

February 7, 2022

FY 2022-23

Seabrook School District
Proposed Operating Budget

WARRANT ARTICLE #1

Operating Budget



Shall the School District raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts 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 \$16,346,949? Should this article be defeated, the default budget shall be \$16,080,615, which is the same as last year, with certain adjustments required by previous action of the School District or by law; or the governing body may hold one special meeting, in accordance with RSA 40:13, X and XVI, to take up the issue of a revised operating budget only. (Majority vote required.)

The School Board and the Budget Committee recommend this appropriation.

Note: Warrant Article #1 (operating budget) does not include appropriations in any other warrant articles.

(Should this article be approved, it is estimated it will constitute \$4.9908 per thousand of the tax rate.)

THE SEABROOK COMMUNITY

Educating the whole student
by providing a flexible,
engaging, and supportive
atmosphere where learning is
relevant and lifelong.



The proposed FY 2022-23 operating budget reflects a commitment to providing an education that promotes a passion for learning, and to provide a safe atmosphere which is conducive to educating, nurturing and empowering all students to become responsible, productive, tolerant members of society.



BUDGET GOALS



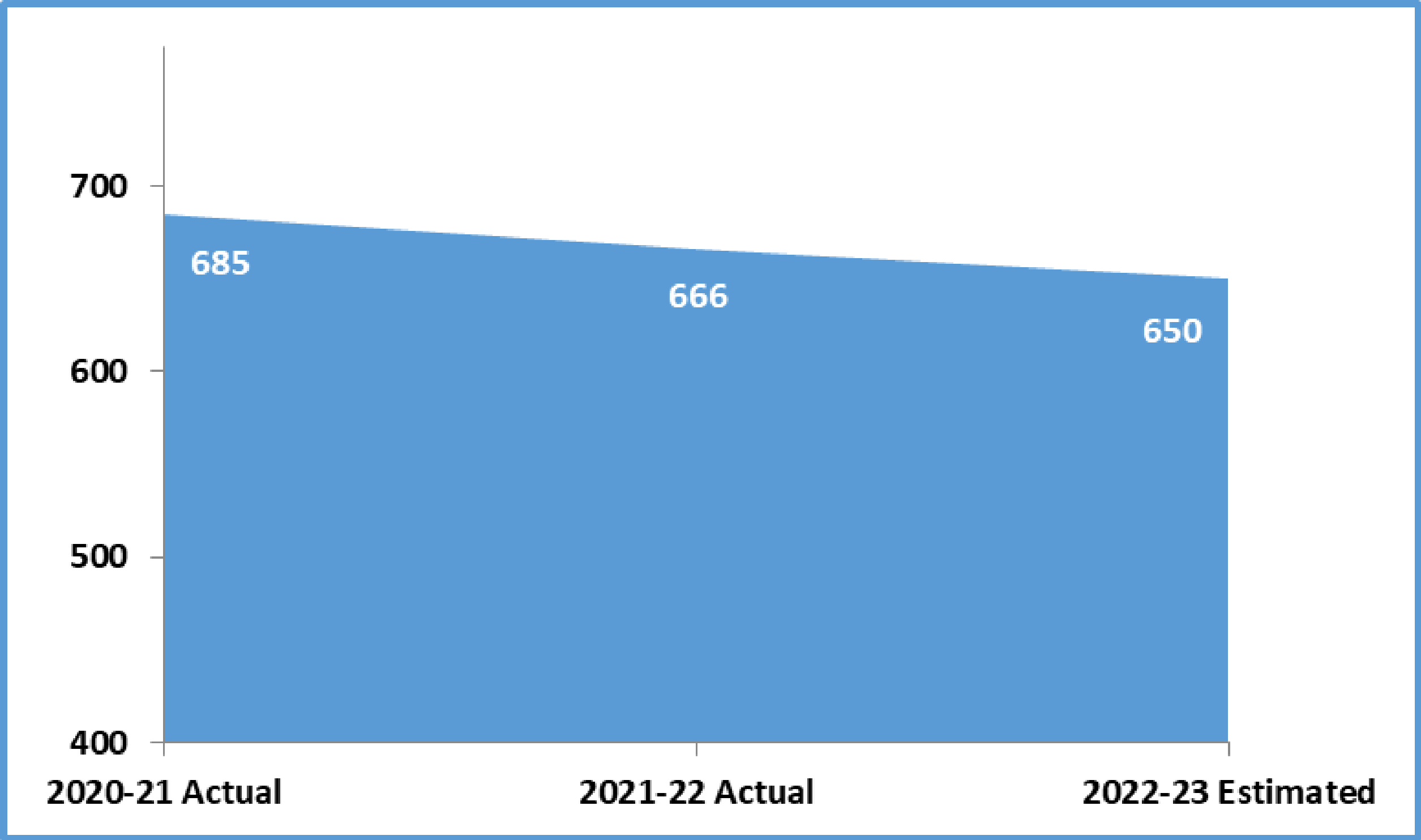
The proposed Seabrook School District 2022-23 operating budget was established to provide investment and resource allocation that enhances academic programs and experiences that supports all students. Based on this overarching goal, the following outlines three (3) primary objectives:

