

Blackstone Valley Vocational Regional School District

Budget Subcommittee

Meeting Minutes December 8, 2022

Members in Attendance:

Gerald Finn of Millville
Chester Hanratty of Millbury
Christopher Pilla, District Treasurer
Lorna Mangano, Business Manager

Dr. Michael F. Fitzpatrick, Superintendent-Director
Anthony Steele, Asst. Superintendent-Principal
Nicole Ferguson, Assistant Business Manager

Members Absent:

Joseph Hall of Bellingham
Julie Mitchell of Sutton

Call to order

The meeting was called to order at 4:37 p.m. by Dr. Fitzpatrick in the Superintendent's Conference Room.

Approval of minutes from prior meeting

Mr. Finn asked members to review minutes from the November 17, 2022 meeting.

Motion: On a motion moved by Dr. Fitzpatrick, seconded by Ms. Mangano, it was unanimously voted to accept and approve the Budget Subcommittee meeting minutes of November 17, 2022, as written.

Agenda items

Ms. Mangano opened the meeting with a review of the Salary & Wage budget, which was higher than the prior year by \$989,783 or 6.05%. The recommended approach to the operational budget design will include reasonable projections (not yet negotiated) via a new collective bargaining agreement. Ms. Mangano noted that anticipated pay increases made up the majority of the planned change; while, to a lesser extent, level changes and the net impact of other staffing changes (i.e. new, eliminated, replacement positions) made up the balance of the increase. The FTE comparison document included in the meeting materials showed an overall full-time equivalent (FTE) increase of 6.09 positions. Mr. Steele explained that staffing changes were reflective of varying needs and elaborated on the increase. In summary, the net change in FTE's consists of an increase of 7.59 positions (3.0 Student Body Security, 1.0 Academic, 1.0 Vocational, 1.0 Instructional Supervision, 1.0 Technology, 0.3 SPED, 0.29 District Wide), offset by a reduction of 1.50 positions (1.0 Vocational, 0.5 SPED). A lengthy discussion ensued regarding staffs' years of service, where Mr. Finn requested an analysis of the number of teachers at each step of the salary schedule and their movement over the next three years, as well as a similar analysis related to longevity years of service and projected payments. Ms. Mangano will provide this detail at a subsequent meeting.

Next, Ms. Ferguson presented the Administration budget (1000 series). This budget series increased \$8,092 or 4.23% from the prior year budget. The most significant fluctuations to the Administration budget were explained as follows:

- \$3,520 School Committee Dues/Subscriptions – \$2.4K due to change in MAVA fee structure in addition to \$1.1K due to various membership price increases

- \$1,677 Tech/Contract Services – Fee increase for Infinite Visions financial management and HR software, as well as Tracks receivable software
- \$1,415 School Committee Legal Notices/Ads – Based on prior year trend and anticipated need
- \$ 570 Superintendent Contract Services – Mainly increase in copier and printer usage
- \$ 500 School Committee Audit Expense – Increased fee for annual financial audit per contract
- \$ 195 Business Office Contract Services – Increased OPEB valuation cost per contract

Moving on, Ms. Ferguson and Ms. Mangano presented the Fixed Charge/Benefits budget (5000 series) which increased \$304,013 or 6.15% over the prior year budget. The major components of this change consisted of:

- \$ 96,354 Retirement Contributions – Increase in estimated ‘pay as you go’ cost for Non-MTRS retiree benefit payments
- \$ 91,924 Active Employee Medical – Rate increase based upon experience and trends
- \$ 61,812 Retiree Medical – Increase driven by a combination of additional retirees, mortality, Medicare eligibility and other state GIC (Group Insurance Commission) plan adjustments.
- \$ 43,425 Insurance – Related to anticipated 27% increase in workers compensation and 7% increase in property and casualty coverage based on experience trends
- \$ 16,240 Employer Medicare – Increase directly related to FY24 proposed gross wage base
- \$ 2,870 DW Other Fixed Charges – Mainly increased for Medicaid admin. and contingency fees
- (\$ 10,550) Unemployment Insurance – Decrease due to 0.1% reduction in experience rate offset somewhat by increase in proposed gross wage base

The active-employee health plan increase was indicative of medical experience and trends provided by the District’s health insurance broker. The change reflects a definitive rate increase of 2% for both Harvard Pilgrim HMO and high deductible plans. Ms. Mangano went on to explain the increase in GIC (Group Insurance Commission) health costs for professional retirees in MTRS are challenging to predict due to GIC plan adjustments. The District assumed the most recent GIC assessment, added estimated assessments for three new retirees and assumed a rate increase of 8.25%.

It was also noted that the proposed Benefits budget also contained a \$422,454 contribution to the State Retirement System for non-MTRS staff, which reflects a \$96,354 increase over the prior year budget. This budget line item was based on the current ‘pay as you go’ billing being assessed, in addition to consideration of recent retirees.

In closing, Ms. Mangano directed attention to the Budget Summary for items reviewed to date which showed an increase of 5.87% from FY2023. The next scheduled meeting is set for Thursday December 15, 2022 at 5:00 in the Superintendent’s Conference Room.

Areas for follow-up:

Mr. Finn’s request for teacher years of service information

Open Item at this time

Adjournment

Motion: to adjourn made by Mr. Finn at 6:29 p.m.; seconded by Dr. Fitzpatrick; motion voted and unanimously approved.

Respectfully submitted by,
Nicole Ferguson, Recording Secretary