



# NORTHSHORE EDUCATION CONSORTIUM

## Board of Directors Minutes December 06, 2023

<b>Present:</b>	Beverly:	Dr. Charochak
	Danvers:	Mr. Bauer
	Gloucester:	Mr. Lummis
	Hamilton Wenham:	Mr. Tracy
	Ipswich:	Dr. Blake
	Lynn:	Dr. Alvarez
	Manchester-Essex:	Ms. Beaudoin
	Masconomet:	Dr. Harvey
	North Reading:	Dr. Daly
	Peabody:	Dr. Vadala
	Reading:	Dr. Milaschewski
	Rockport:	Dr. Branco
	Salem:	Dr. Zrike
	Swampscott:	Ms. Angelakis
	Tri-Town:	Dr. Morrison
	Triton:	Mr. Forget
<b>NEC:</b>	F. Rosenberg	L. Fleming
	K. Mahoney	K. Mahoney
	M. Bourgault	Facilities Dir.
	J. Zeigler	AFT local President 4293
	D. Petronzio	AFT local Vice President 4293
<b>Guest:</b>	Paulajo Gaines	Education Collaborative Coordinator
<b>Absent:</b>	Lynnfield:	Ms. Vogel
	Marblehead:	Dr. McGuinness
	Nahant:	Dr. Pierantozzi
	Pentucket:	Dr. Bartholomew

- I. **Call to Order and Welcome to New Members and Introductions:** Ms. Angelakis called the meeting to order at 8:04 am and read the following statement: This Open Meeting of the NEC Board of Directors is being conducted remotely consistent with Governor Healey's extension of the temporary provisions pertaining to the Open Meeting Law to March 31, 2025.
- II. **Approval of Consent Agenda**  
**MOTION:** A motion was made by Mr. Tracy and seconded Dr. Morrison to accept the consent agenda which included the Oct 2023 BOD Minutes, December 2023 Appointments as presented. Roll call was done 14 voted to approve consent agenda.  
**VOTE:** The motion was approved

Mr. Bauer and Ms. Beaudoin joined the meeting at 8:15 am

**III. Executive Director's Report/ Presentation of the FY23 Annual Report: Fran Rosenberg**

Ms. Rosenberg shared the FY2023 Annual Report. Ms. Rosenberg reminded Board Members that the Annual Report gives a snapshot of Northshore Education Consortium all in one place, as outlined by DESE, and that board members are required to bring this report to school committees. Once the report is approved, we will be sending board members electronic as well hard copies to share with your school committees. In the interest of time Ms. Rosenberg reviewed the report in a much quicker fashion but stopped along the way for questions. There were no questions.

Ms. Angelakis thanked Ms. Rosenberg for her presentation and commented that the report provides great information for us to use within our districts.

**IV. Motion:** A motion was made by Dr. Blake and seconded by Mr. Forget to approve the FY2023 Annual Report. Roll call was done 16 voted to approve.

**Vote:** The motion was moved unanimously

**V. Treasurer's Report:** Mr. Mahoney reviewed the October 2023 Treasurer's Report (which will be attached to minutes) Overall cash position remains consistent with sufficient funds on hand to meet net cash requirement. There were no questions.

**VI. Motion:** A motion was made by Mr. Forget and seconded Mr. Lummis to accept October 2023 Treasurer Report as presented. Roll call was done 16 voted to approve.

**Vote:** The motion was approved

**VII. HVAC Project Update:** Ms. Angelakis took a moment before HVAC presentation to review the urgency of this project, and the commitment of the board to support the students here at NEC. She stated that it is fiscally smart to send our students to the Consortium, and she shared her belief that if we hesitate any longer with kicking this project down the road the cost to all of us will be much higher. She stated her belief that the time is now. Ms. Angelakis then stated that, speaking on behalf of Swampscott she supports the tiered assessment as we never know how many students from year to year are being sent to NEC. She stated her deep concern that if we don't have a yes vote that we are going to leave students and staff with nowhere to go. She is aware that this is a huge ask but believes that it's our only option. KOG is a very unique program and will become much costly if we have to shut it down.

Dr. Daly echoed what Ms. Angelakis said and his opinion "let's not talk about the why but more of the how" in terms of funding this project. Our goal should be to find a way that is fair and equitable to all. He stated his belief that most members already understand the "why" in terms of this being important.

