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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 2020-21

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 \$9,299,228? Should this article be defeated, the default budget shall be \$9,077,751 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

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



The proposed FY 2020-21 operating budget reflects an investment in the North Hampton School's mission to provide education that empowers individuals to be caring, competent, responsible citizens who value learning as a lifelong process.



BUDGET GOALS



In developing the 2020-21 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



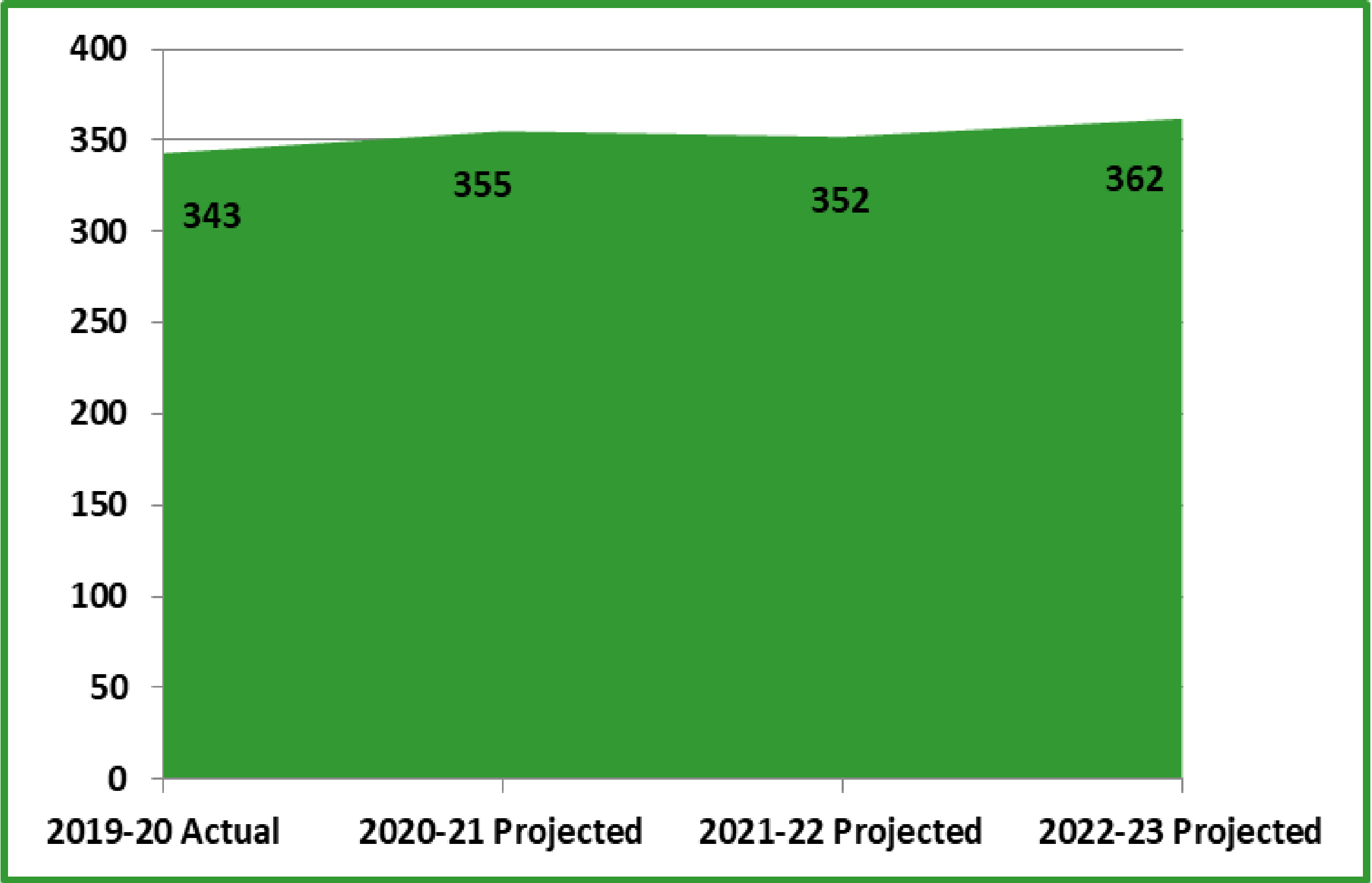
The proposed FY 2020-21 North Hampton School Budget has been established with the following priorities:

- Maintain a stable staffing pattern for classrooms with adjustments for enrollment.
- Shift staffing to support MTSS in grades K-5 by adding a 1.0 FTE Math Specialist and change Interventionist responsibilities so that position becomes a 1.0 Literacy Specialist.
- Make a third investment (Year 3 of 3) in furniture and design to continue transitioning from a traditional library to a Library Learning Commons model.

ENROLLMENT



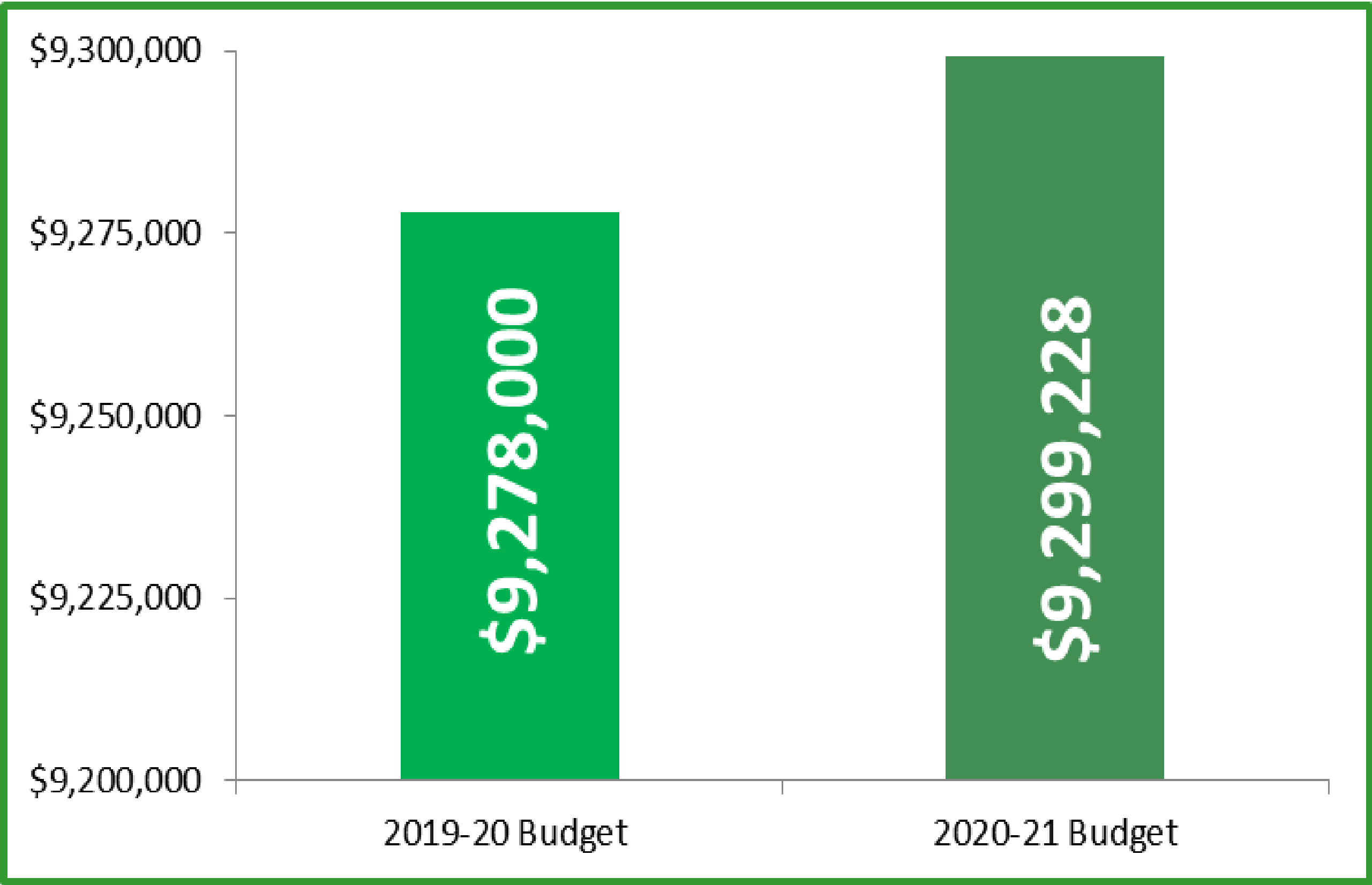
North Hampton School District enrollment projections conducted by the New England School Development Council (NESDEC) indicate a flat to slight increase in enrollment over the next three (3) years.