- 1) Investment in our Seabrook students to provide the opportunities and education that empowers individuals to be caring, competent, responsible citizens who value learning as a lifelong process.
- 2) Focus on student learning to fully maximize and leverage the implementation of our SAU-wide Competency Based Education (CBE) initiative.
- 3) Provides appropriate funding and allocation of resources that maintains and continuously improves the current high level of learning opportunities to properly prepare our students – while being cognitive of fiscal responsibility to the community and taxpayers of Seabrook.

ENROLLMENT



We anticipate Seabrook’s enrollment will decrease slightly from 666 students in 2021-22 to 650 students in 2022-23.



BUDGET SUMMARY

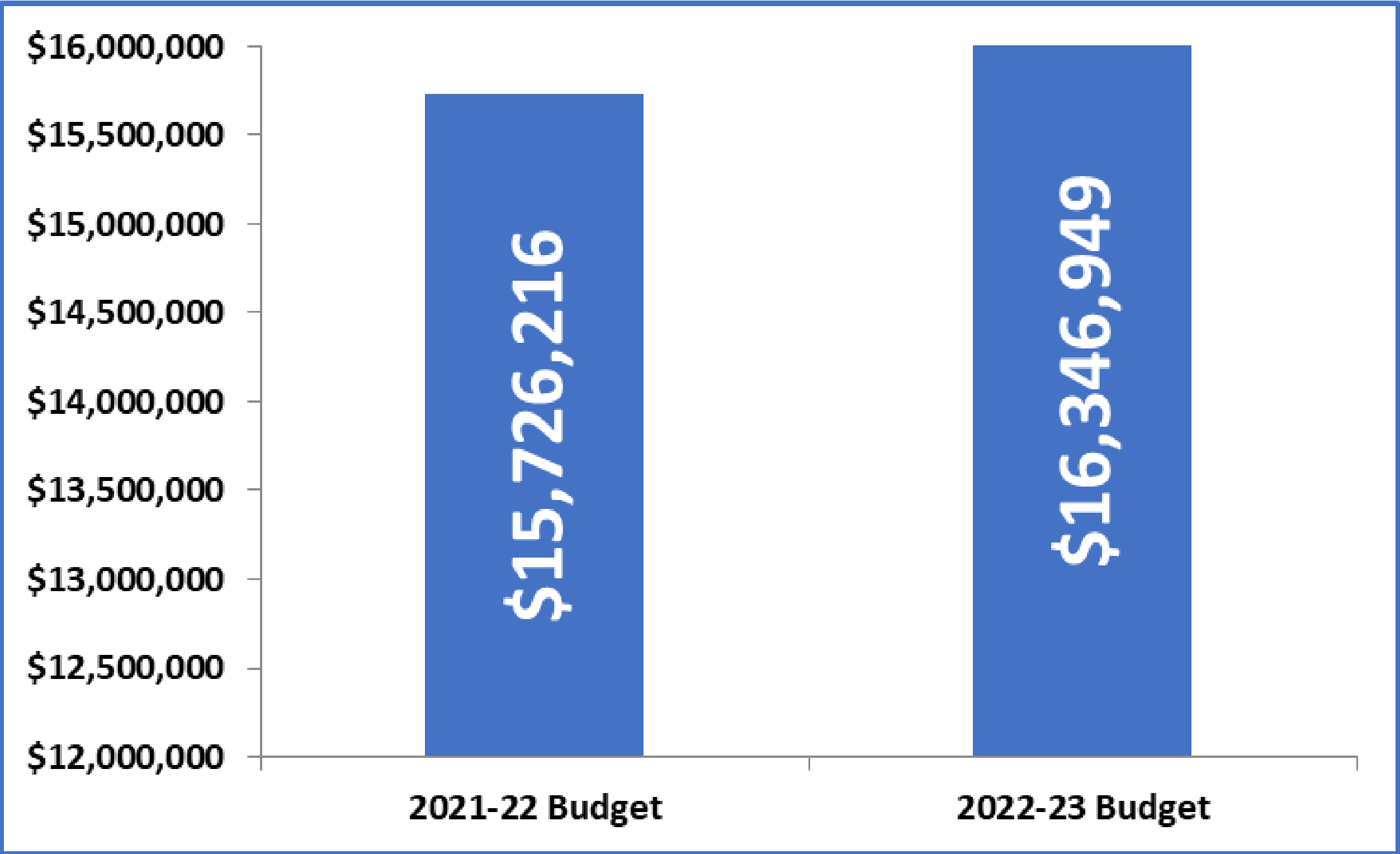


OVERALL BUDGET

The proposed FY 2022-23 Seabrook School District operating budget is \$16,346,949 which reflects an increase of +3.95% from the 2021-22 budget.

Further, the proposed 2022-23 operating budget is +\$286,669 or +1.78% higher than the default budget of \$16,060,615.

The budget reflects significant reductions and/or level funding on discretionary accounts – with the overall increase due to contractual and legally mandated expenditures.



BUDGET SUMMARY



BUDGET DRIVERS

The 2022-23 proposed budget reflects a focus on maintaining current programming and services, while re-examining budget priorities and cutting expenditures across all departments. The budget includes no new significant initiatives or investments.

The following summarizes significant contractual obligations, totaling an increase of \$588,282.

Special Education: +\$143,355; Increases for special education services, per students' individualized education plans (IEP) as mandated by state and federal law.

Salaries - Certified Staff: +\$215,790; Contractual cost of living adjustment (COLA) and step increases for certified teachers as part of the SEA collective bargaining agreement.

Employee Benefits: +\$134,025; The increase in health insurance reflects a 5.7% guaranteed maximum rate (GMR) for health insurance and increases to retirement employer contributions, FICA contribution, long term disability insurance, and worker's compensation insurance.

