



**Oyster River Cooperative  
School District**

**Proposed 2020-21  
School District  
Budget**

**February 4, 2020**

**7:00 PM**

**ORHS Auditorium**

Oyster River Cooperative School District

**Warrant Article  
#3  
Public Bond  
Proposed  
Middle School**



# Warrant Article # 3

ARTICLE #3: Shall the District raise and appropriate the sum of \$49,847,732 (gross budget) to construct and equip a new middle school on the site of the current Oyster River Middle School, including new athletic fields and demolition of the Oyster River Middle School, (the “Project”); and authorize the issuance of up to \$49,847,732 of bonds or notes in accordance with the Municipal Finance Act (RSA 33); and authorize the School Board to issue and negotiate such bonds or notes and to determine the dates, maturities, interest rate, and other details of such bonds or notes; and raise and appropriate an additional sum of \$625,000 from taxation to pay debt service on such bonds or notes due in the 2020-2021 fiscal year; and authorize the School Board to accept on behalf of the District any federal, state, or private funds that may become available to fund the Project and use such funds to reduce the amount of bonds or notes issued for the Project and to take any other action necessary to carry out this vote. *The School Board recommends this appropriation.*

*(3/5 Ballot vote required)*

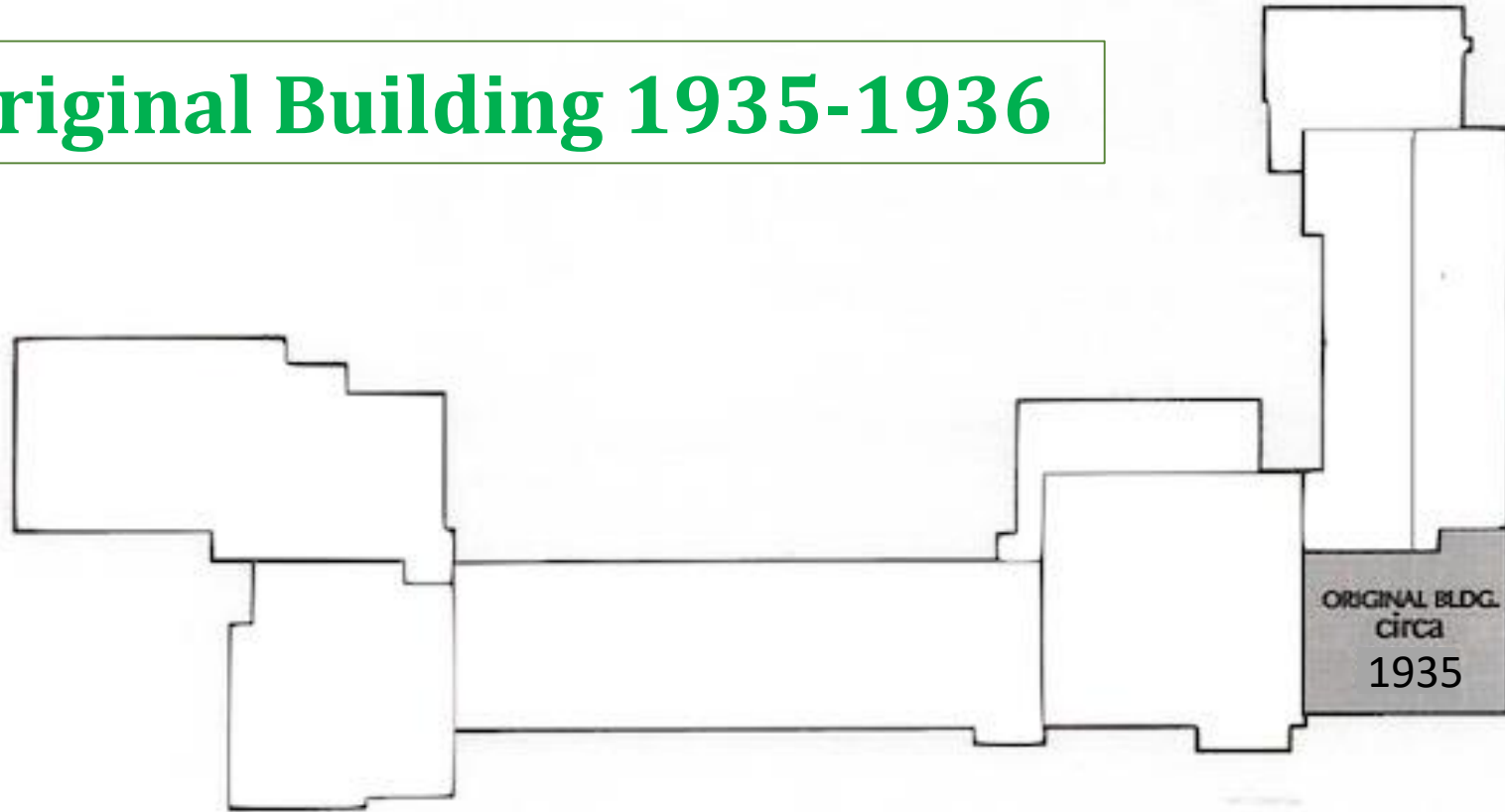
# Original School Building – 1935 - 36



# Current Middle School 84 Years Old



# Original Building 1935-1936

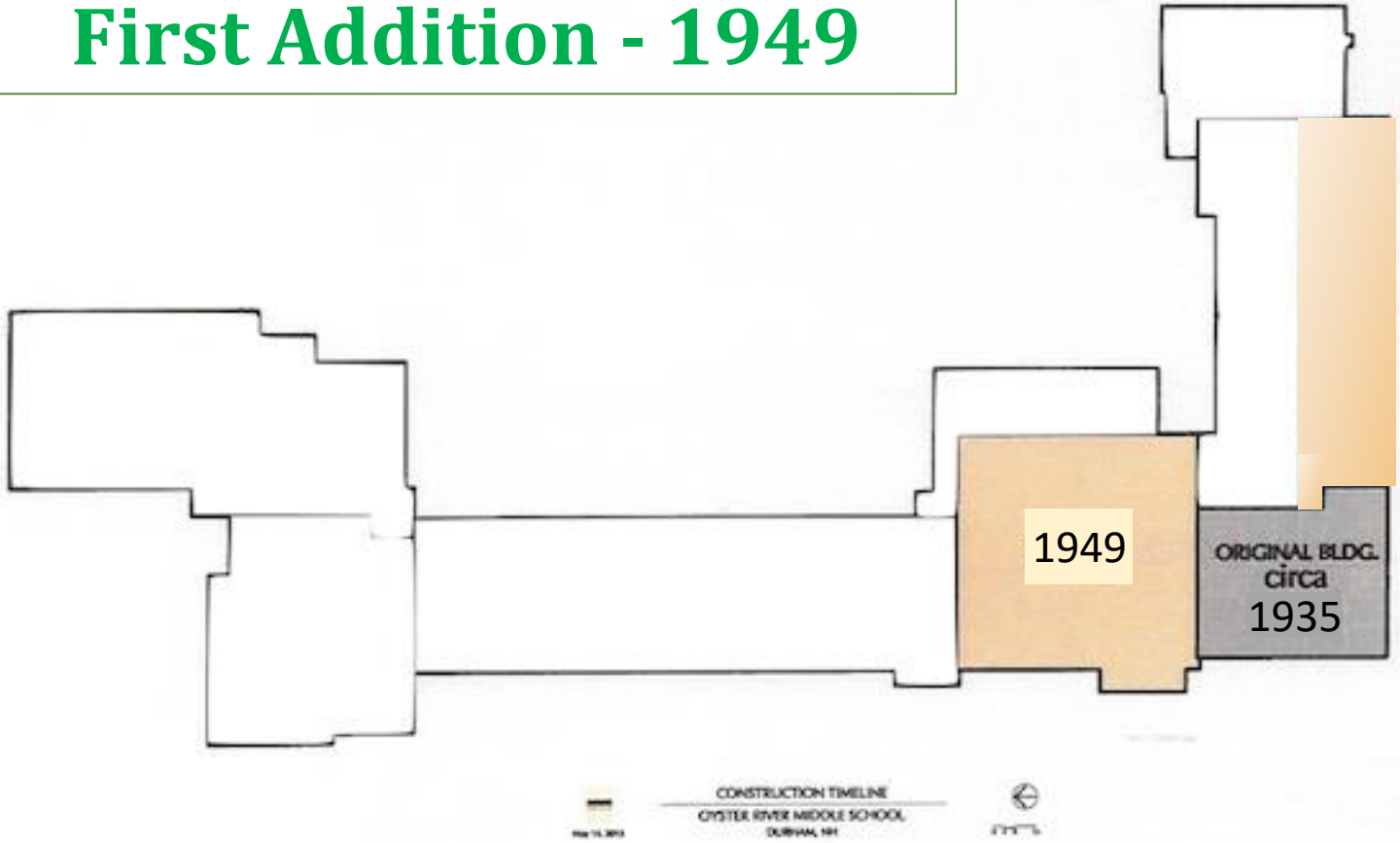


CONSTRUCTION TIMELINE  
OYSTER RIVER MIDDLE SCHOOL  
DURHAM, NH

Map 11.2013

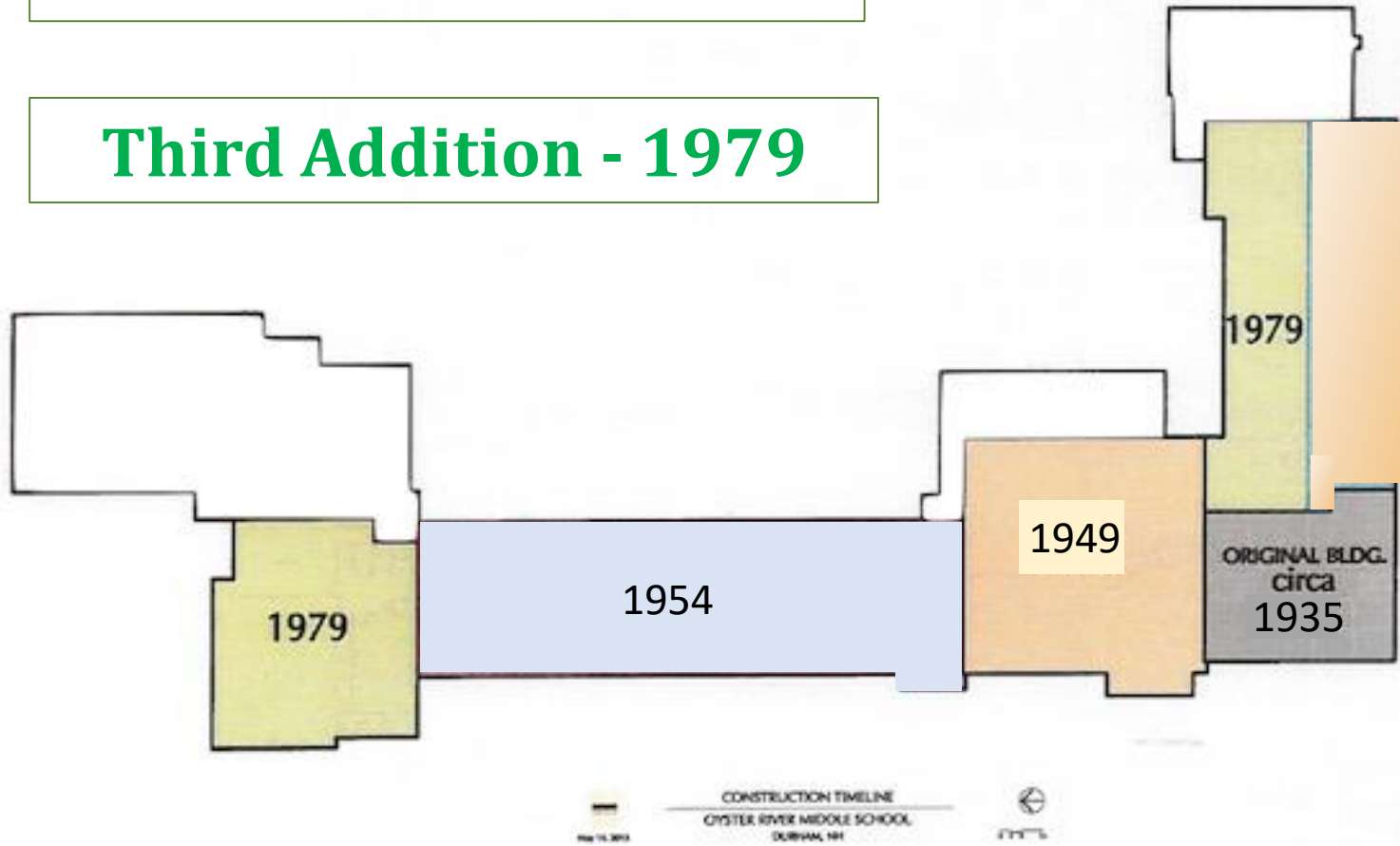
17475

# First Addition - 1949



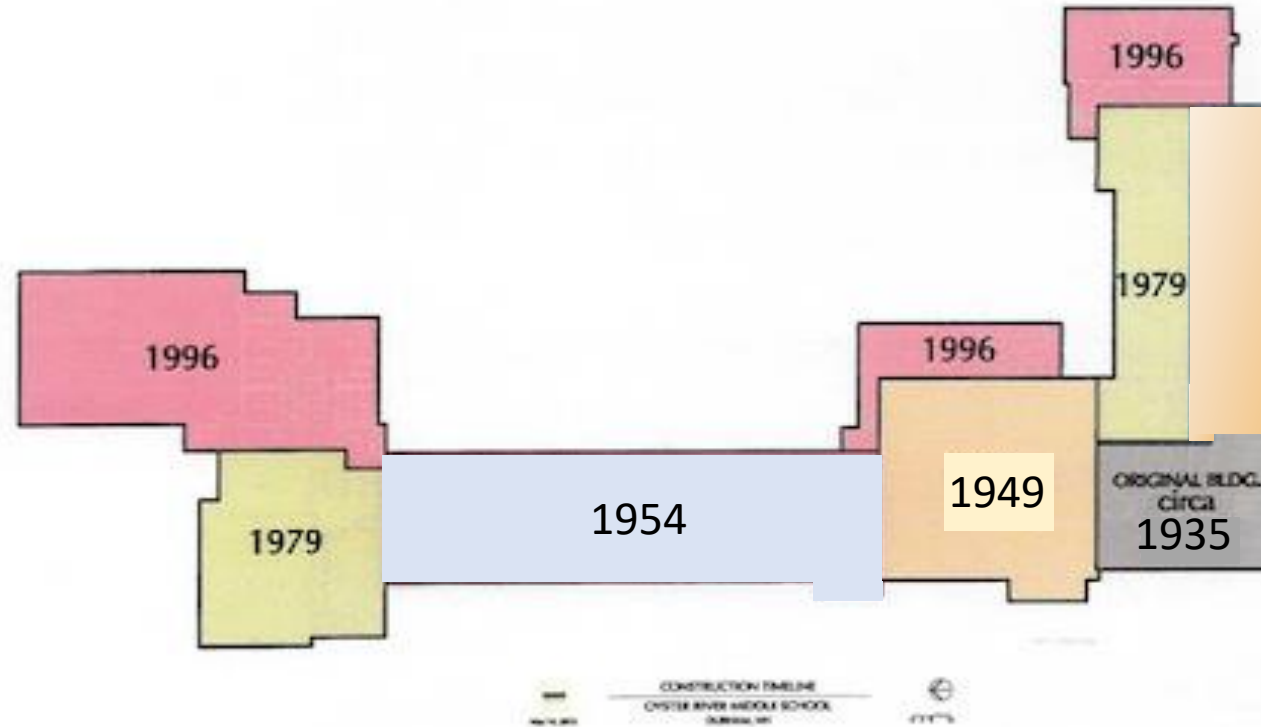
**Second Addition - 1954**

**Third Addition - 1979**





# Fourth Addition - 1996



# Current Middle School

The current Middle School opened in 1935 -36 and it has served the school district well as:

- High School
- Elementary School
- Middle School
- Over the decades it has had 4 additions ~ stretching the school to 3 football fields long

*“We shape our Buildings: Therefore, They Shape Us”*

*Winston Churchill*

# Why a NEW School

- Safety Issues (Inside and Outside)
- Inadequate Academic Spaces and Illogical Locations
- Infrastructure Inefficient and Expensive to Maintain
- Minimal ADA/Accessibility
- Current School Expensive to Renovate and would not resolve academic or safety issues

# Roof Equal to 3 Football Fields



# Crumbling Infrastructure – Current Plumbing

# Electrical Panel/Fuses



# Dangerous Safety Issues



# 45% of Classrooms are Substandard



# Substandard Classrooms continued





# Music Instruction Occurs in the Cafeteria



# Rooms Used for Instrument Storage



# ADA Handicap Compliant in 1996



# Proposed Middle School



# 4 Pillars

Every school has a story.