BUDGET SUMMARY



The FY 2020-21 North Hampton proposed operating budget is \$9,299,228, which reflects an increase of +0.23% or a +\$21,229 increase from the 2019-20 budget.



BUDGET SUMMARY



COST OF LIVING ADJUSTMENT

Embedded in the North Hampton School District operating budget is a cost of living adjustment (COLA) for all non-union staff members and a cost of living adjustment for union employees as dictated by their respective collective bargaining agreement (CBA).

The non-union COLA represents an annual salary increase as recommended and aligned 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, the administration recommended a non-union staff cost of living adjustment of 2.0% SAU-wide for the 2020-21 school year. **NOTE: School Board review adjusted the NHS non-union COLA to 3.0% to account for disparity in value of steps vs. teachers and to remain competitive with comparable neighboring schools for our administrative, facilities, food service, and office staff.**

The Seacoast Education Association (SEA) collective bargaining agreement for teachers calls for a 2.75% COLA, and is included in the 2020-21 operating budget.

The Seacoast Educational Personnel Association collective bargaining agreement expires at the end of the FY 2019-20 school year. Any COLA increase for FY 2020-21 will be included in a separate warrant article and is not included in the operating budget.

BUDGET IN DETAIL



REGULAR EDUCATION

Budget: \$2,647,165

Increase: +\$137,815 (+5.49%)

The increase in Regular Education reflects the new SEA collective bargaining agreement (CBA) cost of living adjustment and step increases, the addition of a Math Specialist position, investment in a level reader book room, transferring the Kindergarten Education Associates from Special Education to Regular Education to more accurately reflect role, and an increase in substitutes based on actual expenditure history. The increases were slightly offset by the creation of a more cost efficient SAU-wide full-time ESOL teacher and reduction of 2.6 Physical Education positions to 2.0 Physical Education positions to better reflect service level need.

SPECIAL EDUCATION

Budget: \$1,572,350

Decrease: -\$83,329 (-5.03%)

The decrease in Special Education is primarily due to the transfer of Kindergarten Education Associates from Special Education to Regular Education, a reduction of an Education Associate position and a reduction in professional services based on student need, slightly offset by increasing the Special Education Administrative Assistant role to include summer work and an increase in the Tuition account for out of district placements.

BUDGET IN DETAIL



STUDENT ACTIVITIES

Budget: \$121,871

Increase: +\$37,993 (+45.30%)

The primary driver for the increase in Student Activities is due to a renewed emphasis on the Admissions account based on anticipated re-investment in overnight and other robust field trip experiences.

GUIDANCE

Budget: \$85,374

Increase: +\$2,285 (+2.75%)

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

HEALTH

Budget: \$69,648

Increase: +\$3,249 (+4.89%)

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

BUDGET IN DETAIL



SPEECH SERVICES

Budget: \$106,862

Increase: +\$2,586 (+2.48%)

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

IMPROVEMENT OF INSTRUCTION

Budget: \$131,185

Increase: +\$3,493 (+2.74%)

The slight increase in the Improvement of Instruction account reflects an increase in course reimbursement based on actual expenditure history and staff salary cost of living adjustment, offset by a reduction in the Testing account based on a decrease in budgeted assessment cost.

