

Sanborn Regional School District
Budget Committee Hosts
Joint Meeting with
Sanborn Regional School District School Board
Minutes

Thursday November 21st, 2019
Sanborn Regional High School Library

Present:

Budget Committee

Chair - Annie Collyer, Newton
Vice-Chair Moira Bashaw Kingston
Jim McCarthy, Newton
Vanessa Matias, Kingston
Cheryl Gannon, Kingston
Jim Doggett, Newton
Mary Cyr, Member-at-Large
(Larry Heath, School Board Representative, dual capacity)

SRSD School Board

Chair Peter Broderick, Kingston
Vice Chair Dr. Pamela Brown, Newton
Tammy Mahoney, Member-at-Large
James Baker, Newton
Electra Alessio, Kingston
Jamie Fitzpatrick, Newton
Larry Heath, Kingston

Administrators

Superintendent Thomas Ambrose
Business Administrator Matthew Angell

Call to Order: 7:02 pm

Pledge of Allegiance lead by:

Owen Stevens 5th grade and Dominic Sforza, 4th grade students of Memorial School. They were personally selected by the Art Teacher, Mrs. Austin – for going above and beyond in helping with the Mosaic project, that now hangs in the hall of the Memorial School.

Approval of Budget Committee Minutes of October 24, 2019 – **Motion** to approve J. McCarthy/M. Cyr, second.

C. Gannon - Questions “Point of Order” made regarding; appointment of Budget Committee Vacancy, submitted to the committee by L. Heath (10-24th's addendum #4). To amend the minutes to read “L. Heath” as declaring a Point of Order.

C. Gannon – Questions the “Tabling of the Budget Guidelines”, to Table the remainder of the review of the budget guidelines, be tabled. **Vote = as Amended/ Unanimous.**

Approval of Minutes of Joint Meeting November 6, 2019 – **Motion** approve J. McCarthy second C. Gannon -**Vote/Unanimous**

Answers to Questions from Budget Committee & School Board Members Budget and Recommendations:

Mr. Thomas Ambrose – Superintendent - No follow up questions this evening, Mr. Ambrose presents the information, as entailed in: Addendum #1 entitled: “FY 2020-21 Budget Questions/Answers” provided by Superintendent Thomas J. Ambrose and the Sanborn Leadership Team.

Mr. Ambrose made a clarification from the last joint meeting, November 6th, regarding a public comment. A citizen stated there was a lack of funding in the budget for academics. The slide presentation clearly defined in the reorganization plan; there is \$950,000, allocated for academic outcomes.

Mr. Ambrose directs those interested in previously presented information on the District Reorganization, to the website of the Sanborn Regional School District at: <https://bit.ly/37olp9p>
Also, E-mail questions for clarification on this information to his attention.

Presentation of Information on Revenues and Taxes: Mr. Angel, Business Administrator, will send information electronically, to be presented at the next Budget Committee meeting.

Public Comment: None

C. Gannon, requests to make a Committee Comment: I would like to thank the administration for the distributed answers and the presentation. It is very much appreciated.

Next Meetings:

Budget Committee meeting: Thursday, December 5th, 2019 at 7:00 p.m.

SRSD School Board Meeting: Wednesday, December 4th, 2019 at 6:00 p.m.

Mr. Ambrose requests clarification for the public on the process for the budget presentations.

A. Collyer clarifies; The School Board sets the default budget and they tell us what it is. They recommend a proposed budget to us and then we work on that to prepare it for the public.

Additional Topics will be:

Adopt Budget Guideline Revisions

Review school board budget recommendations

Begin preparation on our district budget proposal for Fiscal Year 2020-2021

Adjourn Budget Committee -Motion - J. Doggett/seconded J. McCarthy - vote=Unanimous

Adjourn School Board - Motion – J. Baker/seconded T. Mahoney – vote=Unanimous

Adjourn: 8:18 p.m.

Superintendent's Budget Recommendations

Presentation of Information on Revenues and Taxes by Business Administrator

Public Comment

Next Meeting: Thursday, December 5 –7 PM

- Adoption of Budget Committee Guidelines

- Review of School Board Budget Recommendation
- Preparation of District Budget Proposal for FY 20-21

Adjourn

Adjourned: 9:34 p.m.

Judith Schaefer
Recording Secretary



FY 2020-21 Budget Questions/Answers

Superintendent Thomas J. Ambrose and the Sanborn Leadership Team

November 21, 2019

Questions have been categorized by topic and appear in the left-hand column with a respective answer in **yellow** in the right-hand column.

Nearly identical questions have been grouped together with an answer in **yellow** at the bottom of the slide.

It is important to remember that the majority of budgeting is based on contingencies. The cost of Special Education follows students through their education career. For example, money gets reallocated when a student moves from middle school to high school. This is why you see drastic changes from year to year, one line decreases, while another line increases.

Debt Service

Budget Questions and Answers 2020-2021 Proposed Budget

Q1	10-5120-00-58300-3-27-00000 - Debt Service - Interest, & 10-5110-00-59100-3-27-00000 - Debt Service - Principal – High: Why is interest cost increasing. Don't the bonds have decreasing interest and increasing principal over time?	A bond payment schedule is not like a mortgage. A bond focuses on true interest cost. The amount budgeted is the exact amount needed for the FY 2021 payment.
Q2	10-2600-00-57320-1-21-00000, 10-2600-00-57320-1-22-00000, 10-2600-00-57320-1-25-00000, 10-2600-00-57320-3-27-00000 - New Vehicles - Operations - 18.05% Increase: Why this increase? What vehicle is being replaced?	The FY 2020 default budget includes an increase for a previously existing vehicle lease agreement.

