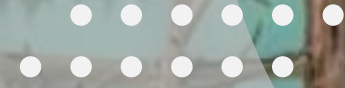


February 6, 2023



# Seabrook 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 \$16,892,885? Should this article be defeated, the default budget shall be \$16,832,969 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. (Should this article be approved, it is estimated it will constitute \$4.7104 per thousand of the tax rate.)

The School Board and the Budget Committee recommend this article.



The proposed FY 2023-24 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.

---







## School Goals

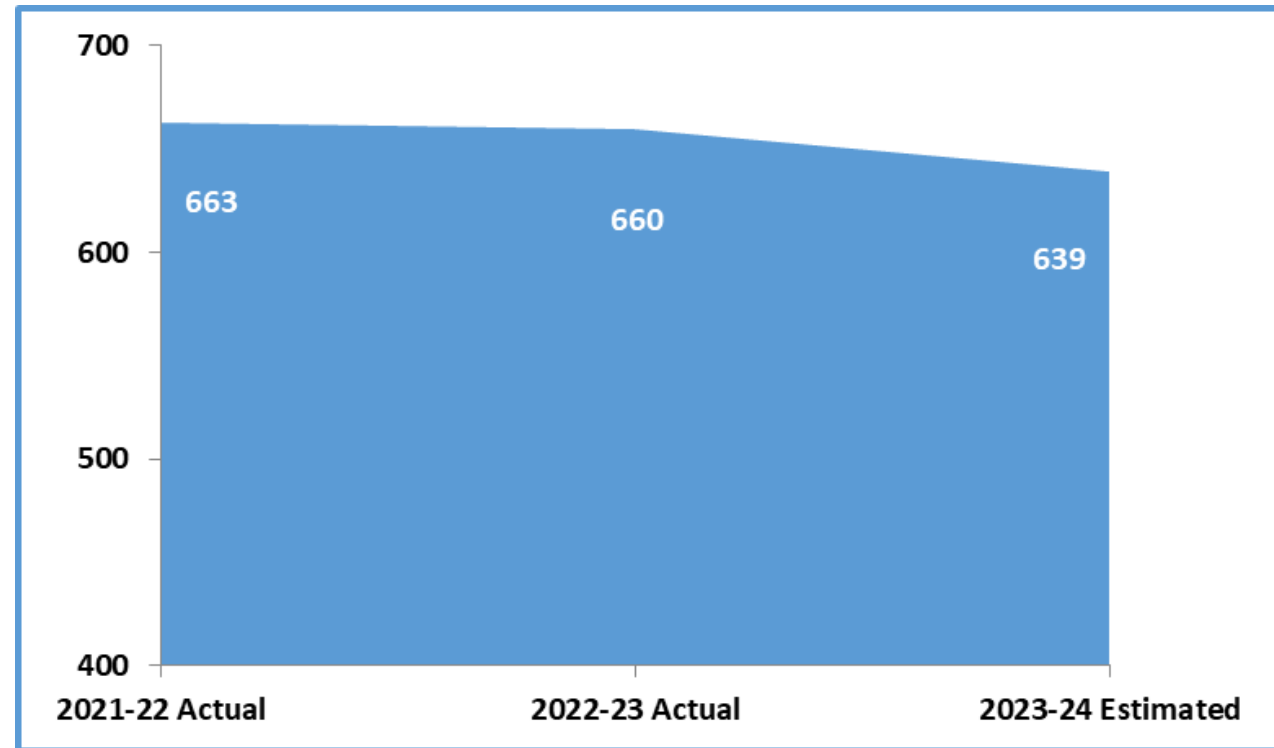
The proposed Seabrook School District FY 2023-24 operating budget was established to provide investment and resource allocation that enhances academic programs and experiences that supports all students. Based on this overarching goal, the following outlines four (4) primary objectives:

