases classroom and administrative space from month to month from various member and non-member districts under tenant-at-will leases.
			* Equipment projected costs table was removed from the audit
		- Page 19 – Subsequent Events – Wording will change to reflect the wording in the collaborative agreement.
			* Will not have money stated
		- Page 22 – 44% of expenditures of 2016, reason, prior year OPED adjustments
			* Add a page – Present cumulative surplus - $1,910,447.00
	+ Motion to approve audit as presented with amendments
		- Dr. Rizzi Motioned, Dr. Lally seconded, All in favor, so moved
* **Health Insurance**
	+ Ms. Catignani spoke with GIC and they have agreed to administer COBRA
		- We will provide the COBRA notices to employees
		- Since we prepay insurance, employees will be covered through 7/31/2017
		- Dr. Lally asked if there would be a penalty incurred by employees who did not have health insurance during the lapse between employment insurance coverage.
			* Ms. Catignani stated yes, but it may be less than the cost of COBRA
	+ Ms. Catignani recommended a letter be sent to retirees with updates.
		- Mr. Richard presented his cost analysis on Retirees
			* They are expensive, we do not have a continuing obligation, but we are doing everything we can to help with the transition
	+ Ms. Gaines reiterated to Board that any surplus funds after the close will go to the towns, not to the school districts
		- Mr. Zinni wants to be sure there will be no debt left on the towns
			* Mr. Richard stated there should be no reason for a deficit
	+ Motion to send insurance letters with recommendations by Ms. Gaines
		- Dr. LalLy so moved, Dr. Rizzi seconded, All in favor, so moved
* **Collaborative Agreement**
	+ Mrs. O’Connell stated all changes to the agreement are shown in red and dated
		- Timelines done sooner than later, will be effective immediately
	+ Motion to approve amendments
		- Dr. Rizzi so moved, Dr. Lally seconded, All in favor, So moved
	+ Reminder we need minutes of school committee meetings and letters signed
		- Template letter to school committees, why the vote, and changes in packet sent in the prior week
		- Mrs. O’Connell will send in a word doc
* **Motion to Accept the Minute from October 28, 2016**
	+ Mr. Farmer so moved, Dr. Rizzi seconded, All in favor, So moved
* **DESE Input**
	+ Audit and annual report are due by January 1, 2017
	+ Mrs. O’Connell will upload to dropbrox
	+ Mr. Zinni expressed thanks for their continued support

**Executive Session**

* No items have been presented

**Motion to Adjourn**

* Dr. Lally so moved, Dr. Rizzi seconded, All in favor, So moved