

# Oyster River Cooperative School District School Board Finance Committee

May 27, 2020  
6:00 PM

## AGENDA

- I. Call to Order
- II. Requested information from previous meeting
  - Trust and Emergency Fund Balances
  - Updated Fund Balance 2020
  - 5 years of Revenues
  - FY22 Barrington Tuition
- III. Review Board Questions
- IV. Facilities
  - End of Year Funding Considerations
- V. Prioritize Actions Based Upon Board Questions and Committee Discussion
- VI. Determine Agenda for Next Meeting
- VII. Other

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### Virtual Location:

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

### Microsoft Teams Audio

Conference: [tel:+1 603-766-5646](tel:+16037665646)

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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 [wdifruscio@orscd.org](mailto:wdifruscio@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  
FISCAL YEAR 2019-20**

**FINANCIAL STATUS  
AS OF:**

**5/21/2020**

	<b>Budgeted</b>	<b>Expended</b>	<b>Encumbrances</b>	<b>Amount Remaining</b>	<b>Percentage Spent</b>
	<b>2019-2020</b>	<b>2019-2020</b>	<b>2019-2020</b>	<b>2019-2020</b>	<b>2019-2020</b>
<b>SALARIES:</b>					
Administrator	1,538,444	1,354,293	176,652	7,499	100%
Teacher	16,488,618	12,115,982	4,302,287	70,349	100%
Para	2,209,871	1,793,549	293,353	122,969	94%
Tutor	225,859	190,825	30,773	4,261	98%
Custodian	782,723	676,048	95,253	11,422	99%
Secretary	432,569	371,463	60,476	630	100%
District Hourly	785,502	699,360	88,457	(2,315)	100%
Maintenance	219,172	196,273	21,328	1,571	99%
Drivers	767,987	584,388	110,443	73,156	90%
Misc & Summer	169,724	168,301	501	922	99%
Subs - Professional	302,340	262,002	22,293	18,045	94%
Subs - Para	59,164	21,640	0	37,524	37%
Subs - Secretary	6,700	4,310	0	2,390	64%
O/T	24,500	19,315	0	5,185	79%
Med & Dent Payback	396,230	335,413	38,126	22,691	94%
<b>TOTAL SALARIES</b>	<b>24,409,403</b>	<b>18,793,162</b>	<b>5,239,942</b>	<b>376,299</b>	<b>98.5%</b>
<b>BENEFITS:</b>					
Health Ins	5,774,676	4,441,759	1,187,312	145,605	97%
Dental Ins	150,516	122,033	32,508	(4,025)	103%
Life Ins	65,326	51,701	14,182	(557)	101%
LTD Ins	55,419	42,923	11,961	535	99%
FICA	1,869,224	1,378,939	423,379	66,906	96%
Retirement - Non Professional	351,290	305,840	49,404	(3,954)	101%
Retirement - Professional	3,048,326	2,280,489	807,729	(39,892)	101%
Annuity	136,665	137,359	15,333	(16,027)	112%
Tuition Reimb	5,000	7,695	0	(2,695)	
Unemployment Comp	15,000	0	0	15,000	0%
Workers Com	165,346	87,316	0	78,030	53%
<b>TOTAL BENEFITS</b>	<b>11,636,788</b>	<b>8,856,054</b>	<b>2,541,808</b>	<b>238,926</b>	<b>97.9%</b>
<b>ALL OTHER OPERATING EXPENSES:</b>					
Mast Way	266,875	223,605	1,099	42,171	84%
Moharimet	171,785	127,571	0	44,214	74%
Middle School	380,468	258,415	594	121,459	68%
High School	710,136	509,302	10,174	190,660	73%
District	1,913,520	1,896,972	2,360	14,188	99%
Transportation	554,845	497,372	0	57,473	90%
Technology	674,129	659,199	2,715	12,215	98%
Facilities	3,642,736	3,493,110	26,676	122,950	97%
SPED	1,621,153	1,707,092	129,961	(215,900)	113%
<b>TOTAL OPERATING</b>	<b>9,935,647</b>	<b>9,372,638</b>	<b>173,579</b>	<b>389,430</b>	<b>96.1%</b>
<b>GRAND TOTAL</b>	<b>45,981,838</b>	<b>37,021,854</b>	<b>7,955,329</b>	<b>1,004,655</b>	<b>97.8%</b>