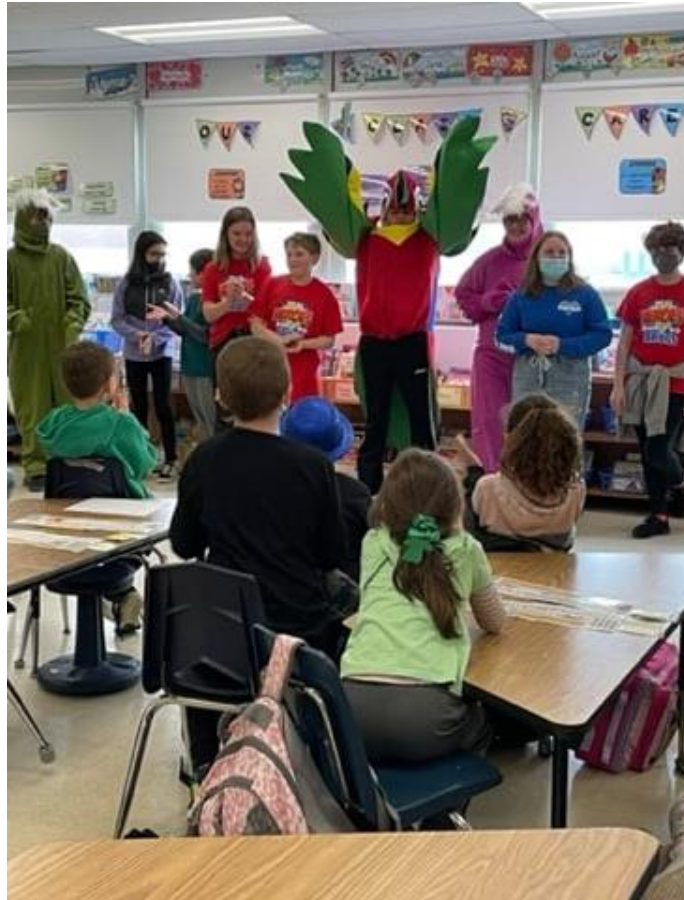
- 1) Provide a Multi-tiered System of Support (MTSS) for students that enables us to provide both challenge and intervention for advanced and struggling students.
- 2) Long term development of high quality curriculum and highly effective instructional and assessment practices at all grade levels.
- 3) Support the enhancement of school culture and climate through increased communication efforts and strategies.
- 4) Ensure fiscal responsibility to the community and taxpayers of Seabrook.



