

Oyster River Cooperative School District School Board Finance Committee Meeting w/Town Representatives

July 29, 2020
6:00 PM

AGENDA

- I. Call to Order
- II. District Financial Status
 - a. Strategies the District will use in the current budget 2020-21
 - b. Strategies the District will use in formulating the 2021=22 budget
 - i. Resources the District plans to use
 - c. Fund Balance
 - d. COVID unplanned expenses
- III. Town Financial Status
 - a. Strategies the Towns will use in the current budget 2020-21
 - b. Strategies the Towns will use formulating the 2021-22 budget
 - c. Fund Balance
 - d. COVID unplanned expenses
- IV. Materials reviewed by the Finance Committee to date
- V. Ways the School District & the Towns can work collaborative
- VI. Other

If you experience technology problems on the broadcast end, please notify us using orscd-video@orscd.org or via telephone # 603-280-4202.

Please note that we cannot assist you if the technology problem is on your end.

Virtual Location:

<https://www.orscd.org/stream>

Microsoft Teams Audio

Conference: tel:+1 603-766-5646

Conf ID: code: 461362#

Members of the public who join the meeting remotely, either by telephone or computer, will be able to offer public comment prior the meeting by submitting their question/comment by 2:00 PM on Tuesday before the regularly scheduled Board meeting via U.S. mail or email to wdfiruscio@orscd.org. Any submissions will be included as part of the meeting minutes. Please note that each submission needs to be 400 words or less.

Fund Balances

Trust Funds

Benefits Stabilization Fund	\$446,252
Facilities Development Capital Reserve	\$275,255
Facilities Development, Maintenance, & Replacement	\$20,316
Special Education Fund	\$500,484
Emergency Fund	\$350,000

**OYSTER RIVER COOPERATIVE SCHOOL DISTRICT
FACILITIES SERVICES DEPARTMENT
33 Coe Drive
Durham, New Hampshire 03824**

Telephone: 603-868-5100

Email: jrozycki@orcscsd.org

To: Dr. Jim Morse and Susan Caswell
From: Jim Rozycki, Facilities Director
Date: May 29, 2020
RE: Facilities Capital Account status update for FY20/21

Below is the current state of the School Board approved and budgeted Capital Improvement Projects. Given this season of remote learning, the empty buildings have provided a unique opportunity to get a head start. All contractors have accepted to defer payments till after July 1st. As you will notice, I anticipate we will be under the total CIP budget accounts by roughly **\$104,867** if all goes to plan. This savings is due to aggressive contractor bidding and us allowing work to start before the summer rush.

ORHS Parking lot / Tennis court project – The school board approved this bid on April 15th where we quickly issued a PO to the contractor to lock in the project and allow them time to coordinate materials and summer work schedules. The planned start timeframe is the week of June 15th.

Budgeted amount: \$290,000 Final Bid: \$285,352 (\$10,000 of additional money will be needed for Civil engineering construction oversight on this project)

MOH Roof Renovation – The school board approved this bid on March 20th where we issued a PO to the contractor to lock in the project and allow them time to coordinate materials and summer work schedules. The planned start date is the June 5th.

Budgeted amount: \$230,000 Final Bid: \$168,620.

Server room A/C's – We awarded the High School AC project to the lowest quoted contractor. They just completed the work today – 5/29/20. The MOH AC has failed and we are currently running a portable. The MW unit is on its last legs. Both Elementary unit replacement is scheduled to be started on 6/29.

Budgeted amount: \$100,000 Final total: \$64,399

ORHS Junior core walls – Bauen Construction plans to start this renovation project the week of 6/22.

Budgeted amount: \$75,000 Estimated project cost: \$69,900

ORHS Cracked flooring and junior core flooring – The tile is already delivered. The contractor planned to begin installation after the wall project was completed. The anticipated install start date would be 7/27.

Budgeted amount: \$27,000 Estimated cost: \$27,000

Mast Way flooring – This project is almost fully wrapped up. Final baseboard installation done by 6/2.

