



**FY24 Superintendent
Recommended Budget**



Good evening and thank you for joining our public budget hearing of the Fiscal Year 2024 Budget Recommendation for Minuteman Regional Vocational Technical School District. I am Dr. Kathleen Dawson, Superintendent of Minuteman.

As a reminder, this presentation is for our public community, and therefore the School Committee members will not be participating at this time. Instead, the Committee will be holding a meeting at the conclusion of this hearing to discuss and vote on the recommended FY24 Budget.

Should there be any questions from the public audience, please type in your questions using the Q&A feature of the webinar platform.

At the end of the presentation, we will do our best to answer all questions.

Minuteman's Budget – Behind The Numbers

- Our Budget Priorities Reflect Our Values



Tonight, we present to you a budget focused on supporting our students and our staff. The budget supports our purpose of ensuring our students have highly qualified professionals and that our staff is equipped to provide relevant and rigorous learning opportunities with the most up-to-date technologies and curriculum. This budget supports the academic, social, emotional, and mental health needs of our students so they can develop into their best selves.

Our budget reflects our values and priorities—our students and our staff.

School Wide Goals 2022 - 2023

Content	Goal
Core Content—Math	Based on the analysis of the current sophomores' 8 th grade MCAS data, we will increase the percentage of High Needs students scoring proficient or above on the Math MCAS by at least 5% by June 2023.
Core Content—English Language Arts (ELA)	Based on the analysis of the current sophomores' 8 th grade MCAS data, we will increase the percentage of High Needs students scoring proficient or above on the ELA MCAS by at least 4% by June 2023.
Career Technical Education (CTE)	We will increase the Co-Op placement (both paid and unpaid) percentage of eligible seniors from 37% to at least 50% by May 2023.
Social and Emotional Learning (SEL)	We will create a plan including a timeline for implementation of the Multi-Tiered System of Supports (MTSS) framework focusing on social and emotional teaching and learning by June 2023.

Our budget is grounded in improving teaching and learning for ALL our students. These are our school-wide goals for this year.

Overall Budget Summary

FY24 Operating & Capital Request

\$30,316,325

4.50% above FY23

To support us in accomplishing these goals, Minuteman's FY24 Operating and Capital Budget Request overall is up only 4.5% compared to our FY23 Budget.

FY24 District Budget Objectives

1. To Protect Student and Staff Health
 - Critical to addressing social, emotional, and mental health learning needs
2. To Deliver and Promote High-Quality Career Vocational Technical Education
3. To Advance the Minuteman Academy Model
 - Expand transdisciplinary integration through increased project-based learning

Our District Budget Objectives Follow Along with Our School Priorities & Goals: The Top 3 Objectives are the safety of our Students & Staff, the quality of education, and the professional development of our staff.

FY24 District Budget Objectives

4. To Increase the Enrollment Capacity of our Facility
5. To Capitalize on Athletic Fields Operations and Management
6. To Increase Campus Facilities Use & Rental Revenue
7. To Close out the Massachusetts School Building Authority (MSBA) Project (August 2023)



Additional objectives include:

Increasing access to what Minuteman has to offer by expanding the enrollment capacity of the facility

Capitalizing on the potential use and expansion of the Athletic Fields for the benefit of our students and communities thus also increasing revenue potential

Lastly, successfully closing out the MSBA School Building Project.

FY24 Operating Budget Drivers

1. Teacher Contract in Negotiation plus Steps and Lanes Changes
2. Three Additional Teacher Full-Time Equivalents (FTEs) Due To Increased Enrollment & Students' Academic Needs
3. Health Insurance (10% Projected Increase + FTEs)
4. CTE Supply and Material Cost Increases

Some of the major drivers in the FY24 Budget include:

1. Contract negotiations with our teachers.
2. The need for 3 new Full-time Teachers due to increased enrollment and the academic needs of our students.
3. Minuteman's participation in a Health Trust with 4 other Regional Vocational Schools. They have not set their final rates for FY24, but they recommend that all Schools within the Trust carry a 10% Increase at this point in our Budgeting.
4. And the impact of inflation on the prices of supplies and materials needed, mainly for our CTE instruction required to meet industry standards.

FY24 Operating Budget Drivers

5. Transportation Increase (5% CPI Increase)
6. Building Utilities and Heating (8% Projected Increase)
7. Other Post Employment Benefit (OPEB) Contribution
(\$230,000 = \$110,000 Increase)
8. Stabilization (\$500,000 = Consistent with FY23 Funding)

Additional drivers are:

- 5/6. The increase in costs for Transportation and Building Utilities/Heating, etc. due to inflation.
7. The increase of the OPEB contribution based on the recommendation of the OPEB Study Committee
8. The continued funding of our Capital Stabilization Fund which will support some of the strategies for increasing Enrollment Capacity.