## Sustainability, Academics, Safety, Wellness



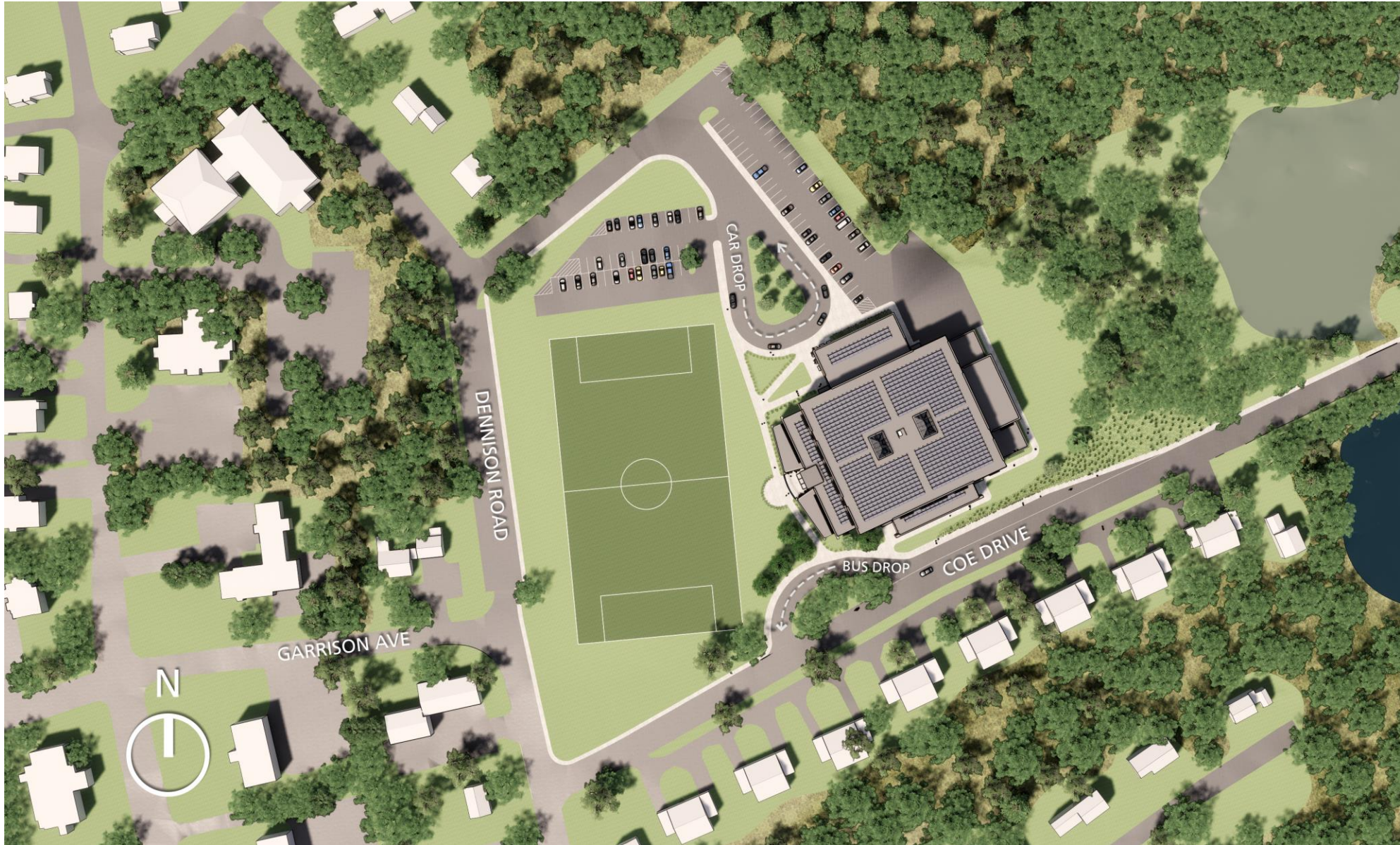
is the story behind our new

OYSTER RIVER MIDDLE SCHOOL

Building as Teacher  
Inclusive Environment  
Student Focused Building  
Anytime, Anywhere, Learning

Environment to Support Learning  
Safe, Secure, Welcoming, Inspiring  
Future-ready Environment  
Community Centered