Employment Contracts and Related Benefits

Budget Questions and Answers 2020-2021 Proposed Budget

Q3	10-1100-00-51120-2-25-00000 - Regular Educ. Salaries – Middle: Why is Middle School salaries rising so much faster than contract. 7% Last year to current budget and an additional 6% to 2021
Q4	10-1100-00-51120-3-27-00000 - Regular Educ. Salaries – High: Why is there an 8.5% increase in HS salaries in 2021
Q5	10-1100-00-51140-1-21-00000 - Supp Staff Salaries-Bakie: Why are Bakie Support Staff salaries increasing faster than contract rate (5% from PY to Current Yr and another 5% to 2021)?
Q6	10-1100-00-51120-1-21-00000 - Regular Educ. Salaries – Bakie: Why did this go up 11% current budget vs Prior year (1.37M -> 1.53M) – Then drops 8% for FY2021
Q7	10-1210-19-51140-2-25-00000 - Spec Educ Supp Staff Sal - Middle: Why are staff support salaries going up ~ 6.5% per year for 2 years when the contract is less tha 3%/Year
Ans. 3-7	This is all due to Collective Bargaining Agreement increases that result from employees moving to a different step and track (usually due to change in longevity and/or education such as Masters to Doctor).

Budget Questions and Answers 2020-2021 Proposed Budget

Q8	10-2600-00-51180-3-27-00000 - Custodian Salaries – High: Why 6% increase vs Current Budget for Custodians
Q9	10-2600-00-51180-1-22-00000 - Custodian Salaries – Memorial: Why are memorial custodians salaries increasing faster than contract rates (which we usually try to tie into to).
Q10	10-1100-00-51130-0-70-00000 - Other Professional Salaries: Why the increase of \$15K (69%).
Ans. 8-10	This is another example of why adopting the operating budget is preferable to the default budget. The FY 21 default and operating budget have been adjusted to accurately reflect salaries. The “Other Professional Salaries” includes three mentor and tutor stipends that were not budgeted accurately in the FY 2020 default budget.

Budget Questions and Answers 2020-2021 Proposed Budget

Q11	10-1100-00-52110-1-21, 22, 25, & 27 - Health Insurance - All Locations: Why a 22% increase in the Current Budget vs Prior year. Then another 5%. I do not believe our insurance went up this much since Prior year.
Q12	10-1210-19-52110-1-21-00000 - Health/Dental Ins – Bakie: Why is health and dental at Bakie going up 22% to Current Budget and for proposed is a total of 20% vs PY actuals
Q13	10-1210-19-52110-2-25-00000 - Health/Dental Ins - Middle, & 10-1210-19-52110-3-27-00000 - Health/Dental Ins – High: Why is health and dental at Bakie going up 22% to 25% vs PY Actuals. Costs are not going up at that rate
Q14	10-1210-19-52110-1-22-00000 - Health/Dental Ins - Memorial, & 10-2410-00-52110-3-27-00000 Health/Dental Ins – High: Why is health and dental going up between 6.5% and 13.5% per year. What are our costs that are leading to such high increase estimates.
Q15	10-1100-16-52110-0-70-00000 - Health/Dental Ins - Technology: Why is Technology Health and dental going up 65%
Q16	10-2410-00-52110-1-21-00000 - Health/Dental Ins – Bakie: Why is Bakie Health and Dental going up by 48%. Costs are not going up at this rate
	Continued on next slide

Budget Questions and Answers 2020-2021 Proposed Budget

Continued from prior slide

Q17 10-2510-00-52110-0-17-00000 - Health/Dental Ins: Why are health costs going up 87% from Current to Proposed budget

Q18 10-2600-00-52110-1-22-00000 - Health/Dental Ins - Memorial: Why are we proposing 32% per annum increases in Health care

Ans. 11-18 The proposed health insurance amount is just current year actuals plus 10% (we increase these lines the same amount annually due to the unpredictability of health insurance costs).

Budget Questions and Answers 2020-2021 Proposed Budget

Q19	10-1100-00-51220-3-27-00000 - Substitute Teachers: Why is it that the substitute teachers for Bakie is down -11% & Memorial is down by -11% & Middle School is down by -22%, but is up for the Hlghschool by 31%. Why would those all be down and the HS be up?
Q20	10-1100-00-51220-2-25-00000 - Substitutes - Middle: Why such big increases in Current year and in 2021 still 34 vs avg of 26K prior 4 year actuals
Ans. 19-20	<p>Substitutes are an account that is difficult to estimate; however, the full day rate for substitutes went up in FY 2019 from \$80/day to \$90/day.</p> <p>This amount is always an estimate and was budgeted based on an analysis of five year expenditures.</p>

Budget Questions and Answers 2020-2021 Proposed Budget

Q21

10-1100-00-51120-0-70-00000 - Regular Educ. Salaries – District: From \$32.9 to 65K to current Budget and held at 65K in 2021. Why is this account doubling from Last year actuals?

This account represents Collective Bargaining Agreement required payments. The amounts budgeted are as follows:

- Professional Staff sick leave severance and step increase for employees vested as of 1/1/12 upon retirement - \$35,000
- Professional Staff & Support Staff Sick day payments incentive for not using more than two sick days - \$25,000
- Non Union Support Staff Sick day payments incentive for not using more than two sick days - \$5,000

The budget reflects a reasonable estimate based on past expenditures.

Budget Questions and Answers 2020-2021 Proposed Budget

Q22	10-1100-00-51130-1-21, & 22 - Stipend What are these Stipends for - \$4500 each	Both relate to the before and after school program at Memorial and DJ Bakie Elementaries and are only used as needed.
Q23	10-1100-00-51130-3-27-00000 - Other Prof. Salaries- High: Why 5K increase of 13%	New hire for a position
Q24	10-1100-00-51170-0-70-00000 - Health Insurance Waivers: Are these the payments for opting out of Schools Health Insurance coverage?	Yes, this account relates to contractually obligated payments made to staff for not electing health insurance.
Q25	22-1100-00-51100-0-70-99999 - Federal Grant Temp Salary Account: We have had no expense here in 5 Years and now all of a sudden ~ 500K current year and 2021 - Why?	Fund 22 is the federal grant fund. In order to allocate funds for purchases and salaries prior to final grant approval, funds are held in this account for processing. This is a placeholder until we receive final grant approval from the New Hampshire Department of Education.

