

February 7, 2024

North Hampton School District Proposed FY25 Operating Budget





Article 01: 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 \$10,125,584? Should this article be defeated, the default budget shall be \$10,186,273 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.)NOTE: Warrant Article #1 (operating budget) does not include appropriations in any other warrant articles.

Recommended by the School Board: 4-1; Recommended by the Budget Committee: 6-0

The proposed FY 2024-25 operating budget reflects an investment in the North Hampton School's vision to develop caring, kind, and curious students by promoting the following 21st century skills:

- *communication*
- *critical thinking*
- *problem solving*
- *empathy*
- *integrity*
- *responsibility*
- *learner's mindset*
- *perseverance*





School Goals



In developing this proposed budget, we have identified the following goals that are driven by our School Improvement Plan goals:

- Utilizing our outdoor spaces to support instructional opportunities for both academics and social skill development.
- Support a Multi-tiered System of Support (MTSS) for students that enables us to provide both challenge and intervention for advanced and struggling students.
- Support the enhancement of school culture and climate through increased communication and attention to our school community needs.
- Commitment to providing high quality special education services and resources.
- Identify additional resources and staff to enable us to meet our goals.



Budget Priorities



The proposed FY 2024-25 North Hampton School budget has been established with the following priorities:

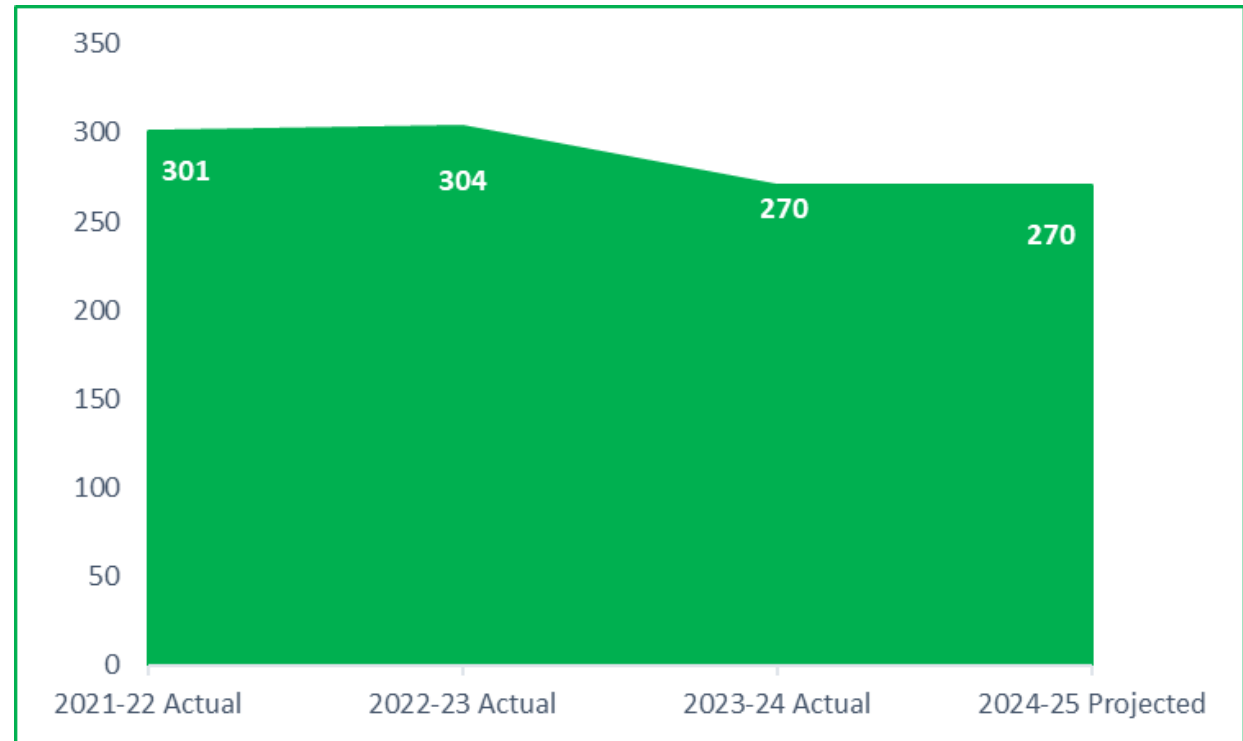
- Maintain a stable staffing pattern for classrooms with adjustments for enrollment.
- Increase the capacity of our special education department by investing in professional development.
- Incorporate long term planning for technology needs and replacement cycles for equipment. This new 3-year Technology Plan (2024-2027) addresses hardware, software, infrastructure and professional development needs.
- Continue to purchase equipment for uniform technology setup in each classroom for interactive instructional presentations and monitor infrastructure technology needs.
- Use grant funding and our expendable trust resources where appropriate.



