January 17, 2022

Seabrook School District
Proposed Operating Budget

FY 2022-23
THE SEABROOK COMMUNITY

Educating the whole student by providing a flexible, engaging, and supportive atmosphere where learning is relevant and lifelong.

The proposed FY 2022-23 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.
The proposed Seabrook School District 2022-23 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 three (3) primary objectives:

1) Investment in our Seabrook students to provide the opportunities and education that empowers individuals to be caring, competent, responsible citizens who value learning as a lifelong process.

2) Focus on student learning to fully maximize and leverage the implementation of our SAU-wide Competency Based Education (CBE) initiative.

3) Provides appropriate funding and allocation of resources that maintains and continuously improves the current high level of learning opportunities to properly prepare our students – while being cognitive of fiscal responsibility to the community and taxpayers of Seabrook.
We anticipate Seabrook’s enrollment will decrease slightly from 666 students in 2021-22 to 650 students in 2022-23.
OVERALL BUDGET
The proposed FY 2022-23 Seabrook School District operating budget is $16,346,949 which reflects an increase of +3.95% from the 2021-22 budget.

Further, the proposed 2022-23 operating budget is +$286,669 or +1.78% higher than the default budget of $16,060,280.

The budget reflects significant reductions and/or level funding on discretionary accounts – with the overall increase due to contractual and legally mandated expenditures.
BUDGET DRIVERS

The 2022-23 proposed budget reflects a focus on maintaining current programming and services, while re-examining budget priorities and cutting expenditures across all departments. The budget includes no new significant initiatives or investments.

The following summarizes significant contractual obligations, totaling an increase of $588,282.

**Special Education: +$143,355;** Increases for special education services, per students’ individualized education plans (IEP) as mandated by state and federal law.

**Salaries - Certified Staff: +$215,790;** Contractual cost of living adjustment (COLA) and step increases for certified teachers as part of the SEA collective bargaining agreement.

**Employee Benefits: +$134,025;** The increase in health insurance reflects a 5.7% guaranteed maximum rate (GMR) for health insurance and increases to retirement employer contributions, FICA contribution, long term disability insurance, and worker’s compensation insurance.

**Transportation: +$95,112;** The increase in transportation is primarily due to an increase special education transportation needs and reflects year four (4) of the 5-year contract with First Student.
The 2022-23 proposed budget reflects a focus on maintaining current programming and services, while re-examining budget priorities and cutting expenditures across all departments. The budget includes no new significant initiatives or investments (continued).

The following are the significant budget decreases in the proposed 2022-23 Seabrook School District operating budget, that help offset the aforementioned $588,282 in contractual increases:

➢ Elimination of one (1) elementary teacher position, including salary and associated benefits:
  ➢ -$118,923

➢ Reduction of Technology equipment purchased through CARES/ESSER grant funds:
  ➢ -$47,540

➢ Reduction in Tuition account for out of district placements based on student need:
  ➢ -$30,033
COST OF LIVING ADJUSTMENT
Embedded in the Seabrook 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 Personnel Association (SESPA) CBA for educational associates calls for a 1.00% COLA.

<table>
<thead>
<tr>
<th></th>
<th>2021-22</th>
<th>2022-23</th>
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<tbody>
<tr>
<td>Non-Union Employees</td>
<td>0.80%</td>
<td>4.30%</td>
</tr>
<tr>
<td>SEA Union</td>
<td>2.75%</td>
<td>2.75%</td>
</tr>
<tr>
<td>SEPSA Union</td>
<td>1.00%</td>
<td>1.00%</td>
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The following budget detail summarizes each individual budget function with associated significant increase or decrease, and reasoning for the variance:

**REGULAR EDUCATION**
*Budget: $4,740,153*
*Increase: +$51,322 (+1.09%)*
The increase in Regular Education reflects the SEA collective bargaining agreement (CBA) cost of living adjustment and step increases, offset by a reduction of 1.0 FTE elementary classroom teacher based on enrollment and reductions in supplies and books/print media.

**SPECIAL EDUCATION**
*Budget: $2,387,674*
*Increase: +$181,720 (+8.24%)*
The increase in Special Education is primarily due to the transition of a Board Certified Behavior Analyst (BCBA) to the operating budget from the ESSER grant, the CBA cost of living adjustment, change in student services from LNA to RBT, and increases in professional services, based on student need as dictated by individual education plan (IEP) services, mandated by state and federal law.
STUDENT ACTIVITIES
Budget: $60,782
Decrease: -$2,433 (-3.85%)
The decrease in the Student Activities budget is based on a slight reduction in extracurricular stipends, based on expenditure history and anticipated participation.

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: $175,434
Decrease: -$3,148 (-1.76%)
The decrease in Guidance reflects a staffing change that resulted in savings.
HEALTH
Budget: $172,752
Increase: +$14,353 (+9.06%)
The increase in Health reflects the cost of living adjustment, a track advance, and step increases per the SEA collective bargaining agreement.

SPEECH
Budget: $242,449
Increase: +$9,062 (+3.88%)
The increase in Speech reflects the SEA collective bargaining agreement (CBA) cost of living adjustment and step increases.

