



NORTHSHORE  
EDUCATION  
CONSORTIUM

**Finance Committee Minutes**  
**February 25, 2026**

**NEC – Ms. Fran Rosenberg, Mr. Larry Fleming, Mr. Kevin Mahoney, Ms. Kathy Mahoney**  
**Committee:** Mr. Brian Forget, Dr. Scott Morrison, Dr. Mark Branco, Dr. Michael Harvey

1. **Call to Order** - Mr. Forget called the remote Finance Committee meeting to order at 8:03 am and stated 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.
2. **Treasurer’s Report (January 2026)** Mr. Mahoney presented the January Treasurer’s Report. Cash flow and revenue collections were reviewed, with some of the same timing issues noted from last month. Capital through the end of January is just under \$1.7 million. February is typically the lowest collection month of the school year. Cash flow remains a concern, although the line of credit is available if needed. An additional \$100,000 was paid toward the \$1 million line of credit, reducing the balance to \$500,000. The goal is to continue monthly payments, although this month may be challenging depending on receipts. Mr. Fleming confirmed there is no required minimum monthly payment.
3. **Presentation of Proposed Budget:** Mr. Fleming presented the FY27 draft budget recommendation, developed using a zero-based budgeting approach in collaboration with program directors and budget managers. The budget is intentionally conservative given enrollment and revenue trends and is designed to maintain program quality, build surplus, stabilize finances, and support priorities outlined in the five-year capital plan while limiting tuition increases as much as possible. This draft includes a variety of cost reductions including the elimination of 8-10 staff positions. The proposed budget requires a 9.4% overall tuition increase to balance.

FY27 revenue is projected to increase by approximately \$3.7 million, largely driven by a \$4 million increase in tuition. Other income will decline due to a one-time rebate received in FY26 and the completion of a DPH grant.

Expenses are projected to increase by approximately \$3 million. Salaries reflect a 6.6% increase, including contractual increases, sick leave buyback, and longevity. Additional increases include occupancy costs related to the HVAC loan, employee insurance

benefits (final figures pending), capital projects, program expenses, and payroll taxes. Reductions are anticipated in fuel, certain office expenses, professional development, and professional services. A summary of major revenue and expense categories was shared, showing a projected surplus of approximately 2.5% of the overall budget, which Mr. Fleming emphasized is important to “right the ship” and strengthen financial stability.

Mr. Fleming also reviewed the Regional Transportation Program and the changes that he will be proposing to make the program more financially sustainable for NEC. This will include changing the way districts are billed, and increasing the overhead fee from 1.5% to 3%. Expanding participation to non-member districts was also discussed. Mr. Cameron will provide additional detail at the full Board meeting.

### **Board Discussion**

The Board discussed several options to meet the 9.4% increase in tuition. One option is a flat 9.4% for all programs. Ms. Rosenberg and Mr. Fleming recommended a differential tuition increase (8% for KOG and Embark/SOAR and 12% for therapeutic programs) that more accurately represents true costs.

Ms. Rosenberg provided some historical context and noted the significant increases in private school tuition rates, as well as the growing complexity of student needs.

Dr. Branco expressed appreciation for the differential model but emphasized the need for clear, program-by-program impact information to share with his School Committee. He stressed the importance of transparency.

Mr. Fleming confirmed that a flat 9.4% increase would generate comparable revenue.

Mr. Forget suggested presenting both options to the full Board, noting that a single 9.4% increase may be simpler to communicate and avoid concerns over a 12% rate. He recommended separating the tuition rate discussion from the overall budget presentation and providing clear supporting data.

Dr. Morrison raised questions about district perception of a 12% increase and emphasized the importance of reminding committees about the impact of Circuit Breaker reimbursement to provide context. Dr. Harvey expressed agreement with presenting options. All agreed that it would be helpful to calculate approximate impact for each district.

In closing, Ms. Rosenberg summarized that the balanced budget requires a 9.4% tuition increase overall, and the Board will consider two structural options to achieve that target.

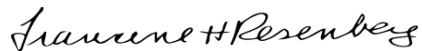
**Adjournment** –A motion was made by Dr. Morrison and seconded by Mr. Branco to adjourn the meeting at 8:50 am.

**VOTE:** The motion was moved unanimously



---

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



---

**Francine Rosenberg, NEC Executive Director**