Budget Questions and Answers 2020-2021 Proposed Budget

Q26

My largest area for questions is centered around services budgeted for the Middle School which would appear to be duplicated at the High School. (Parts A, B, & C)

- A) Custodial services: I would expect to see a big decrease in custodial services for the middle school, assuming those services now apply to the space that will be occupied by the 7/8 graders in the current high school building. I'd also expect a commensurate decrease in custodial services for the high school between this year and next year. We're not adding onto the high school so logically the same amount of resources should be needed year over year. I wouldn't expect the same amount of resources apportioned to each "building" as we currently have.
- B) Library: Are we going to have 2 librarians?
- C) Health Services: Will there be 2 nurses?

- A) In the school board adopted plan for reorganization, there is a proposed reduction of custodial support. This will be outlined once the reorganization plan is finalized. Most reductions will happen through attrition or reallocation per the plan.
- B) The unfilled Middle School Librarian position has been eliminated. The librarian salary was removed from the general salary line during the budget creation process. We can correct this error through a simple budget adjustment.
- C) Yes, we have budgeted for two nurses due to safety concerns with over 1,000 individuals (students, staff, and visitors) on the campus.

Budget Questions and Answers 2020-2021 Proposed Budget

Q27

10-2220-00-51120-2-25-0000 - \$69, 423.16 + 50% for benefits - Middle School Librarian: Was this position not filled this year, and not planned for next year? And instead the money used for the rental for the SAU office. I see the SAU office rental in the District budget (70), so should this salary and associated benefits be removed from the proposed operating and default budgets, to avoid double counting?

Yes, the Middle School librarian is not filled and we have eliminated the position from the default and operating budget. The amount was removed from another account in error and will be corrected with a budget adjustment.

When the default budget is created, we cannot add the SAU Office lease as an offset to this position. This is because the default budget laws do not allow the lease to be added unless it was considered in a prior budget. The lease has been added to the operating budget, however.

Q28

10-2220-00-51120-1-21-00000 - Prof Salaries - Library Bakie - 14.22% Increase: Why this increase?

The increase is a result of a retirement and a staff member being moved from the Middle School to Bakie.

Budget Questions and Answers 2020-2021 Proposed Budget

Q29 10-1100-00-52320-3-27-00000 - Teacher Retirement-High: Why is teachers retirement up 12% PY to current year and an additional 16% into next year?

Factors in why NH Retirement changed are:

- 1) Change in the % the District is required to contribute. For example, In FY 2010, the contribution rate for teachers is 10.70%. Today, it is 17.36%. For the budget period, it is 17.8%.
- 2) Change in salary amounts. In this case, there was an increase in the Collective Bargaining Agreement (CBA) that impacted the District's contribution to NHRS (New Hampshire Retirement System).
- 3) Change in the number of positions.

Here, there is a slight contribution rate increase, increase in the teacher's salary, and increase due to a reallocated position.

Q30 What are the ACP initiatives and why did they go up 5X from PY actuals to Current Year budget and stay at this accelerated level for proposed budget

The ACP(Additional Compensation Plan) account (10-1100-00-59300-0-70-00000) is a placeholder for a Collective Bargaining Agreement mandated cost. This account holds appropriation for Professional and Support Staff specials (summer renewal, committees, and ACP conferences). When the District incurs actual costs, we reallocate appropriation from this line-item to where the Professional or Support Staff is charged. We do this to capture all costs associated with the employee's location for state reporting.

Budget Questions and Answers 2020-2021 Proposed Budget

Q31	10-2850-00-52110-0-70-00000 - Health/Dental Ins – Retirees: How is retiree health and dental going up so rapidly - 32% Prior year to current and 38% Proposal to prior year	The amount budgeted is an estimate based on the prior year adopted (FY 18 - \$296,888, FY 19 - \$286,541, and FY 20 \$292,558). The FY 2021 includes estimates that anticipate health insurance plans for known retirements at known plan types (single, two person, or family).
Q32	10-2850-00-51120-0-70-00000 - Retirees Salaries – District: Why is Teacher retirement Bakie going up so much .11% Current yr to PY and Total change from PY = 9% for proposed from PY.	We do not see the percentages listed in the question exactly. We are requesting a reduction of 3.57% for the FY 2021 default/operating budget. This line-item is increased by new retirees who require a payout over a period of time, minus retirees for whom payments have ended.
Q33	10-1100-00-52320-1-22-00000 - Teacher Retirement-Memorial: Why is Teacher retirement memorial going up so much .4% Current yr to PY and Total change from PY = 10% for proposed from PY.	We were unable to verify the percentages listed in the question. Retirement costs follow salaries. Our analysis indicated a 4.15% increase for the current year and a 5.95% increase for the proposed default/operating budget for this account. The percentage increase makes sense knowing salaries increased due to negotiated contracts and professionals moving from one step and grade to another step and grade.

Budget Questions and Answers 2020-2021 Proposed Budget

Q34	10-1100-00-52320-2-25-00000 - Teacher Retirement-Middle: Why is teacher retirement going up so much .7% Current yr to PY and additional 11% to proposed . Total change from PY = 20%?	This is due to retirements and teachers leaving the district.
Q35	Another question I had was regarding custodial services for the SAU. Does the lease include those services, since there are none budgeted?	The lease agreement for 51 Church Street does not include custodial services. We have sensitive data in our offices and feel more comfortable using our own custodial staff that we have vetted, rather than deferring that responsibility to an outside entity.
Q36	10-2321-00-51150-0-17-00000 - Supp Staff Salaries - SAU, & 10-1210-19-51120-1-21-00000 - Special Educ. Salaries - Bakie: Why are salaries being estimated at ~16%+ when contracts are < 3%/ year	Support staff at the SAU saw some salary adjustments due to job duty reallocations and coverage for absent staff. Special education salaries at Bakie are due to the answers for question #s 4 and 5. A staffing position was reallocated from Memorial to Bakie for the 19-20 school year, driven by student need.