EDUCATIONAL MEDIA

Budget: \$126,145

Decrease: -\$1,149 (-0.90%)

The slight decrease in Educational Media reflects a reduction in equipment based on expenditure history and adjustment of work days for the Education Associate, offset slightly by staff cost of living adjustment.

BUDGET IN DETAIL



TECHNOLOGY

Budget: \$300,083

Increase: +\$82 (+0.03%)

The Information Technology accounts align with the School Board approved Technology Plan. The technology budget reflects effectively no change from prior year, with adjustments on individual line-items – including a reduction in Technology Equipment and Software (transferred from Software to Software Licensing account), and Salary savings recognized due to staffing changes, offset by an increase in Software Licensing.

BOARD OF EDUCATION

Budget: \$42,632

Increase: +\$5,625 (+15.20%)

The increase in the Board of Education account is due to an adjustment in the Legal account based upon actual expenditure history.

BUDGET IN DETAIL



SAU SERVICES

Budget: \$295,826

Decrease: -\$13,148 (-4.26%)

The decrease in SAU services reflects an enhanced vision of the SAU, envisioned to better serve all of our districts. The new SAU 21 organizational 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.

SCHOOL ADMINISTRATION

Budget: \$284,071

Increase: +\$5,658 (+2.03%)

The increase in the School Administration account is due to staff cost of living adjustment, step increases, and postage, offset by a decrease in the Workshop/Seminar account for professional training, based on actual expenditure history.

BUDGET IN DETAIL



BUILDINGS

Budget: \$527,995

Increase: +\$26,381 (+5.26%)

The Buildings account reflects an investment in furniture for year 3 of the Library Commons redesign and an increase in supplies, staff salary cost of living adjustments, and step increases, offset by savings in consultant costs and heating fuels.

GROUNDS

Budget: \$34,850

Decrease: -\$6,000 (-14.69%)

The decrease in the Grounds account is due to a reduction in the Snow Removal account based on the prior year one-time purchase of a sander for the town of North Hampton highway department.

VEHICLES

Budget: \$13,270

Increase: +\$12,669 (+2,107.99%)

The increase in the Vehicles account is due to the added financing payment for the purchase of a new truck – included in the operating budget based on the approval of a separate warrant article on the March 2019 ballot.

BUDGET IN DETAIL



TRANSPORTATION

Budget: \$493,754

Increase: +\$22,504 (+4.78%)

The increase in transportation reflects year two (2) of the 5-year contract with First Student to supply regular education, athletic, field trip, and other transportation services.

DEBT SERVICE

Budget: \$133,005

Decrease: -\$620 (-0.46%)

The slight 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: \$2,109,192

Decrease: -\$136,626 (-6.08%)

The primary driver for the decrease in the Employee Benefits account is due to a reduction in the Health Insurance account. The decrease reflects 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, as negotiated during our last collective bargaining agreement (and, applied to non-union staff, thereafter).

BUDGET IN DETAIL



INTERFUND TRANSFER

Budget: \$18,000

Increase: +\$2,000 (+12.50%)

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

FOOD SERVICE

Budget: \$185,950

Decrease: -\$239 (-0.13%)

The decrease in the Food Service fund reflects a reduction in staff salaries based on a re-structure, offset by an increase in food supplies and equipment.

BUDGET IN DETAIL



DEFAULT BUDGET

\$9,077,751 (-\$221,477 less than the proposed operating budget of \$9,299,228)

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: SEACOAST EDUCATIONAL SUPPORT PERSONNEL ASSOCIATION

To see if the School District will vote to approve the cost items included in the collective bargaining agreement reached between the North Hampton School Board and the Seacoast Educational Support Personnel Association which calls for the following increases in salaries and benefits at the proposed staffing levels:

Year	Estimated Salary Increase (including Salary Driven Benefits)	Estimated Health Insurance Increase	TOTAL Estimated Cost
2020-21	\$22,098	\$ 0	\$22,098
2021-22	\$17,440	\$15,264	\$32,694
2022-23	\$12,982	\$16,779	\$29,761
2023-24	\$11,761	\$22,880	\$34,641

and further to raise and appropriate the sum of \$22,098 for the 2020-21 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 proposed staffing levels in accordance with the current collective bargaining agreement. (Majority vote required.)
Recommended by the School Board: 4-0; Recommended by the Budget Committee: 9-0

