

Oyster River Cooperative School District

FY18 Public Budget Hearing

JANUARY 11, 2017

7:00 PM

ORHS AUDITORIUM

DR. JAMES C. MORSE, SR.



Budget Public Hearing

- School Board Goals
- District Highlights
- District Enrollment
 - Current by Schools
 - Projected 5 Years
 - Current by Town
- Financial Information
- Warrant Article #'s 3 - 7

School Board Goals 2017-18 Budget

Budgeting is directly related to our academic vision. The proposed 2017-18 ORCSD budget reflects the priorities of the adopted District Strategic Plan which guides the decisions at a realistic and affordable pace.

The proposed budget will include all completed negotiation agreements and health insurance costs.

The general budget goal will not have an overall impact that exceeds 3.25%.

New revenue from the Barrington tuition agreement and other voter approved expendable trust funds may be used to offset staffing, health care and retirement costs.

This does not include any petitioned warrants.

2017-18 Board Goals

Board established goals for 2017-18 include:

1. Develop a communication strategy that engages the community in a dialogue on key issues (goals 2-6 below)
2. Inform the public of the condition of the Oyster River Middle School Facility and to engage in a dialogue with all stakeholders to determine community priorities
3. Develop a plan to add Chinese instruction to the middle and high schools. Develop a plan to expand Spanish and French instruction at the middle school
4. To make decisions regarding start times for all schools for the 2017-18 school year
5. Engage the community in a dialogue about the mental health and wellness of our student population. Develop a K-12 Trauma Action Plan for School Board review
6. The MS staff will complete the Competency Plan across all subjects and grades to include Standards and present recommended progress report format to the School Board for approval

District Highlights

One of the highest performing Districts in New Hampshire

- Smarter Balanced Scores in Grades 3 – 8 are some of the highest in the State
- SAT – Highest aggregate score – 1157 with 99% participation
- SAT Math – second highest in State
- College placement rate – 92%
 - 70% enter 4 year college program
 - 22% enter 3, 2, 1 year college program
- High School graduation rate – 99%
- Special Needs:
 - 96% (1 student) graduation rate – 67% National Average
 - 24% enter a 4 year college
 - 32% enter 3, 2, 1 year college program
- 100% SPED Compliance with NH Department of Education for all Indicators used to measure performance and compliance for special education rules and regulations

District Highlights

One of the highest performing Districts in New Hampshire

- Adoption of All-Day Kindergarten
- Mental Health/Wellness Plan adopted to increase awareness
- High School Student Participation in Athletics over 70%
- Middle and High School Student Participation is up again in Music

District Highlights

One of the highest performing Districts in New Hampshire

Strategic Plan Update:

- Capital Improvement Plan (In year 5 of 7 year plan)
- Athletic Field Completed
- Technology Plan on Track – (3 year rotation completed)
- Transportation Buses on Track (In year 7 of 10 year plan)
- School Nutrition Plan
 - Local Food = 20%
 - Increased Participation District Wide
 - Breakfast up by 22%
 - Lunch up by 13%

District Current Enrollment By School as of October 1

2016-17 Total Enrollment: **2,132****

Mast Way	320
Moharimet	373
Middle School	656
High School	766*

***Includes 115 Tuition Students**

****Includes 17 Preschool Students**

District 5 Years Projected Enrollment –

Source: LRPC 11/ 2016 Report

Long Range Planning Committee (LRPC)

2017-18 Projected Enrollment: **2,115**

Mast Way 318	Moharimet 342	Middle 661	High 794
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2018-19 Projected Enrollment: **2,114**

Mast Way 313	Moharimet 332	Middle 661	High 808
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2019-20 Projected Enrollment: **2,116**

Mast Way 312	Moharimet 306	Middle 661	High 837
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2020-21 Projected Enrollment: **2,093**

Mast Way 301	Moharimet 301	Middle 664	High 827
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2021-22 Projected Enrollment: **2,067**

Mast Way 296	Moharimet 306	Middle 633	High 832
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District Enrollment By Town 2012 - 2016

as of October 1

	2012	2013	2014	2015	2016
Durham	898	927	940	932	950
Lee	708	703	686	655	681
Madbury	338	358	382	367	369
Barrington	66	68	85	98	113
Other	3	2	2	3	2
Totals	2013	2058	2095	2055	2115

FY 18 Increases

Major Drivers/Expenditure

- Negotiated agreement with teachers
\$527,076
- 14.1% Increase in Health Insurance
over \$690,000
- NH Retirement \$290,000
- Track Bond \$150,000
- Unique SPED Costs \$250,000 +/-

Retirement Incentive

Win/Win: Employee receives incentive to retire and District lowers personnel costs.