OTHER STUDENT SUPPORT
Budget: $1
Increase: +$0 (+0.00%)
The Other Student Support account is kept open for potential future need.
IMPROVEMENT OF INSTRUCTION
Budget: $149,347
Increase: +$5,516 (+3.84%)
The increase in the Improvement of Instruction account reflects salary cost of living adjustment and step increase, slightly offset by a reduction in the testing account, based on testing schedules, and level funding of other accounts.

EDUCATIONAL MEDIA
Budget: $191,739
Increase: +$7,642 (+4.15%)
The increase in Educational Media is due to the staff salary cost of living adjustment and step increases, with the remainder of accounts level funded.

COMPUTER SERVICES
Budget: $294,307
Decrease: -$10,841 (-3.55%)
The Computer Services accounts align with the school technology plan and associated technology replacement cycles. The overall decrease is due to utility of grants to fund the computer replacement cycles. The decrease is slightly offset due to the 2021-22 adjustment of the computer technician to full-time status, and an increase in supplies and repair/maintenance, due to increased technology infrastructure and devices.
**SUPPORT SERVICES**
Budget: $121,200
Increase: +$35,000 (+40.60%)
The increase reflects the investment in expanding SAZ to the elementary school. The change occurred in 2021-22 and was funded with ESSER grant funds.

**BOARD OF EDUCATION**
Budget: $53,685
Decrease: -$350 (-0.65%)
The slight decrease in board of education is due to the lower anticipated cost for the annual meeting, based on expenditure history.

**SAU SERVICES**
Budget: $633,475
Increase: +$3,316 (+0.53%)
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: $643,914
Increase: +$42,814 (+7.12%)
The primary driver for the increase in School Administration is due to the staff salary cost of living adjustments and step increases, and an increase in dues and fees, offset by a slight reduction in supplies.

BUILDINGS
Budget: $816,648
Increase: +$37,336 (+4.79%)
The increase in Buildings is due to cost escalation for supplies, new furniture, and repair / maintenance accounts, in addition to a surge in energy costs that have substantially increased our heating fuel / natural gas costs, an increase in our liability insurance premiums, and the cost of living adjustments for staff. The increases are offset by a slight reduction in facilities manager and administrative assistant salaries due to change in staffing.

GROUNDS
Budget: $57,500
Decrease: -$5,000 (-8.00%)
The decrease in Grounds reflects a reduction in the snow removal account, based on actual expenditure history.
VEHICLE EXPENSES
Budget: $3,200
Increase: $0 (0.00%)
No increase to the Vehicle Expenses account is budgeted.

TRANSPORTATION
Budget: $1,069,816
Increase: +$95,112 (+9.76%)
The increase in Transportation is primarily due to an increase in special education transportation needs, and also reflects year four (4) of the 5-year contract with First Student to supply regular education, athletic, field trip, and other transportation services.

EMPLOYEE BENEFITS
Budget: $4,105,188
Increase: +$134,025 (+3.37%)
The increase in employee benefits reflects a 5.7% GMR increase for health insurance premiums, as well as the retirement employer contributions, FICA, workers compensation insurance, and long term disability insurance increases. The increases were offset slightly by a -1.2% GMR reduction in dental insurance premiums.
DEBT SERVICE
Budget: $143,109
Increase: +$1,272 (+0.90%)
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.

INTERFUND TRANSFER
Budget: $1
Increase: $0 (0.00%)
There is no anticipated need for an Inter-Fund Transfer to fund a deficit for food service.

FOOD SERVICE
Budget: $282,075
Increase: +$24,015 (+9.31%)
The increase in the Food Service fund reflects an increase in food and supplies costs due to cost escalation, and staff salary cost of living adjustment and steps.
DEFAULT BUDGET
$16,060,280 (-$286,669 less than the proposed operating budget of $16,346,949)
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 ARTICLES – EXPENDABLE TRUSTS
The school board proposes the inclusion of the following expendable trust warrant article utilizing unreserved fund balance, for the March 2022 ballot:

**Special Education Expendable Trust:** $50,000

The following outlines the current balances for the Seabrook School District’s two established expendable trusts:

<table>
<thead>
<tr>
<th>Expendable Trust</th>
<th>Balance</th>
<th>Target</th>
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<tbody>
<tr>
<td>Special Education</td>
<td>$331,301</td>
<td>$400,000</td>
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<tr>
<td>Building Maintenance</td>
<td>$188,329</td>
<td>$200,000</td>
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WAR RANT ART I CLES
The school board proposes issuance of the following three warrant articles to raise and appropriate funds, for the March 2022 ballot:

- *Paving Project* $125,000
- *Tractor* $45,000
- *Fund Balance Retention* Non-monetary

Additionally, the Sacred Heart School submitted a citizen’s petition warrant article for the March 2022 ballot:

- *Child Benefit Services* $16,854
Thank you to the school board, budget committee, teachers, parents, students, staff, and community for the outstanding support of the Seabrook School District!