



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 \$14,419,458? Should this article be defeated, the default budget shall be \$14,243,653, 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 \$5.281 per thousand of the tax rate.)





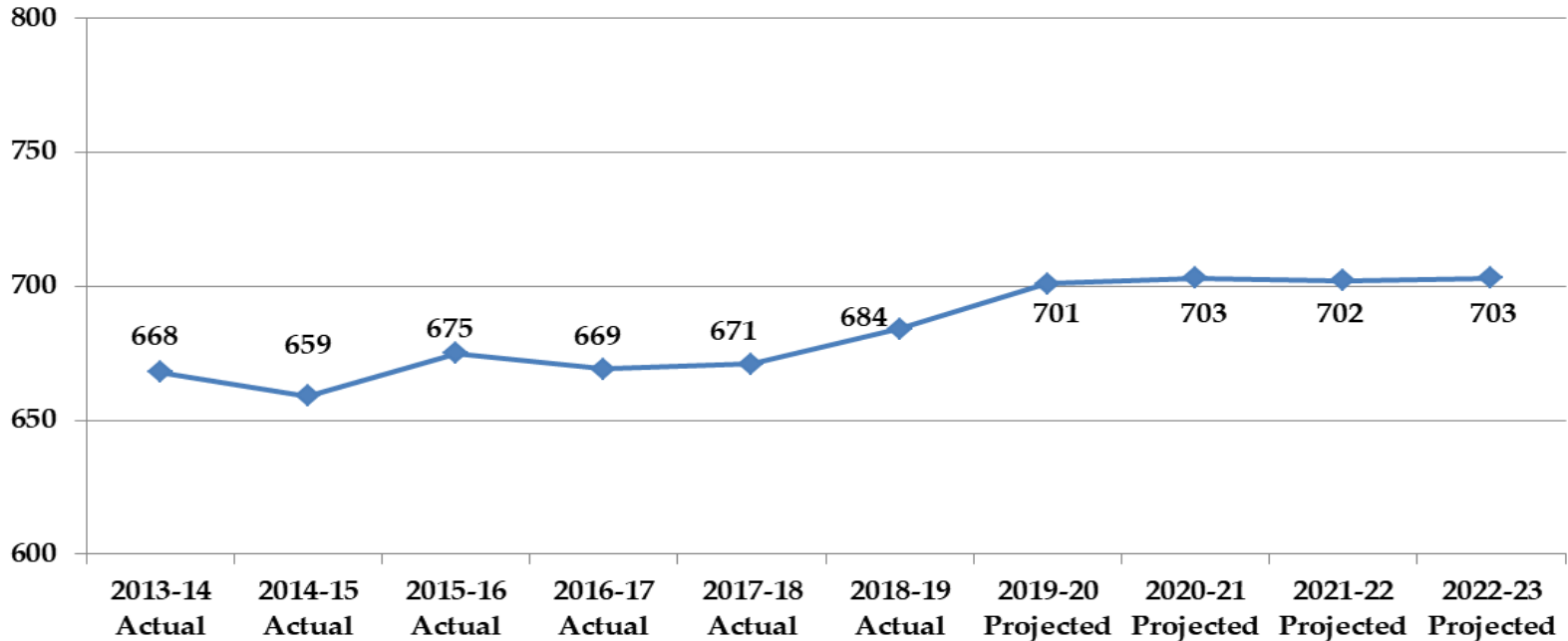
Warrant Article #1: Operating Budget

- The proposed 2019-20 operating budget for the Seabrook School District was established with the following primary objectives:
 - 1) Provide appropriate funding and resource allocation that maintains the current high level of learning opportunities to properly educate our students – while being cognizant of fiscal responsibility to the community and taxpayers of Seabrook.
 - 2) Focus on student learning, including the investment in a Curriculum Coordinator position to fully maximize and leverage the implementation of our SAU-wide Competency Based Education initiative. There is a need for a dedicated administrator to organize, implement, and supervise curricula and educational programs for the elementary and middle schools. This very important student learning-focused work is necessary to provide the framework, tools, techniques, and training for our teachers to adopt next generation learning standards, and for the Seabrook School District to compete with other comparable school districts.



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NESDEC Projected Enrollment: Seabrook School District (K-8)





Warrant Article #1: Operating Budget

- The proposed 2019-20 total operating budget for the Seabrook School District is \$14,419,458. This reflects a 2.97% increase over the 2018-19 budget, representing a dollar increase of \$416,050.

- The following FY 2019-20 accounts represent an increase of \$456,933:
 - SAU Services: \$84,576
 - Employee Benefits: \$315,835
 - Regular Education Transportation: \$56,522

- Removing the cost increases for these contractual or state/federal mandated accounts would result in a 2019-20 operating budget decrease of -\$40,883, or a -0.29% decrease.