# Oyster River Cooperative School District

## YTD Revenue - Fund 10

	7/1/205 - 6/30/2016	7/1/2016 - 6/30/2017	7/1/2017 - 6/30/2018	7/1/2018- 6/30/2019	7/1/2019 6/30/2020
10-000-1311-40000-00-00-00000 TUITION FROM INDIVIDUAL	(7,999)	(8,972)	(1,470)	(2,217)	-
10-000-1314-40000-00-00-00000 SUMMER SCHOOL	-	(325)	(300)	-	-
10-000-1320-40000-00-00-00000 TUITION FROM LEA'S W/IN THE STATE	(1,557,044)	(1,813,037)	(2,244,277)	(2,757,374)	(2,852,970)
10-000-1411-40000-00-00-00000 TRANSP FRM INDIVIDUALS-FIELD TRIPS				(2,147)	(197)
10-000-1510-40000-00-00-00000 INTEREST	(6,864)	(6,338)	(7,101)	(26,550)	(13,426)
10-000-1910-40000-00-00-00000 RENTAL OF SCHOOL PROPERTY	(26,719)	(32,105)	(29,489)	(31,766)	(11,456)
10-000-1990-40000-00-00-00000 MISCELLANEOUS LOCAL SOURCE	(3,375)	(2,468)	(12,277)	(98,138)	(47,160)
10-000-3210-40000-00-00-00000 BUILDING AID	(523,742)	(523,742)	(523,742)	(523,742)	(523,742)
10-000-3220-40000-00-00-00000 KINDERGARTEN AID				(131,795)	-
10-000-3230-40000-00-00-00000 CATASTROPHIC AID	(185,140)	(156,584)	(113,058)	(68,638)	(125,172)
10-000-3242-40000-00-00-00000 TRANSPORTATION - VOC ED	(3,123)	(2,551)	(2,774)	(3,754)	(4,255)
10-000-3290-40000-00-00-00000 MISCELLANEOUS STATE SOURCE	(5,671)	(8,062)	-	(572,478)	-
10-000-4580-40000-00-00-00000 MEDICAID DISTRIBUTION	(396,100)	(338,792)	(347,367)	(284,486)	(113,997)
10-000-5211-40000-00-00-00000 FACILITIES INCENTIVE REBATES	-	-	(8,450)	(170,902)	-
10-000-5300-40000-00-00-00000 SALE OF FIXED ASSETS	-	-	(500)	-	-
10-000-4590-40005-00-00-00000 FEMA	(42,043)	-	-		
10-000-1111-40010-00-00-00000 LOCAL TAX APPRO - DURHAM	(15,631,435)	(16,292,413)	(17,312,245)	(17,751,938)	(14,778,923)
10-000-3111-40010-00-00-00000 STATE ADEQ/EQUIT AID - DURHAM	(1,358,282)	(1,346,781)	(1,376,492)	(1,411,929)	(1,503,578)
10-000-3112-40010-00-00-00000 STATE TAX - DURHAM	(2,232,279)	(2,225,486)	(2,309,834)	(2,313,512)	(2,320,697)
10-000-1111-40020-00-00-00000 LOCAL TAX APPRO - LEE	(7,735,431)	(8,102,959)	(8,432,849)	(8,615,533)	(7,479,158)
10-000-3111-40020-00-00-00000 STATE ADEQ/EQUIT AID - LEE	(2,432,890)	(2,295,493)	(2,380,905)	(2,439,783)	(2,591,692)
10-000-3112-40020-00-00-00000 STATE TAX - LEE	(1,015,473)	(1,021,206)	(1,041,678)	(1,014,020)	(1,078,250)
10-000-1111-40030-00-00-00000 LOCAL TAX APPRO - MADBURY	(4,250,398)	(4,540,877)	(4,571,238)	(4,833,529)	(3,915,606)
10-000-3111-40030-00-00-00000 STATE ADEQ/EQUIT AID - MADBURY	(1,079,725)	(1,065,597)	(1,130,927)	(1,057,182)	(1,159,238)
10-000-3112-40030-00-00-00000 STATE TAX - MADBURY	(498,983)	(507,800)	(490,740)	(499,352)	(498,081)
10-000-3190-40091-00-00-00000 UNRESTRICTED STATE AID	-	-	(10,876)	(1,999)	(1,448)
10-110-1490-40000-00-00-00000 SCHOOL FIELD TRIP REIMBURSEMENTS	(32,374)	(23,137)	(3,387)	(1,206)	-
<b>GRAND TOTAL</b>	<b>(\$39,025,090.00)</b>	<b>(\$40,314,725.00)</b>	<b>(\$42,351,976.00)</b>	<b>(\$44,613,970.00)</b>	<b>(\$39,019,046.00)</b>

## Finance Committee Remote Meeting Minutes

Wednesday, May 13, 2020 @ 6:00 PM

Attendees: Al Howland, Brian Cisneros, James Morse, Michael Williams, Sue Caswell

Visitors: 0

Jim Morse began the meeting by reading the Finance Committee Charge as follows:

The Board Finance Committee will be composed of three Board members, and it is charged to assist the Board in the preparation of the 2021-22 budget and review short-term budget adjustments in response to COVID-19. It will meet throughout the year with the Superintendent, the Business Administrator, and relevant administrators to explore tools and strategies for developing a workable budget. It will regularly solicit questions from the entire Board, and it will report on its findings in a timely manner. In order to support transparency in the process, the committee will keep detailed minutes and provide those minutes to the full Board. The aim will be to help the full School Board develop:

- an evidence-based budget goal for FY 2022 by September 2020, and
- a FY 2022 budget that has been developed through a rigorous process that explores all possible economies and meets all the educational needs of the district by December 2020.

