

EDCO Dissolution Discussion

Belmont School Committee Meeting
March 9, 2021

Context

EDCO Board voted in February to initiate dissolution/termination of organization in 2022 based on severe financial issues. Board also gave the Executive Director authority to close individual programs as of June 30, 2021.

Member district School Committees (16) must each vote to approve the dissolution by the end of March.

Tonight is a discussion. At next meeting, School Committee will need to vote on termination.

EDCO's Services

Main focus over the past 50 years has been as a professional development organization

Currently provides four academic programs to K-12 students with special needs and at-risk youth

As of March 1, student enrollment is as follows:

NCA Therapeutic Day Program = 21

NCA 45-Day Assessment Program = 0

DHH – 12

Youth Alternative = 39

Recent Challenges Facing EDCO

Loss of grants and contracts over time

Insufficient enrollment

Long-term lease with no early termination clause

Turnover in leadership

Substantial reductions to staffing and programs

EDCO's Current Financial Situation

Significant struggles with cash flow and paying bills/meeting obligations

No foreseeable revenue increases

Major liabilities

Projecting significant FY21 budget deficit (current estimate = ~\$1.5 M)

Next Steps and Impact of Dissolution

Will likely not offer any programs past June 30, 2021. There will be a transition plan for current students.

Additional assessment for member districts to cover FY21 operating cost deficit = ~\$60K for Belmont

Assuming dissolution moves forward, FY22 will be spent focused on closing EDCO, which will be complicated and time consuming.

Districts will bear responsibility for at least some liabilities and closing costs, although uncertainty about amount.

Vote (Next SC Meeting)

Motion 1: The Belmont Public Schools is in support of terminating the EDCO Collaborative as of June 30, 2022.

Motion 2: The Belmont Public Schools will provide written notice to the EDCO Board of our intention to withdraw from the EDCO Collaborative effective July 1, 2022, pursuant to Article X of the EDCO Articles of Agreement.