Budgeted amount: \$35,000 Final cost: \$26,862

Thank you,

Jim Rozycki

**SAU #5
DURHAM, LEE, MADBURY**

Facilities CIP plan * With MS Bond Level Debt Option

6/18/2020

2 issues @ \$25M 2.7% interest

Year 2 2020 - 2021

Ordered by Priority	School	Trade	Project	Target	Cost
					\$2,500,000.00
DW	Middle School	Upgrades	Siemens LEASE PAYMENT - Year 2 of 10		\$418,858.00
			*ESTIMATED Bond payment		\$625,000.00
High school	DW	Renovation	Build Parking lot in place of Tennis courts - Strategic plan*		\$290,000.00
DW	Moharimet	HVAC	A/C replacements for Server rooms - Strategic plan*		\$100,000.00
Moharimet	High school	Roofing	Roof re-coating		\$230,000.00
High school	High school	Construction	Junior Core wall construction		\$75,000.00
High school	Mast Way	Flooring	Junior Core Flooring		\$13,000.00
Mast Way		Flooring	Damaged flooring replacement in 4 classrooms		\$35,000.00
					\$1,786,858.00

True CIP \$743,000.00

Year 3 2021 - 2022

	School	Trade	Project	Target	Cost
					\$3,000,000.00
DW	Middle School	Upgrades	Siemens LEASE PAYMENT - Year 3 of 10		\$418,858.00
			*ESTIMATED Bond payment		\$1,871,550.00
DW	DW	Security	Security improvements - Strategic plan*		\$100,000.00
DW	Moharimet	Engineering	Mechanical engineer for MOH/MW HVAC systems		\$60,000.00
Moharimet	High School	Renovation	Renovation to old Main office, Nurse, Staff workroom, OTPT		\$335,000.00
High School	High school	HVAC	Add AC to Cafeteria air handler		\$103,000.00
High school	High School	Flooring	Cracked flooring replacement on 2nd floor		\$27,000.00
High School	Moharimet	Flooring	Gym Floor Refinishing		\$29,000.00
Moharimet	High School	Flooring	Flooring replacements in Wings		\$50,000.00
High School		Flooring	Replace flooring in main hallway		\$51,000.00
					\$3,045,408.00

True CIP \$755,000.00

Year 4 2022 - 2023

	School	Trade	Project	Target	Cost
					\$3,500,000.00
DW	Middle School	Upgrades	Siemens LEASE PAYMENT - Year 4 of 10		\$418,858.00
		Bond	*ESTIMATED Bond payment		\$2,493,100.00
High school	Middle School	Renovation	Build Tennis courts - Strategic plan*		\$225,000.00
Middle School	Moharimet	Improvement	Playground		\$200,000.00
Moharimet	Mast Way	HVAC	Air handler replacement - 4 systems		\$300,000.00
Mast Way		Flooring	Library, café, select classrooms flooring replacement		\$80,000.00
					\$3,716,958.00

True CIP \$805,000.00

Year 5

2023 - 2024

*current ORHS Bond payed in full - \$750,000 available

School	Trade	Project	Target	Cost
				\$4,750,000.00
DW Middle School	Upgrades Bond	Siemens LEASE PAYMENT - Year 5 of 10 *ESTIMATED Bond payment		\$418,858.00 \$2,707,300.00
Mast Way	HVAC	Air handler replacements - 3 units		\$250,000.00
Moharimet	HVAC	A/C replacements - Strategic Plan*		\$300,000.00
Mast Way	Parking	Parking lot upgrade and Lighting - Strategic plan*		\$300,000.00
Mast Way	HVAC	A/C replacements - Strategic Plan*		\$300,000.00
Moharimet	Parking	Parking lot upgrade and Lighting - Strategic plan*		\$300,000.00
High School	HVAC	Domestic hot water boiler replacement		\$125,000.00
Service Building	Parking	Parking lot re-surfacing		\$40,000.00
				\$4,741,158.00

True CIP \$1,615,000.00

Year 6

2024 - 2025

School	Trade	Project	Further discussion	Cost
				\$4,750,000.00
DW Middle School	Upgrades Bond	Siemens LEASE PAYMENT - Year 6 of 10 *ESTIMATED Bond payment (peak amount)		\$418,858.00 \$2,914,912.00
Mast Way	Construction	Cafeteria Expansion	\$300,000.00	
DW	Security	Building access upgrades - Strategic plan*		\$150,000.00
SAU	Construction	New SAU building	\$600,000.00	
Athletics	Upgrades	Track/Field Grandstands	\$160,000.00	
Mast Way	Renovation	Interior renovations. Staff / single stall restrooms		\$125,000.00
Moharimet	Renovation	Interior renovations. Staff / single stall restrooms		\$200,000.00
Service Building	Renovation	Team room/restrooms/expanded concessions		\$200,000.00
High School	HVAC	Walk-in cooler controls		\$25,000.00
DW	Energy	Electric Vehicle charging stations		\$150,000.00
High School	Roofing	Gym and Aud. roof restoration (solar)		\$120,000.00
Service Building	HVAC	Furnace replacement (2) and A/C		\$100,000.00
High School	Roofing	Tower and C roof replacement		\$150,000.00
			\$1,060,000.00	\$4,553,770.00