Unless continued by the Board at the March 2021 organizational meeting, it will cease to exist.

Jim went on to give a brief background on why this committee was established. He also stated that this meeting was being held in the ORHS Library as it was an organizational meeting to get the committee established, and that further meetings will be held remotely until such time as the Governor lifts the social distancing requirements.

**Michael William made a motion to appoint Al Howland as chair, seconded by Brian Cisneros. Vote 2-0-1 with Al Howland abstaining.**

Al Howland asked the committee about setting a consistent meeting date. It was determined that the meetings would be held Wednesdays on the opposite week of a regularly scheduled Board meeting. The next meeting will be Wednesday, May 27<sup>th</sup> at 6:00 PM and it will be a remote meeting.

Al moved forward by reading the questions submitted by Michael Williams:

- Short term - which expenses or capital items could be deferred out of the 2021 budget?
- Short term - what is the estimated tax rate impact of budget reductions in December 2020 local tax rates? For example, a reduction of \$100,000 in expenses would mean how much tax impact each for Durham, Lee, and Madbury?
- Long term - How should the budget goal for FY2022 be structured?
- Long term - What should the budget goal for FY2022 be?

Al read the questions submitted by Tom Newkirk:

- Are there non-negotiables in our planning, i.e. cost-cutting measures we cannot or will not take (e.g. increasing class size)?
- What can we expect from the state? Will the increases to Lee and Madbury for this year be continued?
- Will towns ability to collect taxes be affected by the pandemic, if so by how much? What effect will this have on our planning?
- If the trend of smaller kindergarten and primary enrollment continues, can we plan for fewer classes?
- How much can we save by a large-scale offer of a retirement buy-out?
- How should this pandemic affect upcoming negotiation?

Al Howland asked which negotiated agreements would be coming up next year?

Jim stated Bus Drivers (ORBDA) and Paraeducators (ORPaSS).

Brian Cisneros asked if there were certain accounts or line items with the most variables.

Jim explained that some lines are more flexible than others. The capital improvement is the one that we have the most discretion with.

Brian asked if a list could be generated of the needs vs. the wants. What we need is more important.

Questions were asked about the fund balance, possibly rolling into the next year, transferring into the emergency fund.

Identifying possible FY21 potential areas of savings.

Jim stated that it was academic vs. operations. He asked if there are baseline questions or data we can look at to make cuts we need to make.

Brian stated that he wanted to make sure what we are trimming doesn't affect the quality of the education of our students and make sure the taxpayers know that.

Jim stated that the towns are less concerned about the first half tax bills.

Brian wanted to make sure that if cuts were made in the Capital Improvement accounts, that we do not get behind in the maintenance like a few years ago and that we keep maintaining.

Al agreed that we are in far better shape with the capital improvement.

Jim explained that we would restore the funds gradually and look at cuts we need to make, but do not want to sacrifice the quality of the programs that we have.

Michael asked what is the impact of the 100K of fund balance?

Sue stated it is equal to about 7 cents on the tax rate.

Jim stated that the tuition students coming in the fall is 49-50 which is above the average that we predicted.

Michael asked about the Barrington tuition and can we calculate the rate for next year now so we know how much more revenue that may generate.

Al questioned the amount of money that is coming back from the state to the towns. Durham is getting about \$360,000.

Jim stated about 39K coming from the state.

Michael asked how does the bond payment figure into the budget?

There was some discussion surrounding this topic.

Al asked long term FY22, can we roll over non-negotiables, things that we know we need to pay, contracts, etc. He also asked about the sense of the capital improvement and that he would have a hard time proposing a 3.5% increase.

Brief discussion ensued.

Al asked what it takes to keep the school running? Electric, gas, etc.

Brian asked if the department heads were researching any grant opportunities that the district could use.

Jim explained that we are part of a \$500K grant with the Durham Police Department for the new middle school, but Oyster River is weak for obtaining grants because funding is usually based on need.

Jim stated to the committee that the information that they were looking for from him and Sue for the meeting on the 27<sup>th</sup> was a listing of non-negotiables, updated fund balances including the emergency fund, and 5 years of revenues.

Jim asked the committee if he thought a letter be written to each of the town committees that we started the budget process and explain about the committee.

Al felt that it was a good idea and that he would update the council at his next meeting.

Jim asked if we should make this a motion on the agenda to the School Board asking for their permission.

The committee agreed.

No additional questions or comments.

Meeting ended at 6:40 PM – Next meeting will be a remote meeting on May 27, 2020

**Al Howland made a motion to adjourn, seconded by Brian. Vote 3-0.**

Respectfully submitted,  
Wendy L. DiFruscio