



February 7, 2023

7:00 PM

ORMS Recital Hall/

Strings Classroom # 129

**OYSTER RIVER
COOPERATIVE
SCHOOL DISTRICT**

**Proposed 2023-24
School District Budget**

Warrant Article # 3, The Budget

Article # 3: 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 \$53,211,098. Should this article be defeated, the operating budget shall be \$52,953,910 (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 = \$51,679,884(regular operating budget); Fund 21 = \$890,214 (expenditures from food service revenues); Fund 22 = \$600,000 (expenditures from federal/special revenues); Fund 23 = \$41,000 (expenditures from pass through funds).

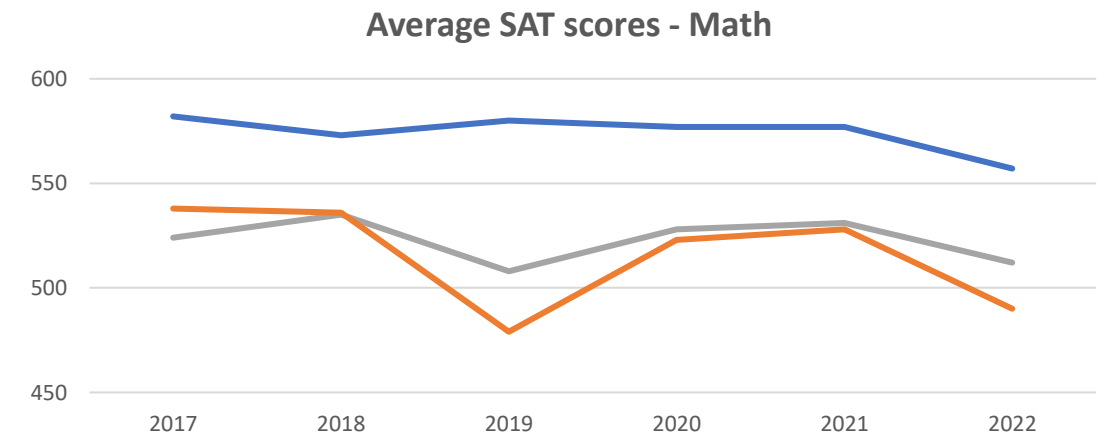
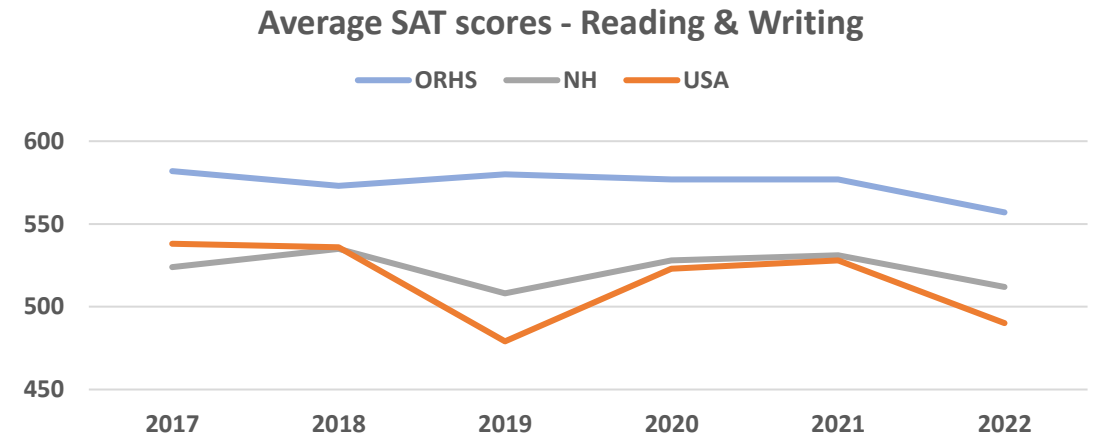
Outstanding Student Achievement

- 98.5% graduation rate
- Many options after high school
 - 17% Military or Work
 - 4% Technical Program or Gap Year
 - 12% enter 2-year college program
 - 67% enter 4-year college program
- High School student-athletes celebrated state championships in Fall 2022 in Volleyball and Boys' Soccer, Unified Soccer
- ORMS sent 3 teams to Vex Robotics world championships
- And much more!