Ms. Rosenberg explained we are asking you to make a long-term investment in NEC, and the KOG school in particular, and to avert a potentially catastrophic emergency closure of the KOG school.

We are recommending that you vote today to approve the loan of \$9.4MM with an approximate annual cost of \$840K (2/3 majority) as the bid that is on the table will run out on December 27<sup>th</sup>, and to accept the construction bid of \$11,474,000 (with an expectation of value engineering)

Mr. Fleming went over what this project would include. Although we have referred to this as an "HVAC" project, by 2023 it had expanded to meet building codes and address additional critical and costly facility needs which had been repeatedly delayed since 2009. This project will result in the following: a new HVAC system, complete insulated new roof, electrical system upgrade to support HVAC, replacement of four boilers, heat in stairwell and entryway, temperature control zone valves, safe roof access ladder, skylight replacement. Once completed this will be a much more functional space for NEC/KOG for the next 20. (Detailed PPT attached)

Ms. Angelakis asked for a motion to authorize Ms. Rosenberg and Mr. Fleming to sign an agreement with M & T Bank based on Term Sheet provided at meeting, understanding that this will be funded through budget efficiencies, a one-time capital assessment totaling 2 million dollars, and tuition increases.

The motion was moved Dr. Daly and seconded by Dr. Charochak. It was then opened for discussion.

Dr. Daly asked about nonmember districts contributing to the cost of HVAC project.

Mr. Forget asked about whether nonmember rates were still lower than private school rates. Ms. Rosenberg responded that nonmembers were still getting a more cost-effective price but closer to private. Mr. Forget then stated that we don't want non-members to pull their students out because we rely on that revenue.

Mr. Lummis agreed that there should be a way for nonmember districts to contribute to this cost.

Dr. Branco asked about the benefits of membership and stated that he had heard concerns about the times that NEC has been unable to meet the needs of a Rockport student.

Dr. Zrike said at this time he cannot vote yes on this funding on Salem's behalf. The Mayor, who is chair of the School Committee, has questions and concerns, and that they have failing systems within their own schools. He stated that he understands the need but is not able to vote yes, but that he wants to work towards a solution.

Dr. Alvarez stated that some of the school buildings in Lynn are 100-years-old and that it would be difficult for her to say "yes" when there are so many pressing needs within the district

Dr. Charochak said that for Beverly this project would protect placements for KOG students and that it would be difficult and more expensive if they had to move those students. She said that Beverly is going to support the motion.

Dr. Vadala said he wanted to weigh in as the district with highest enrollment. He said he believes in the need for the project and the need to figure out how to do this. He noted that superintendents are under a lot of pressure in their communities.

Ms. Beaudoin said that it was hard to support without clarity of how to fund.

Mr. Tracy expressed concern about future needs and potential future increases.

Mr. Forget spoke as the Chair of Finance Committee, and clarified what needed to be decided today: 1. Vote on loan and 2. Vote to accept the bid. He clarified that we need to have a one-time influx of funds to address cash flow, and then a plan to cover long term operating costs. He reminded the Board "if NEC goes belly up – we, the board, are responsible" He stated that he supports the project but wants to spend more time on the details of how we fund it.

Dr. Branco asked if bank needs to know how we are funding the loan or just that we agree to cover it? He stated that based on his conversations with town officials, he is prepared to vote yes.

Ms. Rosenberg clarified that the bank needs to know that the board accepts responsibility for covering the debt, but that they don't care about the details. The immediate need is to accept term sheet as presented.

Dr. Morrison supported the idea of non-member districts contributing. He stated that his district has the smallest number of students at NEC and he wants to be sure that there are no other bigger issues down the road

Ms. Rosenberg stated that past boards and past administration have "kicked the can down the road" but that we have been transparent, and that as far as we know this project addresses all of the major capital needs that are known. However, there is no guarantee that other things may come up that we haven't anticipated.

Mr. Forget stated that he believes this project deals with all the major capital issues.

Mr. Lummis remarked he doesn't like to be in-between a rock and a hard place, and he doesn't feel that he can vote today. He said that he can't vote without being fully informed and that the board had not had a long time to absorb the cost increase.

