SAU 21
Proposed Budget
FY 2020-21
An Enhanced SAU Vision of:

a more tightly coupled and cohesive organizational model

The current FY 2019-20 operating budget reflects an enhanced vision of the SAU, envisioned to better serve all of our districts. The goal is a more consistent, collaborative, and efficient operation that benefits all stakeholders by improving services and increasing cost-effectiveness.
The new SAU 21 organizational model provides an aligned, high functioning structure that utilizes economy of scale, cost efficiencies, and shared personnel – to provide cost, performance, and efficiency benefits to each individual district. This has resulted in many new SAU-wide initiatives in current FY 2019-20, including (but not limited to):

- Implementation of PowerSchool (Student Management System) across all districts
- Increased coordination in student services with new Executive Director of Student Services position – including collaboration and oversight of special education, Medicaid, and federal/state grants management
- Implementation of Frontline Absence Management across all districts
- Significant step forward in the planning and implementation process for our Competency Based Education (CBE) program across all districts
- Implementation of EasyMedicaid direct billing solution for Medicaid reimbursement across all districts
- New hosted website solution and redesign of three (3) district websites and one (1) SAU website
- Implementation of BoardDocs school board management software across all districts
- Investment in educator evaluator training for administrators across all districts

The following upcoming projects are scheduled for FY 2019-20:

- October 2019: Munis implementation of hosted SaaS solution and version upgrade
- October 2019: Implementation of Employee Self Service (ESS)
SAU 21 enrollment projections conducted by the New England School Development Council (NESDEC) indicate flat enrollment over the next three (3) years.
The FY 2020-21 SAU 21 proposed operating budget is $1,962,454, which reflects an increase of +0.0018% or a +$3,687 increase from the 2019-20 budget.
The following outlines the SAU operating budget allocation by school district, indicating a slight increase from 2019-20.

<table>
<thead>
<tr>
<th>School District</th>
<th>2019-20</th>
<th>2020-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hampton Falls</td>
<td>$158,146</td>
<td>$150,109</td>
</tr>
<tr>
<td>North Hampton</td>
<td>$308,974</td>
<td>$293,723</td>
</tr>
<tr>
<td>Seabrook</td>
<td>$584,304</td>
<td>$597,590</td>
</tr>
<tr>
<td>South Hampton</td>
<td>$56,447</td>
<td>$60,111</td>
</tr>
<tr>
<td>Winnacunnet</td>
<td>$850,896</td>
<td>$860,921</td>
</tr>
<tr>
<td><strong>SAU Total</strong></td>
<td><strong>$1,958,767</strong></td>
<td><strong>$1,962,454</strong></td>
</tr>
</tbody>
</table>
BUDGET SUMMARY

COST OF LIVING ADJUSTMENT

Embedded in the SAU 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 a COLA SAU-wide based upon documented inflation.

We utilize the consumer price index (CPI) for the Portsmouth region. The CPI saw an increase of 2.0% from July 2018 to July 2019 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. So, although the COLA will never match CPI on an annual basis, this consistent practice equalizes any inequality, by utilizing the same time-frame and index. As such, based upon current data showing previous year inflation at 2.0%, the administration recommends a cost of living adjustment of 2.0% SAU-wide for the 2020-21 school year.
BUDGET IN DETAIL

IMPROVEMENT OF INSTRUCTION
Budget: $67,425
Decrease: -$4,595
The Improvement of Instruction account provides professional development funding and salary support to continue the competency based education (CBE) initiative, participate in curriculum work, and gain valuable skills and knowledge. The decrease is primarily due to the wind down of contracted consultation work and staff stipends for our CBE work (year 3). Please note an increase in other costs to provide funding for criminal background check fees for new hires and substitutes.

