



February 8, 2022

# Hampton Falls School District Proposed Budget FY 2022-23





# **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 \$6,998,260. Should this article be defeated, the default budget shall be \$7,016,447, 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.

The School Board recommends this article. Vote: 5-0

T h e   H a m p t o n   F a l l s   C o m m u n i t y

A community of parents,  
students and staff, creating a  
nurturing environment to  
maximize every student's  
potential for learning.



The proposed FY 2022-23 operating budget reflects an investment at the Lincoln Akerman School to provide our students an environment that promotes successful intellectual, physical, social and emotional growth.



**Lincoln Akerman School**

# BUDGET GOALS



**Lincoln Akerman School**

The proposed Hampton Falls School District 2022-23 operating budget was established to provide investment and resource allocation that enhances academic programs and experiences that services all students. The FY23 budget was constructed to support the following identified goals:

- Reflects a commitment to building our STEM program. It provides our students with equipment and supplies to give them hands-on STEM experiences.
- Expands our chorale and band literacy and offerings in our Music Program K-8.
- Strengthens our SAT process and improves RTI multi-layered challenges and interventions for identified students.
- Support the enhancement of positive school culture, SEL goals, and the overall wellness of students through programming and speakers.

# BUDGET GOALS



**Lincoln Akerman School**

The proposed Hampton Falls School District 2022-23 operating budget was established to provide investment and resource allocation that enhances academic programs and experiences that services all students. The FY23 budget was constructed to support the following identified goals (continued):

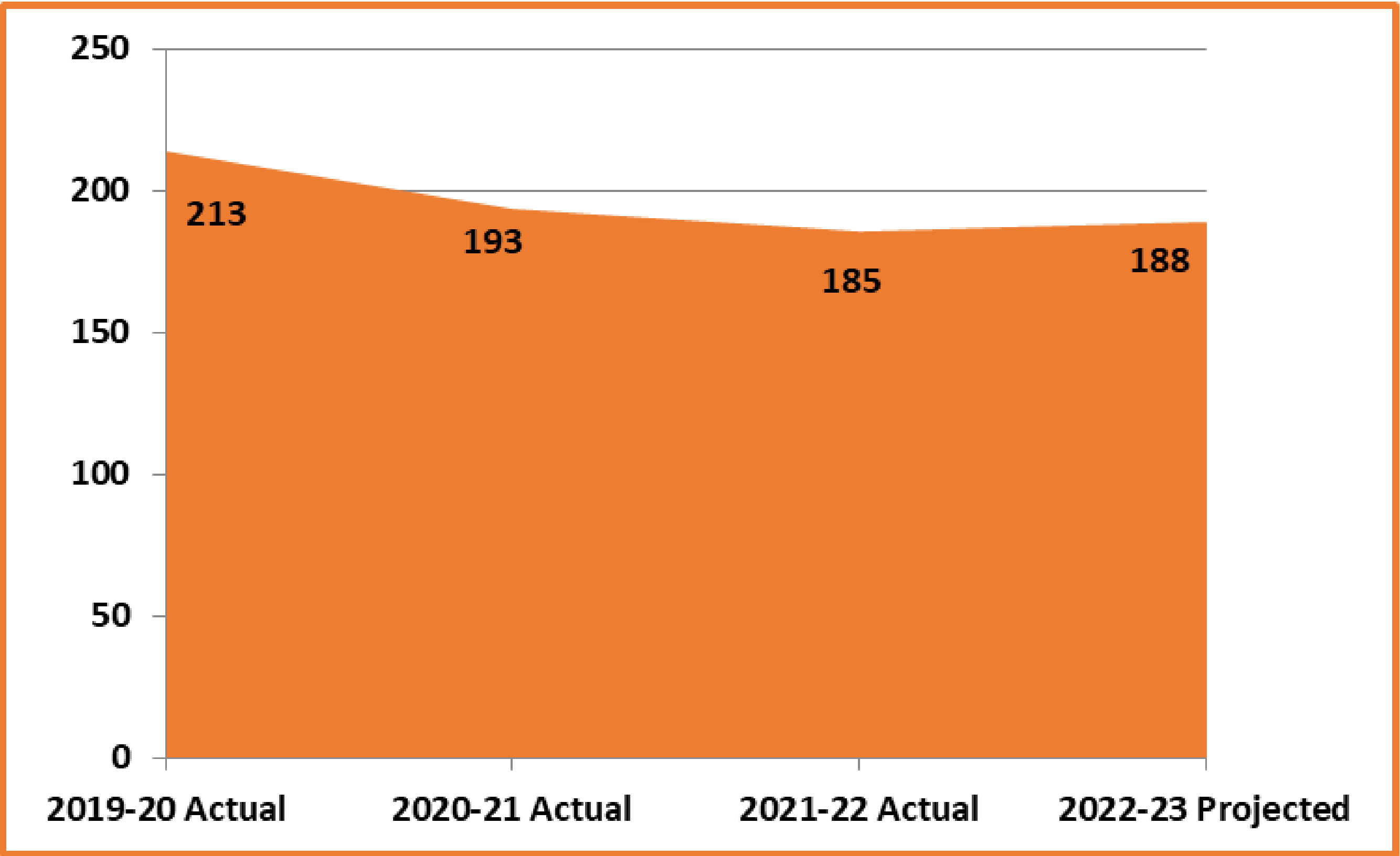
- Invests in professional development in the areas of SEL and Competency-Based Education.
- Provides training in a newly adopted math program K-5.
- Aligns with our Instructional Technology Plan.
- Maintain a safe and clean facility for all students and staff to work and learn in.

