

February 8, 2022

**N o r t h H a m p t o n
S c h o o l D i s t r i c t
P r o p o s e d
B u d g e t**

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 \$9,690,641? Should this article be defeated, the default budget shall be \$9,578,869 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: 5-0; Recommended by the Budget Committee: 9-0

A Collaborative NHS Community

Education that empowers individuals to be caring, competent, responsible citizens who value learning as a lifelong process.



The proposed FY 2022-23 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 and Problem Solving, Empathy, Integrity and Responsibility, Learner's Mindset and Perseverance.



BUDGET GOALS



In developing the 2022-23 proposed operating budget, we have identified the following goals that are driven by and align with our School Improvement Plan (SIP) objectives:

- Long term development of high quality curriculum and highly effective instructional and assessment practices at all grade levels.
- 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.
- Identify additional resources and staff to enable us to meet our goals.

BUDGET PRIORITIES



The proposed FY 2022-23 North Hampton School Budget has been established with the following priorities:

- Maintain a staffing pattern for classrooms with adjustments for enrollment and for learning loss due to the effects of the pandemic and shortened schedule and periods of remote instruction during the 2021-2022 school year.
- Increase the capacity of our special education department by investing in specialized staff and resources to meet specific student needs, per IEP requirements.
- Incorporate long term planning for technology needs and replacement cycles for equipment. Currently, per our Technology Plan.

BUDGET PRIORITIES



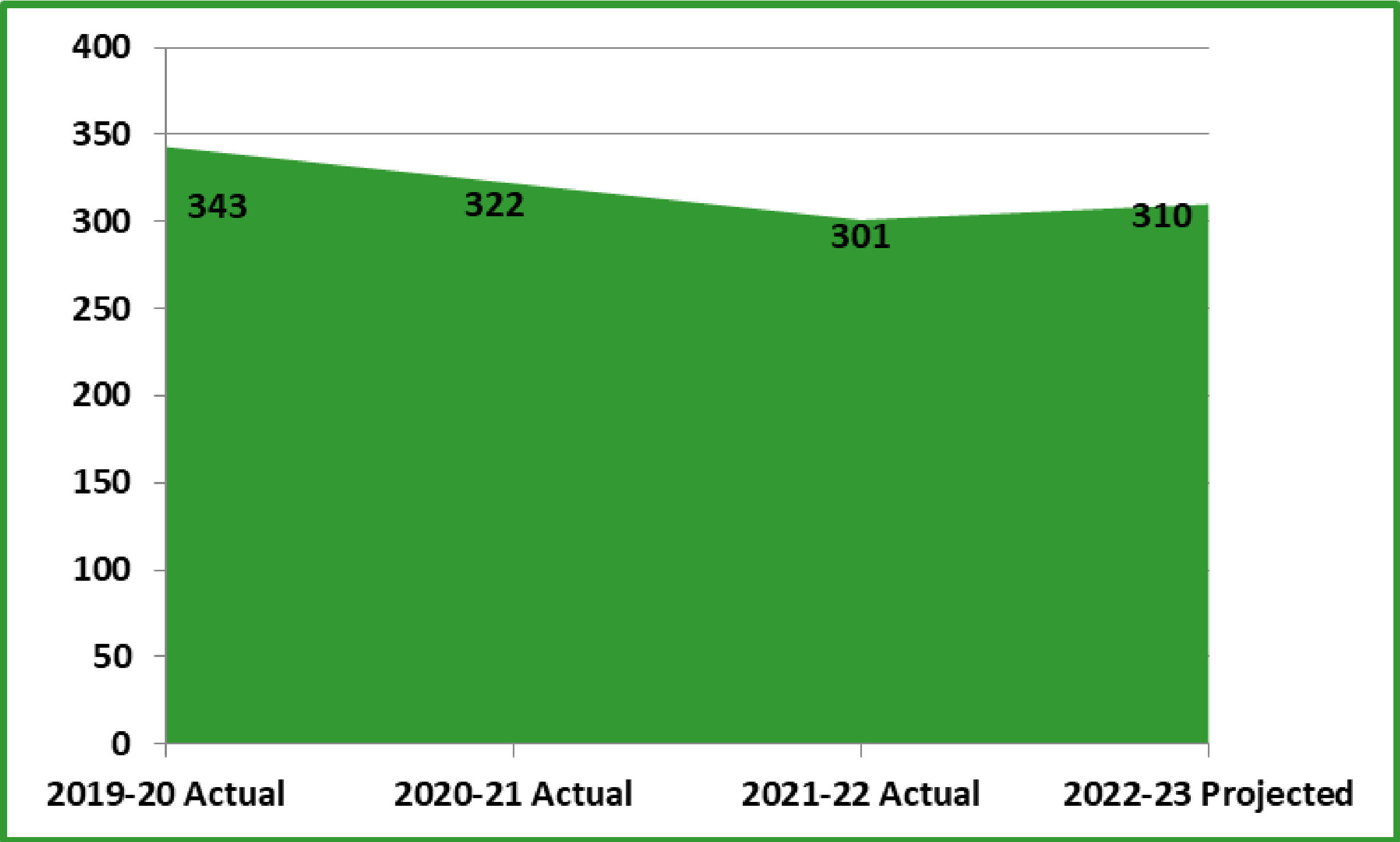
The proposed FY 2022-23 North Hampton School Budget has been established with the following priorities:

- Continue to purchase equipment for uniform technology setup in each classroom for interactive instructional presentations and monitor infrastructure technology needs, per our Technology Plan.
- Maintain our commitment to foreign language instruction while examining our program and programmatic needs.
- Continue to address any learning loss or lack of progress resulting from the impact of the pandemic.
- Use grant funding and our expendable trust resources where appropriate.

ENROLLMENT



We anticipate North Hampton School’s enrollment will remain essentially level with a projection of 310 students enrolled in 2022-23. The slight increase is due to a small graduating 8th grade class.



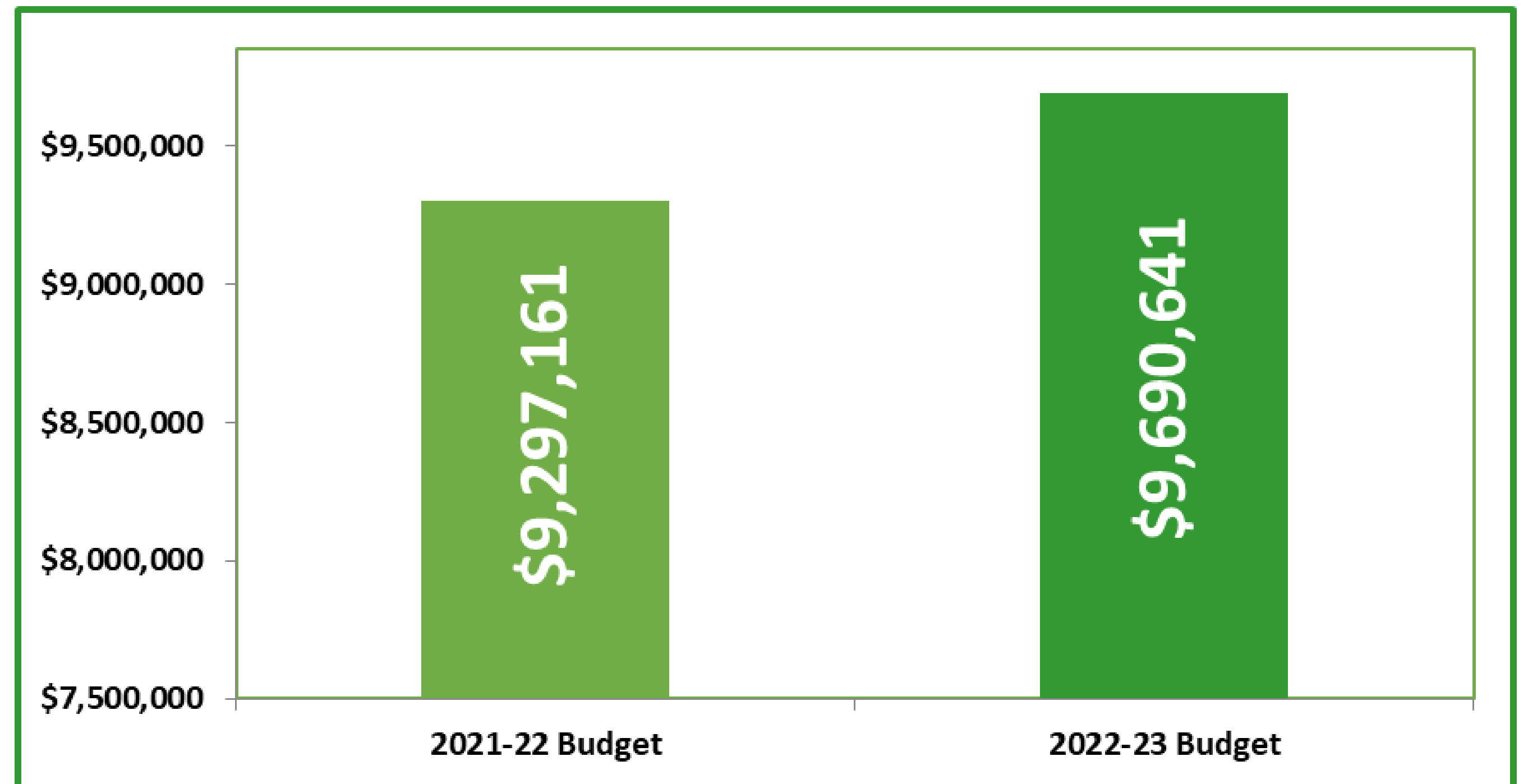
BUDGET SUMMARY



The FY 2022-23 North Hampton proposed operating budget is \$9,690,641.

This reflects an increase of +4.23% or a +\$393,480 increase from the 2021-22 budget.

The proposed budget is an increase of +1.17% or +\$111,773 more than the default budget of \$9,578,869.



BUDGET SUMMARY



BUDGET DRIVERS

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

- Reduction of 2.0 FTE classroom teacher positions accounting for School Board recommended class sizes.
- Reduction of 3.0 FTE educational associates to reflect anticipated student need.
- Increased special education expenditures including the budgeted addition of an intensive needs specialist position that was hired in 2021-22 based on IEP needs, a significant increase in the tuition account for out of district placements, and special education transportation.
 - +\$395,448 increase (more than the total +\$393,480 operating budget increase)
- Under-budgeting health insurance account with the provision to utilize Health Care expendable trust if necessary.

BUDGET SUMMARY



COST OF LIVING ADJUSTMENT

Embedded in the North Hampton 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



REGULAR EDUCATION

Budget: \$2,460,212

Decrease: -\$122,391 (-4.74%)

