



Assabet Valley Collaborative Board of Directors Meeting

May 28, 2021

IN-PERSON 28 Lord Road, Suite 125; Marlborough, MA 01752

Minutes

Present: Amber Bock, Jay Cummings, Greg Martineau, Brian Haas, Joseph Sawyer, Michael Bergeron, Gregory Myers (9:11)

Also Present: Cathy Cummins, Suzanne Pomerleau, Aldo Tortorelli and Kenia Franjul

Absent: Brooke Clenchy, Casey Handfield, Ernie Houle, Marco Rodrigues, and Jeff Zanghi

CALL TO ORDER

Jay Cummings, Chair, called the meeting to order at 9:06 am.

APPROVAL OF MINUTES

Amber Bock motioned to approve the minutes of April 30, 2021. Mike Bergeron seconded the motion. The Board voted unanimously (6-0) to approve the minutes of April 30, 2021.

Introductions were made by everyone.

EXECUTIVE DIRECTOR'S REPORT

Update on AVC Treasurer

Cathy updated members on AVC's Treasurer, Peter Zona, who was badly injured in a bicycle accident. Peter will be out for an as of yet undetermined amount of time to undergo medical treatment. Cathy is currently exploring options for coverage of his duties while he is absent. She is seeking guidance from colleagues and AVC's legal counsel in case Peter is unable to return to work soon. AVC's team members have alerted vendors about a delay in payment of this month's bills. She reported that AVC will get more information from Peter about his recovery timeline and may need to convene a special virtual meeting next week for the Board to appoint an Acting Treasurer if Peter is not able to return soon. A member suggested the assigned treasurer and person cutting the checks be extremely reliable. Cathy noted Peter is the Treasurer at AVRTHS as well and the most viable and timely solution may be to appoint the same person AVRTHS appoints to cover his duties there. Greg Martineau noted that his districts' treasurer may be another viable option. Cathy will continue to explore options and provide an update via email next week and schedule a virtual special meeting if needed. Board members expressed their concern for Peter and wishes for a speedy recovery.

FY21 Financials

Cathy presented the FY21 Budget update prepared in partnership with Nicki Goncalves, Business Consultant, who was not present at the meeting due to a previously scheduled vacation. Cathy stated that with Nicki's expertise, the team had prioritized cleanup of the FY21 financials. Cathy noted that there had been errors in how the budget was uploaded into Infinite Visions and some line items were coded in error. Nicki has been working closely with Jenn Medina and Ina Williams to make corrections and the corresponding journal entries needed.

Currently AVC is looking at a FY21 deficit of \$49,343, a better position than forecast at the last meeting in April. She stated that the team is continuing to reconcile the status of aging receivables and encumbrances (particularly transportation) that continue to cast some uncertainty on our year-end figures.

Most of the aging receivables from transportation represent disputes from districts for bills in the fall and winter - when nonrunning routes, hybrid models, and remote learning shifts made billing complex, prone to error, and open to multiple interpretations. Many of the bills in question, represent invoices AVC has paid VanPool while districts have not paid AVC. She noted that there is more work to do with VanPool to reconcile and negotiate sharing the impact of unpaid bills. There is still \$1.4 million dollars encumbered for transportation which, at this time, may be more than the actual expenses will be through the end of June. We will have a clearer picture at the June meeting.

Cathy noted that the down payment of \$400K for the new Evolution space was a one-time FY21 expense that was originally intended to be paid in FY20 instead - this resulted in exceeding the allowable FY20 surplus by nearly \$200K requiring credits back to districts and moved the expense into FY21.

Evolution Relocation

Cathy updated the Board on the relocation of Evolution from Shrewsbury High School to 28 Lord Road. The renovation project for the 2nd floor is not yet complete so the program will first move into the first floor where they will occupy Rooms A, C and D until renovations are complete. A bathroom on the first floor will be renovated to provide wheelchair accessibility. This small project has been posted in COMMBUYS and the Central Register with a bid opening on June 16 - with completion expected by summer school opening. This renovation project will be a FY21 expense - currently estimated to be less than \$30,000.

FY22 Preliminary Budget Presentation

Cathy reviewed the Preliminary FY22 Budget Presentation which included a Budget History, Conditions and Assumptions for Facilities, Personnel, and Revenue, proposed revisions to Chart of Accounts, 9-year Enrollment Trends, FY22 Budget Projections, and a graphic representing AVC's Fund Balance over 10 years. She shared a link to FY22 working budget documents which represent the status of the FY22 budget if specific conditions and assumptions are voted - including a \$400,000 placeholder for the Evolution renovation project, proposed salary increases, and proposed tuition/fees for next year. She also noted that additional expenses related to facilities needs at OSA are not currently included in the FY22 budget because of the need to further assess OSA's long-term facilities needs and options to revise the current lease with the City of Marlborough. She also noted that the preliminary FY22 budget proposal includes conservative estimations of enrollment and revenue and liberal estimations of expenses.

