



Finance Committee Minutes
March 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

- I. **Call to Order** : Mr. Forget called the remote Finance Committee meeting to order at 8:02 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, 2026.”
- II. **Treasurer’s Report (February 2026):** Mr. Mahoney presented the February 2026 report. Tuition revenue collections are at 67.5%, with overall collections at approximately 70%, exceeding this time last year. Mr. Mahoney noted that the April billing plan includes invoicing transportation costs approximately one and a half months in advance in an effort to improve cash on hand for NEC. Mr. Fleming stated that districts are able to prepay, with final reconciliation occurring at the end of the month. No payment was made on the line of credit in February; however, a \$100,000 payment is being made today, bringing the balance to approximately \$400,000. Mr. Forget inquired about progress on paying down the line of credit and commented that NEC appears to be moving in the right direction. Mr. Mahoney stated that the goal is to have the line of credit paid down by the end of the school year.

Looking ahead, with a three-payroll month approaching, Mr. Mahoney reviewed cash flow projections and expressed confidence that existing cash and anticipated revenue will be sufficient to meet financial obligations.

No further issues were raised, and there were no additional questions from committee members.

- III. **Updates from CFO** : Mr. Fleming provided an update on projected cash flow. He reported that Jay Sullivan (DESE) confirmed pre-billing transportation contracts is allowable, and will help with cash flow. Ms. Rosenberg also reported on a recent meeting with NEC, SEEM, and Crest to discuss collaboration and resource sharing around transportation.
- IV. **Second Draft of Budget for FY27:** Mr. Fleming presented the FY2027 budget, noting no significant changes since the first review. He asked for feedback on the level of detail to present to the full board. Ms. Rosenberg reviewed the draft budget packet, which includes the mission, Board information, narrative, tuition sheet, budget snapshot, program breakdowns, and school calendars. The Committee discussed the level of detail, and Mr. Branco, Mr. Forget, and Dr. Harvey

recommended maintaining the format used in FY26 with some detail, and financial snap-shot by program. The Committee agreed to keep the existing, detailed presentation.

Mr. Fleming noted that insurance rates (health and liability) are expected to be finalized soon. He also confirmed that the budget includes tuition increases of approximately 8% for KOG and Soar/Embark and 12% for therapeutic programs (approximately 9.4% overall).

The Committee discussed the upcoming budget presentation for the full Board, noting that tuition rates and major expense categories will be highlighted, with the full budget document included in the agenda. Enrollment, staffing, and program adjustments will also be reflected.

Mr. Fleming shared that he is in early discussions with a solar company and will provide additional details to the Board when available.


Ms. Rosenberg reported potential additional RHS funding from DESE of approximately \$100,000 due to reallocation following the closure of another recovery high school. She also noted that we are submitting a multi-year grant to the Tower Foundation and they appear to be interested in partnering with NEC to support the program.

V. Adjournment –A motion was made by Dr. Morrison and seconded by Mr. Branco adjourned the Finance Committee meeting at 8:26 am.

VOTE: The motion was moved unanimously



Kathy Mahoney, Administrative Assistant to Executive Director



Francine Rosenberg, NEC Executive Director