The decrease in Regular Education reflects the reduction of 2.0 FTE classroom teachers based on enrollment, the reduction of 1.0 FTE educational associate based on student need, and an anticipated reduction in supplies and books/print media. The decreases were slightly offset by the SEA and SESPAs collective bargaining agreements (CBA) cost of living adjustment and step increases.

SPECIAL EDUCATION

Budget: \$1,798,513

Increase: +\$280,720 (+18.50%)

The increase in Special Education is primarily due to the increase in out of district placement tuition. Additionally, increased costs include a 2021-22 special education specialist position addition due to student need, cost of living adjustment and steps, and staffing changes resulting in higher salaries. The increases were offset by decreased anticipated costs for professional services and the reduction of 2.0 FTE educational associates, based on student need as dictated by student IEP's.

BUDGET IN DETAIL



STUDENT ACTIVITIES

Budget: \$137,195

Increase: +\$10,814 (+8.56%)

The increase is due to the need for the outdoor ropes course to be repaired and large sections to be redesigned and replaced entirely.

GUIDANCE

Budget: \$90,133

Increase: +\$2,412 (+2.75%)

The slight increase in Guidance reflects the SEA collective bargaining agreement (CBA) cost of living adjustment (COLA).

HEALTH

Budget: \$78,210

Increase: +\$2,554 (+3.38%)

The increase in Health reflects the SEA collective bargaining agreement (CBA) cost of living adjustment (COLA), step increase, and increased nurse substitute availability.

BUDGET IN DETAIL



SPEECH SERVICES

Budget: \$124,877

Increase: +\$16,613 (+15.34%)

The increase in Speech Services is primarily due to IDEA grant funding a portion of the Speech Language Assistant salary transitioned to the operating budget.

IMPROVEMENT OF INSTRUCTION

Budget: \$149,201

Increase: +\$1,773 (+1.20%)

The increase in the Improvement of Instruction account reflects staff salary cost of living adjustment and steps, offset by a reduction in testing costs (which were a one-time cost).

EDUCATIONAL MEDIA

Budget: \$132,759

Increase: +\$1,540 (+1.17%)

The increase in Educational Media reflects staff cost of living adjustment, and increased focus on audio books and online resources, with a lesser focus and corresponding decrease in print material.

