



HANOVER COUNTY PUBLIC SCHOOLS

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Michael B. Gill, Ed. D.
Superintendent of Schools

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Dear School Board Members,

I am pleased to present the proposed Fiscal Year 2023 budget for your consideration. As we continue to experience another challenging school year, I am delighted to say that our prevailing commitment to fiscal responsibility has allowed us to work to meet the ever-changing and complex needs of our students and their families while also doing everything in our power to care for those who care for our students - our cherished employees. To that end, I am elated to share with you another exciting and optimistic budget proposal that places the highest priority on both.

This budget makes significant investments in our devoted team of talented staff while expanding the opportunities and resources to which our students will have access in order to meet their emotional, academic, and physical needs. We know that meeting our students' social, emotional, behavioral, and mental health needs is a precursor to providing the top-tier education that our community expects and that we demand of ourselves. We take great pride in the work we are doing in this area and consider ourselves leaders in providing mental health supports for students and staff. This budget continues that commitment, which began long before COVID-19 and will continue as we work to serve our community's most precious resource, our students, and those who care for them.

Specifically for our staff, it brings me great pleasure to say that this budget not only includes a substantive compensation increase for all employees, but also a greater increase depending on the employee's years of service to our community. I am grateful to work alongside such dedicated and talented professionals who continue to sacrifice, going above and beyond to serve our students, families, and broader community. They are a beacon of hope who continue to be worthy of more praise than I or anyone else can ever express.

Strong economic conditions at the local and state level have allowed our funding partners to allocate considerable investments in public education. I am confident that this budget places the highest priority on meeting our complex needs and advancing education in Hanover County. Above all, it places the highest priority on caring for and supporting our students, faculty, and staff.

The key highlights are as follows:

- 5% salary increase for all employees effective July 1
- Longevity salary enhancements for employees based on years of service in Hanover County up to an additional 2%
- Salary enhancements for targeted job families to further improve starting salaries, pay equity, and regional competitiveness
- Eight positions to support student mental health, counseling, and behavioral management
- Four assigned substitutes at each high school, three at each middle school, and at least one at each elementary school
- Continued funding of exempt employees serving to cover unfilled substitute positions
- Launch of Provisional Teacher University to serve our educators with provisional licenses
- Two positions to support continued expansion of work-based learning and career and technical education

- Advanced Studies Coordinators at each high school to facilitate Advanced College Academy, dual enrollment, and Advanced Placement activities.
- Part-time safety specialist

This budget represents the exhaustive efforts of many who are passionate about ensuring Hanover County Public Schools (HCPS) remains exceptional, and I am grateful for their valuable contributions. This process involved engaging both internal and external stakeholders to include employees, administrators, parents, various employee and community advisory committees, School Board members, and county staff. This budget proposal continues to reflect the strong support of our local funding partners who continue to make education a top priority in Hanover County.

Fiscal Year 2023 represents the first year of the state’s biennial (two-year) budget. The Governor’s proposed budget reflects the routine rebenchmarking of the costs associated with the Standards of Quality. These adjustments include a recalculation of the Local Composite Index (LCI) for all localities in the Commonwealth. The LCI is often referred to as a locality’s ability to pay and is based upon the true value of real property, adjusted gross income, and taxable retail sales. For the fourth consecutive biennium (eight years), HCPS’ LCI has increased, which means the locality must pay for a higher portion of the ever-growing needs of our students. Hanover County has continuously increased funding in support of local education, and this year HCPS was the benefactor of the Governor's proposed budget. Major areas in which HCPS has benefited in funding include the state’s portion of a 5% pay increase for certain positions, additional funding for at-risk and English Language Learner student populations, early reading intervention, as well as increases in the sales tax. Overall, HCPS anticipates an increase in funding from the state in the amount of \$7.2 million. As the new governor and the state assembly continues its legislative process, my team will continually monitor any potential impacts to HCPS due to educational policy adjustments.