Consistent High Academic Performance

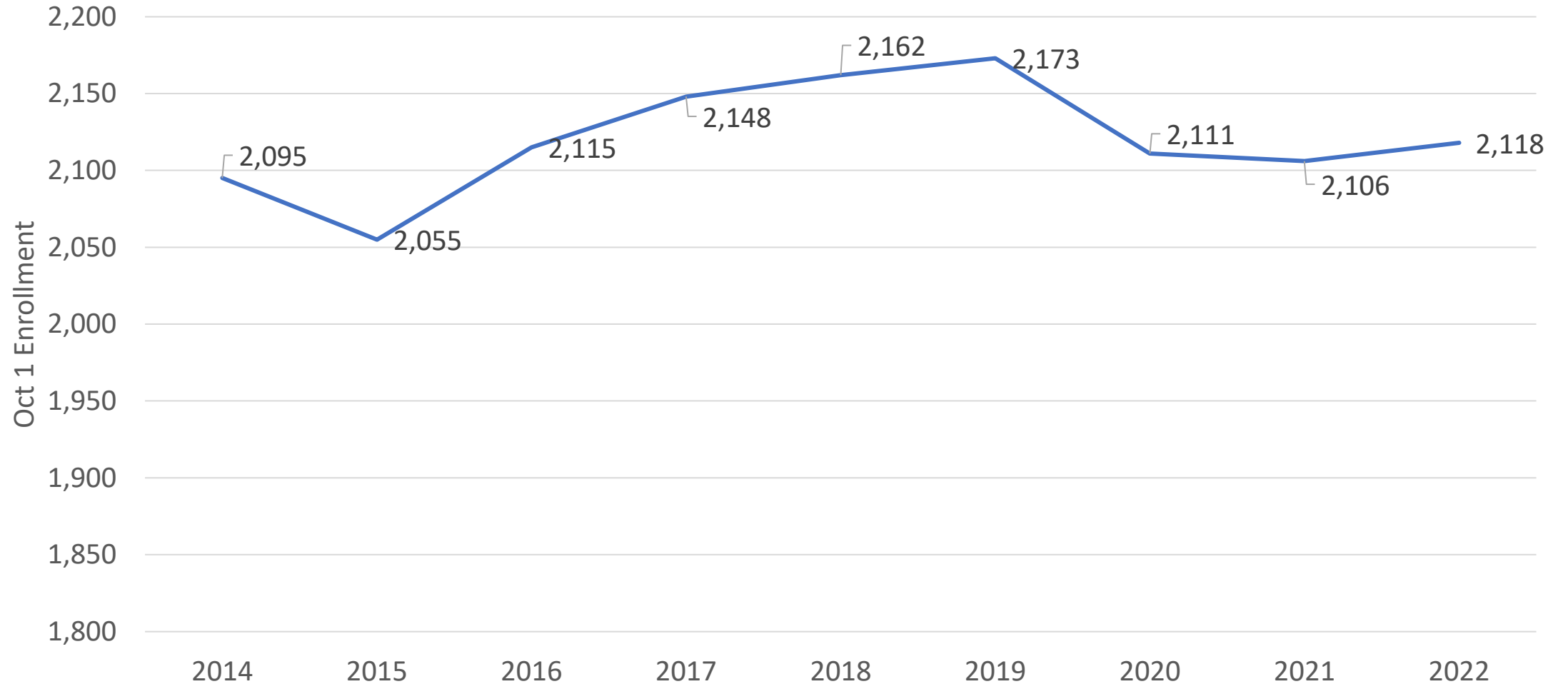
From NH Dept of Education iReport for 2022:

% of students Proficient	Oyster River	NH Average
English & Language Arts	72%	51%
Math	68%	40%
Science	60%	37%



ORCSD K-12 Enrollment trend

includes tuition students



ORCSD Enrollment by school

As of Oct 1, 2022

PEP – Preschool Education Program	22
Mast Way School (K-4)	328
Moharimet School (K-4)	297
Oyster River Middle School (5-8)	647
Oyster River High School (9-12)	846
TOTAL preK-12	2140

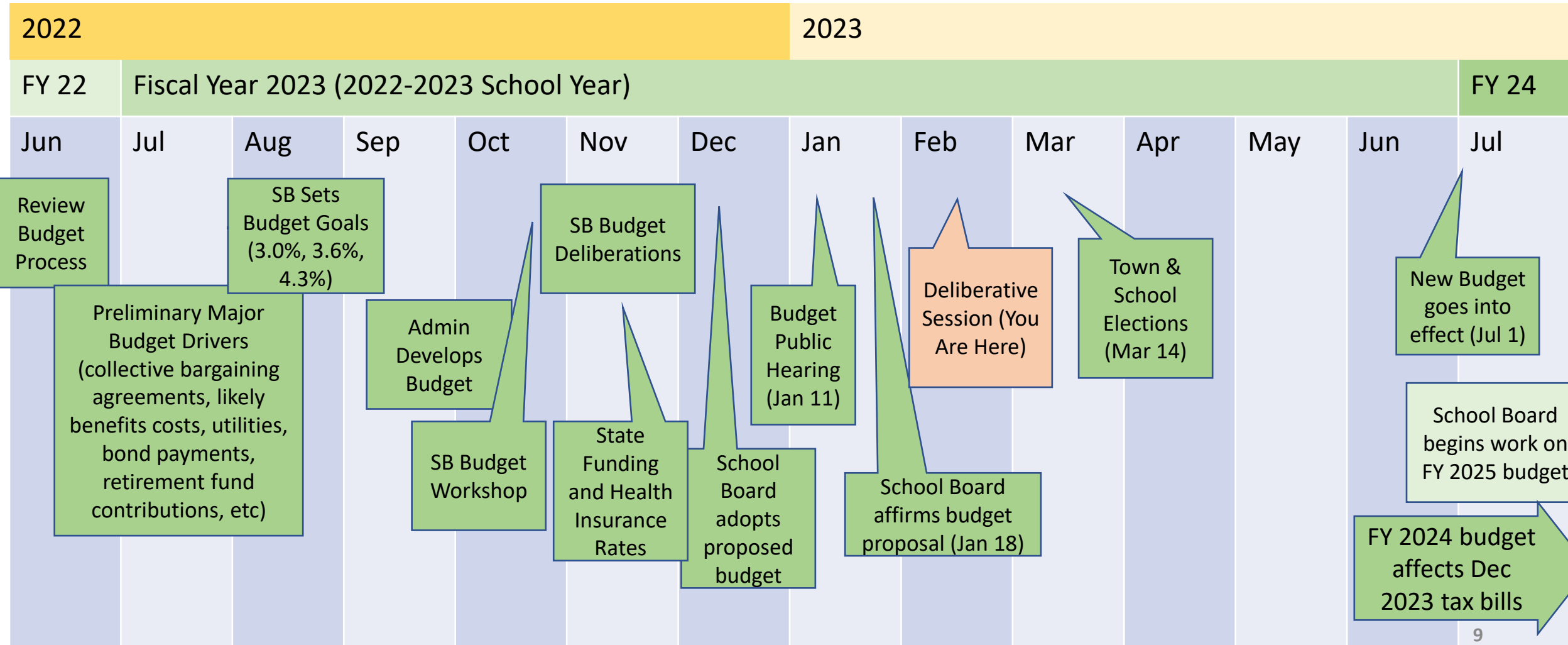
What's changed over the last year?