- 15 employees chose incentive
- Board supported administration's recommendation that three positions not be filled:
 - 1 each at Mast Way, Moharimet, Middle School
- Estimated payroll savings approximately \$500,000

Past Budget Increases

- FY 17 (2016/17) 2.9%
- FY 16 (2015/16) 3.3%
- FY 15 (2014/15) 1.8%
- FY 14 (2013/14) 1.8%
- FY 13 (2012/13) .07%
- FY 12 (2011/12) -2.3%

FY18 Budget Impact

General Fund (10) TOTAL	\$42,416,325	
Article 3 – Teacher Contract	\$ 527,076	
TOTAL with warrant article	\$42,943,401	4.7%
	\$ 643,759	3.14%

Off-set includes revenue and fund balances.

FY18 Fund 10 Breakdown

Oyster River Cooperative School District						
2017-2018 BUDGET BY LOCATION as of 01/04/17						
	2015-16	2016-17	2017-18			
	<u>EXPENDED</u>	<u>APPROVED</u>	<u>PROPOSED</u>	<u>DIFFERENCE</u>		
MAST WAY	2,993,397	3,549,455	3,642,610	93,155	-100,000	
MOHARIMET	3,671,007	3,738,157	3,750,065	11,908		
MIDDLE SCHOOL	6,619,222	6,959,525	7,162,148	202,623	-100,000	
HIGH SCHOOL	7,474,962	8,043,447	8,302,071	258,624	55,000	
SAU/ ADMN	2,637,973	3,035,615	3,145,989	110,374		
TRANSPORTATION	2,074,162	1,928,424	2,055,341	126,917		
TECHNOLOGY	1,182,570	1,235,589	1,251,661	16,072		
FAQLITIES	3,579,214	3,821,938	4,059,324	237,386		
SPECIAL ED.	<u>8,061,799</u>	8,699,610	<u>9,192,116</u>	<u>492,506</u>		
TOTAL	<u>38,294,306</u>	<u>41,011,760</u>	<u>42,561,325</u>	<u>1,549,565</u>	\$1,404,565	3.42%
				General Fund (10) TOTAL	42,416,325	
				Article 3 - Teacher Contract	527,076	
				Total with warrant article	42,943,401	4.7%

Estimated FY 18 Impact to Towns

Budget Analysis		Estimated Tax Impact per \$1,000*		
		Durham	Lee*	Madbury*
		Proposed Budget	\$42,416,325	\$0.52
GUILD Warrant	\$527,076	\$0.28	\$0.37	\$0.36
Total General Fund	\$42,943,401	\$0.80	\$0.66	\$-.14
*Does not include any additional assessed value				

FY 18 Default Budget

In the event that the FY2018 Proposed Budget fails to be approved by District voters, the Default Budget automatically becomes the budget for FY2018

▪ Default General Fund Budget	\$42,641,737
▪ Default Fund 21 (Food Service)	\$ 671,412
▪ Default Fund 22 (Federal Funds)	\$ 600,000
▪ Default Fund 23 (Other Special Revenue)	\$ 82,000
Total Default Budget FY2018:	\$43,995,149

If the proposed FY18 Budget Fails ~ The Default Budget will be \$207,777 more

Warrant Article #'s 3 - 7



Warrant Article # 3

ARTICLE #3 Shall the District vote to approve within the provisions of New Hampshire RSA 273-A:3 the cost items included in the collective bargaining agreement reached between the Oyster River Teacher's Guild and the Oyster River School Board which calls for the following increases in salaries and benefits at the current staffing levels:

2017-2018	\$ 527,076
2018-2019	\$ 568,708
2019-2020	\$ 587,169

and further to raise and appropriate the sum of \$ 527,076 for the 2017-2018 fiscal year, such sum representing the additional costs attributable to the increases in salaries and benefits required by the new agreement over those that would be paid at current staffing levels? The School Board recommends this appropriation. (Majority vote required)

Warrant Article # 4

ARTICLE #4: Shall the District raise and appropriate up to \$200,000 to be added to the Benefit Stabilization Fund previously established? This sum to come from the year-end undesignated fund balance. The School Board recommends this appropriation. (Majority vote required)

Warrant Article # 4

Explanation

Explanation: Warrant Article 4 – This fund was established for offsetting unexpected increases in benefit costs. The timing and unpredictability of increases in benefit costs make it difficult for the Board to adjust budgets to account for higher than anticipated increases. This fund allows the Board to access funds to offset the increase allowing them the time to adjust in other areas. Since we anticipate utilizing some of these funds in this budget cycle we are asking for funds to replenish this account. No amount to be raised by new taxation.