# ENROLLMENT



**Lincoln Akerman School**

We anticipate the Lincoln Akerman School’s enrollment will remain essentially level with a projection of 188 students enrolled in 2022-23. The slight increase is due to a small graduating 8<sup>th</sup> grade class.



# BUDGET SUMMARY

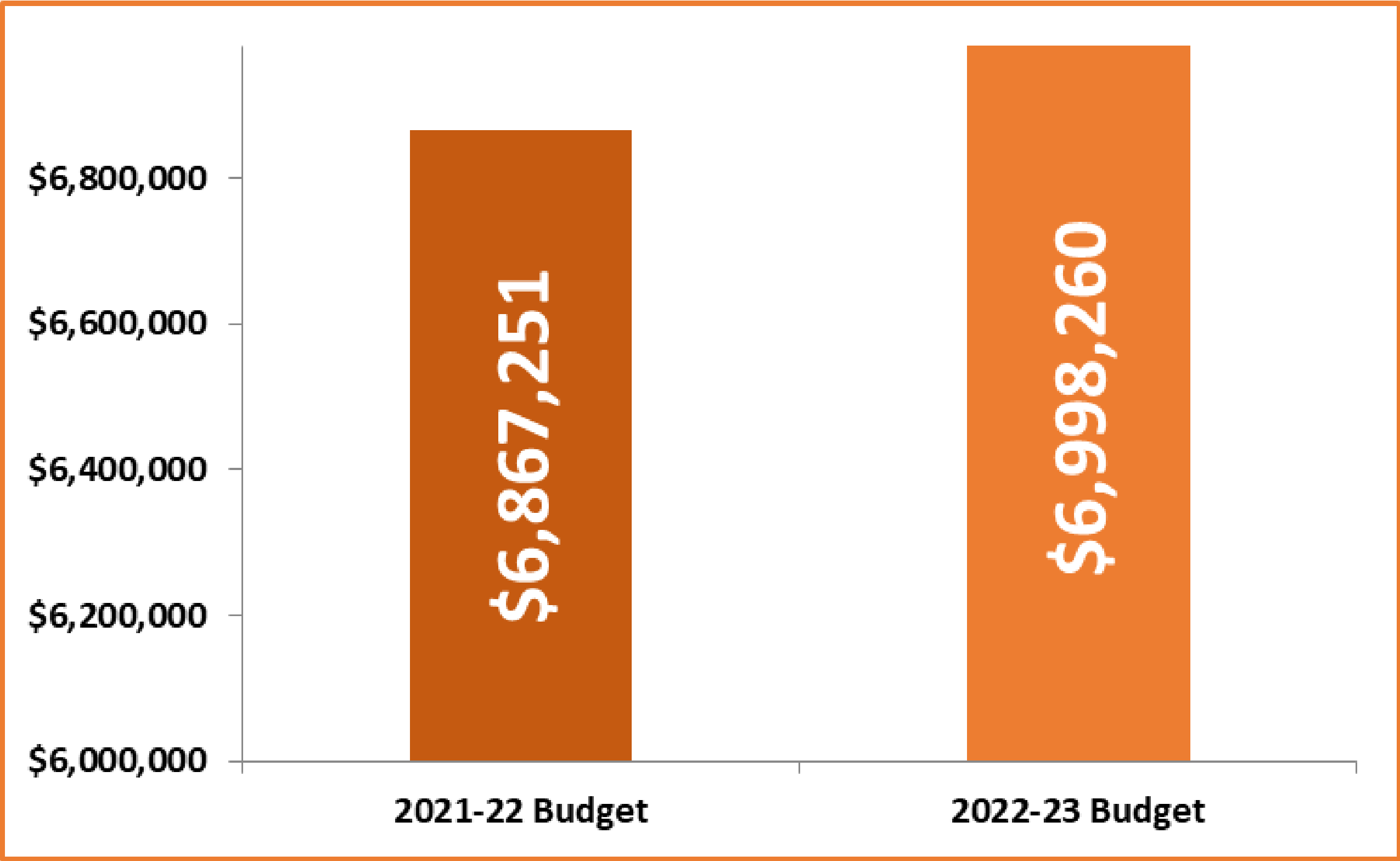


**Lincoln Akerman School**

The FY 2022-23 Hampton Falls proposed operating budget is \$6,998,260.

This reflects an increase of +1.91% or a +131,009 increase from the 2021-22 budget.

The proposed budget is -0.26% or -\$18,187 less than the default budget of \$7,016,447.





# BUDGET SUMMARY



**Lincoln Akerman School**

## COST OF LIVING ADJUSTMENT

Embedded in the Hampton Fall’s 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 COLAs 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 SUMMARY



**Lincoln Akerman School**

## BUDGET DRIVERS

The following are the significant budget drivers in the proposed 2022-23 Hampton Falls School District operating budget:

- Staff turnover has resulted in new hires at a lower cost point across the budget.
- Cost of living adjustment and step increases for all staff to reflect CBA for union employees and higher rate of inflation for non-union employees.
- Under-budgeting health insurance account with the provision to utilize Health Care expendable trust if necessary.
- Higher heating costs to reflect changing energy markets.
- Increased special education expenditures including the addition of 2.0 FTE educational associates and increased professional services, out of district tuition, and transportation.

The special education increase represents +\$159,457 of the total +\$131,009 increase. Removing this one (1) increase would result in a 2022-23 budget decrease of -\$28,448 or a budget decrease of -0.41%.



# BUDGET IN DETAIL

## REGULAR EDUCATION

**Budget: \$1,822,539**

**Increase: +\$5,502 (+0.30%)**

The increase in Regular Education is primarily due to the implementation of a new K-5 math program and the expansion of the STEM program to grades 3 and 4. These increases were offset by savings in salary costs due to turnover of staff with new personnel hired at a lower rate of pay.