True CIP \$1,220,000.00

Year 7

2025 - 2026

*MS Bond payment stabilizes / CIP back to normal

School	Trade	Project	Pending	Cost
				\$1,500,000.00
DW	Upgrades	Siemens LEASE PAYMENT - Year 7 of 10		\$418,858.00
High School	Parking	Parking lot / side walk improvements		\$200,000.00
Mast Way	Fire systems	Fire system generator system		\$75,000.00
Mast Way	Fire systems	Fire pump and tank replacement		\$75,000.00
High School	HVAC	Main 5hp Circulator pump replacement		\$65,000.00
Mast Way	HVAC	Heating radiator replacement		\$200,000.00
Moharimet	HVAC	Heating radiator replacement		\$200,000.00
Mast Way	HVAC	Kitchen hood replacement and controls		\$22,000.00
Mast Way	Renovation	Restroom renovations - rear and staff		\$150,000.00
High School	Grounds	Irrigation system		\$50,000.00
High School	Renovation	Exterior Door replacement		\$175,000.00
SAU	HVAC	Heating / A/C system replacement	\$155,000.00	
			\$155,000.00	\$1,630,858.00

True CIP \$1,212,000.00

Year 8

2026 - 2027

Ordered by Priority	School	Trade	Project	Target	Cost
					\$1,500,000.00
DW	Moharimet	Upgrades	Siemens LEASE PAYMENT - Year 8 of 10		\$418,858.00
	Moharimet	HVAC	Kitchen hood replacement and controls		\$22,000.00
	Mast Way	Walls and flooring	Flooring replacement and hallway wall tile		\$100,000.00
	High School	Flooring	Flooring replacements		\$100,000.00
	Mast Way	Painting	Painting of classrooms and halls		\$100,000.00
	Moharimet	Painting	Painting of classrooms and halls		\$100,000.00
	Mast Way	Roofing	Rear classroom roof replacement		\$200,000.00
	Service Building	Roofing	Roof replacement		\$100,000.00
	Moharimet	Life Safety	Fire pump and water tank replacement		\$100,000.00
	High School	Painting	Large scale painting of areas		\$100,000.00
	High School	HVAC	AHU Circulator pump replacement		\$175,000.00
					\$1,515,858.00

Year 9

2027 - 2028

Ordered by Priority	School	Trade	Project	Target	Cost
					\$1,500,000.00
DW	Mast Way	Upgrades	LEASE PAYMENT - Year 9 of 10		\$418,858.00
	High School	Roofing	East wing to Library roof replacement		\$200,000.00
	High School	HVAC	Kitchen hood replacement and controls		\$25,000.00
	High School	Roofing	MPR and Café Roof replacement		\$250,000.00
	Mast Way	Flooring	Flooring replacements		\$40,000.00
	DW	Energy	Plug load Controls		\$48,000.00
	DW	HVAC	Destrat Fans		\$34,000.00
	High School	HVAC	Begin Air Handler replacement plan		\$500,000.00
					\$1,515,858.00

Year 10

2028 - 2029

Ordered by Priority	School	Trade	Project	Target	Cost
					\$1,500,000.00
DW	High School	Upgrades	LEASE PAYMENT - Year 10 of 10		\$418,858.00
	High School	HVAC	Air handler replacement plan		\$1,000,000.00
					\$1,418,858.00

Year 11

2029 - 2030

Ordered by Priority	School	Trade	Project	Target	Cost
					\$1,500,000.00
High School	High School	HVAC	Air handler replacement plan		\$500,000.00
	High School	Athletics	Field Turf Replacement		\$125,000.00
	Moharimet	HVAC	Water heater system replacement		\$250,000.00
					\$875,000.00

Assessed Values for Tax Rate Setting	2019	2018	2017	2016	2015
Durham	1,196,283,337	1,189,092,535	1,019,411,430	1,007,876,992	964,931,959
Lee	458,402,871	449,628,800	443,381,344	437,828,271	420,014,895
Madbury	244,765,402	239,452,002	235,343,027	232,572,200	229,520,321

216 Employees
 1 LOA Coverage

Years of Service at ORCSD
 Updated: June 16, 2020

Step 20/21	Last	First	Hire Date	School 1	Position 1
30+ Years at ORCSD Completed = 8 or 4%					
26 - 30 Years at ORCSD Completed = 20 or 9%					
21 - 25 Years at ORCSD Completed = 21 or 10%					
16 - 20 Years at ORCSD Completed = 36 or 17%					
11 - 15 Years at ORCSD Completed = 32 or 15%					
6 - 10 Years at ORCSD Completed = 33 or 15%					
1 - 5 Years at ORCSD Completed = 57 or 26%					
First Year at ORCSD = 9 or 4%					