- All students and staff return to normal school operations
- New Oyster River Middle School building and grounds opened
- New Tennis Courts at Oyster River High School completed
- 3rd floor of Oyster River High School tower air conditioning added
- Added DEIJ Coordinator, Communications Specialist, 2 custodians, 2 tutors (tutors were previously grant funded)
- Contingency and capital reserve funds were not utilized.

The Budget Reflects Priorities and Balance

- What is reasonable to ask the community to support?
- What are needs of students?
- What does the community want from the school district?
- What is needed to recruit and retain excellent staff?
- What are our bond, contractual, and legal obligations?
- What is needed to maintain buildings, busses, IT infrastructure...?
- What do we have the staff capacity to take on and make use of?

Fiscal Year 2024 (2023-2024 school year) Budgeting Process



State Funding Decreases

- Oyster River is expected to receive \$2,746 per student in 2023-24 from the State in “Adequate Education Aid” Grant
- Decrease affects each town differently:

Town	2022-2023 State “Adequacy” Grant	2023-2024 State “Adequacy” Grant	Increase (decrease)
Durham	2,098,962	1,472,724	(621,968)
Lee	2,845,685	2,747,731	(97,954)
Madbury	1,226,289	1,098,893	(127,396)

- Loss of state funding must be offset through cuts or increases property tax
- Proposed budget priorities:
 - Protect direct instructional and student supports
 - Limits budget growth to 1.5% in general fund spending

Positions Moving from Grant to Local Funding

- Grants funding these positions are ending. To maintain positions, they will be added to the regular budget.
 - ORMS Counselor \$100,000
 - ORMS Tutor \$ 50,000

Staff Costs

- Health insurance premiums up 3%: +\$180,000
- Collective bargaining contracts: +\$813,497
- Nonunion salaries: +\$272,472
- Other retirement, tax, and benefits +\$ 78,431

Bond Payments

Bond	2023-2024 payment	Increase in payment from 2023 to 2024
Middle School Bonds	\$2,066,606	+\$630,307
High School Bond (final year was 2022-23)	0	-\$520,291
Fields Bond (ends 2027)	\$161,126	-\$2,781
Total increase in bond costs	\$2,227,732	+\$107,298

Capital & Related Projects

High School tower 2 nd floor air conditioning	\$300,000
Art room renovation at ORHS	\$25,000
Shed replacement at Mast Way	\$30,000
Service building solar array purchase	\$18,000
High school roof repair phase 1	\$2,016
High school gym floor refinishing	\$40,000
Total Proposed Capital Budget	\$415,016
Safety upgrades district-wide	\$39,347

