

February 8, 2023

Hampton Falls
School District FY24
Deliberative Session





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 \$6,963,012? Should this article be defeated, the default budget shall be \$7,021,109 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

The proposed FY 2023-24 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.





School Goals



Lincoln Akerman School

The proposed Hampton Falls School District FY24 operating budget was constructed to support the following identified goals:

- Develop a robust Pre-K program for 3 and 4 year olds.
- Continue to keep school safety at the forefront with ALICE training, CPR and first aid training.
- Support the enhancement of a positive school culture, SEL goals, and the overall wellness of students through programming and speakers.
- Identify additional resources and staff to help us meet our goals while we strengthen our SAT process and improve MTSS interventions.
- Our STEM program will enter its third year. We have added art as a component to STEM this year and we will continue to strengthen this collaboration in what will now be called STEAM.
- Professional Development will continue with Competency Based Education (CBE) and Bridges math trainings.
- Continue our technology plan as it enters year 4.
- Maintain a clean, safe physical environment for students and staff to work and play.

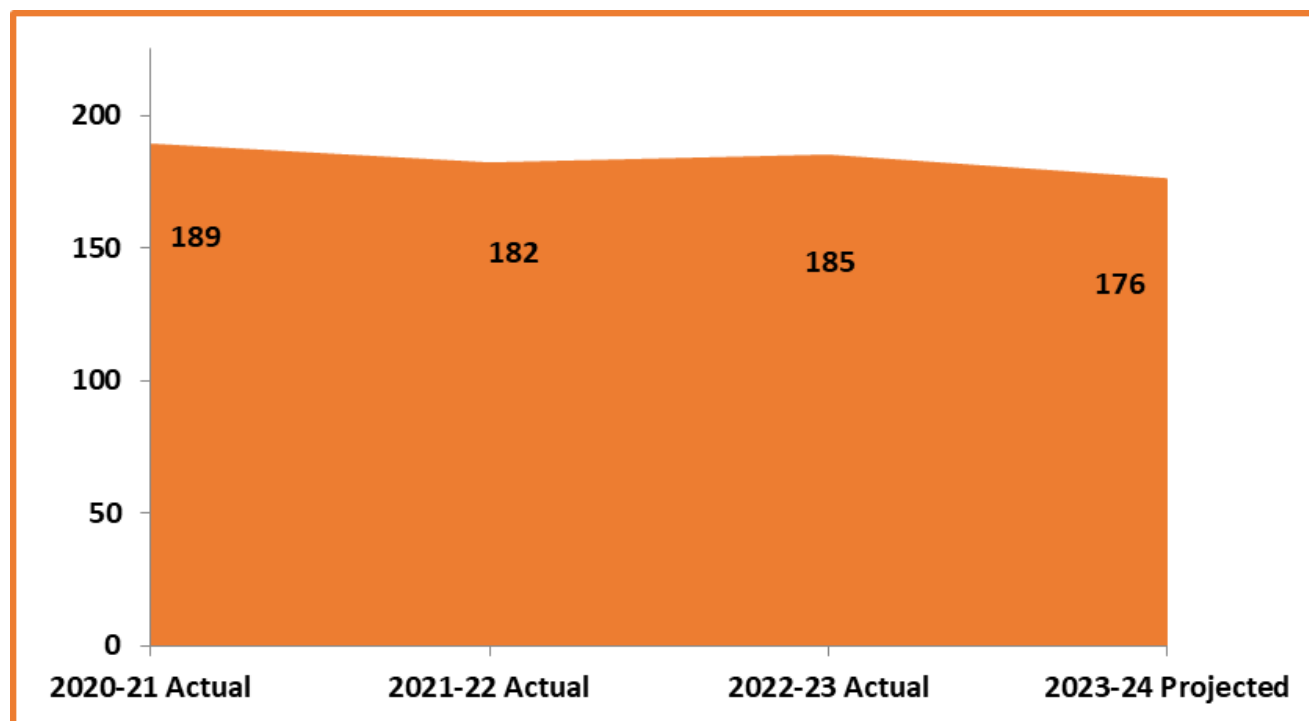


Budget Priorities



Lincoln Akerman School

We anticipate an enrollment decrease at the Lincoln Akerman School from 185 students in 2022-23 to 176 students in 2023-24.



