



# Winnacunnet Cooperative School District Budget: FY 2019-20

Thursday, February 7, 2019 at 7:00pm

Winnacunnet Auditorium



# 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 \$27,208,859. Should this article be defeated, the default budget shall be \$26,807,906 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: 6-0

# School Overview



- 1050 Students
- Diverse Interests & Abilities
  - 13.2% Special Education
  - 19.7% Free/Reduced Lunch
  - 8% Title 1
- Comprehensive High School
  - Multiple Pathways
  - Core Curriculum
  - Concentration Courses and Electives
- Graduation Rate – 92.8%
  - 60% Four-Year Colleges
  - 18% Two-Year Colleges
  - 5% Other Academic
  - 11% Workforce/Military
- Drop Out Rate – 1.24%

- 2013-14
  - NH DOE Commissioner's Circle of Excellence Award
  - College Board's 4th Annual AP District Honor Roll
- 2014-15
  - NH DOE Education Award for Aspiring Towards Excellence
- 2016-2017
  - Seacoast Media Group Readers Choice Award: 1<sup>st</sup> place for best high school
  - NH Edies: NH High School of Excellence
- 2017-2018
  - US New & World Report High School Rankings: Ranked 10<sup>th</sup> in New Hampshire
  - NH Partners in Education : Blue Ribbon School Achievement Award
  - NH Partners in Education: Gold Circle Award
- 2018-2019
  - Listed as a top 100 (98<sup>th</sup>) high school in the nation by The Best Schools: [www.thebestschools.org/rankings/best-public-high-schools-us](http://www.thebestschools.org/rankings/best-public-high-schools-us)
  - NH Partners in Education : Blue Ribbon Achievement Award
  - NH Partners in Education: Gold Circle Award



# Warrant Article #1: Operating Budget

The Winnacunnet 2019-20 proposed operating budget provides funding and resource allocation that sustains academic programs to support all students. Winnacunnet Cooperative High School continues to follow a personalized learning model that incorporates Winnacunnet's core values, beliefs, and learning expectations, is aligned to the New England Secondary School Consortium Global Best Practices, reflects the requirements of the New Hampshire Minimum Standards for Public School Approval, and is the basis of Winnacunnet's goal:

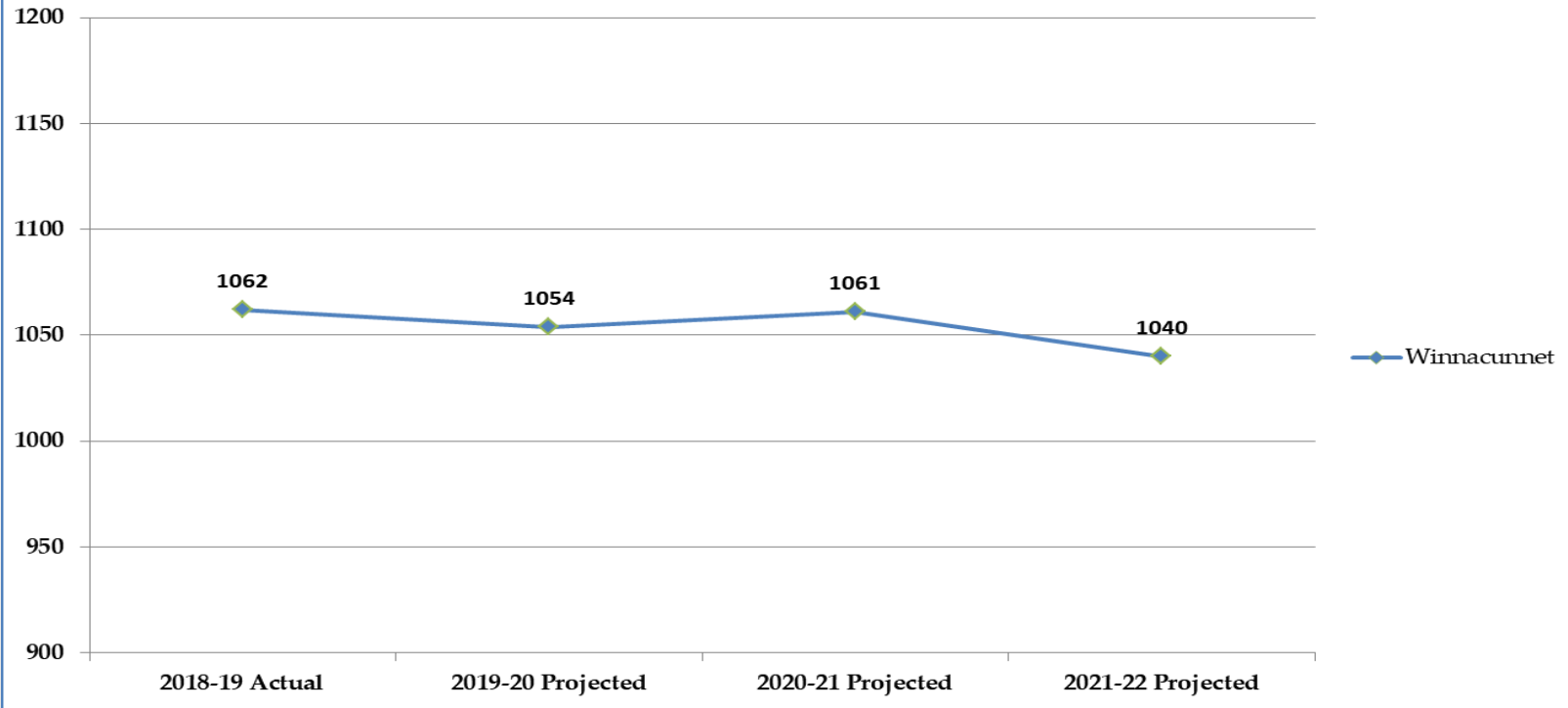
- *Working as a team, the Winnacunnet High School Faculty and staff will provide proficiency-based learning for all students that is equitable, personalized, and rigorous, resulting in 100% of Winnacunnet students graduating college and career ready by offering all students access to all courses, developing and implementing a competency-based assessment system, and providing multiple pathways that recognize students' diverse interests and abilities, consistently using these new approaches school-wide.*