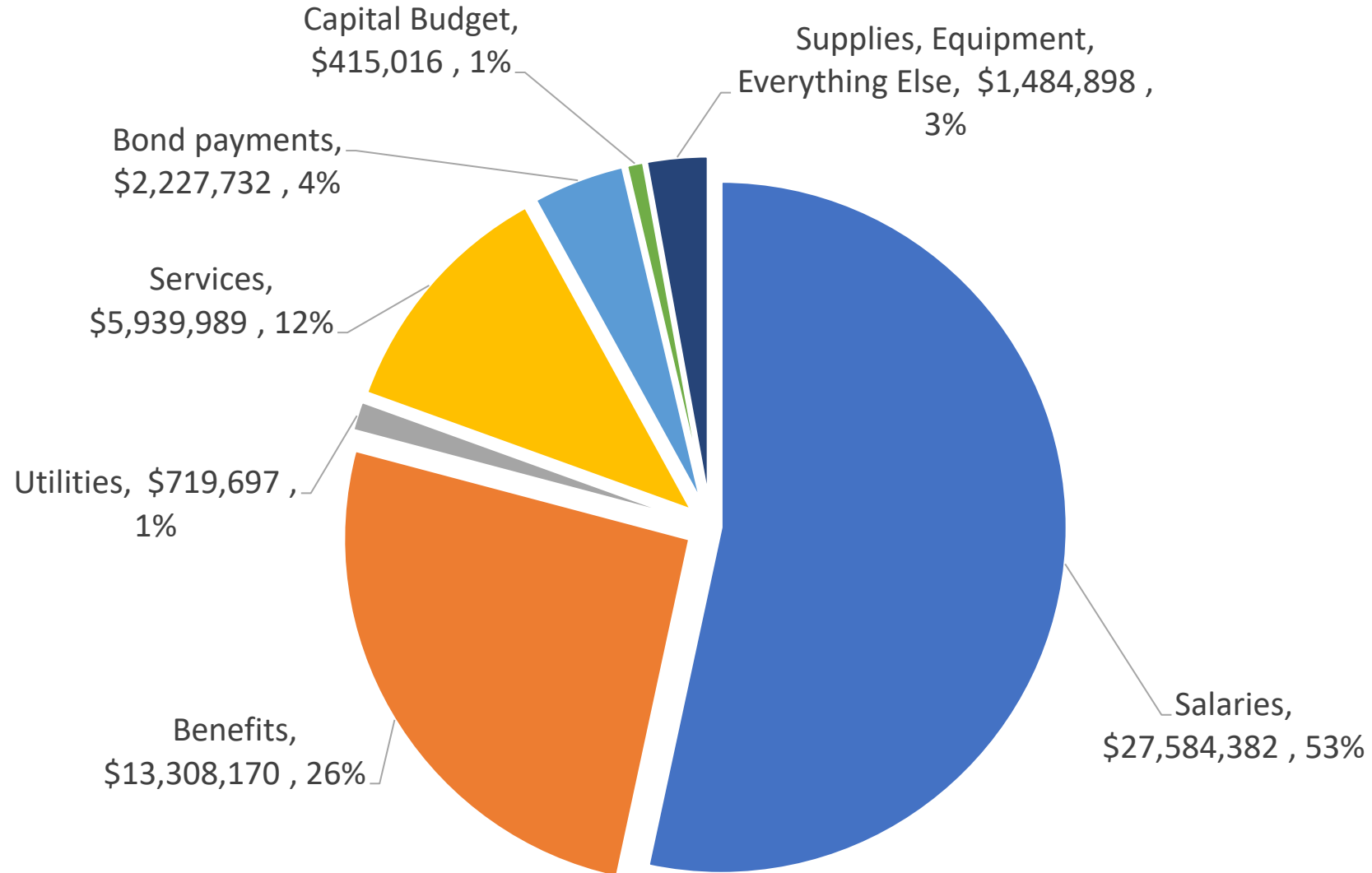
Cost Containment

- Retirement incentive: \$325,000 savings
- Reduce unfilled positions: \$165,000 reduction
 - Technology department support position
 - Two unfilled special education paraeducator positions
 - One bus driver (+2 drivers still in budget)
- Deferred capital projects for Moharimet parking lot & Mast Way flooring.
- Did not include other staffing increase requests.

Proposed Budget Summary

	FY 2023 (2022-2023) budget	FY 2024 (2023-2024) <u>School Board proposed</u> budget	% increase
General Fund (Fund 10)	\$50,916,142	\$51,679,884	1.50%
School Nutrition (Fund 21)	\$846,173	\$890,214	5.20%
Federal Grant Funds (Fund 22)	\$600,000	\$600,000	0%
Other Grant Funds (Fund 23)	\$41,000	\$41,000	0%
Total Budget Expenses	\$52,403,315	\$53,211,098	1.54%

General Fund Expenditures



Revenues for Proposed 2023-2024 budget

Unassigned fund balance (Funds remaining at end of 2022-23 school year)	500,000
Tuition	3,460,000
Interest	10,000
School nutrition (food service)	890,214
Other	30,000
Special Ed & Vocational Aid	303,000
Pass-through grants	641,000
Medicaid	100,000
Use of Contingency Fund	550,000
Total district-level revenue	\$6,484,214