Budget Summary

FY24 Operating Request = \$23,458,597
6.18% above FY23

FY24 Capital Request = \$1,238,240
0.21% above FY23

FY24 Building Project Debt = \$5,619,488
1.11% below FY23

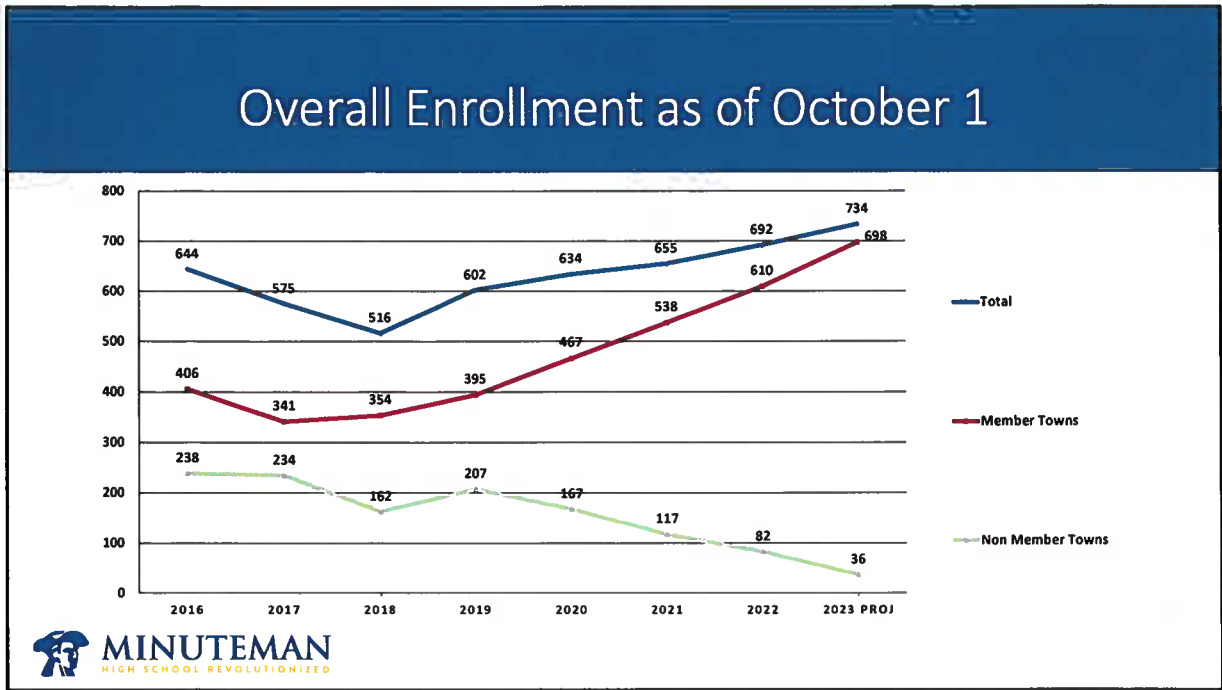


Just to break out the FY24 Budget a bit more:

Minuteman's Operating Expenses are up about 6.18%.

Minuteman's Operating Capital, which includes our ESCO Lease Payment (an energy-saving project started prior to the new building), Athletic Field Lighting Debt, and Capital Stabilization Funding, is fairly consistent at 0.21%. (The last year of the ESCO Lease Payment is FY25.)

Minuteman's Capital Building Project Debt (MSBA) is slightly lower in FY24 than in FY23. This is an important breakout as 7 of our 9 Member Towns voted a Debt Exclusion on the School Building Project.



A major factor impacting the operating budget is our enrollment.

With the plans for the new school building came the plans for increasing in-district student enrollment.

As noted here, we are successfully meeting that objective.