Transportation: +\$95,112; The increase in transportation is primarily due to an increase special education transportation needs and reflects year four (4) of the 5-year contract with First Student.

BUDGET SUMMARY



BUDGET DRIVERS

The 2022-23 proposed budget reflects a focus on maintaining current programming and services, while re-examining budget priorities and cutting expenditures across all departments. The budget includes no new significant initiatives or investments **(continued)**.

The following are the significant budget decreases in the proposed 2022-23 Seabrook School District operating budget, that help offset the aforementioned \$ 588,282 in contractual increases:

- Elimination of one (1) elementary teacher position, including salary and associated benefits:
 - -\$118,923
- Reduction of Technology equipment purchased through CARES/ESSER grant funds:
 - -\$47,540
- Reduction in Tuition account for out of district placements based on student need:
 - -\$30,033

BUDGET SUMMARY



COST OF LIVING ADJUSTMENT

Embedded in the Seabrook operating budget is a cost of living adjustment (COLA) for all non-union and union staff members. The COLA represents an annual salary increase for all staff members within the operating budget. The administration recommends an SAU-wide non-union COLA based upon documented inflation. Whereas, the union COLA's are bargained and approved via warrant article in the respective collective bargaining agreements (CBA'S).

For non-union staff the COLA is benchmarked to the consumer price index (CPI) for the Portsmouth region. The CPI saw an increase of 4.3% from July 2020 to July 2021 for our specific geographic region. The budget process is such that we forecast a year in advance, and inflation data looks at 12 months in arrears. This consistent practice equalizes any inequality, by utilizing the same time-frame and index. As such, based upon the inflation benchmark at 4.3%, the administration recommends a COLA of 4.3% SAU-wide for the 2022-23 school year.