# Safety

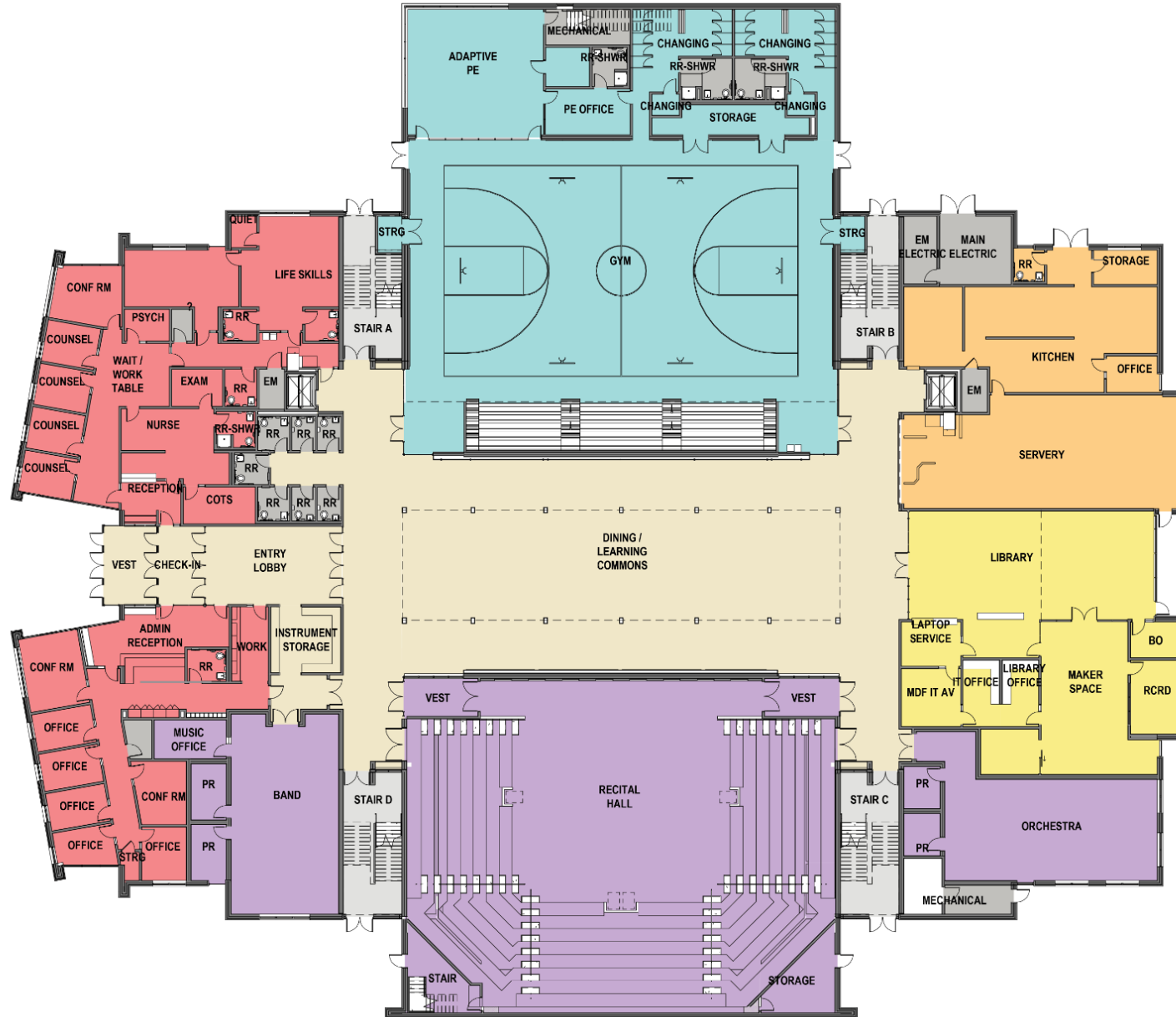








# Academics 1<sup>st</sup> Floor

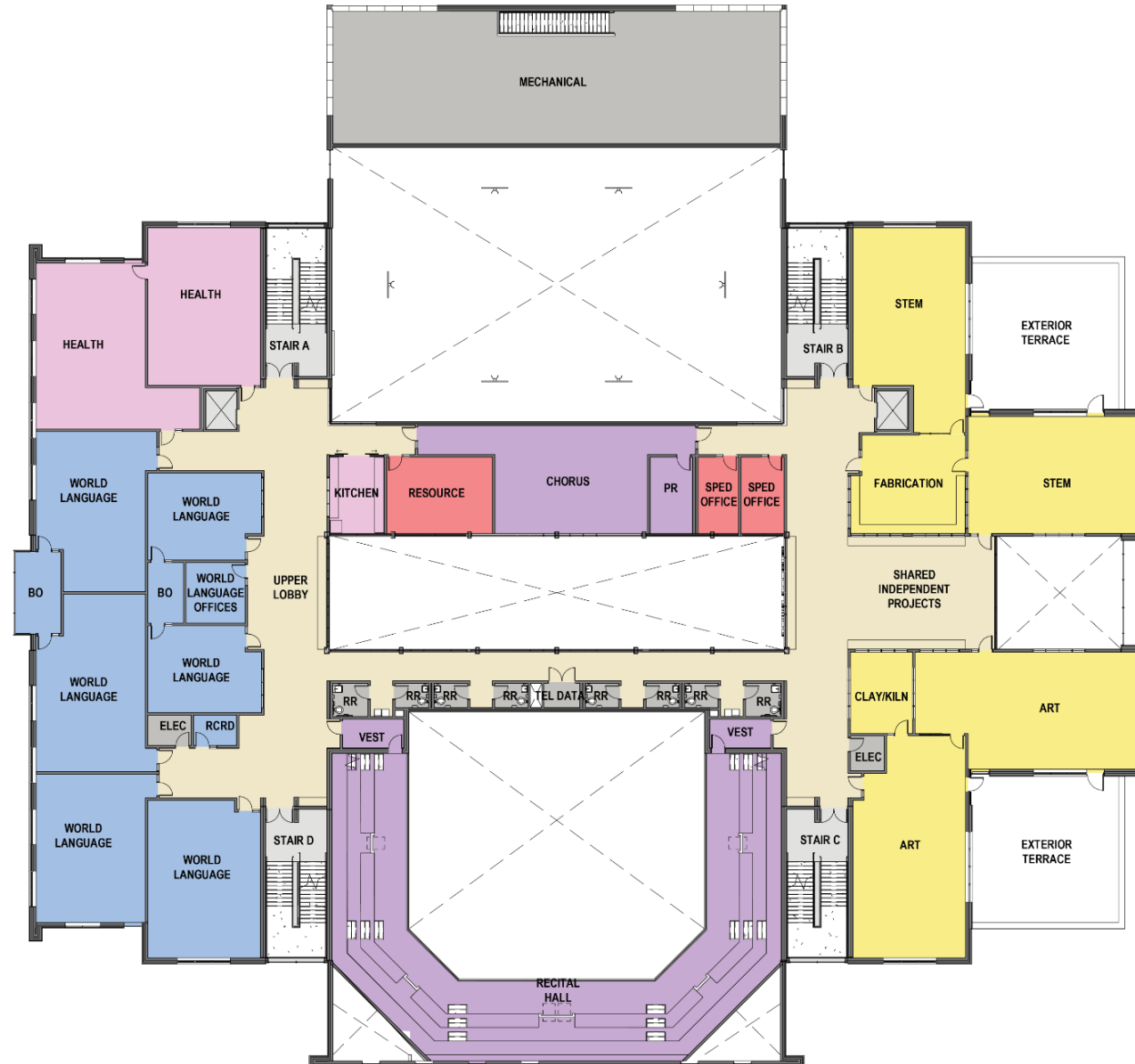




LAVALLEE | BRENSINGER ARCHITECTS

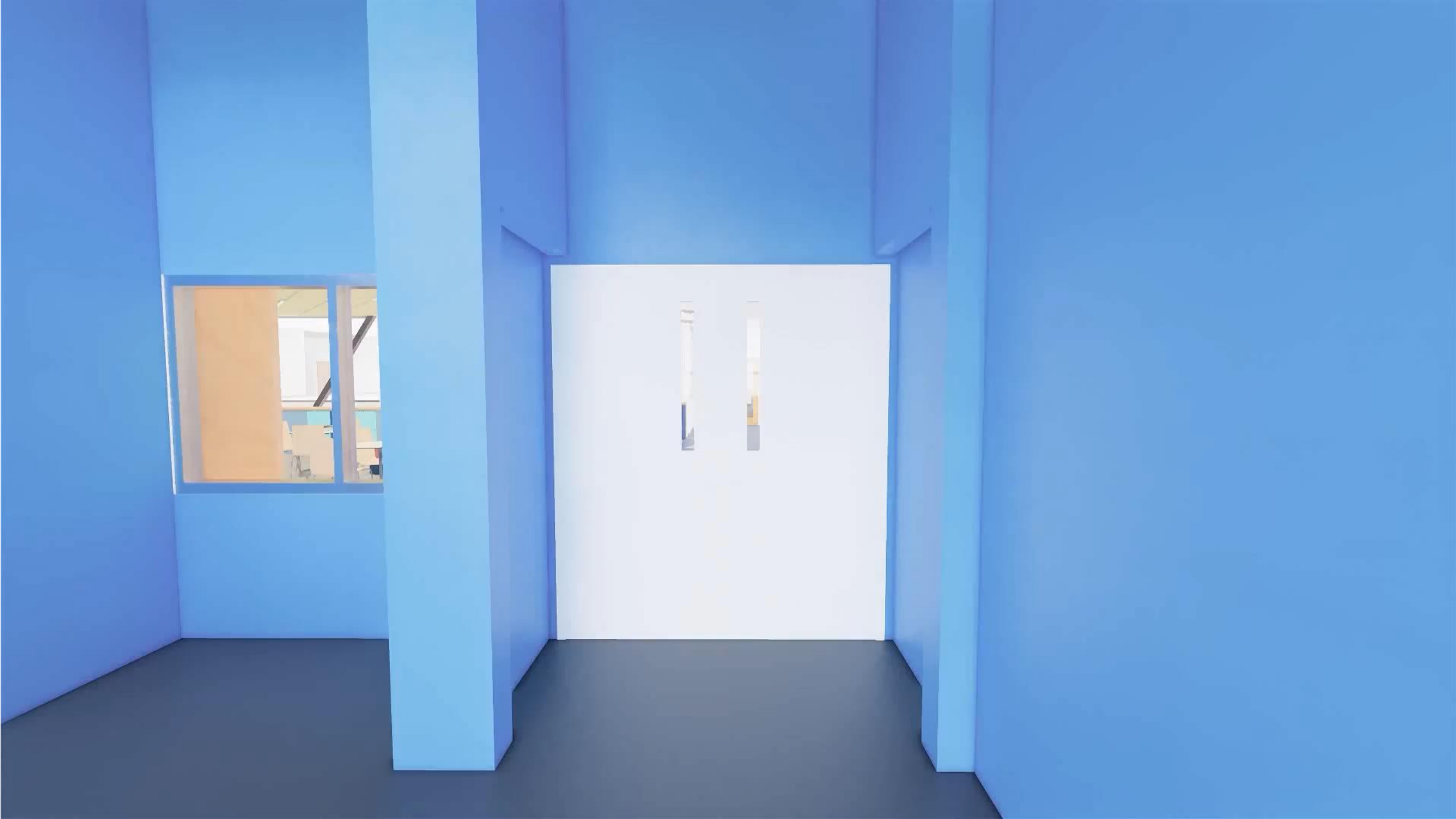
LAVALLEE | BRENSINGER ARCHITECTS

# Academics 2<sup>nd</sup> Floor



# Academics 3<sup>rd</sup>/4<sup>th</sup> Floors





# Sustainability

## Proposed New Oyster River Middle School

*The new Oyster River Middle School is designed to be holistically sustainable and practical*



### LEED Certified



#### LEED Credit Categories



### Sustainable

#### Enhanced Exterior Envelope

- Triple Pane Windows
- R60 Roof
- R34 Walls
- R20 Under Slab

#### Energy Efficient Systems

- Geothermal/ Natural Gas Hybrid
- Demand Control Ventilation
- High Efficiency Equipment