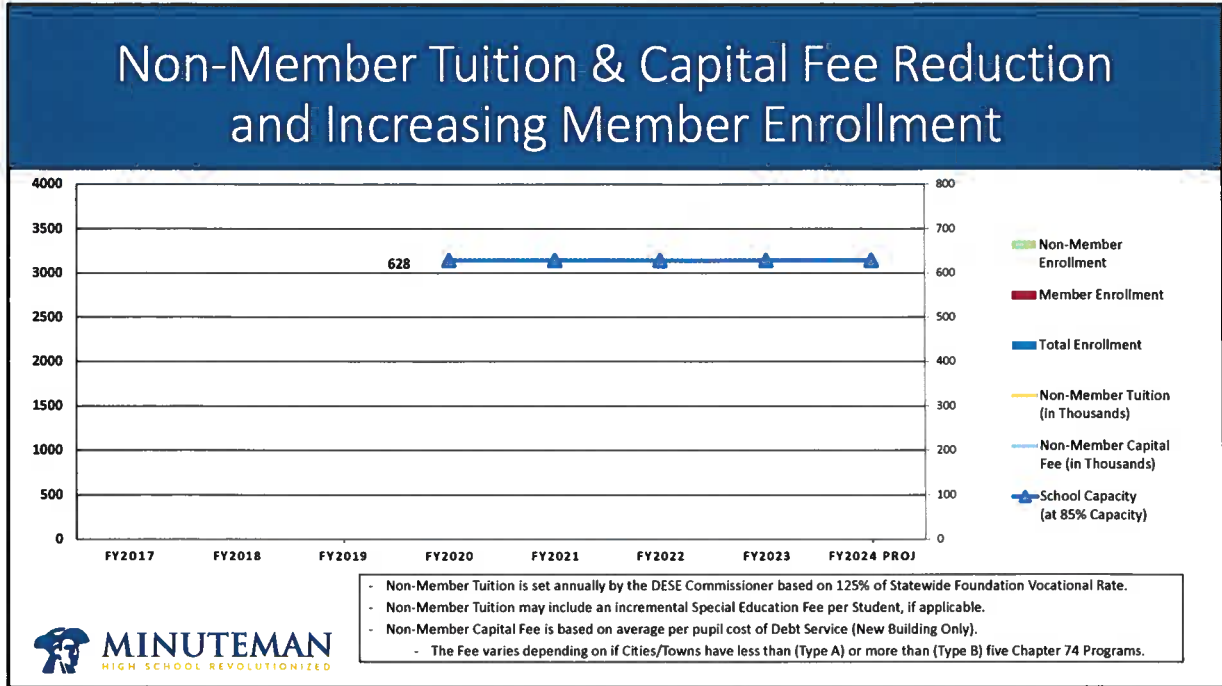
Enrollment from our member towns are increasing as the enrollment from the non-member towns are matriculating out with each graduating class.

Shift in Enrollment

- Enrollment is Shifting to In-District
- Out of District Enrollment is Decreasing
 - Out of District Tuition Revenue is Decreasing
 - Out of District Capital Fee Revenue is Decreasing
- **Resulting in a Significant Increase in Overall Assessments to Member Towns**
- **Per Pupil Assessment will Remain Consistent**

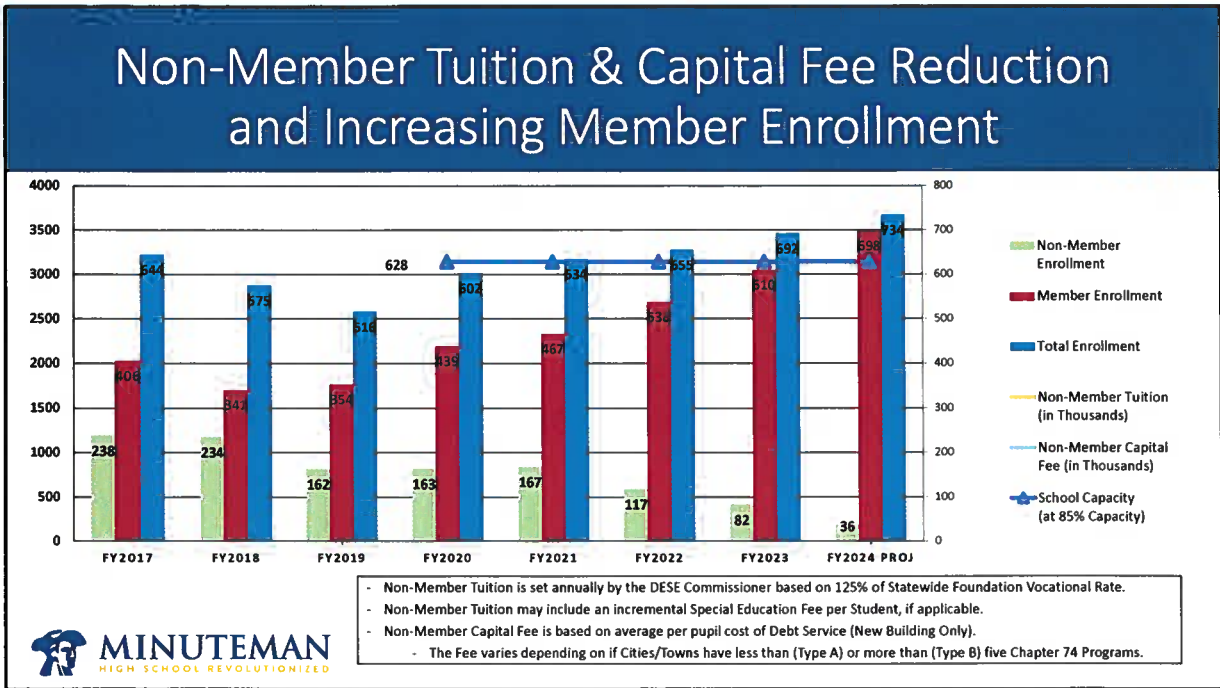
As enrollment shifts, Minuteman's Out of District Revenue is Decreasing, Both from Tuition and Capital Fee (Set by the State).