The 2019 -20 proposed budget continues to provide the resources to support this goal, and the initiatives that have been implemented to provide a personalized learning environment for each student. Further, the budget reflects continued implementation of the School Board approved Technology Plan and Facilities Plan.



# Warrant Article #1: Operating Budget

NESDEC Projected Enrollment:  
Winnacunnet Cooperative High School





# Warrant Article #1: Operating Budget

- The proposed 2019-20 total operating budget for the Winnacunnet Cooperative School District is \$27,208,859. This reflects a 3.66% increase over the 2018-19 budget, representing a dollar increase of \$960,634.
- The following FY 2019-20 accounts represent an increase of \$809,177:
  - SAU Services: \$251,069
  - Employee Benefits: \$393,926
  - Transportation: \$164,182
- Removing the cost increases for these contractual or state/federal mandated accounts would result in a 2019-20 operating budget increase of \$151,457 or a 0.58% increase.



# Warrant Article #1: Operating Budget

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

## **Special Education: \$3,512,047 (Decrease: -\$51,921)**

The decrease in special education is based on student need as dictated by Individualized Education Plan (IEP) services, mandated by state and federal law. The slight increase in salaries reflects the new administrative salary structure and staff cost of living adjustment.

## **Vocational Programs: \$199,860 (Decrease: -\$32,514)**

The decrease reflects the School Board's decision to budget based on the total contracted enrollment of 90 students.

## **Student Activities: \$883,604 (Increase: \$21,497)**

The increase reflects adjustments to officials, rentals, supplies, and uniform accounts due to additional sports and cost escalation. Further, increases in salaries reflect the administrative salary structure and staff cost of living adjustment.





# Warrant Article #1: Operating Budget

## **Guidance: \$846,122 (Increase: \$22,752)**

The increase reflects anticipated track advances for certified teachers, the administrative salary structure, staff cost of living adjustment, and biennial PowerSchool University attendance.

## **Improvement of Instruction: \$389,591 (Increase: \$47,514)**

The increase is primarily due to a significant increase in tuition reimbursement based upon actual expenditure history.

## **Information Technology: \$740,962 (Increase: \$39,330)**

The Information Technology accounts align with the School Board approved Technology Plan. The increase reflects a new contracted services engagement with the SAU to recognize personnel and cost efficiencies, the administrative salary structure, staff salary cost of living adjustment, and a one-time software/licensing purchase of Scholastic Hosting. These increases are slightly offset by a reduction in the repair/maintenance account.







# Warrant Article #1: Operating Budget

## **SAU Services: \$850,896 (Increase: \$251,069)**

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

## **School Administration: \$856,652 (Increase: \$50,188)**

The increase is due to reallocating all graduation related expenditures into the graduation account, the administrative salary structure, and cost of living adjustment.