## Enrollment

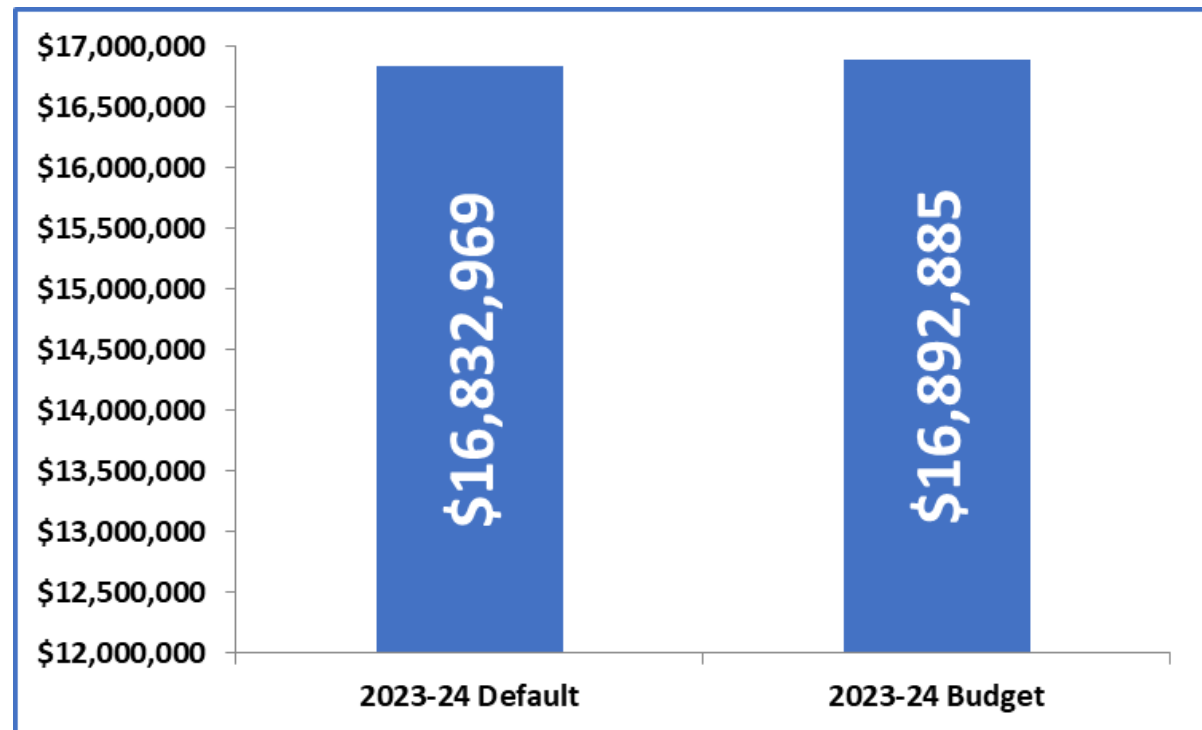
We anticipate an enrollment decrease at Seabrook School District from 660 students in 2022-23 to 639 students in 2023-24.





## Proposed Budget

The FY 2023-24 proposed Seabrook School District operating budget is \$16,892,885. This reflects an increase of +5.05% or a +\$812,269 increase from the FY 2022-23 budget. The proposed budget reflects a +0.36% or +\$59,916 increase compared to the default budget of \$16,832,969.







## Budget Drivers

The following are the significant budget drivers in the proposed 2023-24 Seabrook 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.
- Technology increase due to reverting to norm after one-time federal funding.
- SAU-wide non-union staff salary cost of living adjustment (COLA) benchmarked to inflation (CPI).
- Overall increases artificially exacerbated, due to the current 2022-23 budget failure at ballot (going to a default budget). This resulted in the current budget year under-budgeted by -\$286,669.



## Budget Drivers

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

- Under-budgeting health insurance account, hedging against a potential differential between the guaranteed maximum rate (GMR) in October 2022 versus the actual health insurance premium rates in March 2023.
- New Hampshire Retirement System (NHRS) employer contribution percentage reduced.
- Restructure of Title I funds coordination with the reduction of 1.0 FTE position.
- Reduction of Seabrook Adventure Zone (SAZ) funding in the operating budget.
- The school nutrition budget was under-budgeted to utilize surplus funds, after operating at a profit the last few years.
- Despite increased costs due to price inflation, many accounts were level-funded or reduced due to the decline in student enrollment.





## Budget Drivers

**Primary Budget Driver:** In addition to the aforementioned budget drivers, there is one major, non-discretionary area of the budget that represents the largest increase in cost to the school district:

- Increase in special education costs, particularly the tuition costs for out of district placements to service students with specialized needs per their individualized educational plan (IEP).
  - Special Education Increase: +\$643,355
  - Total Operating Budget Increase: +812,269
  - Special Education as % of Total Increase: 79.2%
  - Budget Increase w/ Special Education Removed: +1.05%

School districts nationwide, in the state of New Hampshire, and at SAU 21 have experienced an increase in students who require special services prior to, and as our country transitions out of the pandemic. The Seabrook School District is not immune to these effects on our students, and it is our legal and moral responsibility to service our students with special needs.