Enrollment



We anticipate enrollment at the North Hampton School to remain steady at 270 students (PK-8) in FY 2024-25.





Enrollment



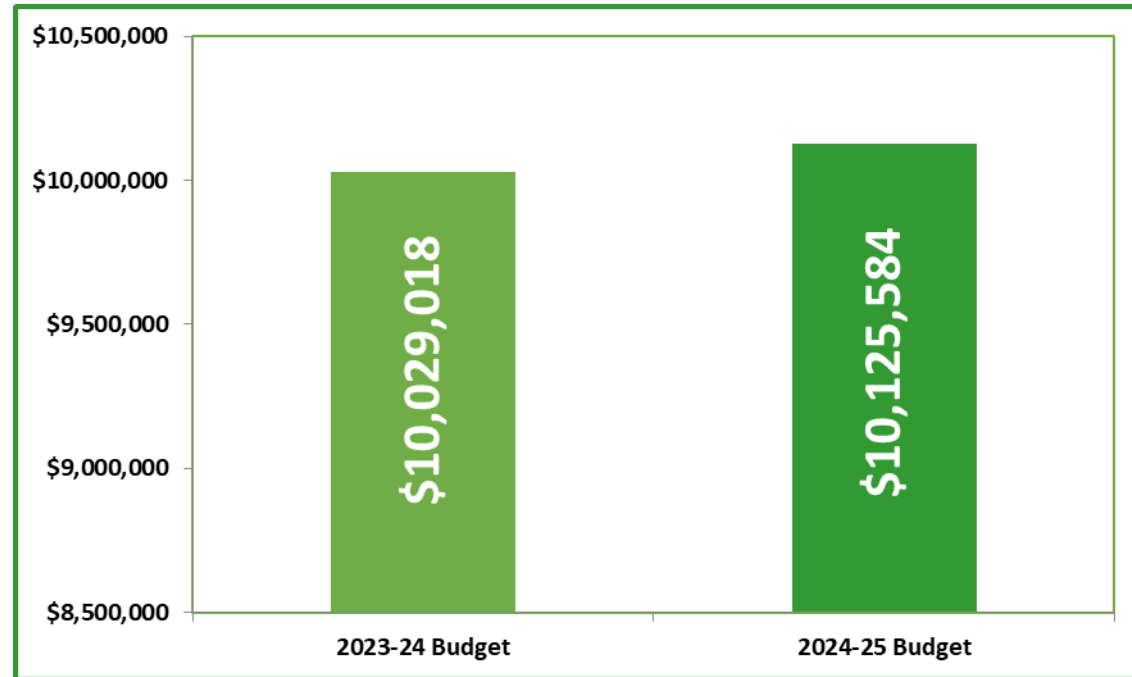
Classroom configuration and staffing has been determined according to class size guidelines per the North Hampton School Board policy:

North Hampton School District: 2024-25 Projected Class Configuration

	K	1	2	3	4	5	6	7	8
Student Enrollment:	24	20	36	25	26	33	32	36	28
# of Teachers:	2	2	2	2	2	2	2	2	2
Average Class Size:	12	10	18	12.5	13	16.5	16	18	14
School Board Policy:	12-16	12-16	14-18	14-18	16-20	16-20	19-23	19-23	19-23



The FY 2024-25 proposed North Hampton School District operating budget is \$10,125,584. This reflects an increase of +0.96% or a +\$96,566 increase from the FY 2023-24 budget. The proposed budget is -\$60,689 lower than the default budget of \$10,186,273.





Budget Drivers



The following are the significant budget drivers in the proposed FY 2024-25 North Hampton School District operating budget:

Increases:

- Cost escalation across multiple accounts due to price inflation; including supplies, books, food service, software, contracted services, etc.
- Buildings and grounds expenditures higher due to cost inflation for repairs and maintenance, renovations, supplies, equipment, consultants, etc.
- Significant health insurance premium increase.
- Investment in School Resource Officer.