Warrant Article # 5

ARTICLE 5: Shall the District discontinue the Track Fund-District Support created in 1998. Said funds, with accumulated interest to date of withdrawal, are to be transferred to the District's general fund.
The School Board recommends this appropriation.
(Majority vote required)

Warrant Article # 5 Explanation

Explanation: Warrant Article 5 – This fund was created to build the new track and since we have done this we are recommending the we discontinue this fund. This fund has approximately \$3.00 remaining.

Warrant Article # 6

ARTICLE 6: Shall the District establish a Facilities Development, Maintenance, and Replacement Trust under the provisions of RSA 198:20c, for maintaining, repairing, and updating the District's buildings, grounds and equipment, and raise and appropriate up to \$18,503 for this purpose with such amount to be funded from the year-end undesignated fund balance, and further, to name the School Board as agents to expend from the Facilities Development, Maintenance, and Replacement Trust, and further to discontinue the following funds:

- a. The School Board Capital Replacement Fund, created in 2011, up to \$13,000.00;
- b. The School Building Maintenance Fund, created in 1995, up to \$5,500.00, and;
- c. The Athletic Facilities Fund, created in 2009, up to \$3.00.

Said funds with the accumulated interest to date of withdrawal are to be transferred to the District's general fund. The School Board recommends this appropriation. (Majority vote required)

Warrant Article # 6

Explanation

Explanation: Warrant Article 6 – The District currently has 3 separate funds to address building needs. This article will consolidate these existing funds into one fund. The funds will become part of the General Fund which will then need to be transferred (appropriated) to the newly created fund. No amount to be raised by new taxation.

Warrant Article # 7

ARTICLE #7: Shall the District raise and appropriate as an operating budget, not including appropriations by special warrant article and other appropriations voted separately, the amount set forth on the budget posted with the warrant or as amended by vote of the first session, for the purposes set forth therein, totaling \$43,787,372. Should this article be defeated, the operating budget shall be \$43,995,149 (Default Budget) which is the same as last year with certain adjustments required by previous action of the District or by law; or the District may hold one special meeting in accordance with RSA 40:13, X, and XVI to take up the issue of the revised operating budget only. The School Board recommends this appropriation. (Majority vote required)

Note:

Fund 10 = \$42,416,325 (regular operating budget); Fund 21 = \$730,047 (expenditures from food service revenues); Fund 22 = \$600,000 (expenditures from federal/special revenues); Fund 23 = \$41,000 (expenditures from pass through funds).

Citizen Petition Article

Shall the district establish a football program at the Oyster River High School with the object of moving toward a varsity team in coordination with the rules and regulations of the New Hampshire Interscholastic Athletic Association (NHIAA)?

Budgeted start-up costs of \$34,000 include; \$15,000 raised by a community based “booster” club, \$5,000 contribution from the school district and the balance of approximately \$14,000 paid by the players (larger number of players the lower cost per player) at 35 players it would be \$400 per player

FY 18 Budget

Supporting documents for the FY18 Proposed Budget can be found at www.orcsd.org

Thank You.

Questions?

FY 18 Budget Dates

- Three Public Meetings hosted by the towns:
 - Durham: Monday, January 9, 2017 – Durham Town Hall 7:00 PM
 - Lee: Monday, January 30, 2017 – Lee Safety Complex 6:30 PM
 - Madbury: Monday, February 6, 2017 – Madbury Town Hall 7:00 PM

- February 7, 2017: Annual Meeting Deliberative Session I
 - ORHS Auditorium at 7:00 PM (SNOW DATE: Feb. 8)

- March 14, 2017: Annual Meeting Voting Day/Session II:
 - Durham - Oyster River High School 7:00 AM – 7:00 PM
 - Lee - Lee Safety Complex 7:00 AM – 7:00 PM
 - Madbury- Madbury Town Hall 11:00 AM – 7:30 PM