Budget Questions and Answers 2020-2021 Proposed Budget

Q37	10-2120-00-51120-3-27-00000 - Prof Salaries - Guidance – High: Why did HS Guidance costs go up 18% in CY	This is due to retirements and new hires.
Q38	10-1100-00-52200-2-25-00000 - Fica - Middle: Why would Fica go up 9% per year when the salaries that are being taxed are going up only 3% per year	We are showing a 5.71% increase in this line item comparing FY 20 to FY 21. The 5.71% increase is in line with the salary increase associated with this FICA account (which includes the account in question #37). As for why it is not just 3%, the step and track was adjusted, where FY 21 professional staff includes an increase in step and grade due to increased education (such as going from a masters to a doctorate degree) and increase due to achieving a step increase.
Q39	10-2210-00-52400-0-70-0000 - Tuition Reimbursement: What is this please?	As part of the Collective Bargaining Agreement, we provide tuition reimbursement to professionals seeking higher education.

Budget Questions and Answers 2020-2021 Proposed Budget

Q40

10-1290-00-51120-1-19-00000 - Profess Salaries - Preschool Mem - 5.06%: Why...I thought preschool was moving to Bakie? Is the preschool program for both towns moving to Bakie, or staying in each town? If not moving, why not? If moving, why allocate staff spending for this? Why are the preschool staffing increases so high at both locations? How much of the cost of preschool is reimbursed with tuition payments? What is the net cost to the taxpayers?

Both programs will be at Bakie. All allocations for next year are at the D.J. Bakie School. The cost in this line item accounts for one of the two preschool teachers.

NOTE: We have not yet finalized decisions regarding staff assignments for 2020-2021. We need time to plan effectively. Announcing changes before the plan is complete will cause unnecessary anxiety.

(Continued on next slide)

The financial breakout of preschool is on the next slide.

Budget Questions and Answers 2020-2021 Proposed Budget

Q40	(Continued from prior slide)	The financial breakout of preschool is as follows:
	Bakie Elementary	Memorial Elementary
Revenue:		
Federal/State	\$10,004	-
Tuition	\$24,585	\$21,500
Total revenue	\$34,589	\$21,500
Expenditures	\$(132,414)	\$(144,232)
Net loss	\$(97,825)	\$(122,732)
Enrollment	14 paid/12 special education	13 paid/10 special education

Budget Questions and Answers 2020-2021 Proposed Budget

Q41

10-2510-00-51150-0-17-00000 - Support Staff Salaries - SAU - 51% Increase: Why this increase?

There is not a 51% increase. The FY 2021 default and operating budgets have been adjusted to accurately reflect salaries. A better comparison is the FY 2021 proposed default budget to FY 2019 actual, where we are anticipating a decrease of 6.09%, including a potential cost of living adjustment.

Q42

10-1270-00-51120-1-22-0000 - Enrichment Memorial: This is no longer a budget item. There used to be a STEM teacher at Memorial I believe. What happened to that position? Why? Are the children getting STEM enrichment? What other enrichment takes place at Memorial and at Bakie? Are there longer term plans to increase enrichment and learning for high achievement learners?

Historically, this line-item paid for the “Artist in Residence” program. Because FY 2019 budget reported this line as \$0 and the default budget was approved, we cannot spend money on this program. For the FY 2021 proposed operating budget, we increase the line to \$1. As a result, the District can offer this program in the future.

There is a STEAM (Science, Technology, Engineering, Art, and Math) teacher at Memorial School. Each school has a variety of enrichment opportunities for students. We will continue to address enrichment as part of the reorganization.

Budget Questions and Answers 2020-2021 Proposed Budget

Q43	10-2120-00-51110-3-27-0000 - Director of Guidance: Why is this showing a 1.5% increase? Is this position not covered in the Admin CBA being negotiated this year?	
Q44	10-2410-00-51110-1-21,22,25,27 - School Admin Salaries: Except for the planned reduction in one Middle School Administrator, why are there changes in these line items? Are these positions not all covered under the CBA that will be presented to the voters in March?	
Ans. 43-44	The school board agreed to authorize a 1.5% increase for administrators for 2019-2020. Any additional increase for administrators will be handled through negotiations.	
Q45	22-1200-00-51100-1-20-02540 + next 4 items and 10-1290-00-51120-1-20-00000 - Preschool Teacher Salaries: Why are the “Preschool Teacher Salary” all \$0 ... And “Professional Salaries-Preschool-Bakie” only about \$47,000, which seems like only 1 teacher salary	Any account that begins with 22 is a grant account; all expenditures for a 5-year period are represented in the budget binder. This line accounts for a preschool teacher. 82.5% of the salary for the position is paid from this line and the remainder of the salary is paid through our preschool Individuals with Disabilities Education Act (IDEA) grant.

Budget Questions and Answers 2020-2021 Proposed Budget

Q46	10-1100-00-53300-3-27-00000 - Contracted SRO: The current budget allows for approx 19k but proposed Budget has no funds allocated? What has changed with that Contract for a SRO?	In 2019 we spent \$19,000 for substitute coverage. This was an emergency situation and we do not believe we will need these again going forward.
Q47	10-1100-05-58100-3-27-00000 through 10-2660-00-58100-3-27-00000 - Dues - All: Cumulative Dues requests total \$66,416. The 5-year average is \$60,782. Why the 9.3% increase, and are there any efficiencies to be realized if an audit were to be performed to identify unnecessary or duplicated fees?	These lines are used to pay for memberships to institutional organizations, such as NHIAA which hosts events our students compete in, or NEASC which performs our accreditation.

Budget Questions and Answers 2020-2021 Proposed Budget

Q48 10-1100-00-55800-0-70-01617 through 10-2600-00-55810-3-27-00000 - Travel & Mileage - ALL (Not including travel stipends): The 5-year average for these cumulative line items is \$55,665. Why are they now \$61,620? (11% increase?) The 2019 IRS reimbursement of \$0.58/mile, is only up 5.45% from the preceding 5-year reimbursement average of \$0.55/mile. How can you justify this, if the restructuring of the district will require less professional travel between campuses?

This increase is based on the 5-year average. However, the amount proposed for the FY 2021 operating budget is a reduction of 2.38% and closer to the 5-year average of \$59,206.45. We are trying to bring travel more in line with usage rather than taking a budget line-item and blindly increasing it by the change in the IRS reimbursement rate.