Budget Drivers



The following are the significant budget drivers in the proposed FY 2024-25 North Hampton School District operating budget:

Reductions:

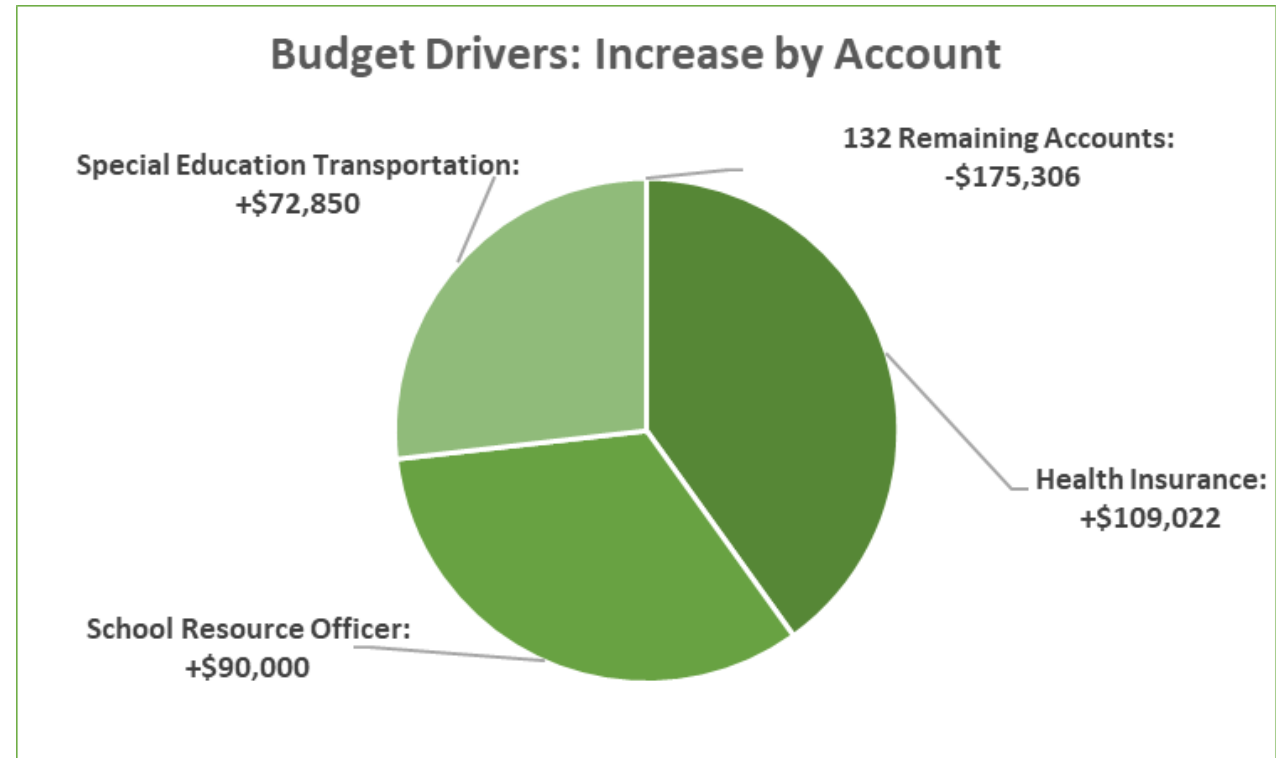
- Savings due to end of debt service payments for building bond issue.
- Reduction of 0.5 FTE music teacher position based on student enrollment (retirement).
- Reduction of 1.0 FTE classroom teacher position based on student enrollment (retirement).
- Reduction of 1.0 FTE special education teacher position based on student need for special services (currently unfilled in FY24).
- Reduction of 4.0 FTE educational associate positions based on student need for special services (currently unfilled in FY24).



Budget Drivers



Three accounts (health insurance, special education transportation, and the school resource officer) represented an increase of +\$271,872 to the operating budget. The total operating budget increase was only +\$96,566.





Cost of Living Adjustment



COST OF LIVING ADJUSTMENT

Embedded in the North Hampton operating budget is a cost of living adjustment (COLA) for all non-union staff members. This COLA represents an annual salary increase for all non-union staff members within the respective district operating budgets. The administration recommends an SAU-wide COLA based upon documented inflation.