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 ARTICLE 2: SEACOAST EDUCATIONAL SUPPORT PERSONNEL ASSOCIATION

The proposed collective bargaining agreement (CBA) for our invaluable SESPAs provides improved compensation and benefits to better retain and attract vital educational associates, contractual language to better manage these employees efficiently, and safeguards against potential Affordable Care Act (ACA) IRS penalties.

DURATION

Four (4) year agreement spanning July 1, 2020 to June 30, 2024 to ensure consistency and stability.

COMPENSATION

Year 1: inclusive of a 2.5% cost of living adjustment

Year 2: inclusive of a 1.0% cost of living adjustment and addition of step 11

Year 3: inclusive of a 1.0% cost of living adjustment

Year 4: inclusive of a 1.0% cost of living adjustment

Further, an extra longevity stipend for achieving 20 years of service is included for an additional \$200.

NOTE: The average SAU 21 SESPAs employee currently has an annual salary of \$21,150.25.

WARRANT ARTICLE 2: SEACOAST EDUCATIONAL SUPPORT PERSONNEL ASSOCIATION



HEALTH INSURANCE

The agreement offers health insurance for employees at full-time, 30 hour status in a tiered, multi-year approach to minimize costs to the district. The following summarizes the proposal:

- SESPA Employees will be eligible for **single** medical insurance coverage, under the Anthem Site of Service (SOS) **low cost plan**.
- The following is the percentage of premium the district (employer) will contribute:
 - Year 1: 0%
 - Year 2: 40%
 - Year 3: 60%
 - Year 4: 80%
- SESPA employees who worked 35 hours and were previously eligible for health insurance are grandfathered under the previous coverage.

IMPORTANT NOTE

- Two (2) SAU 21 districts have been levied with ACA IRS penalties for not offering affordable health care insurance to SESPA employees. This coverage will eliminate this exposure and cost liability.
- The lack of health insurance coverage is the #1 reason cited for SESPA employee turnover and difficulty hiring.

WARRANT ARTICLE 2: SEACOAST EDUCATIONAL SUPPORT PERSONNEL ASSOCIATION



LANGUAGE ADJUSTMENTS

The following language adjustments are intended to help the school administration to operate more efficiently, maintain morale, and manage the team more effectively:

- All SESPAs employees will be assigned one (1) thirty minute work period per week for SESPAs employees to complete necessary paperwork, relevant meetings, or other activities as assigned by supervisor.
- All SESPAs employees will be required to attend a monthly staff or department meeting after school hours at their normal rate of pay.
- The sick leave bank language has been streamlined and simplified for better management and execution of sick bank donations and withdrawals.
- Allowance of one SESPAs member to attend NEA-NH Assembly of Delegates for one day, once a year at no loss of pay.
- Sick and personal leave abuse language has been included to minimize unnecessary use of sick and personal days.

WARRANT ARTICLE 2: SEACOAST EDUCATIONAL SUPPORT PERSONNEL ASSOCIATION



LANGUAGE ADJUSTMENTS (Continued)

The following language adjustments are intended to help the school administration to operate more efficiently, maintain morale, and manage the team more effectively:

- The sick leave language has been adjusted to allow for more roll-over of sick leave on an annual basis – to minimize the potential for employees to utilize sick leave when not necessary.
- Personal days for SESPAs employees have been capped at 1 personal day per school on the same day during the months of May and June.
- Bereavement language has been adjusted to allow for special approval of bereavement leave outside of the employee's immediate family.
- Other language adjustments include clarification of arbitration process, use of facilities, and hiring practice.