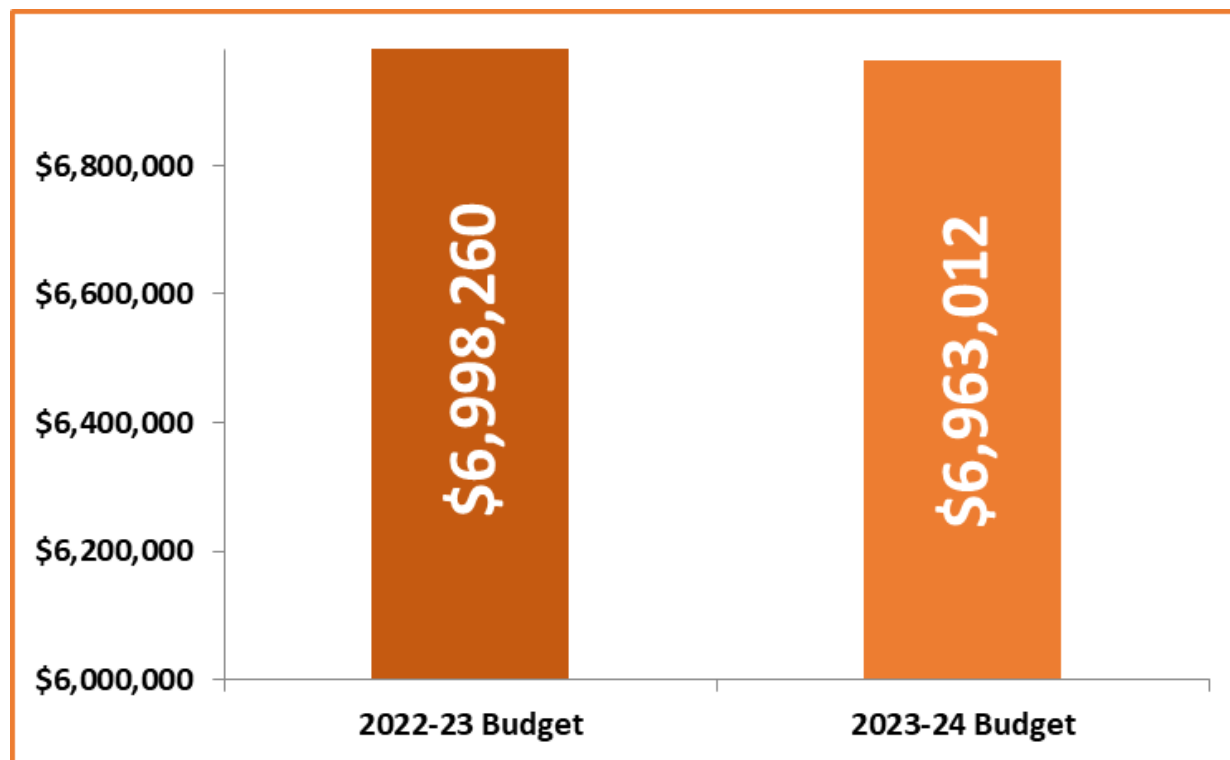


Proposed Budget



Lincoln Akerman School

The FY 2023-24 proposed Hampton Falls School District operating budget is \$6,963,012. This reflects an decrease of -0.50% or a -\$35,248 reduction from the FY 2022-23 budget of \$6,998,260.





Budget Drivers



Lincoln Akerman School

The following are the significant budget drivers in the proposed 2023-24 Hampton Falls School District operating budget - ***Increases***:

- Cost escalation across multiple accounts due to price inflation; including supplies, books, equipment, food service, software, repair/maintenance, technology hardware, contracted services, furniture, etc.
- Increase in electricity and heating fuels due to shift in energy markets.
- SAU-wide non-union staff salary cost of living adjustment (COLA) benchmarked to inflation (CPI).
- Implementation of in-school pre-school programming to accommodate students with special services, per IEP requirements. This necessitates the increase of a 0.7 FTE special education teacher to a 1.0 FTE position.
- Health Insurance premium increase reflecting 5.8% guaranteed maximum rate increase.
- Increase in special education transportation costs.
- Investment in grounds landscaping maintenance and storage shed.