We utilize the consumer price index (CPI) for the Portsmouth region. The CPI saw an increase of 2.8% from July 2022 to July 2023 for our specific geographic region. This consistent practice equalizes any inequality, by utilizing the same time-frame and index. As such, based upon current data showing previous year inflation, the administration recommends a cost of living adjustment of 2.8% SAU-wide for the 2024-25 school year.

Social Security 2024 Cost of Living Adjustment	3.20%
United States CPI-U (July 2022 - July 2023)	3.20%
SAU 21 Teacher FY25 Cost of Living Adjustment (SEA CBA)	3.00%
Portsmouth CPI-U (July 2022 - July 2023)	2.80%
SAU 21 Non-Union Staff FY25 Cost of Living Adjustment	2.80%



Budget in Detail



GENERAL EDUCATION

Budget: \$2,537,188

Decrease: -\$37,300 (-1.45%)

The decrease in General Education reflects the reduction of a 0.5 FTE music teacher and 1.0 FTE classroom teacher, based on student enrollment. The decrease was offset by the salary cost of living adjustment and step increases due to the new teachers collective bargaining agreement (CBA) and a small increase in ESOL contracted services to reflect student need.

SPECIAL EDUCATION

Budget: \$1,853,651

Decrease: -\$19,012 (-1.02%)

The decrease in Special Education is due to the reduction of a 1.0 special education teacher (currently unfilled in FY24), a reduction of 4.0 FTE education associates (currently unfilled in FY24), and a decrease in professional services. These represent decreases in required student services, as legally mandated by students' individualized education plans (IEP). The reductions were offset by increases to out of district placement tuition and teacher cost of living increase per the new CBA.



Budget in Detail



STUDENT ACTIVITIES

Budget: \$133,218

Increase: +\$2,411 (+1.84%)

The increase in Student Activities is primarily due to an investment in new girls and boys basketball uniforms, per the replacement cycle.

GUIDANCE

Budget: \$88,793

Increase: +\$1,974 (+2.27%)

The increase in Guidance reflects the salary cost of living adjustment, offset by a slight decrease in supplies.

HEALTH

Budget: \$85,575

Increase: +\$1,545 (+1.84%)

The increase in Health reflects the salary cost of living adjustment, offset by a slight decrease in supplies, employment exams, and equipment.



Budget in Detail



SPEECH SERVICES

Budget: \$140,980

Increase: +\$4,007 (+2.93%)

The increase in Speech Services is due to the salary cost of living adjustment.

IMPROVEMENT OF INSTRUCTION

Budget: \$106,543

Decrease: -\$51,452 (-32.57%)

The decrease in the Improvement of Instruction reflects the shifting of salary from Improvement of Instruction to Special Education, due to administrative organizational restructure, but results in no impact to the total budget. Additionally, we anticipate savings in tuition reimbursement.

EDUCATIONAL MEDIA

Budget: \$143,053

Increase: +\$5,291 (+3.84%)

The increase in Educational Media budget is essentially level-funded with the slight increase a result of the salary cost of living adjustment and investment in books/print media and information access fees.



Budget in Detail



TECHNOLOGY

Budget: \$325,781

Decrease: -\$1,307 (-0.40%)

The Information Technology accounts align with and follow the updated board-approved school technology plan. The technology budget shows a slight reduction, maintaining nearly level funding levels from prior year and reflects a 1:1 device plan, staff laptop replacement cycle, and normal technology replacement cycles.

SUPPORT SERVICES

Budget: \$90,000

Increase: +\$90,000 (New)

The Support Services account reflects the cost share of a new School Resource Officer, which was approved at the March 2023 ballot.

BOARD OF EDUCATION

Budget: \$30,182

Decrease: -\$797 (-2.57%)

The decrease in the Board of Education account is primarily due to a reduction in the legal account based upon actual expenditure history.