Further, the Seacoast Education Association (SEA) CBA for teachers calls for a 2.75% COLA, and the Seacoast Educational Support Personnel Association (SESPA) CBA for educational associates calls for a 1.00% COLA.

Cost of Living Adjustment (COLA)		
	<u>2021-22</u>	<u>2022-23</u>
Non-Union Employees	0.80%	4.30%
SEA Union	2.75%	2.75%
SESPA Union	1.00%	1.00%

BUDGET IN DETAIL



The following budget detail summarizes each individual budget function with associated significant increase or decrease, and reasoning for the variance:

REGULAR EDUCATION

Budget: \$4,740,153

Increase: +\$51,322 (+1.09%)

The increase in Regular Education reflects the SEA collective bargaining agreement (CBA) cost of living adjustment and step increases, offset by a reduction of 1.0 FTE elementary classroom teacher based on enrollment and reductions in supplies and books/print media.

SPECIAL EDUCATION

Budget: \$2,387,674

Increase: +\$181,720 (+8.24%)

The increase in Special Education is primarily due to the transition of a Board Certified Behavior Analyst (BCBA) to the operating budget from the ESSER grant, the CBA cost of living adjustment, change in student services from LNA to RBT, and increases in professional services, based on student need as dictated by individual education plan (IEP) services, mandated by state and federal law.

BUDGET IN DETAIL



STUDENT ACTIVITIES

Budget: \$60,782

Decrease: -\$2,433 (-3.85%)

The decrease in the Student Activities budget is based on a slight reduction in extracurricular stipends, based on expenditure history and anticipated participation.

SUMMER SCHOOL

Budget: \$2,500

Increase: +\$0.00 (+0.00%)

The Summer School account provides nurse staffing for the ESY and Title I programming, and no increase is budgeted.

GUIDANCE

Budget: \$175,434

Decrease: -\$3,148 (-1.76%)

The decrease in Guidance reflects a staffing change that resulted in savings.

BUDGET IN DETAIL



HEALTH

Budget: \$172,752

Increase: +\$14,353 (+9.06%)

The increase in Health reflects the cost of living adjustment, a track advance, and step increases per the SEA collective bargaining agreement.

SPEECH

Budget: \$242,449

Increase: +\$9,062 (+3.88%)

The increase in Speech reflects the SEA collective bargaining agreement (CBA) cost of living adjustment and step increases.

OTHER STUDENT SUPPORT

Budget: \$1

Increase: +\$0 (+0.00%)

The Other Student Support account is kept open for potential future need.

BUDGET IN DETAIL



IMPROVEMENT OF INSTRUCTION

Budget: \$149,347

Increase: +\$5,516 (+3.84%)

The increase in the Improvement of Instruction account reflects salary cost of living adjustment and step increase, slightly offset by a reduction in the testing account, based on testing schedules, and level funding of other accounts.

EDUCATIONAL MEDIA

Budget: \$191,739

Increase: +\$7,642 (+4.15%)

The increase in Educational Media is due to the SEA collective bargaining agreement (CBA) staff salary cost of living adjustment and step increases, with the remainder of accounts level funded.

COMPUTER SERVICES

Budget: \$294,307

Decrease: -\$10,841 (-3.55%)

The Computer Services accounts align with the school technology plan and associated technology replacement cycles. The overall decrease is due to utility of grants to fund the computer replacement cycles. The decrease is slightly offset due to the 2021-22 adjustment of the computer technician to full-time status, and an increase in supplies and repair/maintenance, due to increased technology infrastructure and devices.

BUDGET IN DETAIL



SUPPORT SERVICES

Budget: \$121,200

Increase: +\$35,000 (+40.60%)

The increase reflects the investment in expanding SAZ to the elementary school. The change occurred in 2021-22 and was funded with ESSER grant funds.

BOARD OF EDUCATION

Budget: \$53,685

Decrease: -\$350 (-0.65%)

The slight decrease in board of education is due to the lower anticipated cost for the annual meeting, based on expenditure history.