Q49 10-1100-00-51230-1-21-00000 through 10-2600-00-51230-3-27-00000 - Phone/PDA Allowances - ALL: 1) The 5-year average for these line items is \$15,980, but the requested amount for 2020/2021 is \$28,435. Why has this series increased by 78%, to \$28,435?

This is a contractual increase. This line-item relates to employees who travel between buildings, and who have a greater reliance on cell phone usage to accomplish tasks.

This is only a 4.21% increase FY 2020 default budget to the FY 2021 proposed operating budget.

Transportation

Budget Questions and Answers 2020-2021 Proposed Budget

Q50

10-2700-00-56260-0-70-00000 - Diesel Fuel - District: Why did we jack the current Budget up by 40% for Diesel. There is no projection of Diesel cost rising YoY of 40%

The budget did not increase by 40%. It is an increase of 2.5% after reviewing the prior year budget.

Unlike heating oil, diesel fuel is not a cost that we control. We are held to the state's negotiated rate.

We anticipate energy costs to increase at the rate of inflation but they may swing higher.

Tuition

Budget Questions and Answers 2020-2021 Proposed Budget

Q51

10-1300-00-55610-3-27-00000 - Tuition - Other LEA In State - 11.76% Increase: Is this SST or something else? Why the increase? How many students? Why this 11.76% increase? This is SST which you have told us is not fully subscribed this year. Why is the default amount in the current budget less than the prior year actual...was it oversubscribed the prior year or under-funded in the original budget?

Yes, this cost is associated with increases in tuition for Seacoast School of Technology. Due to the default budget this is a larger increase than typical.

Reorganization

Budget Questions and Answers 2020-2021 Proposed Budget

Q52	10-1100-00-51140-2-25-00000+ next 5 items - Para/Support Staff Salaries, Middle: Pg 6 of the slide show (Middle School Transition Plan Summary) indicates + \$125,000 paraprofessional staff. Cannot reconcile that amount looking at these items of support/para salaries in the middle school various programs in the budget detail. Are these additions listed in another location?
Q53	10-2410-00-51110-2-25-00000+ next 11 items - Staff Reductions/Middle: Pg 6 of the slide show indicates staffing reduction of \$849,406. Cannot reconcile that amount looking at these items in the middle school professional salaries in the budget detail. Are there other staff reductions listed in another location?
Q54	Pg 9 of slide show ELEMENTARY RECONFIGURATION - Staff Reductions: How many of these reductions are teachers? What are others that = \$510,000?
Q55	Pg 11 of slide show - 2 Staff Member Reduction: \$205,979 = where are these staff reductions? Are these in the 2019-20 budget? Previous slides indicate Middle=\$849,400 in staff reduction and Elementary \$510,000 staff reductions in 2020-21. This is confusing.
Ans. 52-55	<p>Staff transitions have not been finalized and will change multiple times based on student need. All staff costs will be covered by reductions and savings outlined in the transition plans presented last spring.</p> <p>NOTE: We have not yet finalized decisions regarding staff assignments for 2020-2021. We need time to plan effectively. Announcing changes before the plan is complete will cause unnecessary anxiety.</p>

Budget Questions and Answers 2020-2021 Proposed Budget

Q56

Pg 6 of slide show - Middle School Facility Shut Down: Indicates \$100,000 savings; partial shut down=\$42,483 – where does the differential of savings come from?

The two amounts listed as part of the question came from the April 3, 2019, slide show. The \$100,000 represented a full shut-down, while \$42,483 was a partial shut-down. The two amounts are merely estimates.

When preparing the FY 2021 budget, we decided that a partial shut-down was appropriate (we want to preserve a significant asset). Because we decided on a partial shut-down, we removed \$132,764 from the default and operating budget. This amount is listed on page 15 of the November 6, 2019 budget presentation.

Q57

10-2410-00-51150-2-25-00000 - Support Staff Salaries - Middle - 14.6% Increase: School is closing, why this increase?

While the physical location is closing, the positions are not disappearing. The positions are merely being relocated to a new physical location.

Budget Questions and Answers 2020-2021 Proposed Budget

Q58

10-1420-00-53400-3-27-00000 - Athletics for Grades 5 & 6: It appears there is a cut in athletic technical services. I am not sure exactly what that is but is there a plan being developed and money being put aside for 6th grade and below sports since 6th graders will not be allowed to participate in middle school sports?

We reduced the line-item from \$70,372 to \$55,372 (a 21.32% reduction). We need to reevaluate our athletic needs once the Middle School Transition has occurred. In the meantime, the Middle School athletic program should be able to benefit from a consolidated Middle School and High School operations. **However, we need to add a line for Memorial School intramurals and add \$1.**

(10-1420-00-53400-1-22-00000 Tech Services Athletics-Memorial)

Q59

Costs for reorganization: Where are these detailed?

The costs for reorganization are located in the staff and facilities lines of the budget. There is no specific location for the reorganization funds because the district is using existing funds per the plan adopted in the spring of 2019. We do not anticipate an impact to the proposed FY 2021 default or operating budget for the reorganization. As a result, the reorganization costs are not assigned to a specific line.

We did reduce the default and operating budget due to anticipated savings as detailed in the budget presentation on November 6, 2019.

Budget Questions and Answers 2020-2021 Proposed Budget

Q60

Pg 9 of slide show
ELEMENTARY
RECONFIGURATION
- SPED savings:
\$148,000 - can you
give details of this?

All of these numbers are estimates. From slide 11 in the School Board adopted plan for Reorganization the potential savings of \$148,000 were explained. Here is the information from the slide:

POTENTIAL COST SAVINGS:

There would likely be savings on Speech and Language Services due to grouping students more effectively (estimated savings \$20,000), potential reduction of special education paraprofessionals (possibly 3 positions = \$125,000), and mileage savings for Preschool OT/SLP (Occupational Therapist / Speech & Language Pathologist) staff members who drive between schools to service students (savings \$3,000).