Office of the Superintendent
Oyster River School District
36 Coe Drive, Durham, NH 03824

INTEROFFICE MEMORANDUM

To: ORCSD Professional Staff Members
From: Dr. Jim Morse, Superintendent
Date: June 17, 2020
RE: Retirement Incentive

**Oyster River Teachers' Guild
2020 - 21_ Mandatory Retirement Separation Benefit Program**

IMPORTANT NOTICE: The 2020-21 Mandatory Retirement Separation Benefit program has received School Board Approval for review of the submitted retirement requests. **A non-revocable binding Application for Mandatory Retirement Incentive must be received by 3:30 PM on Monday, August 31, 2020 for retirement in June of 2021.**

A. Purpose:

To provide a Mandatory Retirement Separation Benefit to eligible employees.

B. Procedure:

The Oyster River Cooperative School District will offer the following Mandatory Retirement Separation Benefit program to eligible employees under the following terms and conditions:

- (a) Application along with binding letter of intent that may not be revoked must be received at the SAU office by 3:30 P.M. on Monday, August 31, 2020.
- (b) Each eligible employee accepted for this program approved by the Oyster River Cooperative School Board (ORCSB) shall receive a minimum separation payment of (i) \$10,000 or (ii) 30% of their 2020-2021 annual salary to a maximum of \$20,000, whichever is greater. This benefit will be paid within 30 days of the effective date of retirement.
- (c) All such separation payments shall be treated as taxable income and shall be subject to federal taxes and withholdings.

C. Eligibility:

1. Employees who meet both the age and service eligibility requirements to retire without penalty at normal retirement age as defined by the New Hampshire Retirement System, and who by June 30, 2021 have been employed and worked as a regular employee of Oyster River Cooperative School District for at least fifteen (15) years, will be eligible for the following retirement incentive program.
2. Full time employee who has worked as such for at least fifteen years in the Oyster River Cooperative School District. Current part time regular employees will be prorated based on hours worked.
3. Those eligible, unencumbered by any previous agreements with the Oyster River Cooperative School District, must make verifiable and acceptable application for retirement prior to receipt of any payment set forth herein.

D. General Conditions:

1. Employees who have retired from Oyster River Cooperative School District and returned to employment in Oyster River Cooperative School District, are not eligible for participation in this program.

2. If an otherwise eligible employee would be entitled upon retirement to payment of accrued sick leave, it is a condition of enrollment in this Mandatory Retirement Separation Benefit program that payment for such accrued leaves will be made, at the sole discretion of the ORCSB (given budgetary considerations), no later than September 2021.
3. If the School Board decides to limit the number of faculty eligible for this benefit they will do so by:
 - a. Years of Service in ORCSB plus
 - b. Age of applicant

As an example: *Employee A has served ORCSB for 32 years and is 62 years old. Adding service years + age = 94.*

Employee B has served ORCSB for 34 years and is 61 years old. Adding service years + age = 95.

Employee B has the higher score so would be placed before employee A on the incentive ranking.

4. In the event that an employee who submits an application for Mandatory Retirement Separation Benefits holds a position that the Board chooses not to replace, their application will supersede all applications.
5. The decisions of the ORCSB as to the interpretation or application of this program, including any payment or benefit hereunder, shall be final. This program is subject to revocation by the ORCSB at its discretion at any time and for any reason.

2020 - 2025 Negotiated Guild Agreement Section VI-H-2

- 2.) The School Board, should it choose to, in its sole and exclusive discretion, vote to offer a retirement incentive it will do so as follows:

Employees who meet both the age and service eligibility requirements to retire at normal retirement age as defined by the New Hampshire Retirement System and who have been employed and worked as a regular employee of Oyster River Cooperative School District for at least fifteen (15) years will be eligible for the following retirement incentive program:

 - a. A minimum of (i) \$10,000 or (ii) 30% of their annual salary for the year they retire to a maximum of \$20,000, whichever is higher, to be paid within thirty (30) days of the effective date of retirement.
 - b. Payment of accrued sick leave as stipulated by this contract to be paid within thirty (30) days of the effective date of retirement letter.
 - c. In consideration of this incentive program, any eligible employee wishing to participate stipulates to the following conditions:
 1. All retirement incentive payments are taxable income and subject to state and federal taxes and withholdings.
 2. Part-time regular employees will have the retirement incentive payments prorated based on hours worked.
 3. A binding letter of intent to retire that may not be revoked will be received in the SAU office no later than 3:30 p.m. on October 15th of the academic year in which the employee will retire. If more notices are received, then there are funds available, recipients will be chosen based on the order in which they are received.
 4. Participants may not be rehired by the Oyster River Cooperative School District.
 5. Employees who have retired from the Oyster River Cooperative School District and return to the employment of the Oyster River Cooperative Schools are not eligible for this incentive.
 6. Retirements may only take place at the end of an academic year.