SAU SERVICES

Budget: \$633,475

Increase: +\$3,316 (+0.53%)

The slight increase in SAU services reflects the SAU central office budget allocation. The SAU 21 model provides an aligned, high functioning structure that utilizes economy of scale, operational efficiencies, and shared personnel – to provide cost, performance, and efficiency benefits to each individual district; while embracing individual school district identity.

BUDGET IN DETAIL



SCHOOL ADMINISTRATION

Budget: \$643,914

Increase: +\$42,814 (+7.12%)

The primary driver for the increase in School Administration is due to the staff salary cost of living adjustments and step increases, and an increase in dues and fees, offset by a slight reduction in supplies.

BUILDINGS

Budget: \$816,648

Increase: +\$37,336 (+4.79%)

The increase in Buildings is due to cost escalation for supplies, new furniture, and repair / maintenance accounts, in addition to a surge in energy costs that have substantially increased our heating fuel / natural gas costs, an increase in our liability insurance premiums, and the cost of living adjustments for staff. The increases are offset by a slight reduction in facilities manager and administrative assistant salaries due to change in staffing.

GROUNDS

Budget: \$57,500

Decrease: -\$5,000 (-8.00%)

The decrease in Grounds reflects a reduction in the snow removal account, based on actual expenditure history.

BUDGET IN DETAIL



VEHICLE EXPENSES

Budget: \$3,200

Increase: \$0 (0.00%)

No increase to the Vehicle Expenses account is budgeted.

TRANSPORTATION

Budget: \$1,069,816

Increase: +\$95,112 (+9.76%)

The increase in Transportation is primarily due to an increase in special education transportation needs, and also reflects year four (4) of the 5-year contract with First Student to supply regular education, athletic, field trip, and other transportation services.

EMPLOYEE BENEFITS

Budget: \$4,105,188

Increase: +\$134,025 (+3.37%)

The increase in employee benefits reflects a 5.7% GMR increase for health insurance premiums, as well as the retirement employer contributions, FICA, workers compensation insurance, and long term disability insurance increases. The increases were offset slightly by a -1.2% GMR reduction in dental insurance premiums.

BUDGET IN DETAIL



DEBT SERVICE

Budget: \$143,109

Increase: +\$1,272 (+0.90%)

The Debt Service account provides the principal and interest payments on the bond issue for the building project. The last payment is scheduled for August 2024.

INTERFUND TRANSFER

Budget: \$1

Increase: \$0 (0.00%)

There is no anticipated need for an Inter-Fund Transfer to fund a deficit for food service.

FOOD SERVICE

Budget: \$282,075

Increase: +\$24,015 (+9.31%)

The increase in the Food Service fund reflects an increase in food and supplies costs due to cost escalation, and staff salary cost of living adjustment and steps.

BUDGET IN DETAIL



DEFAULT BUDGET

\$16,060,615 (-\$286,334 less than the proposed operating budget of \$16,346,949)

The amount of the same appropriations as contained in the operating budget authorized for the previous year, reduced and increased, as the case may be, by debt service, contracts, and other obligations previously incurred or mandated by law, and reduced by one-time expenditures contained in the operating budget and by salaries and benefits of positions that have been eliminated in the proposed budget. For the purposes of this paragraph, one-time expenditures shall be appropriations not likely to recur in the succeeding budget, and eliminated positions shall not include vacant positions under recruitment or positions redefined in the proposed operating budget, as determined by the governing body, unless the provisions of RSA 40:14-b are adopted, of the local political subdivision. In calculating the default budget amount, the governing body shall follow the statutory formula which may result in a higher or lower amount than the proposed operating budget.

THE SEABROOK COMMUNITY

WARRANT ARTICLE #2

Paving Project



To see if the School District will vote to raise and appropriate the sum of \$125,000 for the purpose of repaving parking areas and roadways at Seabrook Middle School. This will be a non-lapsing appropriation per RSA 32:7, VI and will not lapse until the project is completed or by June 30, 2025, whichever is sooner. (Majority vote required).

The School Board and the Budget Committee recommend this appropriation. (Majority vote required.)

(Should this article be approved, it is estimated it will constitute \$0.0382 per thousand of the tax rate.)