In our proposed budget for FY 2021, we have already decreased our speech needs by approximately \$76,000 by hiring additional help at the elementary levels instead of contracting (see question 69 and 90) and decreasing student needs at the high school. At this time, we are looking to see if we can reduce paraprofessional positions for special education while still being in compliance with student needs as outlined in IEPs (Individual Education Plans). Currently, there are 46.5 special education paraprofessional positions for grades K-12 and the half-time position will be eliminated which is approximately \$12,600 in savings. So between speech, mileage and a half-time para we are at \$91,600 of the estimated \$148,000 in savings.

Insurance

Budget Questions and Answers 2020-2021 Proposed Budget

Q61	10-2600-00-55200-0-70-00000 - Prop Ins - Old HS - 28.33% Increase: Why this increase? Does the insured value need updating? Can we reduce the Science Building coverage immediately? Isn't our property value on the old HS depreciating? why would the cost to insure increase?
Q62	10-2600-00-55200-1-21-00000, 10-2600-00-55200-1-22-00000, 10-2600-00-55200-2-25-00000, 10-2600-00-55200-3-27-00000 - Prop Ins - 28.33% Increase: Why this increase? Is the property insurance a quote for the coming year, or an estimate? If an estimate, what is the basis? The Business Administrator indicated he is looking to reappraise the insurance coverage needs for all buildings/ What is the current status? What is the timeline to get this done?
Ans. 61-62	<p>These questions are a perfect example of why the district needs to sell the Seminary campus.</p> <p>The FY 2020 default budget did not anticipate an increase in insurance costs. A significant majority of the increase is a “catch up” from the default budget amount and actual costs.</p> <p>We have been actively working with our insurance provider to reduce the insured value of the Science Building. The problem is that this is a process that cannot be done immediately. They have hired a consultant who has performed an insurance valuation of the Science Building; however, their results are not yet known. Unfortunately, we cannot adjust insurance for this building until our insurance provider has actually reduced the insurable value of this building.</p>

General - Special Education

Budget Questions and Answers 2020-2021 Proposed Budget

Q63	10-1210-19-55640-3-27-00000 - Tuition - Non Public - Spec Educ.: What is non-public Special Ed and why is it going up 6% in current budget and 6% again in Proposed.
Q64	10-1210-19-55620-1-22-00000 - Tuition Out-Of-State - Spec Educ.: Why are Tuition out of state costs going up 8% per year from PY Actuals to Current to Proposed.
Ans. 63-64	Non-Public Special Education refers to students placed in in-state approved Special Education private schools; the term non-public comes from the state. In-state tuition rates typically increase 5% per school year and out-of-state typically increases 8-10% per year. The district has no control over these set tuition rates.
Q65	10-2722-00-55190-3-27-00000 - Student Transportation - Spec Educ.: Why are Student Transportation costs increasing 37% from PY to Current year Budget
Q66	10-1210-19-55620-3-27-00000 - Tuition Out-Of-State - Spec Educ.: To me this is clearly holding contingency funding in the budget we are adding 200K over current budget. Why is this being set at 268K.
Ans. 65-66	Much of budgeting is based upon contingencies. The cost of Special Education follows students through their education career. For example, money gets reallocated when a student moves from middle school to high school. This is why you see drastic changes from year to year, one line will decrease, while another line will increase.

Budget Questions and Answers 2020-2021 Proposed Budget

Q67 10-2150-00-53300-2-25-00000 - Other Prof. Services - Speech: Why are these costs increased by 20% in current budget from PY actuals

In FY 2019, we spent \$122,800. This year, we are on target to spend \$132,600, which is a 7.98% increase. We did not ask for any additional funds here, where we believe we can live within the \$147,750 request. At the middle school, we contract all of our speech services for a total of 6 days. The contractual rate is increasing next year but the amount of services (6 days) is estimated at staying the same in the reflected budget.

In reality, once more is determined with the transition, it is expected that costs would decrease at the middle school level as it is going from 3 grades to 2, however, the allocation might then be moved to the elementary levels as they might need additional support.

Q68 10-2140-00-53300-3-27-00000 - Other Prof Services - Psych. Services: Why did Psychological services go up 54% current year Budget vs Actual PY

We contract out our district psychologists and, in addition, their contractual rates are increasing for the 20-21 school year.

Budget Questions and Answers 2020-2021 Proposed Budget

Q69

10-1210-19-51120 Various - Changes in plans for SPED salaries: Is this a result of student progression? If not, what is the cause for these salary shifts? Are there any planned staffing changes to meet student needs?

Yes, these are planned staff/student moves from one building to another. Both the default and operating budget reflect the shift. Beyond that, there are no planned changes to this program. Special Education services are dynamic in nature and based on student need.

Q70

10-1210-19-51120-3-27-00000 - Special Educ Salaries – High: Why are these costs increasing 12% current year vs Prior year and an additional 25% for proposed. This does not make sense to me

Generally, Special Education costs have no consistency from one year to the next. Instead, costs follow students through their school career. However, the issue here is that one Special Education employee was grant funded in the prior year, and is general funded for this fiscal year. Note that we saw a reduction in federal aid for Special Education, but we still have to provide the service. Our K-12 Individuals with Disabilities Education Act (IDEA) grant was approximately \$416,000.00 for FY 18-19 and is now approximately \$368,000.00 for FY 19-20. FY 20-21 will be similar to FY 19-20 so one position at the high school is being moved to the general fund.

Budget Questions and Answers 2020-2021 Proposed Budget

Q71

10-1210-19-55620 -3-27-0000 - Tuition Special Ed Out of state placement: Is this a new student need? To what extent will this be reimbursed to the District with State-funded CAT aid and when? Why is there such a drastic increase? Current is approx 55k but proposed is for 268k, that is up by 387% What is the cause?

These changes are due to student movements from middle school to high school.

NOTE: Very recently, the New Hampshire Department of Education changed the name of Catastrophic Aid (Cat Aid) to Special Education Aid.

For the most recent tax rate setting, we saw an increase in Special Education Aid (from \$217,347 to \$253,102). We do not expect to see significant future increases in Special Education Aid from the State. However, we saw a remarkable decrease in federal aid for special education. Even though we saw a decrease in federal aid, we are still required to provide the special education service. All reductions in federal aid will be paid by the increase in NH Special Education Aid and taxation. The proposed FY 2021 operating budget reflects the reduced federal aid.

