

Finance Committee Remote Meeting Minutes  
Wednesday, July 29, 2020 @ 6:00 PM – ORHS Library

Attendees: Al Howland, Brian Cisneros, James Morse, Sue Caswell, Michael Williams (7:00 PM)

Visitors: Todd Selig -Durham Town Administrator, Jim Lawson - Durham Town Council, Scott Bugbee - Lee Select Board, Dean Rubine - Lee Resident, Janet Wall - Madbury Select Board, Denise Kushmerek - Madbury Resident

Al Howland welcomed everyone and asked everyone to introduce themselves.

Al began the meeting by asking to adjust the agenda to allow Superintendent Morse to speak about the re-opening of Oyster River Schools in the fall.

Superintendent Morse began by stating that he and the administrators have been working non-stop on preparing for the opening of schools in the fall. Jim stated that priority is to keep students and facility safe, there will be unique costs associated with whatever model is chosen.

Currently, the District is looking at three different models for re-opening: Traditional opening where all the schools open with full attendance of students and staff. This model will incur unique costs of ¼ million dollars for P.P.E to the District to ensure the critical safety of our staff and students.

Remote Learning options are being considered. Such plans may reduce P.P.E costs somewhat. We will recommend bringing in struggling students for teacher student contact. We will require masks while maintaining social distancing and expect proper hygiene. Bus transportation costs likely up by 20-25%. These buses will need to run all day in order to service struggling learners with a maximum capacity of only 26 students. Transportation costs will increase by 20 – 25%. Or approximately \$400,000.

The third model is the Hybrid Model which would provide several different options at all levels, like splitting the school day in half with an AM/PM model, or an alternating block 2-day model. The Board will have a final workshop on Thursday before they decide which model at the August 5<sup>th</sup> Board meeting.

Scott Bugbee asked Jim what other source of funding is available to the school district?

Jim stated the district received \$39K from the state, and that this figure was based on the poverty level using the Title1 district allotment. He explained that surrounding towns received more, because the funds were distributed based upon Title 1 poverty levels. Jim stated, in his opinion, the funds should have been shared on a per student basis since this is a health emergency not educational issue.

Dean Rubine explained the process that will be taking place at UNH regarding testing of both staff and students. Maybe the district could reach out to UNH pertaining to testing.

Jim explained that the district does not have the funding or the staffing to screen students and that we will rely on parents to monitor their children. The district has one nurse per building, and they do not have the resources to test. They are also continually monitoring students that have unique health needs, as well as student walk ins.

Jim went on to state that there are four areas that will be addressed on a daily basis within the schools. Masks will be required, social distancing, proper hygiene throughout the day, and using the outdoors as much as possible for classes and fresh air. Regardless of district diligence, the threat of COVID-19 will never be zero for students and staff coming to school.

Al Howland asked what the trigger was to go remote, and we should be troubleshooting now for what a remote model would look like, and referred to the non-scientific survey results that was sent to parents.

Brian Cisneros stated that for some student's school is their stability, and that we need to look at all scenarios and as good as remote sounds, it is not always the way to go.

Al mentioned that we currently have staff with underlying medical conditions and that is a real challenge and we will need to adapt.

There were no more questions pertaining to the opening of school and Al moved forward to the District Financial Status stating that he asked Sue Caswell what the unexpended fund balance looked like as of today, and it was approximately \$980K, \$400K of which will be returned to the towns. He also stated that he asked Jim Rozycki to provide the Finance Committee with the CIP status list for the 2020/21 year and that due to COVID 19 we saved approximately \$105K, so the district looked at the most pressing CIP needs and determined that could be accomplished now. It was determined that the high school chairs for the cafeteria needed to be replaced, as they were nearly 20 years old and falling apart, and that the flexibility of usable space in both the cafeteria and multi-purpose room is critical, so the purchase of these stackable chairs was necessary. He also stated that there has been a tremendous concern for school safety through homeland security which necessitated the need for a new high school front entry along with the Mast Way and Moharimet School being done.

Al stated, in terms of the CIP for the 2021-22 budget it gives us a starting point of approximately \$1M in the emergency fund not including \$500K for special education emergency needs. The biggest portion of the budget is personnel at approximately 80%. He said, Jim approached the Board about the possibility of a retirement incentive and at the present time there are approximately 17 people who are eligible and meet the requirements for retirement. Jim shared, to date, six staff have submitted applications for consideration. Al also stated that they are looking into not replacing some positions if possible.