As a result, Member Towns are responsible for more of the cost (and soon all the cost) associated with Operating and Capital Budget through their Assessments.



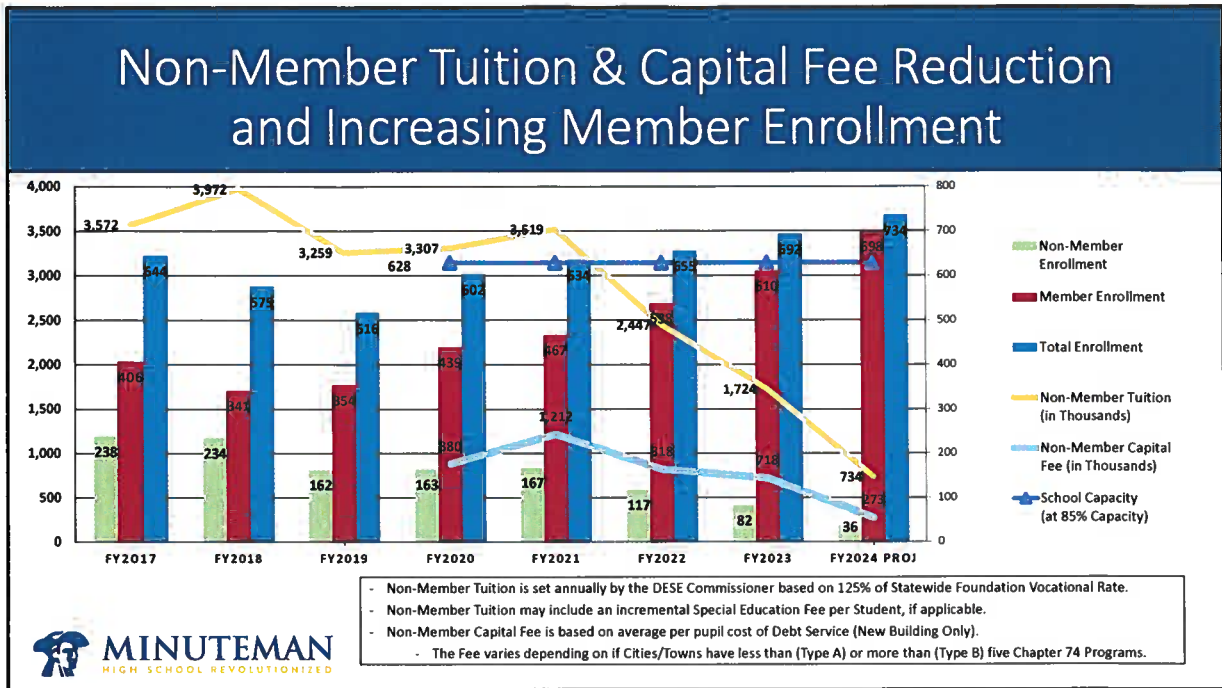
Here we will show the comparison of changes in enrollment to the changes in revenue.

The purple line across the top is our School Designed Enrollment of 628 at 85% capacity.