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The following summarizes the budget functions with a significant increase or decrease, and reasoning for variance:

Special Education: \$1,903,922 (Decrease: -\$76,468)

The decrease in special education is based on student need as dictated by Individualized Education Plan (IEP) services, mandated by state and federal law. Further, a decrease is recognized by converting a part-time contracted Psychologist (out of the professional services account) to a full-time staff member (into the salaries – specialists account). This saves approximately \$20,000, and effectively doubles the hours worked.

Health Service: \$148,879 (Decrease: -\$9,643)

The decrease in certified staff salary is due to the anticipated lower salary of a new hire to fill an open position due to retirement. Further, the decrease in the substitutes account reflects an adjustment based on actual expenditure history.





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Improvement of Instruction: \$138,776 (Increase: \$84,213)

The increase is due to the addition of a new Curriculum Coordinator position. This role will collaborate with faculty members, committees, the administration, and other stakeholders to develop, write, and implement district curriculum and educational programs. Further, this position will be responsible for the evaluation, purchase, and incorporation of texts, resources, and technology into classroom instruction. The Curriculum Coordinator will fill a significant void in facilitating the articulation of curriculum and instructional strategies between grade levels as well as the other schools within SAU 21. This role will implement professional development, manage regular education interventions, and assist with the district's testing program. The budgeted salary reflects an SAU conducted salary comparative analysis and development of a new administrative salary structure.



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Computer Services: \$274,992 (Decrease: -\$36,504)

The decrease reflects a one year reduction in Chromebooks purchasing per the replacement cycle as part of the 1:1 student laptop initiative. An increase in the software/license account is primarily due to the implementation of PowerSchool Student Information System (SIS) SAU-wide.

SAU Services: \$584,304 (Increase: \$84,576)

The increase reflects an investment in 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. This includes:

- Competency Based Education (CBE) Planning and Implementation
- SAU-level Director of Student Services
- PowerSchool (Student Management System) across all districts
- ➤ Technology synergies



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School Administration: \$573,228 (Increase: \$30,925)

The increase is due to an SAU-driven initiative to review salaries across all our districts – to ensure retention and the ability to attract high quality administrators. The included new administrative salary structure reflects an analysis of comparable schools, based upon enrollment and geography. Further, the salary structure is normalized to reflect fair comparison. The analysis found Seabrook administrative salaries significantly lower than comparable schools, and the new structure provides a plan for closing the gap.

Grounds: \$63,500 (Decrease: -\$10,400)

The reduction reflects the budget reverting to a normal budget level, after a one year expense to recondition the baseball and softball fields.



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Transportation: \$868,949 (Increase: \$24,975)

The increase reflects a new 5-year contract with First Student to supply regular education student transportation services. Further, a decrease in special education transportation is based on student need as dictated by Individualized Education Plan (IEP) services, mandated by state and federal law.

Employee Benefits: \$3,487,006 (Increase: \$315,835)

The primary driver for the increase in employee benefits is the result of a 18.5% guaranteed maximum rate (GMR) for health insurance premiums. Further, the New Hampshire Retirement System increased employer retirement contribution rates from 17.36% to 17.80%.



Warrant Article #1: Operating Budget

Default budget

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.*

(c) *"Contracts" as used in this subdivision means contracts previously approved, in the amount so approved, by the legislative body in either the operating budget authorized for the previous year or in a separate warrant article for a previous year.*



Warrant Article #1: Operating Budget

The 2019-20 Seabrook School District default budget is \$14,243,653, which is -\$175,805 less than the proposed operating budget of \$14,419,458. The following outlines the variances:

Account	2018-19 Budget	2019-20 Default Budget	Variance	Reason for Increase/Decrease
SALARIES - ED ASSOC/AIDES/MONITORS	\$265,162	\$275,223	\$10,061	Collective Bargaining Agreement - Mandated by Law- RSA 273-A
SALARIES - SPECIALISTS	\$146,816	\$225,366	\$78,550	Reallocation of default from Acct #5120012-331
SALARIES - ED ASSOC/AIDES/MONITORS	\$487,094	\$492,580	\$5,486	Collective Bargaining Agreement - Mandated by Law- RSA 273-A
PROFESSIONAL SERVICES	\$267,900	\$125,224	-\$142,676	Reallocation of default to Acct #5120012-104 and reduction in required services
EQUIPMENT	\$2,000	\$3,000	\$1,000	Mandated by NH & Federal Special Education Law
SALARIES - CERTIFIED STAFF	\$206,613	\$208,529	\$1,916	Collective Bargaining Agreement - Mandated by Law- RSA 273-A
SAU SERVICES	\$499,728	\$584,304	\$84,576	Mandated by Law RSA 194-C:9
GROUNDS MAINTENANCE	\$20,400	\$6,000	-\$14,400	Reduced by one time expenditure



