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Loudoun County School Board, FY24 Operating Budget Work Session* (Staffing Standards; Supplemental Salary/Healthcare; and Others), Thursday, January 12, 2023

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Place Loudoun County Public Schools / School Board meeting (see BoardDocs / LCPS-TV)
Length 1h 40m (video)

- Official meeting video (Vimeo / LCPS-TV): <https://player.vimeo.com/video/788798254?rel=0>
- BoardDocs (School Board): <https://go.boarddocs.com/vsba/loudoun/Board.nsf/Public>

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[00:00:00] I call to order this January 12th, 2023, FY24 operating budget school board work session. The first item on our agenda is remote participation. I do not see Ms. Corbo in the meeting, so we will pass over this item.

[00:00:17] And if she joins, we'll, sorry, Mr. Smith. - Ms. Corbo is phone only dialed in, so you won't see her video. - Oh, I see. Okay. So I have been notified that Ms. Corbo would like to remotely participate in the meeting today. Ms. Corbo, could you state your location, whether anyone is with you, and whether you're seeking a medical or a personal exemption tonight?

[00:00:43] At a medical facility, receiving treatment, I'm alone, and I am asking for a medical exemption. Ms. Corbo, did you say you're seeking a health and medical exemption tonight?

[00:01:06] Ms. Reeser? I believe Ms. Corbo is stating that her location is at a medical facility and that she's seeking a medical exemption. That's what I heard. If you could confirm that, I would appreciate it.

[00:01:22] That's what I'm trying to confirm just because I need to hear the type of exemption, the type of remote participation that's being requested. Ms. Corbo, is it a remote participation for health and medical

reasons that you're requesting today? Yeah. Oh, okay. Thank you. I will entertain a motion that Ms. Corbo's remote participation for health and medical reason to be approved.

[00:01:45] So moved. Is there a second? Can you just confirm that she indicated she's at a medical facility currently? I don't think we got that confirmation. That that that is what I heard but I will ask Ms.

[00:02:00] Corbo to confirm. Yes I I have I am at a medical facility that is asking me to go to a second medical facility so i am right now i'll second the motion thank you motion made by miss polifco seconded by miss sheridan is there any discussion on the motion seeing none all in favor of approving remote participation for health and medical reasons please raise your hand say aye aye that motion will pass unanimously of board members present with mr morse and

[00:02:38] Mr. Beatty and Ms. Corvo absent for the vote. We will now move to disclosures and no one on that side. I will start as a member of the Loudoun County School Board.

[00:02:54] I make the following disclosure to the school board and to the general public in connection with the item on tonight's agenda regarding employee salaries, the budget and or health insurance and any other discussion that may include or affect salary and benefits for LCPS employees. Specifically, I am enrolled in LCPS health insurance and may be affected by any potential changes to health insurance.

[00:03:15] These subjects include thousands of employees while in excess of the statutory three employees whose interests may be affected, of which I am included. I can and will participate fairly objectively and in the public interest. This disclosure will be reflected in the public records of the clerk of the school board for five years.

[00:03:32] Mr. Mehedi. - Thank you, Chair. As a member of the Lennon County School Board, I make the following disclosure to the school board and to the general public, in connection with the item on tonight's agenda, regarding employee salaries, the budget, and/or health insurance, and any other discussion that may include or affect salary and benefits for LCPS employees.

[00:03:51] Specifically, I'm enrolled in LCPS health insurance and may be affected by any potential changes to health insurance. These subjects include thousands of employees, well in excess of statutory three employees whose interests may be affected, of which I'm included. I can and will participate fairly, objectively, and in the public interest.

[00:04:06] This disclosure will be reflected in the public records of the clerk of the school board for five years. - Thank you, Ms. Sheridan. - As a member of the Loudoun County School Board, I make the following disclosure to the school board and to the general public in connection with the item on tonight's agenda regarding the budget and our health insurance and related benefits and any other discussion that may include or affect, excuse me, benefits for LCPS employees.

[00:04:32] Specifically, as a school board member, I'm eligible to receive health insurance and related benefits as an LCPS employee. These benefits, however, affect thousands of employees well in excess of the statutory three employees whose interests may also be affected, of which I am included. I can and will participate fairly objectively and in the public interest.

[00:04:50] This disclosure will be reflected in the public records of the clerk of the school board for five years. - Thank you, Ms. Corbo?

[00:05:10] Ms. Corbo, could you read your disclosure please? - I'm unable to access that right now, but I will let you know when I do have that form.

[00:05:30] - All right, we will move back to disclosures when Ms. Corbo is able to read her disclosure. That will bring us to item four, our operating budget school board work session. And I will turn it over to Dr. Smith to McGinn.

[00:05:46] - Thank you, Chair Sirotkin. We have several presentations here for you tonight. And I'm gonna turn it over to Ms. Willoughby and her team to start with staffing standards. - Thank you.