If Increased Adequacy Goes Away

		Budget Comparisons					
		2021-Voted	2022-Proposed	%			
General Fund	Fund 10	\$ 46,073,817	\$ 47,326,181	2.72%	\$ 1,252,364		
Food Service	Fund 21	\$ 824,050	\$ 824,050	0.00%	\$ -		
Grants	Fund 22/23	\$ 641,000	\$ 641,000	0.00%	\$ -		
	Warrant # 3	\$ 625,000	\$ 703,239	(bond Costs)			
	Warrant # 4	\$ 627,364	\$ 771,534	(2nd year Guild)	\$ 144,170		
	Warrant # 5				\$ -		
	Warrant # 6				\$ -		
	Total	\$ 48,791,231	\$ 50,266,004	3.02%	\$ 1,474,773		
Revenue and Credits		\$ 5,822,292	\$ 5,972,292	2.58%	\$ 150,000		
Amount to be Apportioned to Towns		\$ 42,968,939	\$ 44,293,712	3.08% *	\$ 1,324,773		
Present Budget Year	Proposed Budget						
FY2021/Tax rate 2020	FY2022/Tax rate 2021						
53.0797%	53.0797%						
Durham							
apportioned \$	22,948,445	\$	23,510,969				
less state grant \$	1,473,255	\$	1,473,255		\$ -		
less state tax \$	2,320,697	\$	2,320,697				
less kindergarten aid							
less impact aid							
net to apportion \$	19,154,493	\$	19,717,017				
Lee							
apportioned \$	13,461,968	\$	13,791,955				
less state grant \$	3,012,969	\$	2,591,692		\$ (421,277)		
less state tax \$	1,078,250	\$	1,078,250				
less kindergarten aid							
net to apportion \$	9,370,749	\$	10,122,013				
Madbury							
apportioned \$	6,823,569	\$	6,990,832				
less state grant \$	1,396,649	\$	1,159,238		\$ (237,411)		
less state tax \$	498,081	\$	498,081				
less kindergarten aid							
net to apportion \$	4,928,839	\$	5,333,513				
Tax Rate Impact:							
Durham							
net assessed value \$	1,196,283,337	\$	1,196,283,337				
LOCAL property tax rate \$	15.32	\$	16.48		\$ 1.16		
STATE school rate \$	2.01	\$	2.01			6.71%	
Lee							
net assessed value \$	458,402,871	\$	458,402,871				
LOCAL property tax rate \$	20.44	\$	22.08		\$ 1.64		
STATE school rate \$	2.39	\$	2.39			7.18%	
Madbury							
net assessed value \$	244,765,402	\$	244,765,402				
LOCAL property tax rate \$	20.14	\$	21.79		\$ 1.65		
STATE school rate \$	2.17	\$	2.17			7.41%	

*Towns pick up revenue reduction, primarily Fund Balance

Revenue Breakdown:

Fund Balance	400,000	MS24	400,000	FY22 Projected	400,000
Tuition	3,050,000		3,050,000		3,200,000
Transportation Fees					
Interest	25,000		25,000		25,000
Food Service	824,050		824,050		824,050
Other	30,000		30,000		30,000
Building Aid	523,742		523,742		523,742
Catastrophic Aid	125,000		125,000		125,000
Vocational Aid	3,500		3,500		3,500
Grants	641,000		641,000		641,000
Medicaid	200,000		200,000		200,000
Bond Sale/Interest					
Expend Trust/Retent Fund	5,822,292		5,822,292		5,972,292
					150,000

House Valued at	2018-Current		FY2019-Proposed		Tax Impact Proposed
Durham	\$200,000	\$3,466	\$3,698	\$232	
	\$400,000	\$6,931	\$7,396	\$465	
Lee	\$200,000	\$4,566	\$4,894	\$328	
	\$400,000	\$9,133	\$9,788	\$656	
Madbury	\$200,000	\$4,462	\$4,793	\$331	
	\$400,000	\$8,924	\$9,585	\$661	