## SPECIAL EDUCATION

**Budget: \$1,477,517**

**Increase: +\$153,394 (+11.58%)**

The Special Education budget reflects increased student need and related services, including the addition of 2.0 FTE educational associates, adjusting a 0.6 FTE special education teacher to a 0.7 FTE position, and increased professional services, and out of district placement tuition. The increases were slightly offset by savings in salary costs due to turnover of staff with new personnel hired at a lower rate of pay. All special education services are based on student need as dictated by student IEP's, per state and federal law.



# BUDGET IN DETAIL



**Lincoln Akerman School**

## STUDENT ACTIVITIES

**Budget: \$61,572**

**Decrease: -\$4,092 (-6.23%)**

The decrease in Student Activities is primarily due to a reduction in the Speakers account and a slight reduction in equipment.

## GUIDANCE

**Budget: \$50,753**

**Decrease: -\$34,457 (-40.44%)**

The reduction in Guidance is due to a savings in salary due to turnover of staff with new personnel hired at a lower rate of pay.

## HEALTH

**Budget: \$71,113**

**Increase: +\$1,924 (+2.78%)**

The increase in Health reflects the CBA cost of living adjustment, per the SEA collective bargaining agreement (CBA), and a slight increase in supplies due to cost escalation.

# BUDGET IN DETAIL



**Lincoln Akerman School**

## IMPROVEMENT OF INSTRUCTION

**Budget: \$25,850**

**Decrease: -\$500 (-1.90%)**

The decrease in the Improvement of Instruction account reflects a decrease in the curriculum professional development salaries / stipends, based on need.

## EDUCATIONAL MEDIA

**Budget: \$87,178**

**Increase: +\$4,449 (+5.38%)**

The increase in Educational Media reflects the SEA collective bargaining agreement cost of living adjustments and step increases and an investment in library books and supplies.



# BUDGET IN DETAIL



**Lincoln Akerman School**

## **TECHNOLOGY**

**Budget: \$201,280**

**Increase: +\$9,874 (+5.16%)**

The Information Technology accounts align with the School Board approved Technology Plan. The technology budget increase is due to the salary cost of living adjustments and steps, professional development for the technology staff, and an increase in information access fees for fiber internet and phone service.

## **BOARD OF EDUCATION**

**Budget: \$41,333**

**Decrease: -\$1,150 (-2.71%)**

The slight decrease in the Board of Education account reflects a reduction in legal and postage accounts, based on actual expenditure history.

# BUDGET IN DETAIL



**Lincoln Akerman School**

## **SAU SERVICES**

**Budget: \$142,312**

**Decrease: -\$8,181 (-5.44%)**

The decrease 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.

## **SCHOOL ADMINISTRATION**

**Budget: \$183,833**

**Increase: +\$10,050 (+5.78%)**

The increase in the School Administration account is due to staff cost of living adjustments and step increases.



# BUDGET IN DETAIL



**Lincoln Akerman School**

## **BUILDINGS**

**Budget: \$413,176**

**Increase: +\$14,944 (+3.60%)**

The increase in the Buildings account is primarily due to a significant anticipated escalation of energy costs with the estimated price of heating oil to increase by 30%-40%. Additional costs include the staff salary cost of living adjustments and step increases and necessary contracted pest control. The increases are slightly offset by decreases in the repair / maintenance and renovations accounts.

## **GROUNDS**

**Budget: \$44,704**

**Decrease: -\$872 (-1.91%)**

The decrease in the Grounds account is due to an anticipated reduction in grounds repair.

# BUDGET IN DETAIL



**Lincoln Akerman School**

## TRANSPORTATION

**Budget: \$367,302**

**Increase: +\$14,634 (+4.15%)**

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

## DEBT SERVICE

**Budget: \$362,396**

**Decrease: -\$3,757 (-1.03%)**

The slight decrease in the Debt Service account reflects the principal and interest payment on the bond issue for the building project and the Kensington Road property. The last payment for Kensington Road is scheduled for August 2024, and the last payment for the new addition is scheduled for August 2038.