## Cost of Living Adjustment

### **COST OF LIVING ADJUSTMENT**

Embedded in the Seabrook 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

### GENERAL EDUCATION

**Budget: \$4,632,276**

**Decrease: -\$37,877 (-0.81%)**

The decrease in General Education reflects the reduction of a 1.0 FTE literacy coordinator position, which provides Title 1 administration. Due to turnover, the individual will be offered an alternate position, and will not lose their job. Additional savings are anticipated in educational associates and tutoring accounts, offset by increases in rental/lease and supplies accounts based on cost inflation and reverting to pre-pandemic levels.

### SPECIAL EDUCATION

**Budget: \$3,031,029**

**Increase: +\$643,355 (+26.94%)**

Special education costs are based on services legally mandated per students' individualized education plans (IEP). The increase is primarily due to additional out of district placements tuition costs. Additionally, due to a significant increase in identified students, there are additional required personnel expenditures including the addition of a 1.0 FTE case manager, 2.0 FTE registered behavior analysts (RBT), and 2.0 FTE educational associates.



## Budget in Detail

### STUDENT ACTIVITIES

**Budget: \$55,875**

**Decrease: -\$4,907 (-8.07%)**

The decrease in student activities reflects underbudgeting salaries for extracurricular coaches and advisors based on historical participation and expenditures, as well as a reduction in supplies and equipment.

### 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: \$178,342**

**Increase: +\$2,908 (+1.66%)**

The slight increase in guidance reflects a staffing change with the new personnel hired on a different salary step.





## Budget in Detail

### HEALTH SERVICES

**Budget: \$155,563**

**Decrease: -\$4,189 (-2.62%)**

The decrease in Health reflects staffing change with new personnel hired at a lower rate of pay.

### SPEECH SERVICES

**Budget: \$242,449**

**Increase: +\$0.00 (+0.00%)**

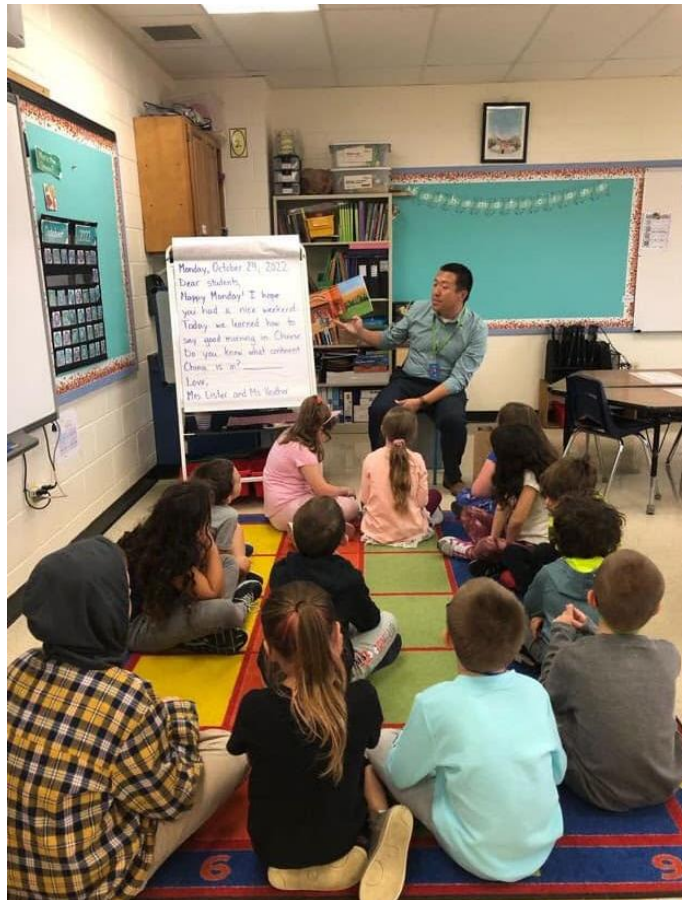
The Speech Services account provides for therapy and services for students with speech disabilities according to their individualized education plan (IEP). No increase is budgeted.