As a service organization, our employees are our greatest asset, and we are deeply committed to caring for and investing in those who care for our students while upholding our longstanding Tradition of Excellence. During these incredibly challenging times, they have risen to the occasion time and time again and given of themselves so selflessly to help ensure our students’ and families’ unique needs are met under extraordinary circumstances. We are equally committed to recruiting and retaining the very best talent. This budget reflects that commitment. We are proposing a 5% salary increase for all employees beginning on July 1, 2022. Additionally, we are proposing the following longevity salary enhancements for employees based on number of service years in Hanover County:

Years in Hanover	Additional %	Total Pay Increase
1 to 4	0%	5%
5 to 9	1%	6%
10 to 14	1.25%	6.25%
15 to 19	1.5%	6.5%
20 to 24	1.75%	6.75%
25+	2%	7%

I am also proposing targeted salary enhancements for several employee groups (also known as job families) to help address growing recruitment and retention challenges. For our custodians, who the pandemic has highlighted as being essential in nature for their work to keep our school buildings safe, healthy, and clean, I am proposing a minimum starting pay of \$13 per hour. For our food service employees, who help to ensure our students' physical needs are met with love and care, I am proposing a minimum starting pay of \$12 per hour. For both job families, all employees will receive adjustments in compensation based on their experience to mitigate any salary compression. Additionally, this budget establishes an internal salary scale for our nurses, principals and directors based on their experience while also creating growth opportunities for our administrative assistants with a more equitable pay scale based on their experience.

As I continue to share, we are incredibly grateful for and proud of everything our faculty and staff continue to do to serve our students and their families. We recognize that these trying times have taken their toll on many aspects of our lives, both personally and professionally. We have heard from many teachers and other exempt employees regarding the disruption of using their planning periods to cover other classes and have sought ways to address this concern using multiple strategies. Earlier this month, we shared with them that through the reallocation of federal COVID-19 funding, exempt employees will be paid \$28.37 per hour for covering another teacher's class. This budget includes \$500,000 to allow for the continued compensation of employees who cover other classes at the teacher rate established on the temporary salary scale. Our leadership team put this solution in place as part of our ongoing commitment to help address the challenges our staff is facing again this school year.

We have also sought long-term solutions to the shortage of substitute teachers, which is addressed in this budget in several ways. In addition to the continued coverage funding for existing exempt faculty and staff, we are proposing an application process for PREP employees (retirees who work a predetermined number of hours per year for a percentage of their ending pay) to work on Mondays and Fridays for approximately nine weeks per year. In turn, they would receive 10% of their retirement pay as opposed to 7.5% under the current PREP program. Most notably, we are proposing a substantive increase in the number of assigned substitutes at our schools - four at each high school, three at each middle school, and one at each elementary school (two at Kersey Creek and Cool Spring elementary schools due to larger enrollment). Twenty-three of these positions are built into the base budget while 22 would be paid for with federal Elementary and Secondary School Emergency Relief funding with the assumption that teacher absences will normalize as the COVID-19 pandemic subsides.

Finally, I am proposing the rescission of tuition for children of HCPS and county employees who do not reside in our county. While this would result in an estimated loss of \$137,000 in base revenue, it creates an additional recruitment tool for faculty and staff as we remain a destination for a top-tier educational experience. This program would, of course, be subject to space availability at an employee's desired school. We receive the average daily membership (ADM) funding from the state for all students (approximately \$3,500), meaning any additional students added to our schools as part of this program would result in additional state funding.

Not only are we proposing to invest more in our faculty and staff from a salary competitiveness and retention standpoint, but also in their quality. For our growing number of provisionally endorsed teachers, one of the largest struggles they encounter on their journey to full licensure is finding, funding, and completing the required coursework. Provisional Teacher University, the moniker we have given this proposed program, would bring this coursework into our school division and would be fully funded for our educators. Our provisionally endorsed teachers wouldn't have to look to external programs and would not need to stress over funding, a burden taken off their shoulders in their first few years in the classroom. Additionally, because we would control the quality of the curriculum and instructional activities of the courses, we would be able to ensure that they are aligned with our focus areas and expectations. Also as part of our commitment to helping our staff grow professionally, my proposed budget includes the addition of a new professional learning coordinator and a significant upgrade in our professional learning software.