Budget Questions and Answers 2020-2021 Proposed Budget

Q72	10-2150-00-51120-1-21, & 22 - Speech Salaries: What is this planned increase for? It is also in the default, I notice? Please explain how this works.	<p>These changes are based on Individual Education Plans and student need. If we cannot fill the position we have to pay for contracted services. Contracted services are much more expensive.</p> <p>There is an anticipated change in required service. The default is simply the current year staff at their current location, plus or minus any contractual obligations.</p>
Q73	10-2160-00-51120-1-20 - Physical Therapy Bakie Preschool: What changed to cause this reduction of almost \$12,000?	This is based on budgeting a new hire due to a retirement.
Q74	Pg 6 of slide show - "SPED" - \$85,000: What are the details of this cost?	This was an estimated cost to hire one additional special education teacher if the district moved 6th grade to both elementary schools.

Budget Questions and Answers 2020-2021 Proposed Budget

Q75	10-1210-19-51140-3-27-00000 - Spec Educ Supp Staff Sal – High: What is driving the increase in HS Spec Ed.10% increase to current budget and additional 7% to Proposed.
Q76	10-1240-00-51140-1-21-00000 - Supp Staff Salaries/InStep-Bakie: Why are staff salaries being increased ~ 15% per year when contract ~ 3%
Ans. 75-76	<p>Support staff lines tend to vary year to year as we also move staff in and out of the Special Education grants every year. Special Education services change from year to year (sometimes month to month) based on student need.</p> <p>There are 10 paraprofessionals total in this line. Staff receive compensation based on the collective bargaining agreement.</p>

Budget Questions and Answers 2020-2021 Proposed Budget

Q77

10-2150-00-53300-21 & 22 & 25 & 27 - Other Professional Staff Services-Speech: Why is Bakie down from 49k to 0k? Memorial, down from 49k to 0k? Middle School flat & the Highschool is down from 50k to 10k. Why is that? Does this mean we are doing away with Speech at the Bakie & Memorial?

Speech Services at Bakie and Memorial are mandated by Individual Education Plans. We are not doing away with any services. We actually saved money by hiring instead of contracting out for services. Some of the funding was reallocated to salary lines and some is a reduction in cost.

We still contract all speech services for the middle school hence why it is flat.

Individual student needs at the High School have changed, allowing for a reduction in costs.

Q78

10-1242-00-52130-1-22-00000 - Support Salaries Basic - Memorial - 105.46% Increase: Why this increase? 10-1242-00-51140-1-22-0000 - Support Staff Basics Memorial: What is the reason for this planned increase of \$23,500? Briefly describe Basics.

This is a special education account that tracks the costs associated with the "Basics" program. This program educates students with behavior challenges.

The increase is a result of the current year default budget having one position when we actually need two positions. We are not adding a position, but rather reallocating resources. One support staff position was moved from Bakie to Memorial to fund this need.

General - Information Technology

Budget Questions and Answers 2020-2021 Proposed Budget

Q79

10-2840-00-54300-0-70-00000 - Information Maint. Services: Don't understand these costs. Computer prices are declining. Yet Current year is 63% increase over prior year and proposed is still 30% higher than PY actuals at a time when enrollment is declining. Why are these costs being estimated so high?

The 63% is a comparison of the current year budget (FY 2020) to prior year actual (FY 2019). For the FY 2021 operating budget, we have asked for a reduction of \$85,000 (20.41%) as compared to the FY 2020 budget. This program needs to be audited when the new director is hired.

Q80

10-1100-10-55320-0-70-00000 - Date Comm - Tech - 123.2% increase: What are we getting for this money? What is the increase of \$27,104 planned for. Specifically what is the Data Technology and who uses them and for what purposes. Could we get a detailed list?

This account holds all of our inter-school communications and Internet access costs. The entire line-item is to one vendor: Comcast.

The current 2019-2020 budget is a default budget and is based upon our FY 2018-2019 operations so it is inaccurate.

Budget Questions and Answers 2020-2021 Proposed Budget

Q81	10-1100-00-50000-0-17-00000 - New Budget Request: \$11,750? (Zero'd out for 2021), what does this represent in the current years' budget
Q82	10-1100-10-57350-3-27-00000 - Replacement Equip - Tech Ed - 150% Increase: What are we getting for this money?
Ans. 81-82	This is a prime example of why we need the operating budget to pass. The "New Budget Request" account must exist in the FY 21 default budget because it was in the FY 20 (and FY 19) year's budget. However, the account does not comply with state reporting requirements. We moved the funds to "Replacement Equip - Tech Ed," which is where it should have been placed to begin with.

Budget Questions and Answers 2020-2021 Proposed Budget

Q83	10-1100-16-57350-0-70-00000 - Replace Equipment - Technology: This is a decrease of \$62,500. What is the 5-year plan for replacing technology? What is the status of the technology infrastructure right now? We have been told of switches jerry-rigged for years. Is the usability of Chromebooks originally projected for 4 years matching actual results in the District? If not, why not?
Q84	10-2840-00-54300-0-70-0000 - Maintenance Services: Please explain what investments have been made, and what the 5-year plan is? Are we on track with this budgeted amount?
Ans. 83-84	<p>When the FY 2020 operating budget was created, it reflected a decrease in replacing technology. However, the default budget was approved instead of the operating budget. This adjustment reflects a repeat of the decrease.</p> <p>We purchased switches during FY 2019, which removed the undesirable setup. Chromebook lifespan is still projected at 4 years; however, we replace them when needed.</p>

General - Budget Process

Budget Questions and Answers 2020-2021 Proposed Budget

Q85	When is the School board going to have the current budget details provided to us for a formal vote? As far as I know, there has been no review and agreement by School board to current line item FY2020 Budget.	The School Board voted on the FY 2020 operating and default budget last year. It was adopted by District Meeting last March. The School Board will be voting on the FY 2021 budget December 4, 2019.
Q86	22-1420-00-51130-3-27 - Ice hockey: Where is continuation of Ice Hockey funded in the recommended budget?	During the March 2019 District Meeting, taxpayers approved Ice Hockey as part of the operating budget. As a result, it is now reported as part of fund 10 - General Fund rather than a grant fund (Fund 22).
Q87	Pg 11 of slide show - Introductory Statement: says “current year budget” – does that mean the year we are in now (19-20) or the 20-21 proposed budget?	FY 20-21 proposed default and operating budget.