#### Energy Efficient Lighting

- Solar Hot Water
- Day Lighting
- LED fixtures throughout

### Efficient

**23%** More Spatially Efficient

**34%** More Square Footage

**66%** More Energy Efficient

**27%** Less Cost/ Square Foot



# Timeline

March  
2019

May  
2019  
Schematic  
Design

November  
2019  
GMP  
Budget

February  
2020  
Site and  
Structure

Design Phase

Vote in  
March  
2020

May  
2020  
Start  
Construction

March  
2022  
School  
Opens

August  
2022  
Site  
Complete

Construction Phase – If approved on March 10, 2020, construction phase begins in May 2020 and concludes the end of August 2022

# Financing Proposed Middle School

- Level Debt over 25 years
- Lowest bond issue in years – most recent 2.15%
- Guaranteed Maximum Price: \$49,847,732
- Construction costs increasing 4% - 6% a year
- High School bond retires in 2023-24 blend into new bond

# The Consequences of Delay

To determine the risk of delay, we developed estimates of the cost, taking into account inflation in construction costs, and the possibility that interest rates would return to their more typical levels (4% or higher). In developing these estimates, we made the following assumptions:

- 4% annual construction inflation (the figure used by Lavalley Brensinger, Architects)
- Considered construction start in 2020, 2023, or 2025.
- Inflation (for purposes of value in 2020\$ calculation) 2.0%.
- Bond interest rates of 2.5%, to 4.0% considered for 2023 and 2025 starts.
- Operating costs (energy, maintenance) are not included. The new building would be expected to have lower energy and maintenance costs.