BUDGET IN DETAIL



TECHNOLOGY

Budget: \$316,006

Increase: +\$7,577 (+2.46%)

The Information Technology accounts represent the school technology plan. The technology budget shows a slight increase from prior year and reflects a 1:1 device plan via lease agreement, staff laptop replacement cycle, year two of two-year Smartboard and Redcat audio installation in all classrooms, wireless network upgrade, and normal laptop, technology replacement cycles. Additionally, a transition to fiber internet and our managed print services contract (that was mistakenly omitted from the prior year budget) contribute to the slight increase.

BOARD OF EDUCATION

Budget: \$42,187

Decrease: -\$200 (-0.47%)

The decrease in the Board of Education account is due to an adjustment in the annual meeting account based upon actual expenditure history.

BUDGET IN DETAIL



SAU SERVICES

Budget: \$287,542

Increase: +\$3,746 (+1.32%)

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.

SCHOOL ADMINISTRATION

Budget: \$301,101

Increase: +\$21,196 (+7.57%)

The increase in the School Administration account is due to staffing change, staff cost of living adjustment, and step increases.

BUDGET IN DETAIL



BUILDINGS

Budget: \$540,104

Increase: +\$38,306 (+7.63%)

The increase in the Buildings account is primarily due to an increase in the renovations account for materials to construct small workspace in the existing garage, property and liability insurance, repair and maintenance costs, and staff cost of living adjustments. Further, our natural gas contract expires June of 2022, and we will be bidding out new energy contracts this spring. We anticipate an increase in natural gas of approximately 25-30%.

GROUNDS

Budget: \$45,340

Increase: +\$8,690(+23.71%)

The increase in the Grounds account reflects the 5-year replacement and refurbishing of the softball/baseball infield sand mix. This was deferred a year due to prior year economic conditions.

VEHICLES

Budget: \$13,270

Increase: +\$0.00 (+0.00%)

There is no anticipated increase for vehicle expenditures.

BUDGET IN DETAIL



TRANSPORTATION

Budget: \$611,829

Increase: +\$129,124 (+26.75%)

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 increase reflects year 4 of the 5-year contract with First Student to supply regular education, athletic, field trip, and other transportation services.

DEBT SERVICE

Budget: \$135,299

Decrease: -\$1,554 (-1.14%)

The decrease in the Debt Service account reflects the principal and interest payment on the bond issue for the building project. The last payment is scheduled for August 2023.

EMPLOYEE BENEFITS

Budget: \$2,203,499

Decrease: -\$25,208 (-1.13%)

The decrease in employee benefits is primarily due to the removal of benefits packages for the employee reductions, and underbudgeting health insurance. The reductions were offset by increases to health insurance premiums (5.7% GMR) and anticipated 403(b) contributions.

BUDGET IN DETAIL



INTERFUND TRANSFER

Budget: \$30,000

Increase: +\$10,000 (+50.00%)

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

FOOD SERVICE

Budget: \$193,364

Increase: +\$7,768 (+4.19%)

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

BUDGET IN DETAIL



DEFAULT BUDGET

\$9,578,869 (-\$111,773 less than the proposed operating budget of \$9,690,641)

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

Long Term Maintenance



To see if the School District will vote to raise and appropriate the sum of \$30,000 to carry out long term maintenance work in the North Hampton School building and grounds? Anticipated projects include, but are not limited to: main office HVAC repairs/upgrades. This will be a non-lapsing appropriation per RSA 32:7, VI and will not lapse until the projects are completed or June 30, 2025, whichever is earlier. (Majority vote required.)

Recommended by the School Board: 5-0; Recommended by the Budget Committee: 9-0

WARRANT ARTICLE #2

Long Term Maintenance



AMOUNT: \$30,000

FUNDING SOURCE: Raise and Appropriate

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 \$30,000 and aligns with the five-year capital improvement plan (CIP). The project the district intends to address, include but are not limited to upgrades/repair of the main office HVAC system.

WARRANT ARTICLE #3

Special Education Expendable Trust



To see if the School District will vote to raise and appropriate \$35,000 to be added to the existing Special Education Expendable Trust Fund, with up to \$35,000 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.)

Recommended by the School Board: 5-0; Recommended by the Budget Committee: 9-0



WARRANT ARTICLE #3

Special Education Expendable Trust

AMOUNT: \$35,000

FUNDING SOURCE: Unreserved Fund Balance

The School Board proposes funding the Special Education expendable trust with \$35,000, 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 unanticipated 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>\$362,991</i>	<i>\$400,000</i>

WARRANT ARTICLE #4

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 #4

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.

A Collaborative NHS Community

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