Budget Questions and Answers 2020-2021 Proposed Budget

Q88 Request from all Administrators to reduce their budget requests by about 1.5%: Where were these reductions made and what will the impact be on schools & programs? Will these requests/funding be restored in subsequent years in part or in whole?

The estimated reduction relates only to the FY 2020 budget. The impact of these reductions will make maintaining current programs challenging and we are beginning to feel the impact on programs. We are too early on in this current year to know the exact impacts of these reductions on our programming.

At this time, money has been earmarked to potentially support the reorganization. If a future situation arises that necessitates using these funds, they will be utilized to address that need.

Q89 Reserve funds: Do you plan on putting forth warrant articles to request funds to be placed in the reserves created to address potential emergency situations?

Yes, we will be asking for more accurate budgeting with reserve funds after the reorganization is complete.

Budget Questions and Answers 2020-2021 Proposed Budget

Q90

Pg 11 of slide show - Central Office Relocation: Can you explain -\$57,000? Other slides indicate an annual cost of \$58,000 for rent, utilities, etc.

The \$58,000 is an April 2019 estimate, where the \$57,000 is the actual lease amount. The negative denoted an expenditure. We saved \$1,000 from the original estimate.

Q91

10-1100-00-56100-1-21-00000 through 21-3100-00-56100-0-70-00000 - Supplies - ALL: The 5-year average for ALL supply codes is \$488,610. With the continuing decrease in student enrollments and elimination of the MS campus, why is the line item total requests UP 8%, at \$527,445 - when inflation was less than 2% in 2018? 2) I believe Matt confirmed at the last Q&A session that the 'Substitutes' line items should not have been coded under 51230. Why haven't the \$13,125 requested funds been moved for the 20/21 requested budget?

While we agree the proposed FY 2021 operating budget is up nearly 8% (7.9%) from the 5-year average, we are requesting a 3.30% reduction from our current FY 2020 budget. Total supplies in the proposed FY 2021 budget are below the maximum spent the past 5-years. The reduction in this line-item reflects our commitment of bringing the requested appropriations more in line with actual expected expenditures.

Budget Questions and Answers 2020-2021 Proposed Budget

Q92	10-4600-00-54300-0-70-00000 - Capital Improvement Program: What is this and why is it \$1
Q93	Cost listed as \$1: Found this in multiple places - can you explain what this means? How did you identify \$1 line items (many are pre-existing), and why were they added to next year's budget request? As an example, there is a \$1 charge for Speech - HS. (10-2150-00-51120-2-25-00000). We were told costs would be reduced with specialists like this, as a result of less travel between campuses. Please explain this.
Ans. 92-93	Per the state statute regarding budgeting, we have the ability to transfer appropriation for a contingent need. For example, if an Individual Education Plan calls for a speech therapist, we are required by law to fund it.

General - Online Services

Budget Questions and Answers 2020-2021 Proposed Budget

Q94	10-1100-10-56430-2-25-00000 - Info Access Fees - Math - 625% Increase: What are we getting for this money? 10-1100-11-56430-13-27-00000 - Info Access Fees - Math: What is the reason for this increase from \$1280 to \$9280? If this is for PSAT, is this offset by fees charged, in whole or in part? What is the net effect, if so?
Q95	10-1100-18-56430-0-70-0000 - Info Access Fees Curriculum: Decrease of about \$24,500. It appears the amount planned in the FY 19 budget was not spent. Are there plans to spend much of the default amount of \$74,650 in the current year? What is the reason for this reduction in planned spending, and with what impact on Student learning if any?
Q96	10-1100-00-56430-3-27-00000 - Online Access Fees, Regular Ed: What is the reason for this increase of 124% from \$8,600 to \$19,600? Specifically what are the online access fees and who uses them and for what purposes. Could we get a detailed list?
Ans. 94-96	This is another example of why the operating budget is better than a default budget. In preparation for the FY 2020 operating budget, administration met with staff in the spring of 2018 to do a line by line audit of on-line services. This audit yielded savings to the proposed FY 2020 operating budget that was not approved. Per State statute, the inflated FY 2019 amounts became the FY 2020 default budget. For FY 2021, we are reducing fees to reflect our actual usage rather than carry forward an inflated amount. (Continued on next slide)

Budget Questions and Answers 2020-2021 Proposed Budget

**Ans.
94-96**

(Continued from prior slide)

The specific Middle School online resources for this account are Flocabulary, Gibbs Smith Publishers (NH Our Home Text), Grolier Online and Scholastic Library (True Flix, Science Flix, and Freedom Flix), Institute for Multi-Sensory Education (Online interactive Orton Gillingham), IXL Learning (interactive math), Learning A-Z (interactive reading), Make Music (smart music educator), Aleks (math learning and evaluation), NH Society for Tech in Education (BrainPop), NH State Library (EBSCO Host), ProQuest (for the library: Culture Grams, Sirs Discovery, NY Times, and Sirs Decades), Spring Share (Library Guides), TextHelp (Google Read and write for all students and staff), and Turnitin (extended help desk for library).

Q97

10-2120-00-56500-3-27-0000 - Guidance Software for High School: What is this increase of \$5500 for? Is this a one-time or ongoing expense? Is this a new software being purchased or an add on or what is causing the increase?

This line-item represented career exploration/college application software. Also, the line-item included the cost for finding and implementing a new student grade reporting system. Once the grade reporting system has been implemented, both software programs are ongoing expenses.

Reorganization Links

All information previously presented regarding the District Reorganization can be found on the Sanborn Regional School District website.

Web address: <https://bit.ly/37oLp9p>

Sanborn Regional School District



This concludes the FY 2020-21 Budget Questions & Answers

The next School Board meeting is December 4, 2019 at 6:00 PM