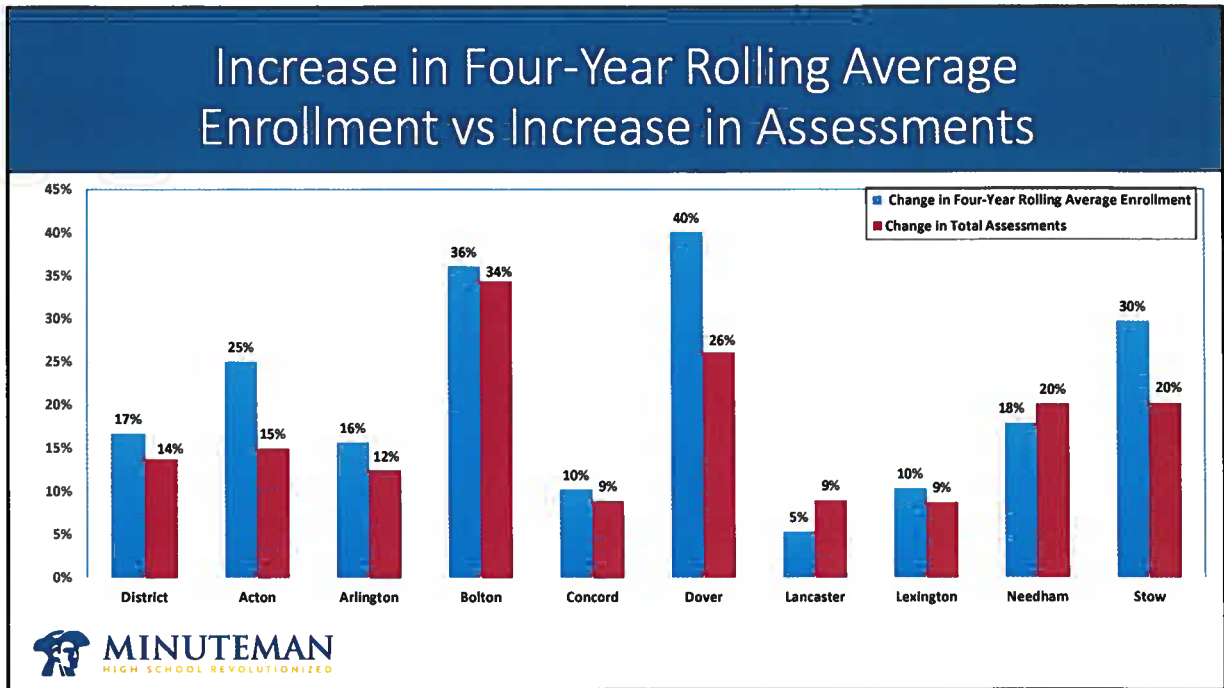
The tri-colored bar graph includes the Total, Member, and Non-Member Enrollment compared to the 85% School Capacity indicated by the purple line.

As the graph shows, we are over 85% capacity.



Here the Yellow Line represents the Non-Member Tuition, and the Light Blue Line represents the Capital Fee Revenue available to reduce Member Assessments.

As you can see these are trending in the opposite direction of increasing member enrollment.



Here we show the Percent Change in Four Year Rolling Average of Enrollment (Blue Column) with the Percent Change in Assessment (Red) for all our Member Towns. For most of our Member Towns, these correspond, and track together closely, as spelled out in our Regional Agreement.

It is important to note that the 4-Year Rolling Average will eventually even out over the next few years as enrollment becomes more typical of full freshman classes of Member Town Students.

Overall Budget Summary

FY24 Assessment to Members

\$25,481,911

13.78% above FY23

So as presented, it is the shifts in enrollment that are increasing the assessments for each member town. The increase is paying for more of your students to have access to a choice in the type and quality of a career technical education.