WARRANT ARTICLE 2: SEACOAST EDUCATIONAL SUPPORT PERSONNEL ASSOCIATION

SCHOOL DISTRICT COSTS:
The following summarizes the cost to the school district for the proposed SESPA collective bargaining agreement (CBA):

NORTH HAMPTON	Year 1	Year 2	Year 3	Year 4
Annual Step	\$7,493.07	\$11,315.17	\$6,716.32	\$5,449.66
Cost of Living Adjustment	\$14,604.58	\$6,124.83	\$6,265.28	\$6,311.02
Health Insurance	\$0.00	\$15,253.63	\$16,778.99	\$22,880.45
North Hampton TOTAL	\$22,097.65	\$32,693.64	\$29,760.60	\$34,641.12

WARRANT ARTICLE 2: SEACOAST EDUCATIONAL SUPPORT PERSONNEL ASSOCIATION



IMPACT TO SCHOOL DISTRICTS

SESPA employees represent a significant portion of overall school district staff, providing essential personalized interaction with students both in a special education and regular education capacity. These often overlooked team members are on the front lines working with our students with greatest need, assist with those students needing extra attention, or simply provides the classroom teacher another helpful hand.

The SAU suffers from a 25% turnover rate of these important educational associates and long vacancies due to difficulties hiring qualified personnel for open positions. The #1 oft-cited reason is a lack of health insurance coverage. 76% of the positions are not currently covered by health insurance. The proposed agreement will cover all but 3% of these positions.

Comparable SAU's in our geographic area all offer health insurance and more competitive compensation packages. As such, SAU 21 is at a significant competitive disadvantage.

WARRANT ARTICLE 2: SEACOAST EDUCATIONAL SUPPORT PERSONNEL ASSOCIATION



IMPORTANT NOTE

Historically, due to the mechanisms of passing a CBA warrant article – it has been difficult to pass the SESPACBA. When this occurs, SESPACBA employees do not receive pay increases or steps. And, this further perpetuates a compensation differential with surrounding SAU's.

The CBA is a collaborative agreement at SAU 21. As such, it is important to note that the CBA warrant article needs to pass in all five (5) school districts within SAU 21 – in order for it to take effect in any one district. If any individual school district CBA warrant article fails, they all fail.

Therefore, all five districts need to vote and pass the warrant article, for it to take effect in any one district. The following are the towns and ballots that are included:

Seabrook: Seabrook CBA and Winnacunnet CBA

Hampton Falls: Hampton Falls CBA and Winnacunnet CBA

North Hampton: North Hampton CBA and Winnacunnet CBA

Hampton: Winnacunnet CBA

South Hampton: South Hampton CBA

WARRANT ARTICLE 3: LONG TERM MAINTENANCE



To see if the School District will vote to raise and appropriate the sum of \$65,000 to carry out long term maintenance work in the North Hampton School building and grounds? Anticipated projects include, but are not limited to, resurface the asphalt in front of the school along with the sidewalks and the east side parking lot and resealing of the exterior brick. This will be a non-lapsing appropriation per RSA 32:7, VI and will not lapse until the projects are completed or June 30, 2022, whichever is earlier. (Majority vote required.)

Recommended by the School Board: 4-0; Recommended by the Budget Committee: 9-0

WARRANT ARTICLE 3: LONG TERM MAINTENANCE



AMOUNT: \$65,000

FUNDING SOURCE: Raise and Appropriate

The proposed warrant article addresses ongoing long term maintenance projects at the North Hampton School.

Maintenance projects the district intends to address, but not limited to:

- Repaving parking lot and sidewalks at front of building and the parking lot on the east side of building.
- Resealing the brick exterior of building.

WARRANT ARTICLE 4: SPECIAL EDUCATION EXPENDABLE TRUST



To see if the School District will vote to raise and appropriate \$50,000 to be added to the existing Special Education Expendable Trust Fund, with up to \$50,000 to be funded from the June 30, 2020 unassigned fund balance available for transfer on July 1, 2020. 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 4: SPECIAL EDUCATION EXPENDABLE TRUST

AMOUNT: \$50,000 FUNDING SOURCE: Unreserved Fund Balance

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>
Special Education:	\$309,594	\$400,000 <i>(updated to reflect increased out of district placement costs)</i>

A Collaborative NHS Community

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