[00:06:02] So you've also received your budget book and the budget book is available online on our website. And so we're gonna be pulling information from the book as well as we go through these slides. So with staffing standards, They are found in the appendix of our budget book, and they begin on page 393.

[00:06:20] Staffing standards were enacted in LCPS back in fiscal 16, and at this point in time, we have about 200 staffing standards that provide a base level of equity. They assist in transparent budget planning and help to ensure that we are in compliance with state standards.

[00:06:35] Our staffing standards encompass school-based positions, school administration, student support, as well as operations. The staffing standards are adopted by the school board each year as part of the budget process. Each year, we review the staffing standards with the departments to ensure they are meeting their needs.

[00:06:53] At times, enhancements are identified and proposed for the upcoming budget. This year, we have a few areas that are being enhanced in one new staffing standard proposed. I will briefly go over these and use them as examples on how to read the staffing standards as well in the book.

[00:07:09] More in-depth supporting data will be provided by each department during their budget presentation. Slide, please. So this is a slide from last night's Superintendents Estimate of Needs presentation.

[00:07:30] And so you may recall Dr. Smith went through four enhancements, and so I'm going to also show what that looks like in the book. So for the English language teacher on the next slide, you can see the excerpt from the budget book on the next slide, please.

[00:07:56] And so as that's being pulled up, when you look at the staffing standards in the appendix of our budget book, it's broken out by section. So there's an elementary section, a middle school section, a high school section, and then department sections. And so what we have done here, we have consolidated and extracted all those English language teachers out of the different sections and presented it here on this one slide.

[00:08:17] So the way our staffing standards are presented is that we have the position listed in the first column, and then the next two columns are the currently adoptive staffing standard. So, for example, using that English learner or English language teacher for the kindergarten level, this current standard is one per school per 59 students.

[00:08:37] The blue column is the state staffing requirement, or depending on the type of position, it may be industry standard, or there may be nothing listed, depending on the position. For this example, there is a state staffing requirement, but it's a division-wide requirement of 17 teachers per 1,000 EL students.

[00:09:00] So that's why you can see the 17 per 1,000 is listed multiple times for each level. Then sticking with the elementary kindergarten row, the last three columns in yellow are the revised or the new standard. And so this is where we're going to publish what is changing.

[00:09:16] and so here you can see the enhanced standard is to change the ratio to a ratio of one per school per 50 students and when we do that we need 3.5 additional FTE and the costs associated with that moving down to the middle school and high school EL teacher and focusing on the yellow columns you will notice that there's a lot of text in those box in those two boxes it's the same standard as before but then there's additional qualifiers regarding duly identified students and then you

[00:09:51] can read where it says that it's you know special education and English learner and the amount of FTE per school based on the number of duly identified students and so those tiers are the same at for middle and high school and again this is just to provide additional support and then the calculation of how many additional FTE is required for middle school and high school.

[00:10:17] The why behind why this request is being asked for will be provided next week during the department presentation. So this is more of just kind of doing one level deeper. We're kind of like incrementally digging deeper into the budget. On the next one, and you can go one more slide, it's going to be for the elementary school counselor.

[00:10:41] And so on the next slide, you can see the standard there. and so you can see the current calculation for the staffing standard for school counselors of how that's 0.4, 0.6, or 1.0 based on the number of students at an elementary school.

[00:10:57] As Dr. Smith mentioned yesterday, we want to staff counselors at the elementary level in full 1.0 increments. And so we looked at this and we looked at the calculation, thought the best way to approach this is to stick with the current ratios, but at the very end, we will just do a roundup of the final calculation.

[00:11:16] So for example, after we went through this calculation and a school was 1.2, then it would round up to a 2.0 and they would have two FTE. This way we made sure that small schools had at least one full-time counselor and that we wouldn't have any school sharing counselors.

[00:11:34] To accomplish that, we've got 25.2 FTEs to meet that standard. And again, the why behind this will be presented in Dr. Jones' presentation next week. Jumping to the differentiated staffing, and if we go to the next slide, this is the excerpt from the budget book there.

[00:11:55] And so differentiated staffing is additional FTE that's provided to schools that have a minimum combined population of English learner students and economically disadvantaged students. And so when you look on this slide for the elementary school, the minimum percentage is 50% for a school to earn additional FTE.