THE SEABROOK COMMUNITY

WARRANT ARTICLE #3

Paving Project



AMOUNT: \$125,000

FUNDING SOURCE: Raise and Appropriate

The School Board proposes issuance of a warrant article to raise and appropriate \$125,000 to re-pave the middle school parking lot in the first phase of a multi-phased paving project plan.

The existing parking lot pavement at the Seabrook Elementary and Middle School has deteriorated to poor condition – creating unsafe driving and improper drainage.

THE SEABROOK COMMUNITY

WARRANT ARTICLE #3

Tractor



To see if the school district will vote to raise and appropriate the sum of \$45,000 for the purpose of purchasing a new tractor. The School Board and the Budget Committee recommend this appropriation. (Majority vote required.)

(Should this article be approved, it is estimated it will constitute \$0.0137 per thousand of the tax rate.)

THE SEABROOK COMMUNITY

WARRANT ARTICLE #3

Tractor



The School Board proposes issuance of a warrant article to raise and appropriate \$45,000 for the purchase of a new tractor.

The tractor provides for important snow removal services and maintenance of grounds and athletic fields. The existing tractor has reached end-of-life, requiring extensive annual repairs and maintenance.

THE SEABROOK COMMUNITY

WARRANT ARTICLE #4

Special Education Expendable Trust



To see if the School District will vote to raise and appropriate \$50,000 to be added to the existing Special Education Expendable Trust Fund, with up to \$50,000 to be funded from the June 30, 2022 unassigned fund balance available for transfer on July 1, 2022. No additional amount to be raised from taxation.

The School Board and the Budget Committee recommend this appropriation. (Majority vote required.)



WARRANT ARTICLE #4

Special Education Expendable Trust

AMOUNT: \$50,000

FUNDING SOURCE: Unreserved Fund Balance

The School Board proposes funding the Special Education expendable trust with \$50,000, utilizing unreserved fund balance, for the March 2022 ballot.

Budgeting and associated funding for special education continues to present fiscal challenges to the district. The Special Education Expendable Trust was established for the purpose of funding special education costs. As such, it is beneficial to replenish the Special Education Expendable Trust to safeguard and mitigate future unexpected costs.

Important Note: Funding for the Special Education Expendable Trust comes from any potential available year-end fund balance – not raised via additional taxation.

<i>Expendable Trust:</i>	<i>Balance:</i>	<i>Target:</i>
<i>Special Education:</i>	<i>\$331,301</i>	<i>\$400,000</i>

THE SEABROOK COMMUNITY

WARRANT ARTICLE #5

Petition Article – Child Benefit Services



To see if the School District will vote to raise and appropriate the sum of \$16,854 to provide child benefit services, in accordance with RSA 189:49, for students who are residents of the Seabrook School District and attend Sacred Heart School located in Hampton, New Hampshire. CITIZEN'S PETITION by 25 or more registered voters of the Town of Seabrook.

The School Board does not recommend this appropriation. The Budget Committee recommends this appropriation. (Majority vote required.)

(Should this article be approved, it is estimated it will constitute \$0.0051 per thousand of the tax rate.)

THE SEABROOK COMMUNITY

WARRANT ARTICLE #6

Fund Balance Retention



To see if the School District will vote to authorize, indefinitely until rescinded, to retain year-end unassigned general funds in an amount not to exceed, in any fiscal year, 5 percent of the current fiscal year's net assessment, in accordance with RSA 198:4-b, II. (Majority vote required)

WARRANT ARTICLE #6

Fund Balance Retention



AMOUNT: Non-Monetary

FUNDING SOURCE: N/A

The School Board proposes the adoption of a non-monetary fund balance retention warrant article to safeguard the school district from unusual circumstances that may result in potential over-expenditure of appropriations or to help stabilize the tax rate over time by smoothing out peaks and valleys of appropriations and fluctuations in revenue.

The fund balance retention warrant article will allow the school district to retain up to 5% of the annual operating budget as a contingency in the event of emergency or over-expenditure and/or to assist in return of fund balance for tax rate setting purposes.

THE SEABROOK COMMUNITY

**Thank you to the school board,
budget committee, teachers,
parents, students, staff, and
community for the outstanding
support of the of the Seabrook
School District!**



SEABROOK



RAMS