# The Consequences of Delay<sub>continued</sub>

Results:

These estimates demonstrate that delay poses major risks for the district—with a five year delay possibly raising the total cost by over \$28 million in principal and interest.

Start building in	Construction cost (4% construction inflation)	Assumed Bond Interest Rate	Total Interest Payments	Total bond payments (future \$)	Total bond payments (2020 \$, assuming 2% inflation)	Cost of delay in future \$	Cost of delay in 2020 \$
2020	49,847,732	2.50%	18,916,663	68,764,395	52,531,181	0	0
2023	56,071,919	2.50%	20,144,523	76,216,442	55,503,157	7,452,047	2,971,976
	56,071,919	3.50%	29,163,782	85,235,702	62,104,596	16,471,307	9,573,415
	56,071,919	4.00%	33,851,237	89,923,156	65,541,319	21,158,761	13,010,138
2025	60,647,388	2.50%	21,782,697	82,430,085	57,698,829	13,665,690	5,167,648
	60,647,388	3.50%	31,534,576	92,181,964	64,559,695	23,417,569	12,028,514
	60,647,388	4.00%	36,617,916	97,265,304	68,136,427	28,500,909	15,605,246

# QUESTIONS



Oyster River Cooperative School District

**FY2021  
Proposed  
Budget  
Warrant Article  
#4 and #5**



# Warrant Article # 4

ARTICLE #4 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 \$47,538,867. Should this article be defeated, the operating budget shall be \$48,221,487 (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 = \$ 46,073,817 (regular operating budget); Fund 21 = \$ 824,050 (expenditures from food service revenues); Fund 22 = \$ 600,000 (expenditures from federal/special revenues); Fund 23 = \$ 41,000 (expenditures from pass through funds).

# Difference Between Proposed Budget and Default Budget

Proposed: \$47,538,867

Default: \$48,221,487

Difference: \$ 682,620



# Increase in General Fund Operating Budget

2019/2020	\$45,981,838	
2020/2021 {Proposed}	\$46,073,817	
Increase	\$91,979	.2%

# Factors that Minimized Increase

- \$800,000 for middle school development not in proposed budget – a one year cost
- Reduction of \$749,385 in Facilities
- No New Positions

# FY21 Budget Impact

■ General Fund (10) TOTAL	\$46,073,817	.2%
■ Article 3 – Bond	\$ 625,000	1.32%
■ Article 5 - Guild Contract	\$ 627,364	1.31%
■ TOTAL with warrant article	\$47,326,18	2.83%

# Estimated FY21 Impact to Towns

## Budget Analysis

		Estimated Tax Impact per \$1,000*		
		Durham	Lee*	Madbury*
Bond – Proposed MS		\$ .27	\$ .42	\$ .40
Proposed Budget		\$ .02	\$ -.78	\$ -.37
GUILD Warrant		\$ .28	\$ .43	\$ .41
Total Impact		\$ .57 {3.31%}	\$ .07 {.32%}	\$ .44 {2.02%}

\*Does not include any additional assessed value

# Estimated Impact with Reduced Operating Budget

- Estimated impact on a \$200,000 house:

■ Durham	.57	\$115
■ Lee	.07	\$ 15
■ Madbury	.44	\$ 88

- Estimated impact on a \$400,000 house:

■ Durham		\$230
■ Lee		\$ 29
■ Madbury		\$175

# 2020-21 Proposed Budget

# Questions?

# Warrant Article # 5

ARTICLE #5 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 Teachers Guild and the Oyster River School Board which calls for the following increases in salaries and benefits at the current staffing levels:

2020-2021	\$627,364
2021-2022	\$771,534
2022-2023	\$700,958
2023-2024	\$701,554
2024-2025	\$709,317

and further to raise and appropriate the sum of \$ 627,364 for the 2020-2021 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 # 5

## Major Changes to the Guild Contract:

- Duration of contract from 3 to 5 years
- Approximately 3% Salary increase for the next 5 years
- Medical contribution adjustment:
  - Year 1 District 84% ~ Employee 16%
  - Year 2 District 82% ~ Employee 18%
  - Year 3-5 District 80% ~ Employee – 20%
- Changes to the Observation Sequence to match the Professional Development Plan
- Staff Development Activity Increase from \$300 to \$400



# FY 21 Budget Dates

March 10, 2020: 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

# FY 21 Bond and Budget

Supporting documents for the FY21 Proposed MS Bond and Budget can be found at:

[www.orcsd.org](http://www.orcsd.org)

Thank You.

Questions?