NOTE: New SAU-wide grant-funded position:
Budget: No budgetary impact
As part of our effort to create a cohesive SAU-wide organization and to facilitate cooperation with SAU 90, our new Executive Director of Student Services identified a grant opportunity to better serve our students. In 2019-20, SAU 21 and SAU 90 were awarded a McKinney-Vento federal grant. The primary component of the grant is the funding of a Preschool Outreach Specialist position. This important role will create ongoing relationships with community agencies to ensure immediate enrollment of McKinney-Vento eligible students. Further, this position will provide assistance to families in accessing early educational programs for our youngest learners that will increase their future academic, social and emotional success.
OFFICE OF SUPERINTENDENT
Budget: $675,014
Increase: $88,259 ($69,133 ESOL teacher allocated to four districts; actual increase: $19,126)
As part of our effort to create a cohesive, cost efficient SAU-wide organization, the primary driver of the increase is the investment in a SAU-wide ESOL teacher to provide services across 4 of the 5 districts (Seabrook has an existing FTE ESOL teacher). By structuring this position as a single full-time position, and eliminating the part-time positions in each district, the SAU will save $30,435. The SAU operating budget will be reduced by the total cost of $94,712 and the 4 districts will be appropriated for their respective portions. The following summarizes the costs by district:

<table>
<thead>
<tr>
<th>District</th>
<th>Old District-specific Structure</th>
<th>New SAU-wide Structure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hampton Falls</td>
<td>$37,211</td>
<td>$28,161</td>
</tr>
<tr>
<td>North Hampton</td>
<td>$21,266</td>
<td>$16,095</td>
</tr>
<tr>
<td>South Hampton</td>
<td>$8,334</td>
<td>$6,307</td>
</tr>
<tr>
<td>Winnacunnet</td>
<td>$58,336</td>
<td>$44,149</td>
</tr>
</tbody>
</table>

In addition to the new ESOL position, increases include a cost of living adjustment (COLA) for all staff, step increases, and an increase in the workshop travel account to reflect actual expenditures. Savings include a reduction in repair and maintenance of equipment, elimination of a redundant telephone line, reduction of postage costs due to the implementation of BoardDocs, a decrease in books print media, and a reduction in dues and fees.
BUDGET IN DETAIL

BOARD OF EDUCATION
Budget: $29,401
Increase: $4,901
The increase in the Board of Education account represents the full actuarial services required under GASB 75 to report on Other Post Employment Benefits (OPEB), proposed funding to contract a firm to conduct enrollment projections SAU-wide, and a slight increase for legal services.

HUMAN RESOURCES
Budget: $131,075
Decrease: -$1,194
The decrease in Human Resources reflects staffing changes, slightly offset by cost of living adjustment, and step increases.
FISCAL SERVICES
Budget: $495,731
Increase: $43,556
The increase in Fiscal Services reflects the business administrator’s new 3-year contract, staff cost of living adjustments, staff step increases, and investment in the Munis online document content management module – as part of our SAU-wide plan to migrate our documentation and services online, from paper-based processes.

BUILDING
Budget: $56,248
Increase: $13,838
The primary driver for the increase in Buildings is for the replacement of SAU windows. The existing windows are 28 years old, and most do not open (with no available replacement parts). This creates an air circulation and safety concern. The Operations Committee recommended including the windows replacement in the 2020-21 operating budget, and pushing back the planned installation of vinyl siding to the following year.
BUDGET IN DETAIL

TECHNOLOGY
Budget: $162,659
Increase: $11,512 ($17,993 Systems Administrator allocated to one district; actual decrease: -$6,481)
The increase in Technology is due to staffing changes, cost of living adjustment, and staff step increases. These were offset by savings in software licensing and equipment purchasing.

NOTE: The SAU Systems Administrator is a shared position with Winnacunnet. As such, the SAU operating budget will be reduced by $17,993 and will be appropriated in the Winnacunnet budget.

EMPLOYEE BENEFITS
Budget: $477,606
Decrease: -$39,885 ($25,579 ESOL teacher allocated to four districts; actual decrease: -$65,464)
Employee Benefits recognizes a significant reduction due to a low 1.8% guaranteed maximum rate (GMR) for our health insurance premiums, staffing changes resulting in plan election changes, and migration off the high cost Blue Choice plan.
UNRESERVED FUND BALANCE
Balance: $98,141 (as of June 30, 2019)
The Joint School Board set a target of $100,000 to maintain the SAU unreserved fund balance. This target has been achieved, and the SAU does not recommend withdrawal of further unreserved fund balance to supplement the budget.
Thank you to the school boards, parents, students, staff, and community for the outstanding support of SAU 21!