	Enrollment (Rolling 4 yr. Average)	Estimated Minimum Required Contribution	School Choice	Transportation Assessment	Remaining Operation Assessment	Capital/Debt Service	Total FY24 Assessment	Total FY23 Assessment	Difference
ACTON	65.00	\$ 1,348,307	\$ 22,225	\$ 74,464	\$ 1,106,184	\$ 733,618	\$ 3,284,798	\$ 2,841,323	\$ 443,475
ARLINGTON	181.00	\$ 3,419,797	\$ -	\$ 207,354	\$ 3,080,296	\$ 2,225,468	\$ 8,932,916	\$ 7,947,938	\$ 984,978
BOLTON	20.75	\$ 540,671	\$ -	\$ 23,771	\$ 353,128	\$ 281,889	\$ 1,199,459	\$ 893,714	\$ 305,745
CONCORD	29.75	\$ 612,477	\$ -	\$ 34,082	\$ 506,292	\$ 488,844	\$ 1,641,695	\$ 1,508,544	\$ 133,151
DOVER	3.50	\$ 68,053	\$ -	\$ 4,010	\$ 59,564	\$ 117,000	\$ 248,626	\$ 197,427	\$ 51,199
LANCASTER	54.50	\$ 806,460	\$ -	\$ 62,435	\$ 927,492	\$ 583,233	\$ 2,379,621	\$ 2,185,510	\$ 194,111
LEXINGTON	69.50	\$ 1,310,022	\$ -	\$ 79,620	\$ 1,182,766	\$ 929,570	\$ 3,501,977	\$ 3,223,898	\$ 278,079
NEEDHAM	29.75	\$ 655,050	\$ -	\$ 34,082	\$ 506,292	\$ 445,038	\$ 1,640,461	\$ 1,367,739	\$ 272,722
STOW	50.25	\$ 1,059,989	\$ -	\$ 57,567	\$ 855,165	\$ 601,803	\$ 2,574,523	\$ 2,145,103	\$ 429,420



PRELIMINARY FY24 ASSESSMENT TO MEMBER TOWNS

This represents the preliminary FY24 assessments to member towns.

Applications and Enrollment

Class of	2023	2024	2025	2026	2027
Total Applications	333	390	323	425	369*
Member Towns	233	252	261	309	301*
Non-Member Towns	100	138	62	116	68*

*As of 1/24/2023

- As of 1/24/2023, Freshman Class Applications are up 12% from a year ago.
- Continued increase in enrollment since FY2019 (The last year of the old building):
 - 34% Increase in Total Enrollment
 - 19% Increase in Member Town Enrollment (FY2023 88% vs FY2019 69%)
- Class of 2026- 100% from Member Towns

With that said, where are we now for next year? The Enrollment Trends are Continuing and going strong.

The Class of 2027, the 8th graders applying right now, are up to 369 applicants with 301 from Member Towns and 68 from Non-Member Towns.

We have a little less than a month to go in the application season, with a Cap of approximately 189 Students for the Freshman Class.

FY24 Staffing Additions

- **Funded Positions**

- 1.0 FTE Animal Science Teacher
- 1.0 FTE Math Teacher
- 1.0 FTE Engineering & Robotics Teacher

Total: 3.0 FTE (Full Time Equivalent) Teachers

- **Additional Positions Needed**

- 1.0 FTE Paraprofessional – Reading & Media Center
- 1.0 FTE Paraprofessional – Math/CTE
- 1.0 FTE Paraprofessional – All CTE The positions are necessary to support the 44% of students on IEPs
- 1.0 FTE Co-Op Coordinator (Currently Grant Funded)
- 1.0 FTE Nurse
- 1.0 FTE IT Network Analyst
- 1.0 FTE Business Office
- 1.0 FTE Grant Writer

Total: 8.0 FTE Positions

The increase in enrollment is requiring 3 additional full-time Teachers.

Being cautious of our Budget and Assessments' impact on our Member Towns, Minuteman is not requesting funding for all the positions we need to provide the standard of service that will meet our expectations. There is still quite a bit of need for Minuteman, however, we will have to figure out how to cover these needs from within, even if it will cause a strain on our existing staff.



FY2023 Grants

Grant Name	Type	Award Amount	Description
ASOST-Q (Afterschool and Out-of-School Time)	State	\$ 45,000	Summer Programming
Perkins	Federal	\$ 39,610	Program Improvement and Equipment
Skills Capital Grant	State	\$ 354,000	Welding Machines and Truck
Comm Corp - Round 6	State	\$ 900,000	Workforce Development
Title I	Federal	\$ 57,008	Supplement Instructional Services
Title IIA	Federal	\$ 12,917	Framework Implementation & Educator Effectiveness PD
Title IV	Federal	\$ 10,000	Academic Support & Personalized Learning
CVTE Equitable Access	Federal	\$ 88,641	Translation & transportation services, supplies for Girls in STEM, stipends for IDEA liaison, support for Girls in STEM, & culture survey data analysis team
Individuals with Disabilities Education Act (IDEA)	Federal	\$ 263,016	To support students with disabilities
Perkins	Federal	\$ 218,472	Co-op director, summer work staff, Library Asst., 1st Robotics Coach, materials for PLTW, STEM program, NOCTI Testing, OSHA, Drinkwater, Hazpower & Wastewater, course certifications, job board software and Skills participation fees, Conferences
SEL & Mental Health Grant	Federal	\$ 140,000	Supporting students' social emotional learning, behavioral & Mental Health and Wellness through multi-tiered systems of supports
Skills Capital Grant	State	\$ 500,000	Technology and Equipment for Animal Science Program
Comm Corp - Round 7	State	\$ 360,000	Carpentry, Plumbing, and Welding
Total		\$ 2,988,664	And Counting! (Approximately 10.3% of the FY2023 Budget)

We do not solely rely on our member towns to fund all the district's needs.