Regarding next year's Capital Improvement, going back to the 2021/22 CIP, we have the Moharimet front office spaces including the nurse and counseling offices that need to be updated listed as a priority with an approximate cost of \$300K. Al also stated that we do not have a percent budget goal at this time but will be working on it.

Dean Rubine stated that now that the MS Bond is finalized, and came in under the projected percent, could we utilize the additional funds to alleviate our cash flow problem.

Brian Cisneros stated that the Bond money can only be used for the new MS building.

Jim Morse stated that the GMP continues to be on target and that he will know more in August and it is not possible to use bond funds for anything other than the new middle school.

There was discussion amongst the town and committee regarding the impact of the lower interest rate on the taxpayer. The impact to the towns if tax bills are not paid, the unemployment trend currently happening and its impact.

Jim explained that the district anticipated the 2021-22 budgeted MS payment and that is why they formed the Finance Committee to get ahead of that and to push costs down. We are working hard to keep costs contained. As of today, there is a half million-dollar savings due to the proposed retirement incentive. We are working to be fiscally conservative in the coming year and working very hard to be partners to the towns.

Al stated that we cannot take a hatchet to the budget and that COVID is making it worse.

Brian stated that we need to determine if things are a need or a want. The bottom line is that we make sure what we are cutting does not affect the quality of the education of our students.

Al moved the meeting to the town portion of the agenda.

Jim Lawson gave a brief rundown of the status of the Town of Durham and provided current and past percentages of the unemployment rates for the towns, along with the fund balances.

Al confirmed with Todd Selig that the Town of Durham gave their residents an additional month to pay their tax bills, and also provided some percentage comparisons of the totals paid during the 2018 and 2019 years of 94% collected and currently for 2020 it is 93% collected.

Janet Wall confirmed that the Town of Madbury were keeping up now and doing well, but there is a concern surrounding the December payments.

Scott Bugbee from the Town of Lee explained the letter that was sent out previously to the school and that vehicle registration is down by 12% or approximately \$100K.

Al asked the towns about additional COVID costs and whether there was any big construction going on.

Scott Bugbee stated there is ongoing building around town including the construction at the Rte. 125 traffic circle. He also stated that they are looking at a building on Rte. 125 to move town employees there.

Janet Wall from Madbury stated that there are no big building projects, but they are purchasing needed equipment for the various departments.

Scott Bugbee stated that he received a notice from the state retirement system that the rates are going up. He did not have the numbers with him but would forward a copy of the letter following the meeting.

Al moved the meeting forward to Article V. Ways the School District and towns can work collaboratively.

He suggested that the three towns work together on the REACH Program with the School District. He stated that currently the Town of Durham's Recreation Director works with the school district to provide summer programs to students and that they accept children from all 3 districts. The Town of Durham does not have the staff to expand this program and would like to see if Lee and Madbury would work with us.

Jim Morse explained the current REACH program and that it has taken three years to work out the kinks. It is an amazing and successful program that is self-supporting. Even in this time of COVID, the Reach program has been adjusted to REACH in a Box and we have reached capacity each time it is offered, with a waiting list. Al's hope is that we can plant a seed and form a connection with all towns to plan for next year.

Brian Cisneros felt that another area of possible consolidation with all towns and the school district could be for trash.

Al agreed and stated that another area of possible discussion would be composting.

Scott Bugbee suggested the propane program that Lee and the School District are a part off for lower cost to residents and employees. He also stated that the towns and the school district should work together on waste management.

Jim Lawson suggested we investigate self-funding health care.

There was a brief discussion between the committee and towns.

Todd Selig also commented on Electric Aggregation (Green Power), Solar Arrays and the agreement the town has with the school district.

Al suggested that when this group meets again in the fall these could be agenda items.

Dean Rubine suggested that when we meet again in the fall that a representative from UNH should also be included.

Janet Wall stated that this meeting location was great and that if possible, she would like to keep it on a Wednesday. She was very interested in working with the other two towns.

There was no additional questions or comments.

Al thanked everyone for coming.

Meeting ended at 7:45 PM. No additional meeting date was set for the finance committee at this time.

Respectfully submitted,  
Wendy L. DiFruscio