



**Date of Meeting: Saturday, May 10, 2025**

1. Construction Loan/Municipal Bond Rate Recommendation:

At the end of May, MLHS will start repayment of the Municipal Bond Construction Loan for the new gym. Prior to repayment, we must lock in a specific term length for the loan. While the overall life of the loan is 25-years, we have various options ranging from 3-9 years, each with different rates. At the end of each term, we will again have to choose to lock in for a specific time/rate. Rates are based on Federal Interest Rates, minus 21% as a result of the Bank not having to pay interest on Municipal Bonds.

The Finance Committee discussed rate options and is recommending going with the 3-year rate. Factors influencing this recommendation include: lowest rate possible (difference between 3 and 5-year total was approx. \$8K/year), current and projected political and financial trends, and no prepayment penalty on 3 or 5-year rates (both 5 and 7-years had 3% prepayment penalty).

The following table represents potential rates based on current Fed rates, and may be subject to change.

Rate Lock Term, Tax Exempt Rate

3 yrs, 5.15

5 yrs, 5.36

7 yrs, 5.62

9 yrs, 5.86

Currently, there is approximately \$375K remaining from ongoing pledges, which will be used to cover monthly payments. There is also \$78K allotted in the 25-26 Budget designated to be used to supplement payments. In the case that the budgeted money is not needed during next year, it may be carried over into the next budget cycle.



2. Adjusted Budget for 25-26 School Year:

In April of 2025, the BOC approved additional staffing for MLHS to meet the needs of students resulting from increased enrollment. Increased enrollment has impacted MLHS both in terms of increased expense (primarily staffing), but also, increased revenue (tuition, Choice, International students). As a result, adjustments to the approved 25-26 are made to address these needs.

The following points are the adjustments made to the budget since it was approved by the Federation back in November:

Income Adjustments:

- a. The total enrollment to include 290 domestic students (with the international students the total enrollment is 305 students). (Expected tuition increase from \$1.847M to \$1.887M)
- b. The international students have been updated to 15 students and adjusted student tuition rates for 25-26 will be. (Expected increase from \$184K to \$250K)
- c. Updated the choice number of students to 145. (Expected increase from \$717K to \$888K)

Expense Adjustments: (Expected salary/benefit increase from \$2.874M to \$3.034M)

- d. Updated all called workers to be in line with the 25-26 salary matrix.
- e. Added the new teachers - Buss, Stein, and Rachel Holper
- f. Added to the staff
  - i. Learning Coordinator Assistant
  - ii. Full time hot lunch worker (moved from 2 full time and 2 part time to 3 full time and 1 part time)
  - iii. Study Hall/International program assistant
  - iv. Added 3 student workers for the school year

These are the adjustments that have been made, and it comes out to have a budget in the black. The previous All School Budget was +\$121.00. With the adjusted budget, it is estimated at +\$3556.00

Note: The amount of \$78K which was budgeted to help cover the repayment costs of the construction loan will remain in the budget. As of right now, it is looking like the Building Fund will be able to cover the construction loan payments entirely next fiscal year.