### OTHER SUPPORT SERVICES

**Budget: \$1**

**Increase: +\$0.00 (+0.00%)**

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



## Budget in Detail

### IMPROVEMENT OF INSTRUCTION

**Budget: \$154,528**

**Increase: +\$5,181 (+3.47%)**

The increase in Improvement of Instruction reflects the staff salary cost of living adjustment and testing costs, offset by an anticipated reduction in college course tuition reimbursement and SESP professional development reimbursement.

### EDUCATIONAL MEDIA

**Budget: \$191,739**

**Increase: +\$0.00 (+0.00%)**

The Educational Media account provides for investment in salaries, supplies, and books to maintain and operate the school library. No increase is budgeted.

### INFORMATION TECHNOLOGY

**Budget: \$339,351**

**Increase: +\$45,044 (+15.31%)**

The Information Technology accounts align with the School Board approved Technology Plan. The primary reason for the increase is due to reverting to normal technology spending levels after one-time federal funding that artificially lowered costs in 2022-23.





## Budget in Detail

### SUPPORT SERVICES

**Budget: \$62,900**

**Decrease: -\$23,300 (-27.03%)**

The decrease in Support Services represents the reduction of funding the Seabrook Adventure Zone (SAZ) program. This is offset by an increase in the school's portion of the School Resource Officer's (SRO) salary, per the memorandum of understanding (MOU) between the school district and police department. Additionally, a slight increase is included to provide vision services which are legally required per students' 504 plans.

### BOARD OF EDUCATION

**Budget: \$55,319**

**Increase: +\$1,634 (+3.04%)**

The increase in Board of Education reflects an increase in audit services per the contracted rate, and a cost of living adjustment for district officers.



## Budget in Detail

### SAU SERVICES

**Budget: \$630,844**

**Decrease: -\$2,631 (-0.42%)**

The decrease 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: \$658,068**

**Increase: +\$14,154 (+2.20%)**

The primary driver for the increase is due to staff salary cost of living adjustment and step increases and increased postage costs.





## Budget in Detail

### **BUILDINGS**

**Budget: \$912,033**

**Increase: +\$95,385 (+11.68%)**

The Buildings, Grounds, and Vehicles accounts align with the School Board approved Facilities Plan. The facilities accounts have all been significantly affected by price inflation. The increase is based on staff salary cost of living adjustment, step increases, property & liability insurance, consultants, summer workers, equipment, and energy costs reflecting an anticipated increase in electricity and heating fuels.

### **GROUND**

**Budget: \$57,540**

**Increase: +\$40 (+0.07%)**

The Grounds account is essentially level-funded after recognizing a savings in snow removal offset by a corresponding increase in grounds maintenance.



## Budget in Detail



### VEHICLES

**Budget: \$3,200**

**Increase: +\$0.00 (+0.00%)**

The Vehicles Expenses account shows no increase anticipated.

