

APPROVED
2/9/2024

Minutes of CASE Board of Directors Meeting of December 8, 2023

Board Members in Attendance:

Peter Light, Acton-Boxborough
James O'Shea, Carlisle
Laurie Hunter, Concord, Concord/Carlisle, Chairperson
Linda Dwight, Harvard

Parry Graham, Lincoln
Andrew Stephens, Lincoln-Sudbury (arr: 12:47 pm)
Kelly Clenchy, Littleton
Brian Haas, Maynard

Also in Attendance:

Sanchita Banerjee
George McCormack
Russell Dupere

Joseph Adams
Member of the CASE Community

MINUTES:

At 12:30 p.m., Laurie Hunter called the meeting to order.

John Mangiaratti, Acton Town Manager, joined the meeting. The Town of Acton is considering and finalizing a plan to replace their fuel tanks that serve the municipality. There are 4 fuel tanks in question. Two of these tanks are used by the town, one is used by Acton-Boxborough Regional School District and the last one is used by CASE. Mr. Mangiaratti updated the Board on the Acton DPW Fuel Tank Replacement project, and indicated that he will keep the Board updated on any new developments on the project.

Mr. Mangiaratti left the meeting at 12:53 pm.

The Board agreed to form a subcommittee to discuss the Acton DPW fuel tank replacement project. Laurie Hunter, Kelly Clenchy, and Linda Dwight volunteered to be part of this subcommittee.

A motion was made by Parry Graham to approve the minutes of September 22, 2023 and November 2, 2023. The motion was seconded by Andrew Stephens. The motion was approved. All were in favor.

Public Comments: Margaret Colman, co-president of the CASE Association spoke on behalf of the Association. The Association wants to thank the superintendents who were and who are still part of the negotiation team. They also wanted to express their desire to move forward with GIC for health insurance, but they are open to negotiations to other options, but should be part of a large purchasing group, and that we need to move quickly in this process.

The Personnel Report was presented by George McCormack. There were no questions or comments.

The Treasurer's Report was presented by George McCormack. There were no questions or comments.

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Zack Fentross, representative from Macrum, LLP, joined the meeting to review and present the financial statement report for the year ending June 30, 2023. In the independent audit report, the collaborative received a clean opinion, which means there are no exceptions, and the collaborative has received the same opinion in prior years. This is the best opinion you can receive from an independent audit. The collaborative ended the fiscal year in a strong financial position with a healthy cumulative surplus balance. No Management Letter for fiscal year 2023 was issued.

A motion was made by Kelly Clenchy to accept the CASE's Annual Financial Statements Report for the year ending June 30, 2023. Linda Dwight seconded the motion. The motion was approved. All were in favor.

The collaborative exceeded the maximum allowable cumulative surplus of 25% for FY23. There is a cumulative surplus of \$599,583.50, which is 29% of the total FY23 General Fund expenditures.

A motion was made by Kelly Clenchy to approve the cumulative surplus for FY23 of \$599,583.50 as stated in the auditor's report. Andrew Stephens seconded the motion. The motion was approved. All were in favor.

Sanchita Banerjee led the discussion regarding the resolution of the cumulative surplus. The four options for which the FY23 surplus of \$599,583.50 (4%) could be used were: (1) Contribution to OPEB Trust, (2) Contribution to Capital Plan, (3) Allocation of Member Credits and (4) Return the surplus to the member towns.

A motion was made by Kelly Clenchy to apply the surplus to various member districts in the form of credits for the next fiscal year. Parry Graham seconded the motion. The motion was approved by roll call vote: Light, aye; Clenchy, aye; Graham, aye; Dwight, aye; O'Shea, aye; Hunter, aye. Brian Haas and Andrew Stephens abstained.

Sanchita Banerjee presented the FY23 Annual Report. The report meets the guidelines established by MA regulation and summarizes the services offered by the collaborative in FY23. Peter Light made a motion to accept CASE's Annual Report for the year ending June 30, 2023 as presented with appreciation of the staff. The motion was seconded by Kelly Clenchy. The motion was approved. All were in favor.

Laurie Hunter reviewed the situation with the Minutemen Nashoba Health Group (MNHG). MNHG is a collective purchasing group that was created in 1990. CASE has been fortunate to belong to this group, the only collaborative to do so. However, it is a volatile time and MNHG has announced that the future of this collective group is at risk. The trust fund balance is materially below target.

In the last three years, five members have withdrawn from the group. There are twelve voting members in MNHG right now. This year, so far three groups have announced their intent to leave. In addition, a fourth and fifth group conveyed in the meeting in November that they also intend to leave at the end of the year.

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This comprises 48% of the group. All five entities are leaving due to the high insurance rate increase this year of 13.75%. With five members potentially leaving, MNHG is not sustainable because the burden of the costs would be unmanageable for small entities like CASE. Remaining units are actively seeking bids in the market. The risk to remain, as perceived by key unit decision-makers, is seemingly elevated.

At the meeting in November, the MNHG Board extended the deadline to submit the letter of intent from December 1st to December 12th. All entities have been encouraged to submit their intent notice by this deadline. There is a MNHG Board meeting on December 14th to review the intent notices and determine next steps. The formal confirmation of unit exit is required by February 15, 2024.

A motion was made by Kelly Clenchy to withdraw from Minuteman Nashoba Health Group (MNHG). Peter Light seconded by motion. The motion was approved. All were in favor.

CASE's Finance Director, George McCormack, is moving on to another position and will not be with CASE after December 8, 2023. The Board thanked George for his service to CASE for the past couple of years.

George McCormack left the meeting at 2:04 pm.

Joseph Adams was introduced to the Board as the finalist for the finance and operations position. CASE administrators have reviewed his credentials, interviewed him, and spoken to his references. At the meeting, Board members interviewed Mr. Adams for this position.

At 2:18 pm., a motion was made by Laurie Hunter to enter into Executive Session for the purpose to discuss strategy with respect to collective bargaining with the CASE Education Association if an open meeting may have a detrimental effect on the bargaining position of the public body and the chair so declares (Certain Support Staff), discuss strategy in preparation for negotiations with non-union personnel and to conduct contract negotiations with non-union personnel (Finance Director), and to return to open session. Kelly Clenchy seconded the motion. The motion was unanimously approved by roll call vote: Light, aye; Clenchy, aye; Dwight, aye; Haas, aye; Graham, aye; O'Shea, aye; Stephens, aye; Hunter, aye.

At 2:49 pm, the Board returned to open session.

A motion was made by Kelly Clenchy to appoint Joseph Adams as Director of Finance and Operations pending contract negotiations. Andrew Stephens seconded the motion. The motion was approved. All were in favor.

At 2:50 pm., a motion was made by Laurie Hunter to adjourn the meeting. Peter Light seconded the motion. The motion was approved. All were in favor.