We work diligently to apply for and receive grant funding. As you can see, without these grants, it would have required the district to request from the member towns an additional \$3 million dollars for the FY23 Budget. In essence, the grant funding saved the member towns over 10% this current year.

The district uses these grants to fund positions, curriculum, CTE programming, student programs, the purchase of instructional equipment, and summer programming to name a few. Grant funding is starting to support the Minuteman Technical Institute, our post-secondary program, almost in its entirety, and it will not rely on member town funding to operate next year.

Another way we were able to reduce the FY24 budget request to 4.5% was in part due to the \$500K Capital Skills grant for the expansion of the Animal Science program.

Building Enrollment Beyond the Design Capacity of 628

Goal: Increase Capacity to Accommodate Member Town Enrollment with *no increase in debt.*

- **Strategy #1: Consistently Fund Capital Stabilization Account**
 - Capacity Building Project: Increase Capacity by 32 students over 4 years
 - North Metal Fab Shop: \$825,000 - Opening Fall 2023
- **Strategy #2: Leverage Strategic Partnerships and Grants**
 - East Campus Building Renovation: In Progress



As previously shared, our enrollment has exceeded the building's capacity. The plan is to meet this growth and look to expand as much as our facilities will allow, **WITHOUT ANY ADDITIONAL DEBT.**

Strategy #1 – Is to continue contributing a portion of the budget to Fund the Capital Stabilization Account. This will allow us to support the current and new projects. We have one Capacity Building Project currently in Progress (North Metal Fab Shop).

Strategy #2 – Is to leverage Strategic Partnerships and Grants to put dormant buildings to use such as the East Campus Building.

Capital Stabilization Account

- Account established in 2016
- 12/31/2022 Balance is \$2,468,609
 - FY2024: Add \$500,000 to Account
- Voted \$1,250,000 to Athletic Fields Budget
 - Spent \$404,282 To Date
- Voted \$650,000 to North Building Project (Metal Fab Shop)
 - Spent \$140,792 To Date

To provide more context on Strategy #1, Back in 2016, the School Committee established the Capital Stabilization Account to be prepared for capital needs that may come up. The Balance of just under \$2.5 Million is due to this strategic planning and funding. The School Committee votes to approve how these funds will be applied.

Within the FY24 budget, Minuteman is proposing continuous funding of \$500,000 to this account.

OPEB: Estimated Liability as of June 30, 2022

\$20,850,743

12/30/2022 OPEB Trust Fund Balance = \$519,745

An OPEB Advisory Subcommittee was appointed in Fall 2021 to implement a long-term funding strategy. The Plan was submitted to the School Committee and approved in Winter 2021.

As the Capital Stabilization Account is one of the major drivers of the FY24 budget, so is the School Committee's responsibility for maintaining the funding for OPEB Liability---- Other Post Employment Benefit (OPEB).

This requires a long-term strategy recommended by the OPEB Advisory Subcommittee.

Currently, the fund balance is slightly over \$500K. We will need to drastically increase our yearly contribution if we are to meet the liability amount of over 20 million dollars.

OPEB: Strategic Components

OPEB Advisory Subcommittee recommended a long-term funding strategy to the Minuteman School Committee

Recommendation #2: Adopt the following six year funding plan for budget Line 5250, Retiree Insurance:

FY 2023	\$ 725,000
FY 2024	762,000
FY 2025	1,100,000
FY 2026	1,155,000
FY 2027	1,215,000
FY 2028	1,275,000

This schedule starts with \$725,000 in FY23, with 5% increases each year, and an additional increase of \$300,000 in FY25. Given the current FY23 PAYGO budgeted amount of \$605,358, this implies a FY23 OPEB Fund contribution of \$119,642.

The \$300,000 hike in FY25 is feasible since the ESCO lease ends with FY24, and the ESCO commitment for the nine member towns is about \$425,000 per year.



Here is the long-term strategy. The increase in future years is reasonable due to the ESCO Lease ending in FY2025. The amount that is currently being allocated to the ESCO lease will be allocated toward the OPEB payment after the lease ends.