Budget in Detail



SAU SERVICES

Budget: \$298,847

Increase: +\$13,546 (+4.75%)

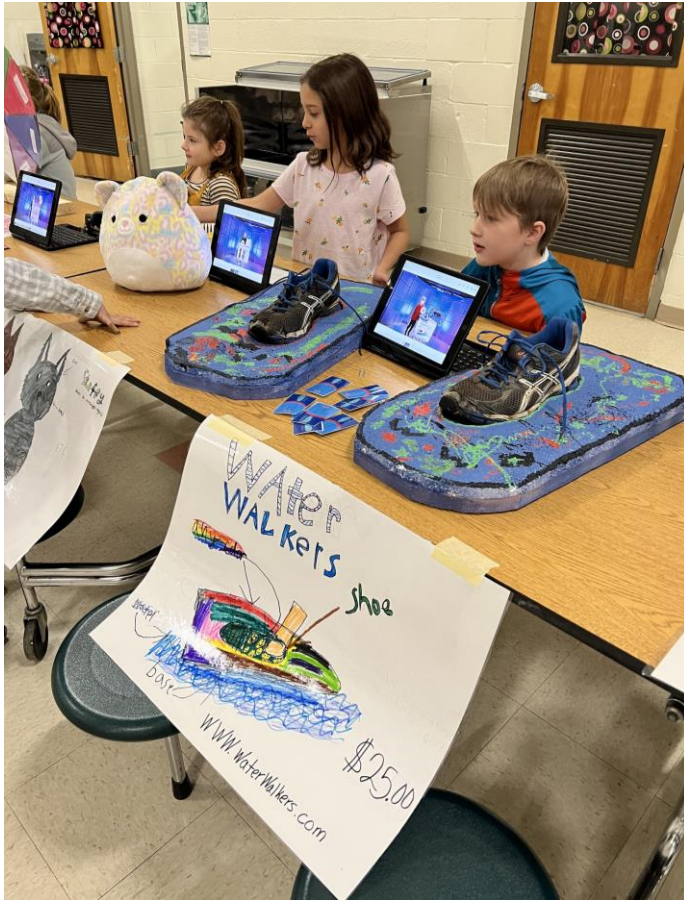
The increase in SAU services reflects the SAU central office budget allocation. The SAU 21 model provides an aligned, high functioning structure that utilizes economy of scale, operational efficiencies, and shared personnel – to provide cost, performance, and efficiency benefits to each individual district;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

SCHOOL ADMINISTRATION

Budget: \$321,106

Increase: +\$412 (+0.13%)

The nominal increase in the School Administration account is due to staff cost of living adjustment and step increases, offset by slight decreases in workshops/seminars and dues & fees.



Budget in Detail



BUILDINGS

Budget: \$654,413

Increase: +\$54,707 (+9.12%)

The increase in the Buildings account is due to continued price inflation for facilities supplies, trash removal, cleaning products, contracted work, insurance, equipment, materials, etc. Further costs include the proposed replacement of cedar shingles and upgraded exterior security cameras.

GROUNDS

Budget: \$75,763

Increase: +\$30,818 (+68.57%)

The increase in grounds reflects cost inflation in snow removal, lawn mowing, and grounds maintenance. Further costs include a phased sealcoating and line striping two year project.



Budget in Detail



VEHICLES

Budget: \$2,001

Increase: +\$1,100 (+122.09%)

The increase reflects annual repairs and maintenance for school truck.

TRANSPORTATION

Budget: \$705,859

Increase: +\$67,111 (+10.51%)

The increase in transportation is primarily due to special education transportation, based on student need for in-district and out of district transportation. The remainder of the budget reflects year 1 of the 5-year contract with First Student to supply general education, athletic, field trip, and other transportation services.

DEBT SERVICE

Budget: \$0

Decrease: -\$133,478 (-100.00%)

The decrease in the Debt Service account reflects the end of term for the debt payment on the bond issue for the building project. The last payment was paid in August 2023.



Budget in Detail



EMPLOYEE BENEFITS

Budget: \$2,289,452

Increase: +\$57,967 (+2.60%)

The increase in employee benefits reflects a large health insurance premium increase, reduced slightly by underbudgeting the health insurance account. The increase was further offset by decreases in other employee benefits due to reductions in staff.

INTERFUND TRANSFER

Budget: \$30,000

Increase: +\$0.00 (+0.00%)

The Interfund Transfer reflects a transfer from the General Fund to the Food Service Fund to cover any food service budget deficit.

FOOD SERVICE

Budget: \$213,179

Increase: +\$9,023 (+4.42%)

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



Default Budget



Default Budget: \$10,186,273

(+\$60,689 more than the proposed operating budget of \$10,125,584)

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.