Ms. Rosenberg reminded the board that they had voted in May to fund this project, and that although the price had increased once we went to bid, the scope of the project had not changed.

Dr. Daly suggested that we meet again soon, and review a revised plan that includes payments from non-member districts.

Ms. Angelakis proposed that we have a single topic meeting during the week of December 18 to vote.

Dr. Zrike stated that he would need to talk to mayor and school committee meeting before he can respond, but that he is not interested in leaving the consortium and supports the work.

Dr. Alvarez left the meeting at 9:30 am but noted the 19<sup>th</sup> of December worked best for her

Ms. Angelakis reiterated that everyone needed to do the work that they needed to do between meetings and commit to a short, emergency meeting.

By a show of hands all were in agreement with a December 19<sup>th</sup> Emergency Meeting

Ms. Rosenberg asked members to please reach out to their SPED Directors

Mr. Forget asked that we look into whether there is a way to add the one-time assessment to tuition cost so that it can be eligible for circuit breaker reimbursement

**Motion:** A motion was made by Dr. Daly and seconded by Dr. Charochak to postpone this motion until the emergency meeting is held on December 19<sup>th</sup>. Roll Call was done with 15 members in attendance

**Vote:** The motion was moved unanimously

**Adjourn**

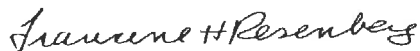
**MOTION:** A motion was made by Mr. Forget and seconded by Mr. Blake to adjourn the meeting at 9:48 am as presented. Roll call was done 15 voted to adjourn

**VOTE:** The motion was approved



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**Kathy Mahoney, Administrative Assistant to Executive Director**



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**Francine Rosenberg, NEC Executive Director**



**Northshore Education Consortium  
Treasurer's Report  
as of October 31, 2023**

**Interest Income - Current Month and Fiscal Year to Date**

<u>Account Name</u>	<u>Interest Income</u>		<u>Interest Rates</u>	<u>Average Daily</u>
	<u>Current Month</u>	<u>FY To Date</u>	<u>(APR)</u>	<u>Balance</u>
<b><u>M&amp;T Bank</u></b>				
Payroll	-	-	0.00%	114,885.02
Accounts Payable	-	-	0.00%	488,123.30
Money Market 2	3,380.90	19,564.59	2.18%	1,025,173.71
Money Market 3	2,298.06	8,011.35	2.18%	2,657,044.19
Capital Reserve Money Mkt.	641.01	2,393.90	2.18%	346,544.00
Culinary - Topsfield	11.76	35.33	2.18%	6,349.54
Snack Bar	14.04	51.45	2.18%	7,579.33
KOG School Store	-	-	0.00%	1,877.95
<b>TOTAL - INTEREST INCOME</b>	<b>6,345.77</b>	<b>30,056.62</b>		

**Revenue by Major Category - Budget to Actual Year to Date**

<u>Description</u>	<u>FY24 Budget</u>	<u>Current Month</u>	<u>FY To Date</u>	<u>% Collected</u>
Tuition Income	24,574,945.00	2,740,874.44	5,608,191.87	22.82%
Summer Tuition	2,779,540.00	(5,528.88)	2,797,622.80	100.65%
Comm of MA Grants	662,000.00	150,896.58	173,396.58	26.19%
Other Income	560,300.00	30,379.41	313,225.91	55.90%
Interest Income	11,000.00	6,345.77	30,056.62	273.24%
Admin. Dues	200,000.00	0.00	199,635.00	99.82%
<b>TOTAL - REVENUE</b>	<b>28,787,785.00</b>	<b>2,922,967.32</b>	<b>9,122,128.78</b>	<b>31.69%</b>

**Warrants Issued - Current Month**

<u>Warrant Date</u>	<u>Amount</u>	<u>Purpose</u>
10/4/23	302,221.13	Acct Payable
10/5/23	721,207.36	Payroll
10/11/23	77,382.33	Acct Payable
10/18/23	586,291.88	Acct Payable
10/19/23	822,726.36	Payroll
10/25/23	162,637.04	Acct Payable

**TOTAL - WARRANTS ISSUED**      **2,672,466.10**

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**NET CHANGE IN CASH POSITION**      **250,501.22**

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