Board members discussed the preliminary presentation. Several Board Members expressed concern that the proposed FY22 budget included a part-time or consulting business manager rather than a full-time financial position given concerns about the accuracy of FY20 and FY21 financial reports. Cathy acknowledged the concern and noted that the prior full-time position had included facilities and technology oversight as well and that with the addition of a full-time facilities and full-time technology directors, the position could be done with a more focused part-time position (and also noted the added expense if all 3 positions were filled full-time). She also noted that AVC is a small organization (compared to districts) and that while AVC is public, it is not a traditional public school budgeting process - more akin to a nonprofit or small business. It was recommended that AVC increase the amount for the finance position in the FY22 budget to \$90-\$95K and consider filling with a full-time CPA/Accountant position instead of a more traditional Director of Finance position. Board members expressed concern about bringing someone on to the team who had the expertise needed (laws, regulations, etc) and the accuracy needed (reporting, accounting, etc). Cathy stated that she did have expertise related to the laws - but that the accuracy of reports and budgeting processes has been something she has needed

to rely on the finance leader to produce. She noted the example of exceeding the surplus at the end of FY20; she would have known to ask the Board to vote to apply the reserve to capital projects IF the reports provided had revealed an accurate projection of that surplus.

Cathy and Nicki Goncalves will make revisions to the FY22 Budget proposal and will present a final presentation for Board action at the next meeting. She said that she did need Board votes today on staff compensation and tuitions/fees in order to build out that final FY22 Budget for their approval.

Amber Bock left at 10:43 am.

FY22 Staff Compensation

Cathy proposed FY22 employee compensation rates. She noted that compensation for AVC's employees was frozen this year (FY21) given the economic uncertainty of the impact of the pandemic when the budget was passed last June. She noted that the team at AVC have worked diligently to meet the needs of our community in unprecedentedly flexible ways this year. She asked the Board to approve 2% increase to each salary schedule and the addition of one step on each schedule. She asked the Board to approve 2% increase to administrator salaries and asked the Board to approve 4% increase for the 3 central office staff who are not on salary schedules and thus would not be "moving" up a step. She asked the Board to approve the elimination of "Level 1" paraeducator schedule so that starting in FY22 all paraeducators would be compensated using the same (currently "Level 2") schedule.

Mike Bergeron motioned to approve increasing each salary schedule by 2% and adding 1 additional top step to each schedule as presented. Joe Sawyer seconded the motion. The Board voted unanimously (6-0) to approve as presented.

Mike Bergeron motioned to approve increasing the salaries of three central office staff members (Medina, Pomerleau, Williams) who are not on salary schedules by 4%. Joe Sawyer seconded the motion. The Board voted unanimously (6-0) to approve.

Mike Bergeron motioned to approve the elimination of Level 1 of the Paraeducator schedule. Greg Martineau seconded the motion. The Board voted unanimously (6-0) to eliminate Level 1 of the Paraeducator schedule.

FY22 Fees and Tuitions

Cathy proposed FY22 Fees and Tuitions for the Board to consider. After discussion, the following actions were taken:

Michael Bergeron motioned to approve the FY22 Tuitions for **OSA and SOAR** as presented. Joseph Sawyer seconded the motion. The Board voted unanimously (6-0) to approve the FY22 Tuitions for OSA and SOAR as presented.

Michael Bergeron motioned to approve the FY22 Fees for wraparound services through **Family Success Partnership (FSP)** as presented. Joseph Sawyer seconded the motion. The Board voted unanimously (6-0) to approve the FY22 fees for Family Success Partnership (FSP) as presented.

Michael Bergeron motioned to approve the FY22 Fees for **Facilities Rentals** as presented. Joseph Sawyer seconded the motion. The Board voted unanimously (6-0) to approve the FY22 Fees for Facilities Rentals as presented.

Michael Bergeron motioned to approve the FY22 Fees for **Professional Development** as presented. Joseph Sawyer seconded the motion. The Board voted unanimously (6-0) to approve the FY22 Fees for Professional Development as presented.

FY22 Tuitions/Fees for **REACH, Evolution, and Transportation** were **tabled** for the June 18, 2021 meeting with revisions requested for consideration.

Update on Special Education Transportation Contract

Cathy updated the Board about the status of the current Special Education Transportation Contract with Vanpool. She acknowledged that Vanpool has had difficulty hiring enough staff to address the increase in ridership that has been associated with the reopening of schools.

AVC's contract with Vanpool was extended and then amended throughout FY21 and needs to be revised/renewed unless the Board wishes to go out to bid for this service (exempt from 30B). She noted that AVC and Vanpool have scheduled 3 information sessions for Business and Special Education staff from districts to hear updates from Vanpool and to share their concerns/questions prior to a new contract being proposed for the Board to consider. Cathy suggested that the Board vote to extend the current contract through September (to address ESY); Vanpool and AVC would work with district stakeholders to vet a new contract for the Board to consider when the Board returns in the fall. (Rates to be set in June - contract would cover routing methodology, operations, logistics, terms, etc.). Cathy noted that so far, concerns that had come forward from district staff included - short-term concerns: single point of contact; billing accuracy and timeliness, shortage of available routes and - long-term concerns: contract, business model, technology/efficiency, driver/monitor training and quality monitoring.

ADJOURNMENT

Mike Bergeron motioned to adjourn. Joe Sawyer seconded the motion. The Board voted unanimously (6-0) to adjourn the meeting at 11:13 a.m.

Respectfully submitted,

Suzanne Pomerleau
Administrative Assistant

Cathy Cummins
Executive Director