[00:12:17] And then for the middle school, it's 25%. And it's the same for the second at the high school, it's 25%. What this revision proposes to do is stick with that same calculation, but we're adding another layer that if a school is identified as a CEP school, and it's convenient that Dr. Ellis and her team presented on this information last night regarding the community eligible provision school, that if a school is identified as a CEP school, that we would count 100% of the student population so for example and I'm just going to make up a percentage

[00:12:52] if Parkview High School their combined percentage of EL and economically disadvantaged students was at 80% but rather than count 80% if they are a CEP school we're going to count 100% and this is just a way for us to provide additional resources to those schools that that need that on the next slide is just another excerpt showing what that revised standard looks like for the high school level as well as for the North Star School. Finally, the last category that was presented last night was

[00:13:28] the new staffing standard for the student support advisors. And on the next slide here, you can see what a new standard looks like in the book, that there's obviously there's blank boxes because we don't have a current standard. For this position, there's not a state staffing requirement. And then we have what we have disclosed that one per school, one per high school is being requested. So there's 17 of these positions included in the book or in the budget excuse me for a cost of 1.87 million and the the benefit of this is that now that we've established the standard if the school board

[00:14:05] approves this that down the road anytime we open another high school it's automatic that we make sure that the school has the same level of support as our other high schools next slide so there were a few other staffing changes that I wanted to briefly go over that's presented in the book And so on this slide, you're going to see a change related to the librarian and library assistant at the Academies of Loudoun.

[00:14:34] So within the book, the Academies of Loudoun has its own section. And so the current standard was to have one librarian and one library assistant. And what is being requested is to change that standard to have two librarians and no library assistant. And this is based on the type of research that the students at the academies do, that they would be better supported with two librarians versus the library assistant.

[00:14:58] So in next year's book, the library assistant would actually go away. We would just have the remaining library staffing standard for the academies. Finally, on the last section that we have related to changes to the staffing standard is in support services, They have a general classification of maintenance worker that if you then look at the footnote, and I know it's kind of small, they list the various types of positions that fall under that maintenance worker staffing standard.

[00:15:33] So rather than trying to have a dozen individual staffing standards for a painter and a plumber and electrician, that we've grouped them all collectively. And the current ratio is a standard of 15 per 1 million square feet.

[00:15:48] What Support Services has proposed is adding two more position types to this category. And that's going to be noted in the red font of the footnote. And then it's also in the revised column where they want to add the project manager and senior project manager positions to this classification.

[00:16:10] When we do that, we also then adjust the calculation. So now it's 15.3 per 1 million square feet to absorb those four, I think those four, right, four existing positions. This would continue to be staffed in full FTE 1.0 increments, and the 15.3 is just a mechanism of calculating.

[00:16:34] And again, that's just a brief high-level review of the staffing standards. And again, the reason why we take the time to pull this out is because they are such an integral piece of the budget. And the fact that the school board does adopt the staffing standards at the same time We always want to make sure that we pay extra attention to that And then as I mentioned earlier the why or the supporting documentation or data for the request changes Will be presented by the departments in their presentations and then I'm

available for any questions board members I'll open it up for any questions related to staffing standards.
Mr. Maddie

[00:17:13] Thank you chair so once again thank you I think this is looking at just a four quadrant in terms of staffing standard I think it's straightforward for me you know again I'll just sort of echo my I'll come back but I think one of the things that I've been championing or at least one things I've been really working towards is on the mental health and working on the council ratios so really appreciate the the staffing standards being changed for the elementary school I know we worked on the high school in the middle school and the elementary school was really

[00:17:50] something that we need to kind of come back and work some I I'm so glad to see this and not only that but I think hearing I think this is also kind of goes back to listening to our counselors and the school administrators where they're asking that 1.3 1.4 is is not working and making sure that they are whole and also again from a smaller schools perspective and keeping them entirely whole because that was also a challenge what we heard that half a resource or point six resource wasn't really doing it justice even though the ratio I mean some schools only have hundred students for that so it was good

[00:18:27] to see that coming back to from a it when I use it sorry I gotta go to the right quadrant differentiated FTE again I think this kind of goes back to the 1.1, where we talked about core academic excellence, and we put out some really, I mean, again, there's more to be desired in terms of the expectations, but I believe this is something I also sort of requested, and I think I see this, that we need to provide differential dollar amounts to the schools

[00:19:07] where we really need help with that. And then same thing goes for the EL population as well. So overall, thank you, and I have a lot of questions, but I guess as you directed, we'll wait for the questions as we go through in department instructions or in student services and so on and so forth.

[00:19:26] So thank you. - Additional questions? So I appreciate the clarification on the school counselor staffing standard changes because when I listened to it for the first time on Tuesday night, I thought that it was only going to affect schools that had less than one FTE and would round them up.

[00:19:47] But it sounds like this rounds every school up regardless of what level they started at, unless they were at exactly an even number. So I just wanted to get confirmation on that. Yes, at the elementary level, that is correct. That is fantastic, because that's certainly, like Mr. Mehedive, this is probably the simplest bit of budget feedback I've heard over the last year consistently from the elementary school counselors that the itinerant model for ones that were splitting time between schools was just not nearly as effective as the ones that were in the same school every day and could really connect with those students.