# BUDGET IN DETAIL



**Lincoln Akerman School**

## EMPLOYEE BENEFITS

**Budget: \$1,440,664**

**Decrease: -\$57,958 (-3.87%)**

The decrease in employee benefits is primarily due to underbudgeting health insurance by \$65,000 and a decrease in retirement. The reductions were offset by increases to health insurance premiums (5.7% GMR) and FICA contributions.

## INTERFUND TRANSFER

**Budget: \$35,000**

**Increase: +\$15,000 (+75.00%)**

The increase in the Interfund Transfer is based upon actual expenditure history.

## FOOD SERVICE

**Budget: \$169,738**

**Increase: +\$12,205 (+7.75%)**

The increase in the Food Service fund reflects staff cost of living adjustments and step increases.

# BUDGET IN DETAIL



**Lincoln Akerman School**

## DEFAULT BUDGET

**\$7,016,447 (+\$18,187 more than the proposed operating budget of \$6,998,260)**

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.



## **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, sidewalks, and walkways at Lincoln Akerman 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 recommends this article. Vote: 5-0





## **WARRANT ARTICLE #2**

### **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 parking lot.

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

The project scope encompasses repaving of the entire original asphalt parking lot and paths at the Lincoln Akerman School. Additionally, the sidewalks along the front entrance side of the building will be replaced. *Note: This project does not include the new parking lot installed in the summer of 2019.*



## **WARRANT ARTICLE #3**

### **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, 2022 unassigned fund balance available for transfer on July 1, 2022. No additional amount to be raised from taxation. (Majority vote required.)

The School Board recommends this article. Vote: 5-0



# WARRANT ARTICLE #3

## Building Maintenance Expendable Trust

**AMOUNT:** \$50,000

**FUNDING SOURCE:** Unreserved Fund Balance

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

The intent is to build the balance of the building maintenance expendable trust in order to supplement the cost of a future window replacement project, per the capital improvement plan (CIP).

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

**Expendable Trust:**  
*Building Maintenance:*

**Balance:**  
\$203,883

**Target:**  
\$300,000





## **WARRANT ARTICLE #4**

### **Special Education Expendable Trust**

To see if the School District will vote to raise and appropriate \$25,000 to be added to the existing Special Education Expendable Trust Fund, with up to \$25,000 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. (Majority vote required.)

The School Board recommends this article. Vote: 5-0



# **WARRANT ARTICLE #4**

## **Special Education Expendable Trust**

**AMOUNT:** \$25,000

**FUNDING SOURCE:** Unreserved Fund Balance

The School Board proposes funding the Special Education expendable trust with \$25,000, 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.

***Expendable Trust:***  
*Special Education:*

***Balance:***  
*\$250,251*

***Target:***  
*\$400,000*



## **WARRANT ARTICLE #5**

### **School Health Insurance Expendable Trust**

To see if the School District will vote to raise and appropriate \$25,000 to be added to the existing School Health Insurance Expendable Trust Fund, with up to \$25,000 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. (Majority vote required.)

The School Board recommends this article. Vote: 5-0





# **WARRANT ARTICLE #5**

## **School Health Insurance Expendable Trust**

**AMOUNT:** \$25,000

**FUNDING SOURCE:** Unreserved Fund Balance

The School Board proposes funding the Health Insurance expendable trust with \$25,000, utilizing unreserved fund balance, for the March 2022 ballot.

The Health Care Expendable Trust was established for the purpose of funding and safeguarding the school district against increasing health insurance premium costs, or unanticipated health insurance related expenditures. The Health Care Expendable Trust also allows for mitigation of large potential budget increases due to rising health insurance rates.

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

***Expendable Trust:***  
*Health Care:*

***Balance:***  
*\$79,832*

***Target:***  
*\$150,000*



# **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 Hampton Falls Community

**Thank you to the school  
boards, parents, teachers,  
students, staff, and  
community for the  
outstanding support of the  
Lincoln Akerman School!**



**Lincoln Akerman School**