This total is broken out between Active Retiree Health Insurance and the OPEB Contribution.

Minuteman is also following the recommendation of adding \$10,000 per new FTE (3 x \$10,000).

FY24 Operating and Capital

Budget	FY23	FY24	Difference	% Change
Operating Budget	22,092,652	23,458,597	1,365,945	6.18%
Capital Equipment/Leases/Athletic Fields (2)	1,235,608	1,238,240	2,632	0.21%
Subtotal	23,328,260	24,696,838	1,368,578	5.87%
Building Project - Debt Service (1)	5,682,363	5,619,488	-62,875	-1.11%
Total Operating & Capital Budget	29,010,622	30,316,325	1,305,703	4.50%

(1) A debt exclusion override was voted on this debt in the following towns: Acton, Arlington, Bolton, Concord, Dover, Lancaster, and Stow.

(2) Annual ESCO Lease assessments include the proportionate share due from the 6 towns that withdrew from the district effective July 1, 2017, and Belmont withdrawal effective July 1, 2020. This also includes the payment on a 10 year note for the field lighting.

As we start to bring the budget presentation to a close, this is a summary of our Operating and Capital Budget and the Breakouts, with a total Operating and Capital Budget Request increase of only 4.5%.



FY24 Non-Assessment Revenue

Non-Assessment Revenue	FY23	FY24	Difference	% Change
Chapter 70 Aid	2,028,744	2,197,552	168,808	8.32%
Chapter 71 Reg. Transportation Reimb.	1,029,441	807,615	-221,826	-21.55%
Prior Year Tuition	1,367,364	805,817	-561,547	-41.07%
Current Year Tuition	950,000	-	-950,000	-100.00%
Certified E & D	650,000	650,000	-	0.00%
Current Year Nonresident Capital Fee	300,000	-	-300,000	-100.00%
Prior Year Nonresident Capital Fee	<u>289,332</u>	<u>373,430</u>	<u>84,098</u>	<u>29.07%</u>
Total Non-Assessment Revenue	6,614,881	4,834,414	-1,780,467	-26.92%
Required Member Town Assessments	22,395,741	25,481,911	3,086,169	13.78%



The Operating and Capital Budget is supported mainly by member town assessments. But the Non-Assessment Revenue which does not come from member towns offsets a portion of the overall budget.

We are being conservative with our State Aid estimates, and the main point to be made here is that Minuteman is losing almost \$1.8 Million Dollars, primarily from decreases in the Out of District Tuition and Capital Fee revenue discussed in earlier slides.

This loss is being picked up by our Member Towns.



Assessment Components

Assessment Allocation by Category	FY23	FY24	Difference	% Change
Minimum Required Contribution (set by the State)	8,864,054	9,820,826	956,772	10.79%
Transportation Budget	538,453	577,385	38,932	7.23%
ESCO Lease Assessment	550,408	566,290	15,882	2.89%
Capital Equipment/Leases/Athletic Fields	685,200	671,950	-13,250	-1.93%
Assessments over Minimum Contribution	6,664,596	8,599,402	1,934,806	29.03%
Building Project - Debt Assessment	<u>5,093,031</u>	<u>5,246,058</u>	<u>153,027</u>	<u>3.00%</u>
Total Assessments	22,395,741	25,481,911	3,086,169	13.78%



These are the components of the Assessments that will be included in our Budget Book.



Overall Budget Summary

FY23 Operating & Capital Request = \$29,010,622 <u>4.96%</u> above FY22	FY24 Operating & Capital Request = \$30,316,325 <u>4.50%</u> above FY23
FY23 Operating Request = \$22,092,652 <u>6.57%</u> above FY22	FY24 Operating Request = \$23,458,597 <u>6.18%</u> above FY23
FY23 Capital Request = \$1,235,608 <u>8.89%</u> above FY22	FY24 Capital Request = \$1,238,240 <u>0.21%</u> above FY23
FY23 Building Project Debt = \$5,682,363 <u>1.60%</u> below FY22	FY24 Building Project Debt = \$5,619,488 <u>1.11%</u> below FY23



Lastly, our overall Budget Request in comparison to FY23 is less than the prior year's requests in all categories.

OUR WHY



And in closing, we return to our values—our students and their learning.

We recommend the FY24 Budget that will support the needs of our students and their teachers.

Thank you for your support.

At this time, our Business Manager, Ms. Nikki Andrade, will join me to answer any questions.



Thank you.

Questions?

LOOK FOR ANY QUESTIONS