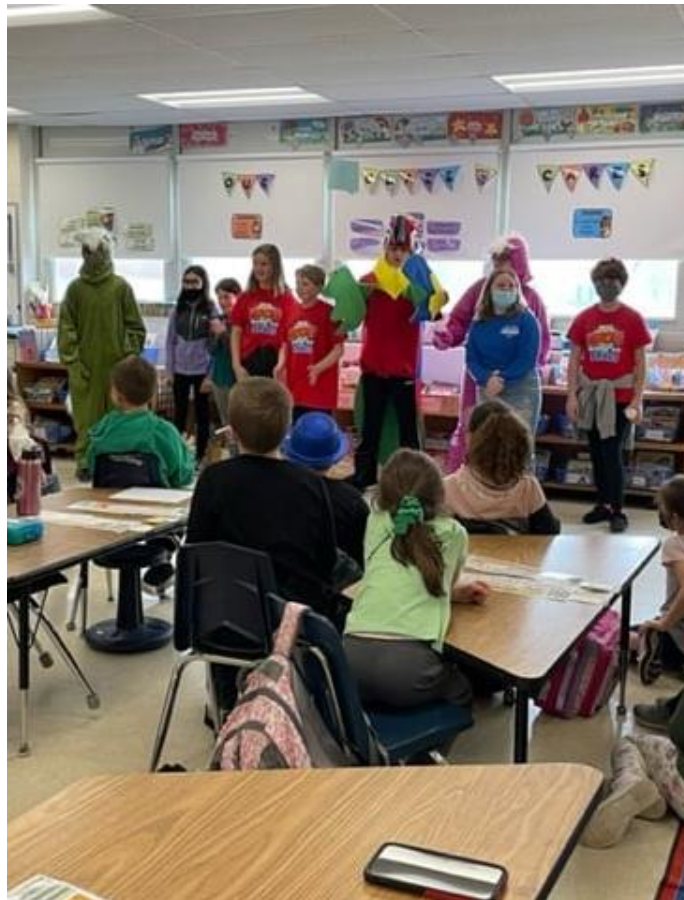
### TRANSPORTATION

**Budget: \$910,589**

**Decrease: -\$113,912 (-11.12%)**

The decrease in Transportation is due to a reduction in special education transportation stemming from students transitioning from day schools to residential schools (which do not require transportation). The reduction is offset by the increase in transportation accounts reflecting year 5 of the 5-year contract with First Student to supply general education, field trip, athletic, and other transportation services.





## Budget in Detail

### EMPLOYEE BENEFITS

**Budget: \$4,189,392**

**Increase: +\$187,222 (+4.68%)**

The increase in Employee Benefits is due to the price inflation of the various benefits accounts, primarily health insurance and FICA costs. These increases were offset by underbudgeting health insurance and the reduction in NHRS employer contribution percentage.

### DEBT SERVICE

**Budget: \$141,362**

**Decrease: -\$1,747 (-1.22%)**

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.



## Budget in Detail

### INTERFUND TRANSFER

**Budget: \$1**

**Increase: +\$0.00 (+0.00%)**

We do not anticipate a need for a transfer from the general fund to cover a school nutrition deficit.

### FOOD SERVICE

**Budget: \$287,984**

**Increase: +\$5,909 (+2.09%)**

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. The increases were offset by the use of food service surplus balance to reduce costs.





## Default Budget

**Default Budget: \$16,832,969**

**(-\$59,916 less than the proposed operating budget of \$16,892,885)**

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 Seabrook 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	\$383,581	\$4,129	\$106,137	\$493,848
2024-25	\$273,778	\$1,350	\$75,754	\$350,882
2025-26	\$236,131	\$1,350	\$65,337	\$302,818
2026-27	\$241,052	\$1,350	\$66,699	\$309,101

and further to raise and appropriate the sum of \$493,848 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 and the Budget Committee recommend this article.

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)

(Should this article be approved, it is estimated it will constitute \$0.1377 per thousand of the tax rate.)





## Warrant Articles



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

Year 1: \$493,848; Year 2: \$350,882; Year 3: \$302,818; Year 4: \$309,101

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 Seabrook 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.



**Article 03: Petition Article – Child Benefit Services**

To see if the School District will vote to raise and appropriate the sum of \$16,274 to provide child benefit services, in accordance with RSA 189:49, for students who are residents of the Seabrook School District and attending Sacred Heart School located in Hampton, New Hampshire. CITIZEN’S PETITION by 25 or more registered voters of the Town of Seabrook. (Majority vote required.)

The School Board does not recommend this article. The Budget Committee recommends this article.

(Should this article be approved, it is estimated it will constitute \$0.0045 per thousand of the tax rate.)



## Warrant Articles



### **Child Benefit Services Citizens Petition Article: \$16,274**

The Sacred Heart School, a Catholic school located in Hampton, NH submitted a citizens petition article in the amount of \$16,274 for Seabrook residents to fund the purchase of technology, supplies, and books for fifteen (15) Seabrook students who attend the school.



# Thank You!



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