# Warrant Article #1: Operating Budget

## **Buildings: \$1,807,064 (Increase: \$82,522)**

The Buildings, Grounds, and Vehicles accounts align with the School Board approved Facilities Plan. The increase is due to a number of factors: cost of living adjustment for staff, additional repair and maintenance needs, and higher heating fuel and electricity rates. The increases were slightly offset by decreases in consultant and insurance costs.

## **Grounds: \$282,920 (Increase: \$16,479)**

The increase is due to contracted lawn services, the purchase of a new lawn mower and tractor that have reached end-of-life, and a plan to top dress the baseball field to counter chronic flooding and condition issues.

## **Transportation: \$1,035,854 (Increase: \$164,182)**

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





# Warrant Article #1: Operating Budget

## **Employee Benefits: \$5,995,276 (Increase: \$393,926)**

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%.

The increase is partially offset by the reduction of \$75,000 in the health insurance account, with the intention of utilizing the Health Care Expendable Trust if necessary.

## **Inter-fund Transfer: \$5,000 (Decrease: -\$45,000)**

The decrease to the food service transfer is based upon measures taken by administration to reduce the food service deficit. The following is the three-year deficit history:

2015-16	\$110,023
2016-17	\$61,718
2017-18	\$4,719



# 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 Winnacunnet Cooperative School District default budget is \$26,807,906, which is -\$400,953 less than the proposed operating budget of \$27,208,859. The following outlines the variances:

Account	2018-19 Budget	2019-20 Default Budget	Variance	Reason for Increase/Decrease
SALARIES - CERTIFIED STAFF	\$6,050,534	\$6,066,173	\$15,639	Collective Bargaining Agreement - Mandated by Law- RSA 273-A
SALARIES - CERTIFIED STAFF	\$880,458	\$859,147	-\$21,311	Collective Bargaining Agreement - Mandated by Law- RSA 273-A
SALARIES - ED ASSOCS/AIDES/MONITORS	\$369,584	\$378,166	\$8,582	Collective Bargaining Agreement - Mandated by Law- RSA 273-A
TUITION	\$1,736,204	\$1,872,341	\$136,137	Mandated by Federal & NH Special Education Law
TUITION	\$232,374	\$199,860	-\$32,514	Mandated by Law- Chapter 188-E
SALARIES - CERTIFIED STAFF	\$469,246	\$481,905	\$12,659	Collective Bargaining Agreement - Mandated by Law- RSA 273-A
SALARIES - SPECIALISTS	\$75,524	\$82,750	\$7,226	Collective Bargaining Agreement - Mandated by Law- RSA 273-A
SALARIES - CERTIFIED STAFF	\$146,344	\$128,505	-\$17,839	Reduced by one time expenditures
REPAIR/MAINTAIN COMPUTERS	\$24,000	\$9,000	-\$15,000	Reduced by one time expenditure
SAU SERVICES	\$599,827	\$850,896	\$251,069	Mandated by Law RSA 194-C:9



# Warrant Article #1: Operating Budget

Account	2018-19 Budget	2019-20 Default Budget	Variance	Reason for Increase/Decrease
SALARIES - ADMINISTRATION	\$388,475	\$454,668	\$66,193	Reallocation of default from account below
SALARY - DIRECTORS/MGRS	\$66,193	\$1	-\$66,192	Reallocation of default from account above
VEHICLE - PURCHASE/LEASE	\$15,937	\$0	-\$15,937	Lease expiration - contractual obligation eliminated
TRANSPORTATION - SPEC. NEEDS	\$167,972	\$282,940	\$114,968	Mandated by Federal & NH Special Education Law
PRINCIPAL PAYMENT	\$1,460,000	\$1,530,000	\$70,000	Debt Service
INTEREST PAYMENT	\$515,534	\$442,696	-\$72,838	Debt Service
HEALTH INSURANCE	\$2,554,843	\$2,786,280	\$231,437	Collective Bargaining Agreement - Mandated by Law- RSA 273-A
DENTAL INSURANCE	\$90,140	\$88,208	-\$1,932	Collective Bargaining Agreement - Mandated by Law- RSA 273-A
LIFE INSURANCE	\$14,281	\$14,318	\$37	Collective Bargaining Agreement - Mandated by Law- RSA 273-A
L.T.D. INSURANCE	\$41,844	\$41,941	\$97	Collective Bargaining Agreement - Mandated by Law- RSA 273-A
FICA	\$929,006	\$929,284	\$278	Mandated by Federal Law
RETIREMENT	\$1,868,524	\$1,927,544	\$59,020	Mandated by Law- RSA 100