From School Budget to Town Property Taxes (1/3)

General Fund Budget (Fund 10)	\$51,679,884
+ Grant-based spending (Fund 22,23)	\$641,000
+ School Nutrition spending (Fund 21)	\$890,214
= Total Budget Expenses	\$53,211,098
- Revenue	\$6,484,214
= "Amount to Apportion"	\$46,726,884

From School Budget to Town Property Taxes (2/3)

“Amount to Apportion” is divided between towns:

- 50% based on “Equalized Assessed Valuation”
- 50% based on “Average Daily Membership in Residence” (ADM-R)

For 2023-2024 budget	Durham	Lee	Madbury
Property Value (Equalized Assessed Valuation) (2021)	\$1,799,956,129	\$765,244,402	\$383,968,500
Enrollment (ADM-R) (2021-2022)	932.79	688.37	332.76
Share of expenses	54.3861%	30.5890%	15.0250%

From School Budget to Town Property Taxes (3/3)

		Total	Durham	Lee	Madbury
	Share of Expenses for each town	46,726,884	25,412,930	14,293,287	7,020,714
-	State Grant		1,476,724	2,747,731	1,098,893
=	Raised locally through property taxes		23,936,206	11,545,556	5,921,821

Made up of “State School” State-Wide Education Property Tax (SWEPT) and Local School Tax

Estimated property tax rates

	Projected Local School Tax	Projected State Education Tax	Projected Total Education Property Tax Dec 2023	Projected increase from Dec 2022 tax rate
Durham	17.29	2.07	19.36	1.27
Lee	14.21	1.50	15.71	0.63
Madbury	17.73	1.81	19.54	0.97

Note: This estimate does not include any change in town property valuation. Any new construction or increased assessments will lower the property tax rate.

Reserve Fund Balances

As of June 30, 2022

Contingency Fund	\$1,100,000
Facilities Development Capital Reserve Fund	\$239,481
Facilities Development, Maintenance, and Replacement Trust	\$260,192
Special Education Fund	\$498,392
Benefit Stabilization Fund	\$444,387
Dunn C. Library Fund	\$581
Bruce Smith Library Fund	\$33,051
Scholarship Funds	\$143,343
Total	\$2,459,235

Default Budget

If the budget is not approved by voters on March 14, the Default Budget becomes the FY 2023-2024 budget:

	FY 2023 budget approved March 2022	FY 2024 <u>School Board proposed</u> budget	FY 2024 <u>Default</u> Budget
General Fund (Fund 10)	\$50,668,275	\$51,679,884	\$51,488,860
School Nutrition (Fund 21)	\$824,050	\$890,214	\$824,050
Federal Grant Funds (Fund 22)	\$600,000	\$600,000	\$600,000
Other Grant Revenue (Fund 23)	\$41,000	\$41,000	\$41,000
Total Budget	\$51,133,325	\$53,211,098	\$52,953,910
Difference from proposed budget:			(\$257,188)

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Warrant Article # 4

ARTICLE 4: Shall the District vote to raise and appropriate the sum of \$125,000 to be added to the Facilities Development, Maintenance, and Replacement Trust which was established in March of 2017. This sum to come from June 30 fund balance available for transfer on July 1. *The School Board recommends this appropriation. (Majority vote required)* No amounts to be raised from taxation.

FY 24 Budget Dates

March 14, 2023

Annual Meeting Voting Day Session II:

- Durham - Oyster River High School 7:00 AM – 7:00 PM
- Lee – Public Safety Complex 7:00 AM – 7:00 PM
- Madbury- Madbury Town Hall 11:00 AM – 7:00 PM

FY 24 Budget

Supporting documents for the FY24 Proposed Budget can be found at:

www.orcsd.org

Thank You.

Questions?