Budget Drivers



Lincoln Akerman School

The following are the significant budget drivers in the proposed 2023-24 Hampton Falls School District operating budget - ***Reductions:***

- Decrease in special education tuition costs for out of district placements, decreased professional services, and reduction of 1.0 FTE educational associate position; based on necessary services for students with specialized needs per their individualized educational plan (IEP).
- Reduction of 1.0 FTE classroom teachers based on anticipated enrollment – the position will be vacant due to retirement, and will not be filled.
- Reduction of 0.5 FTE vacant custodian position.
- New Hampshire Retirement System employer contribution percentage reduced.
- Under-budgeted health insurance account with the provision to utilize Health Care expendable trust if necessary.
- Despite increased costs due to price inflation, many accounts were level-funded or reduced due to the decline in student enrollment.



Cost of Living Adjustment



COST OF LIVING ADJUSTMENT

Embedded in the Hampton Falls School District operating budget is a salary cost of living adjustment (COLA) for all non-union staff members. The administration recommends an SAU-wide COLA based upon documented inflation, in order to maintain competitive compensation to retain our talent and allow us to hire new high-quality personnel. Additionally, aligning salaries across the SAU ensures competitive balance within competing schools in SAU 21.

The SAU benchmarks the cost of living adjustment to the consumer price index (CPI-U) for the Portsmouth region. The CPI saw an increase of 7.0% from July 2021 to July 2022 for our specific geographic region. As such, based upon current data showing previous year inflation, the proposed cost of living adjustment is 7.0% for the 2023-24 school year. This consistent practice equalizes any inequality, by utilizing the same time-frame and index.

Portsmouth CPI-U (July 2021 - July 2022)	7.00%
United States CPI-U (July 2021 - July 2022)	8.50%
Social Security 2023 Cost of Living Adjustment	8.70%



Budget in Detail



Lincoln Akerman School

GENERAL EDUCATION

Budget: \$1,685,881

Decrease: -\$136,658 (-7.50%)

The decrease in General Education reflects the reduction of 1.0 FTE classroom teacher position due to the decline in student enrollment. Commensurate decreases are also included in the rental/lease equipment, supplies, books/print media, equipment, and repair/maintenance accounts. Further, the contracted services was reduced based on Hampton Falls allocation of the shared SAU ESOL teacher. Please note that teacher salary steps and cost of living adjustments are not included in the operating budget, but are embedded in the proposed CBA warrant article.

SPECIAL EDUCATION

Budget: \$1,447,167

Decrease: -\$30,350 (-2.05%)

The decrease in Special Education is due to the reduction in out of district placement tuition, professional services, and reduction of a 1.0 FTE educational associate. This was offset by the implementation of in-school pre-school programming to accommodate students with special services, per IEP requirements – necessitating the increase of a 0.7 FTE special education teacher to a 1.0 FTE position.



Budget in Detail



Lincoln Akerman School

STUDENT ACTIVITIES

Budget: \$63,602

Increase: +\$2,030 (+3.30%)

The increase represents the investment to bring in outside speakers to Lincoln Akerman, which reverts back to pre-pandemic spending levels. This increase was slightly offset by a reduction in field trip admissions based on lower student counts.

GUIDANCE

Budget: \$54,630

Increase: +\$3,877 (+7.64%)

The increase in Guidance reflects track advancement on salary schedule.

HEALTH

Budget: \$70,843

Decrease: -\$270 (-0.38%)

The decrease in Health is due to a reduction in anticipated supplies purchases.



Budget in Detail



Lincoln Akerman School

IMPROVEMENT OF INSTRUCTION

Budget: \$28,326

Increase: +\$2,476 (+9.58%)

The increase in the Improvement of Instruction account reflects our teachers' tuition course reimbursement, per the collective bargaining agreement, offset by a slight decrease in anticipated workshops/seminars expenditures.

EDUCATIONAL MEDIA

Budget: \$86,078

Decrease: -\$1,100 (-1.26%)

The Educational Media budget shows a slight reduction based on a decrease in the books/print media account.



Budget in Detail



Lincoln Akerman School

TECHNOLOGY

Budget: \$214,670

Increase: +\$13,390 (+6.65%)

The Information Technology aligns with the school board approved technology plan. The increase reflects staff cost of living adjustment, and increases in our software licensing, rental/lease equipment for our 1:1 chromebooks lease, and internet (information access fees) accounts due to cost inflation.

BOARD OF EDUCATION

Budget: \$42,370

Increase: +\$1,037 (+2.51%)

The increase in the Board of Education account reflects an increase in our legal account, audit services, and the cost of living adjustment for district officers, offset by a reduction in other expenses.