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Account	2018-19 Budget	2019-20 Default Budget	Variance	Reason for Increase/Decrease
HEALTH INSURANCE	\$1,376,191	\$1,535,332	\$159,141	Collective Bargaining Agreement - Mandated by Law- RSA 273-A
DENTAL INSURANCE	\$46,233	\$49,644	\$3,411	Collective Bargaining Agreement - Mandated by Law- RSA 273-A
LIFE INSURANCE	\$9,279	\$9,580	\$301	Collective Bargaining Agreement - Mandated by Law- RSA 273-A
L.T.D. INSURANCE	\$26,212	\$26,398	\$186	Collective Bargaining Agreement - Mandated by Law- RSA 273-A
FICA	\$582,720	\$585,757	\$3,037	Mandated by Federal Law
RETIREMENT	\$1,060,759	\$1,089,037	\$28,278	Mandated by Law- RSA 100
UNEMPLOYMENT INSURANCE	\$7,711	\$6,524	-\$1,187	Mandated by Law- RSA 282-A
WORKERS COMPENSATION	\$51,280	\$61,690	\$10,410	Mandated by Law- RSA 281-A
INTEREST PAYMENT	\$10,757	\$9,262	-\$1,495	Debt Service



Warrant Article #2: Seacoast Education Association Collective Bargaining Agreement (CBA)

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 which calls for the following increases in salaries and benefits at the proposed staffing levels:

Year	Estimated Salary Increase	Estimated Health Insurance Decrease	Estimated Salary Driven Benefits Increase	TOTAL Estimated Cost
2019-20	\$220,272	\$0	\$56,896	\$277,168
2020-21	\$218,359	(\$8,560)	\$56,402	\$266,202
2021-22	\$221,590	\$0	\$57,237	\$278,827
2022-23	\$222,230	\$0	\$57,402	\$279,632

and further to raise and appropriate the sum of \$277,168 for the 2019-20 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.)

The School Board and the Budget Committee recommend this appropriation

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 \$0.1028 per thousand of the tax rate.)



Warrant Article #2: Seacoast Education Association Collective Bargaining Agreement (CBA)

The proposed CBA is the result of a collaborative negotiation process that all parties felt was both fair to our outstanding teachers, but also fiscally responsible for our community and taxpayers. The following summarizes the significant components of the agreement:

- Proposed CBA is 4 years in duration with a 2.75% annual cost of living salary adjustment – below the rate of inflation at 3.4% (CPI-Portsmouth index).
- Slight increases to stipends and course reimbursement.
- Significant adjustments to health insurance, including:
 - Removal of a high cost Blue Choice health plan in year two (2) of the agreement.
 - Provision to open negotiations should the Affordable Care Act excise tax take effect.
 - Expect to experience premium cost savings, avoid a potential ACA excise tax, and hope to drive employee behavior to be better smart shoppers for medical and health related services.



Warrant Article #2: Seacoast Education Association Collective Bargaining Agreement (CBA)

- Language adjustments have been included in the CBA to help district building leadership better manage the staff and provide for more efficient, high functioning operations at each individual school, including:
 - Focus on relevant professional development linked to a teacher's current position, goals, or in an area of need for the district.
 - Better accountability for meetings, class coverage, and training opportunities.

- Impact if the CBA fails:
 - Result in the fourth (4th) failed proposed collective bargaining agreement in ten (10) years.
 - SAU 21 compensation is trending down relative to surrounding districts – which could negatively impact our ability to attract and retain valuable teachers, and deliver our high educational standards.
 - School administration is concerned that teachers may leave SAU 21 for surrounding districts to regain missed steps and achieve higher salaries.



Warrant Article #2: Seacoast Education Association Collective Bargaining Agreement (CBA)

The CBA is a collaborative agreement. So, it is important to note that the CBA needs to pass in all five school districts within SAU 21 – in order for it to take effect in any one district. If any one CBA fails, they all fail.

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

Seabrook: Seabrook CBA & Winnacunnet CBA

Hampton Falls: Hampton Falls CBA & Winnacunnet CBA

North Hampton: North Hampton CBA & Winnacunnet CBA

Hampton: Winnacunnet CBA

South Hampton: South Hampton CBA



Warrant Article #3: Locker Replacement

To see if the School District will vote to raise and appropriate the sum of \$80,000 to replace approximately 370 student lockers at the Seabrook Middle School. This will be a non-lapsing appropriation per RSA 32:7, VI and will not lapse until the project is complete or June 30, 2021, whichever is earlier.

The School Board and the Budget Committee recommend this appropriation.
(Majority vote required.)

(Should this article be approved, it is estimated it will constitute \$0.0297 per thousand of the tax rate.)



