

MEETING MINUTES

Board of Trustees Finance Subcommittee Meeting

Date: March 11, 2025 – 4:00 p.m.

Attendees:

Liza Veto (Chair), Zoom

Josh Charpentier (Board Member), Zoom

Rachel Babcock (Board Member), Zoom

Adam Earle (Board Member), Zoom

Ethan Braunstein (Guest), Zoom

1. Call to Order/Attendance

a. Public Comment

There was no public comment.

2. New Business

a. FY25 Amended Budget and FY26 Proposed Budget Presentation

a. Discussion:

Liza Veto explained that at this time of year, they look at how spending was in the current year's budget to see if adjustments are necessary, and then look to the future year to plan for the following year's budget.

Josh Charpentier further clarified that today's presentation is for information purposes only and that the full board would vote on the budget on March 24.

Josh Charpentier explained that an additional \$316,009 in total revenue is expected. He noted that the budget had included a 5% reduction in tuition numbers. It was projected that there would be an additional \$454,590 in tuition revenue compared to the approved FY25 budget, which is \$107,786 more than the DESE projection.

Josh Charpentier noted that state and federal grants were adequate in FY25 but lower than expected. Josh Charpentier explained that transportation reimbursement is projected to be almost \$100,000 higher than expected, assuming an 81.9% reimbursement. No private grants had been received in FY25. Rachel Babcock suggested that might be due to their strong

financial situation, and the fact that private funders have many demands from organizations seeking funding. Josh Charpentier added that an increase in "other income" was also expected. This came from interest in the money market and CD accounts and was a direct result of changing banks. Josh Charpentier noted that this information should be added to the presentation slide.

Josh Charpentier said that FY25 total expenses were in line with projections, with a -\$16,549 difference in expenses from the approved FY25 budget. This amount includes \$270,000 for LMS development. Personnel costs were -\$374,049 lower than anticipated. This is due to the current staff being smaller than planned. Josh Charpentier explained that total wages, benefits, and taxes comprise 57% of total expenses, although the ideal amount would be 60%. Rachel Babcock noted that the understaffing was due to a couple of staff resignations that had happened during the summer and that they had not been actively trying to hire since then.

Josh Charpentier explained that FY25 non-personnel expenses were \$357,500 over budget. He noted that this included the \$270,000 for LMS development and the \$150,000 contingency line which had not been spent and was not expected to be spent. Administration and staff were proposed to be increased by \$10,000. Retention and recruitment decreased by \$15,000, and career development pathways decreased by \$30,000. Student support would be increased by \$10,000, particularly for the Cartwheel program, a virtual counselling program.

LMS development was added to the amended FY25 budget, totaling \$270,000. Instructional supplies would be increased by \$20,000. Staff travel expenses, staff culture, and food services would each be increased by \$10,000. No furniture was purchased this year so that expense would be decreased by \$35,000. The cost of supplies increased which impacted expenses for building miscellaneous supplies, telecom and internet, electricity, and gas. Professional services increased by \$20,000. Legal services increased by \$15,000. And depreciation expense was -\$50,000.

Josh Charpentier noted that the current capital plan included a 20% down payment on the LMS building. At the end of the fiscal year, they would propose to increase that to include expenses for outfitting the space.

Josh Charpentier explained that the FY26 total revenue was proposed to increase by \$304,778 from FY25. This is the first year that the student body has not grown because the cap of 300 has been reached.

This year, they did a level-funded budget for tuition, which represents a \$309,134 decrease from what DESE was projecting. FY26 state grants were projected to increase, including \$50,000 already committed to Innovations Pathway Funding and \$137,000 in YouthWorks funding, the latter of which was 25% lower than the \$180,000 funding that had been requested. Rachel Babcock noted that the YouthWorks funding does not impact the overall budget because it is used directly to pay student wages. Josh Charpentier said that due to uncertainty over federal funding, the proposed FY26 federal grant budget was the same as FY25.

The FY26 other income is proposed, due to interest on cash accounts and a decision to incorporate \$240,000 of reserves into the FY26 budget for the LMS project. Nutrition funding was proposed to remain the same for FY26, while the transportation reimbursement was expected to increase by \$13,762. Personnel costs are expected to increase by \$642,291 which includes the YouthWorks grant funding. Non-personnel expenses are expected to increase by \$237,054. FY26 total expenses are proposed to increase by \$915,345. The projected net position for FY25 is \$4,360,980.

Josh Charpentier noted that the expected surplus for FY26 is \$439,632.

b. LMS Contract Update

Rachel Babcock explained that the work is underway, and they are currently working on the draft of the master agreement for the software project. They are hoping to have a draft within a week. It will be hopefully in place during April. Rachel Babcock explained that they were hoping to have their first scope of work completed by the end of the fiscal year in June. It would represent about 20% of the work and the total cost of the project.

c. Building Update

Rachel Babcock explained that for the upcoming year they do not expect the building to have a budget impact from the finance committee's perspective. The landlord had secured an architect and the drawings had been updated. The landlord hoped to go before the town in April and the renovation is hoped to be underway by the summer or early fall. From a budgetary perspective, they do not expect it to have an impact on the FY26 budget because they will not be occupying the space during the FY26. It will be appearing in the FY27 budget.

Rachel Babcock explained that the new building plans were for a metal building, which would be quicker to construct. The road would need to be built first to allow for access. The existing road would then be closed and used as a construction site. Ideally, the new space would be connected to the existing space in the summer of 2026. There would also be some renovation necessary in the existing space, but those rooms are not classrooms, so the renovations are not expected to be disruptive. Josh Charpentier added that it would also be possible to wait some time to connect the new building with the existing building.

3. Adjournment

Rachel Babcock made a motion to adjourn the finance subcommittee meeting.

For	Against
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Liza Veto Josh Charpentier Rachel Babcock Adam Earle	
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The meeting was adjourned at 5:07 p.m.