Budget in Detail



Lincoln Akerman School

SAU SERVICES

Budget: \$142,811

Increase: +\$499 (+0.35%)

The slight increase in SAU Services reflects the SAU central office budget allocation, based on enrollment and property valuation. 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: \$195,407

Increase: +\$11,574 (+6.30%)

The increase in the School Administration account reflects the non-union staff cost of living adjustment and steps.



Budget in Detail



Lincoln Akerman School

BUILDINGS

Budget: \$415,669

Increase: +\$2,493 (+0.59%)

The increase in the Buildings account is due to a significant change in energy markets resulting in an anticipated increase in electricity and heating fuel costs. Further costs include staff cost of living adjustments, and generalized price inflation for facilities supplies, cleaners, insurance, contracted work, and materials. The increases were offset by a reduction in necessary repair/maintenance due to our facilities improvements/upgrades, a reduction in renovations and trash removal, and the reduction of a 0.5 FTE custodial staff, which we have been unable to fill.

GROUNDS

Budget: \$72,380

Increase: +\$27,676 (+61.91%)

The increase in grounds reflects the new contract for landscaping maintenance, and the investment in a maintenance storage shed and extension of the ball field backstops.



Budget in Detail



Lincoln Akerman School

TRANSPORTATION

Budget: \$433,385

Increase: +\$66,083 (+17.99%)

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

DEBT SERVICE

Budget: \$364,131

Increase: +\$1,735 (+0.48%)

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: \$1,415,626

Decrease: -\$25,038 (-1.74%)

The decrease in employee benefits reflects the reduction in the NHRS employer contribution percentage, underbudgeting health insurance, and the reduced benefits of the eliminated positions. This was offset by increases due to health insurance plan election changes and a 5.8% GMR for premiums.

INTERFUND TRANSFER

Budget: \$35,000

Increase: +\$0 (+0.00%)

No increase to the Interfund Transfer is budgeted.

FOOD SERVICE

Budget: \$195,036

Increase: +\$25,298 (+14.90%)

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



Default Budget



Lincoln Akerman School

Default Budget: \$7,021,109

(+\$58,097 more than the proposed operating budget of \$6,963,012)

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 Education 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 Hampton Falls School Board and the Seacoast Education Association for the following increases and reductions in salaries and benefits at the current staffing levels:

Year	Estimated Salary Increase	Estimated Health/ Dental Insurance Costs	Estimated Salary Driven Benefits Increase	TOTAL Estimated Costs
2023-24	\$138,923	\$1,526	\$38,155	\$178,604
2024-25	\$90,801	\$600	\$24,947	\$116,348
2025-26	\$80,453	\$600	\$22,109	\$103,162
2026-27	\$73,805	\$600	\$20,983	\$95,388

and further to raise and appropriate the sum of \$178,604 for the 2023-24 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.)

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

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



Lincoln Akerman School

Seacoast Education Association (SEA) Collective Bargaining Agreement (CBA)

Year 1: \$178,604; Year 2: \$116,348; Year 3: \$103,162; Year 4: \$95,388

SEA employees, our amazing teachers, represent the greatest impact to our students learning growth – providing essential personalized instruction, teaching, and experiences to our students – both in general education and special education.

Passage of the CBA is critical for the Hampton Falls School District and the SAU's retention of our best teachers and our ability to hire new high-quality teachers. It is incredibly important that we are able to compete with area school districts, or we are at risk of losing teachers due to uncompetitive compensation. When contracts fail, teachers do not receive pay increases or steps. And, this further perpetuates a 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 teachers receiving no salary step or cost of living adjustment.



Lincoln Akerman School

Article 03: Telephone System Upgrade/Replacement

To see if the School District will vote to raise and appropriate the sum of \$55,000 for upgrades and replacement of the current phone system 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, 2026, whichever is sooner. (Majority vote required)

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



Warrant Articles



Lincoln Akerman School

Phone System Upgrade: \$55,000 (Raise & Appropriate)

The administration proposes issuance of a warrant article to raise and appropriate \$55,000 for the telephone system upgrade project

The project aligns with Homeland Security recommendations to upgrade the phone system to provide phone access in every classroom and office space, with public announcing (PA) capability, and direct outside phone access.

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

Thank You!