Warrant Article #3: Locker Replacement

- The proposed locker replacement project includes the removal of all existing middle school lockers with the replacement of new lockers.
- The base of the current lockers are rusting out. Further, components of the lockers are breaking at a high rate. Parts are no longer available for these old lockers, so repair work is not a feasible option.
- Note: The locker replacement has been included on the Capital Improvement Plan (CIP) for the last few years, however, the replacement plan has been pushed back due to other high need projects.



Warrant Article #4: Roof Replacement

To see if the School District will vote to raise and appropriate the sum of \$113,050 to replace the roof on the Seabrook Elementary School? This is the first phase of a two phase project estimated to cost \$230,750. This will be a non-lapsing appropriation per RSA 32:7, VI and will not lapse until the project is complete or June 30, 2021, whichever is earlier.

**The School Board and the Budget Committee recommend this appropriation.
(Majority vote required.)**

(Should this article be approved, it is estimated it will constitute \$0.0419 per thousand of the tax rate.)



Warrant Article #4: Roof Replacement

- Two sections of the Seabrook Elementary roof have reached end-of-life and need replacement in the next two (2) years.
- The proposed replacement aligns with the overall roof replacement plan that was developed in conjunction with our roof consultant.
- The proposed roof replacement is year one (1) of a two (2) year plan to replace both sections. The proposed warrant article for the first section represents the most immediate need – with the intention of bringing forth a second warrant article for the 2020-21 school year to address the second section of the elementary school roof.



Warrant Article #5: Special Education Expendable Trust

To see if the School District will vote to raise and appropriate \$75,000 to be added to the existing Special Education Expendable Trust Fund, with up to \$75,000 to be funded from the June 30, 2019 unassigned fund balance available for transfer on July 1, 2019.

No additional amount to be raised from taxation.

The School Board and the Budget Committee recommend this appropriation.
(Majority vote required.)



Warrant Article #5: Special Education Expendable Trust

- 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 these unanticipated 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.

Trust Balance (as of 10/30/18): \$157,644.21

Target Balance: \$300,000



Warrant Article #6: Health Care Expendable Trust

To see if the School District will vote to create an expendable trust fund under the provisions of 198:20-c III to be known as the School Health Insurance Expendable Trust Fund, for the purpose of maintaining health insurance funds to supplement the funding of health insurance premiums for the benefit of eligible employees or eligible retired employees of the school district? Furthermore, to raise and appropriate up to \$25,000 to be placed in this fund with such amount to be funded from the June 30, 2019 unassigned fund balance available for transfer on July 1, 2019 and to name the School Board as agents to expend from said fund.

No additional amount to be raised from taxation.

The School Board and the Budget Committee recommend this appropriation.
(Majority vote required.)



Warrant Article #6: Health Care Expendable Trust

- The proposed Health Care Expendable Trust is recommended to be established for the purpose of funding and safeguarding the school district against increasing health insurance premium costs, or unanticipated health insurance related expenditures.
- The 2019-20 proposed operating budget includes a \$315,835 increase in benefits costs primarily due to an 18.5% increase in health insurance premium rates. The Health Care Trust could potentially be used to mitigate similar future increases.
- **Important Note:** Funding for the Health Care Expendable Trust comes from any potential available year-end fund balance – not raised via additional taxation.

Target Balance: \$200,000



Warrant Article #7: Building Maintenance Expendable Trust

To see if the School District will vote to raise and appropriate up to \$50,000 to be added to the existing Building Maintenance Expendable Trust Fund, with such amount to be funded from the June 30, 2019 unassigned fund balance available for transfer on July 1, 2019.

No additional amount to be raised from taxation.

The School Board and the Budget Committee recommend this appropriation.
(Majority vote required.)



Warrant Article #7: Building Maintenance Expendable Trust

- The Building Maintenance Expendable Trust was established for the purpose of funding and safeguarding the school district against building and facility related costs, or unanticipated building maintenance related expenditures.
- **Important Note:** Funding for the Building Maintenance Expendable Trust comes from any potential available year-end fund balance – not raised via additional taxation.

Trust Balance (as of 10/30/18): \$99,669.27

Target Balance: \$150,000



Warrant Article #8: Petition Article – Child Benefit Services

To see if the School District will vote to raise and appropriate the sum of \$21,958 to provide child benefit services, in accordance with RSA 189:49, for students who are residents of the Seabrook School District and attend Sacred Heart School located in Hampton, New Hampshire. CITIZEN'S PETITION by 25 or more registered voters of the Town of Seabrook.

The School Board and the Budget Committee recommend this appropriation. (Majority vote required.)

(Should this article be approved, it is estimated it will constitute \$0.0081 per thousand of the tax rate.)



Thank you to the School Board, Budget Committee, parents, students, and community for your continued support of the Seabrook School District!

Please remember to vote on Tuesday, March 12th!