All of these proposed investments are made with the intent of ensuring that our students have access to the best educators and support staff possible. Our faculty and staff continue to play a critical role in meeting the increasingly diverse and rapidly changing needs of our students. For years we have been committed to better serving our students from a social, emotional, behavioral, and mental health standpoint. For example, during the 2018-19 school year we were the first school division in Virginia to form a Mental Health Task Force, which arose to address the needs of concerning data trends we saw related to students' mental health. Those concerning trends have been amplified even further by the pandemic, and we are doubling down on our efforts to meet their urgent needs.

To that end, I am proposing five new school counselors - four as traditional school counselors in schools where data indicates additional need for social and emotional curriculum support and services, as well as an additional intervention counselor. The budget also includes the addition of two applied behavior analysis consultative teachers to help support our students with extensive needs. Our school psychologists are trained in many areas related to student learning and wellness and play a pivotal role in this work, assisting with suicide screenings, threat assessments, evaluations for students who may need special education services, and more. To help address their growing caseload, I have included an additional school psychologist in this budget.

Additional assistance is also needed as we work to serve our expanding work-based learning and career and technical education programs to meet the ever-evolving needs of our workforce. This budget included a work-based learning coordinator and an additional career counselor to allow dedicated staff at each comprehensive high school to focus on the work of fostering career exploration and preparation through partnerships with local industry, business, government, and centers of higher education. I have also included a new role of advanced studies coordinator at each high school, a position that will divide its time between teaching and coordinating Advanced College Academy, dual enrollment, and Advanced Placement activities.

The number of English Language Learner students has risen each of the past 10 years and has nearly tripled during that time frame. Seventy-seven more English Learner students are in our classrooms this year as compared with last year, a 16.52% increase. In order to meet this growing demand, I am proposing two additional teachers to better serve these students, as well as an elementary senior teacher for special education to serve as the point person for all IEP and special education supports at Cool Spring Elementary and Kersey Creek Elementary, our two largest elementary schools. A new part-time safety specialist would also aid in our top priority: the safety of our students and staff.

In addition to the operating budget, the proposed Capital Improvement Plan (CIP) represents an investment of more than \$175.2 million over the next five years. The CIP continues funding for the Technology Funding Plan to ensure we have a viable funding source to support our continued emphasis on strong blended learning. Our student device deployment was expedited due to federal CARES Act funding, and now we will begin replacing items that were purchased at the start of our technology initiative. Strong stewardship by HCPS has allowed for usage of our assigned fund balance, or money saved from prior year budgets, to be reinvested in our technology plan. Sustainable funding for replacement of technology devices and infrastructure is the core objective of our long-term financial planning as we know technology is a transformative educational tool that unlocks learning possibilities that would otherwise not be possible.

The CIP also includes \$121.9 million over five years to fund not only the construction of the consolidated Henry Clay Elementary School and John M. Gandy Elementary School facilities but also the replacement of Battlefield Park and Washington-Henry elementary schools and the extensive renovation of Beaverdam Elementary School. While this is the most significant investment in school infrastructure since the early 2000s, there are still many needs for replacement and renovation of school facilities. We are currently performing a facilities assessment on all of our buildings and will be working with the County Administration to convey the full scope of our extensive renovation and replacement needs. Finally, the CIP reflects adjustments to the costs of some existing projects due to recent inflation in construction costs, as well as the addition of mechanical system enhancements in year five.

We are proud of our Tradition of Excellence and recognize that we must strategically build upon our current and past successes to ensure we remain exceptional in the future. This proposed budget is an essential component of our continuous efforts in this regard and underscores the importance of collaboration, partnerships, and our relentless pursuit of excellence. It represents an investment in our students, staff, and the community we humbly serve. It firmly supports the alignment and achievement of our division's mission, vision, beliefs, and strategic plan. It also upholds our promise to prepare all students to be successful and life-ready by teaching them to be empowered learners, responsible citizens, globally engaged communicators, and resilient individuals.

Thank you for your consideration of my proposed budget, as well as for your continued support of Hanover County Public Schools.

In education,

A handwritten signature in black ink, appearing to read "Michael Gill". The signature is fluid and cursive, with a prominent initial "M" and a stylized "G".

Michael Gill, Ed.D.
Superintendent of Schools