Article 02: Seacoast Educational Support Personnel Association Collective Bargaining Agreement

To see if the School District will vote to approve the cost items included in the collective bargaining agreement reached between the North Hampton School Board and the Seacoast Educational Support Personnel Association for the following increases and reductions in salaries and benefits at the current staffing levels:

Year	Estimated Salary Increase	Estimated Benefits Increase	TOTAL Estimated Costs
2024-25	\$53,938	\$4,709	\$58,647
2025-26	\$49,475	\$4,320	\$53,795
2026-27	\$24,737	\$36,555	\$61,292
2027-28	\$23,845	\$34,923	\$58,768

and further to raise and appropriate the sum of \$58,647 for the 2024-25 school year, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels in accordance with the current collective bargaining agreement. (Majority vote required.)

Recommended by the School Board: 4-0; Recommended by the Budget Committee: 8-0

NOTE: In order for this article to be adopted, it must be approved by the voters of the school districts of Hampton Falls, North Hampton, Seabrook, South Hampton and the voters of the Winnacunnet Cooperative School District (which includes Hampton voters).



Warrant Articles



Seacoast Education Support Personnel Association (SESPA) Collective Bargaining Agreement (CBA) Warrant Article

Year 1: \$58,647; Year 2: \$53,795; Year 3: \$61,292; Year 4: \$58,768

SESPA employees, our amazing educational associates, help our teachers to assist with our students learning growth on a daily basis – providing paraprofessional support to maximize and ensure our students receive requisite educational opportunities and experiences – both in general education and special education.

Passage of the CBA is critical for the North Hampton School District and the SAU's retention of our best educational associates and our ability to hire new high-quality ones. It is incredibly important that we are able to compete with area school districts, or we are at risk of losing our educational associates. We currently provide uncompetitive compensation and benefits to these extremely important employees. When contracts fail, EA's do not receive pay increases or steps. And, this further perpetuates a significant compensation differential with surrounding SAU's.

The proposed CBA warrant article will need approval from each member district, including the North Hampton, Hampton Falls, Seabrook, South Hampton, and Winnacunnet ballots. Should it fail on any ONE of these ballots, it will fail for all our districts. This will result in our tremendous EA's receiving no salary step or cost of living adjustment.



Article 03: Long Term Maintenance

To see if the School District will vote to raise and appropriate the sum of \$80,000 to carry out long term maintenance work in the North Hampton School building and grounds. Anticipated projects include, but are not limited to: door automation upgrades and replacement of the public announcement system. This will be a non-lapsing appropriation per RSA 32:7, VI and will not lapse until the projects are completed or June 30, 2027, whichever is earlier. (Majority vote required.)

Recommended by the School Board: 4-0; Recommended by the Budget Committee: 8-0



Warrant Articles



Long Term Maintenance Warrant Article: \$80,000 (via raise and appropriation)

The North Hampton School District issues an annual long term maintenance (LTM) warrant article to address building, maintenance, and repair projects at the North Hampton School.

The proposed LTM warrant article is \$80,000 and aligns with the five-year capital improvement plan (CIP). The district intends to address (include but are not limited to) the following two projects:

1. Upgrade for Win DSX door automation system. This will provide access control, and allow programming of door access for better security, scheduling of activities, and usage, with remote capability. *Cost of project: \$60,000.*
2. Replacement of public announcement (PA) system. The current system has poor audibility, and is missing areas of coverage. *Cost of project: \$20,000.*



Article 04: Building Maintenance Expendable Trust

To see if the School District will vote to raise and appropriate \$50,000 to be added to the existing Building Maintenance Expendable Trust Fund, with up to \$50,000 to be funded from the June 30, 2024 unassigned fund balance available for transfer on July 1, 2024. No additional amount to be raised from taxation. (Majority vote required.)

Recommended by the School Board: 4-0; Recommended by the Budget Committee: 6-2



Warrant Articles



Building Maintenance Expendable Trust: \$50,000 (via unreserved fund balance)

We propose contributing \$50,000 to the building maintenance expendable trust via unreserved fund balance. This will help maintain an appropriate balance in the trust to safeguard the school against unforeseen building and maintenance issues.

The following are the balances and target balance for the three established expendable trust funds:

<i>Special Education:</i>	<i>\$423,962</i>	<i>Target: \$500,000</i>
<i>Health Care:</i>	<i>\$199,115</i>	<i>Target: \$200,000</i>
<i>Building Maintenance:</i>	<i>\$100,000</i>	<i>Target: \$150,000</i>

We do not propose contributing funds to the special education or health care expendable trusts, since they are currently at or near target balances.

Thank You!

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