## 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 Winnacunnet 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	\$299,101	\$0	\$76,994	\$376,095
2020-21	\$319,900	(\$11,737)	\$82,349	\$390,512
2021-22	\$308,860	\$0	\$79,478	\$388,338
2022-23	\$312,524	\$0	\$80,405	\$392,929

and further to raise and appropriate the sum of \$376,095 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.)

Recommended by the School Board: 5-0

Recommended by the Budget Committee: 6-0

*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 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 (4<sup>th</sup>) 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: HVAC Upgrades

To see if the School District will vote to raise and appropriate the sum of \$244,151 to continue the HVAC replacement project at Winnacunnet High School that is estimated to cost \$1.5 million between now and 2025? This project is part of the facility plan adopted by the school board. 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. (Majority vote required.)

Recommended by the School Board: 5-0

Recommended by the Budget Committee: 6-0



## Warrant Article #3: HVAC Upgrades

- The proposed HVAC upgrade project reflects the scheduled upgrade of the C-Wing to a functioning HVAC system with proper ventilation (which currently does not operate).
- The project is part of the ongoing HVAC replacement cycle that includes ongoing HVAC replacement, upgrades, and duct cleaning as the systems reach end of life.
- The HVAC replacement cycles helps minimize large one-time expenditures for multiple system replacements and levels the spending over multiple years.



## Warrant Article #4: Auditorium Roof Replacement

To see if the School District will vote to raise and appropriate the sum of \$192,200 to replace the auditorium roof. 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. (Majority vote required.)

Recommended by the School Board: 5-0

Recommended by the Budget Committee: 6-0



## Warrant Article #4: Auditorium Roof Replacement

- The Winnacunnet auditorium roof has reached end-of-life and requires replacement.
- The proposed replacement aligns with the overall roof replacement plan that was developed in conjunction with our roof consultant.
- The roof replacement is part of the multi-year cycle for necessary roof replacement at Winnacunnet Cooperative High School.



## Warrant Article #5: Track and Tennis Court Resurfacing

To see if the School District will vote to raise and appropriate the sum of \$115,000 for resurfacing the track (\$90,000) and tennis courts (\$25,000). The track was installed in 2010 and it is recommended that it be resurfaced and relined every 8 years to maintain the integrity of the surface. The tennis court was last resurfaced in 2012 and is in need of repair and resurfacing, which is recommended every 7 years. 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. (Majority vote required.)

Recommended by the School Board: 5-0

Recommended by the Budget Committee: 6-0



## Warrant Article #5: Track and Tennis Court Resurfacing

- The Winnacunnet track and tennis courts have exceeded the recommended years of use, per the manufacturer specifications. Further, the facilities department has inspected both surfaces, and determined that resurfacing is necessary.
- The proposed warrant article calls for the resurfacing of the track and tennis courts.
- Note: It is recommended that both surfaces are resurfaced every eight (8) years going forward.





## Warrant Article #6: Health Care Expendable Trust

To see if the School District will vote to raise and appropriate \$75,000 to be added to the existing Health Care 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. (Majority vote required.)

Recommended by the School Board: 5-0

Recommended by the Budget Committee: 6-0



## Warrant Article #6: Health Care Expendable Trust

- The Health Care Expendable Trust was 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 reduction of \$75,000 with the intent to withdraw funds from the Health Care Expendable Trust to help mitigate the large health insurance premium increase, if needed.
- **Important Note:** Funding for the Health Care Expendable Trust comes from any potential available year-end fund balance – not raised via additional taxation.

**Trust Balance (as of 10/30/18): \$76,150.18**

**Target Balance: \$200,000**



## Warrant Article #7: 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, 2019 unassigned fund balance available for transfer on July 1, 2019. No additional amount to be raised from taxation. (Majority vote required.)

Recommended by the School Board: 5-0

Recommended by the Budget Committee: 6-0



## Warrant Article #7: 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): \$258,019.06**

**Target Balance: \$300,000**



Thank you to the School Board, Budget Committee, parents, students, and community for your continued support of Winnacunnet Cooperative High School!

Please remember to vote on Tuesday, March 12<sup>th</sup>!