[00:20:20] so I really appreciate that change. The other question I have, the maintenance worker staffing standard that you called attention to, I will admit this is not a staffing standard that I've spent much time looking at in the past. Why are we lumping in all of these different categories together into the same staffing standard?

[00:20:43] 'Cause it seems like these positions are just very different from each other. So is it that the mix changes depending on the project drastically, i'm just trying to get if that has to wait for the support services uh overview i'm happy to wait but that just kind of jumped out at me well i can touch on it essentially is we have a group of folks and some of those are in a general category and we have so many

disparate types of skills at each of the schools we go through that each time and and we may have different levels of skill at each one so mr trainer and mr wohead will go through and determine whether or not you know we

[00:21:18] need more electricians depending on what the type of systems are and so over over time you know we've noticed that the project managers as we go more to project based projects rather than in-house work that we'll need more folks to manage the contractors that come in so that's why we've added those two but generally they're all in a group because it is a team that works together and with many different groups of skills okay if i could get some kind of maybe some concrete examples of the way that that staffing standard is applied to different projects during the support services presentation, I think that would help maybe be able to visualize that a little better.

[00:21:55] Yes, sir. Okay. Thank you. Any additional questions? Okay. Seeing none, I think we're ready for salary and benefits. So salary and benefits, Ms. Bowling will help me present some of the information in this section.

[00:22:14] Next slide, please. So salaries and benefits does support goal two of the 1LCPS strategic plan, specifically regarding exemplary staff on the next slide again just reemphasizing the commitment from LCPS to our employees that they are our biggest asset and that we want LCPS to be not just an employer of choice I want to start picking up miss Boland's language of the employer of choice I'm historically the school board has supported employees with consistent step increases benefit enhancements in Cola and strategic scale adjustments when afforded and so this

[00:22:53] budget continues on that commitment next slide we have our fancy dollar bill here that again just driving home the point that out of our 1.6 1.7 billion dollar budget 90 percent almost 90 percent of that is related to personnel costs so again it doesn't take much to move the needle and to have an impact on the budget whenever you're talking about compensation so starting with salaries on the next slide you may recall this slide from the fall budget work session that we held with the

[00:23:27] school board members and so this chart shows the historical district-wide compensation increases aligned with the inflation rates for each year so between fiscal year 17 and fiscal year 20 you can see with the blue line that the pay increased or surpassed the inflation rate for For FY21 and FY22, the inflation rate was higher.

[00:23:51] For FY23, we don't know what the inflation rate will be for that entire year yet. We're waiting to see. Although I will share that I did see a headline today that the inflation rate for December continued to decline. So the rate of the increase is shrinking.

[00:24:08] So that is positive news. I wanted to point out, though, that even though in FY21, which was during the height of the pandemic, And that while 2.4% may seem like a small amount related to compensation, that we still were a leader and should be commended for being able to, and the school board commended for making that a priority to still be able to provide a 2.4% average pay increase that year.

[00:24:33] Because it was that year that many of our neighbors did not provide any type of pay increase. So even though that dips and it's a small number, I still see it as a huge win on behalf of LCPS. So again, this budget just continues to focus on taking care of employees in the pattern of investing significant dollars over time towards employee salaries.

[00:24:57] This slide you may recall from last night regarding the superintendent's estimate of needs and whether or not that includes an annual step increase as well as the one-time top-of-scale payments. So again, we just want to continue to be repetitive with our messaging that this budget request does include these two items.

[00:25:18] THIS IS A PERFECT EXAMPLE OF SHOWING OF JUST THAT ONE MODEST ANNUAL STEP INCREASE AND ONE TIME TOP OF SCALE PAYMENT COST \$23.8 MILLION WHICH IS ALMOST 25% OF THE ENTIRE BUDGET INCREASE. NEXT SLIDE.

[00:25:37] TO GO ALONG WITH THAT IS ANOTHER INVESTMENT OF \$43.7 MILLION FOR COST OF LIVING ADJUSTMENT TO THE UNIVERSAL AND AUXILIARY SALARY SCALE AND A TARGETED STRATEGIC ADJUSTMENT TO THE TEACHER SALARY SCALE resulting in a minimum 5% pay increase for all eligible full-time employees moving a step.

[00:25:57] So again, last year during budget, we met the state's requirement providing a district-wide 5% average pay increase to employees, excuse me. For FY24, the plan is to do more and go above for our exemplary staff.

[00:26:14] And so especially recognizing the cost of inflation, this estimate, the superintendent's estimate needs provides a 5% minimum pay increase for all eligible full-time employees, moving a step from FY23 to the next step on the scale for FY24.

[00:26:31] The way the scales are structured, employees currently on the top step of the salary scales will receive the cost of living scale adjustment plus a one-time 1% payment of their new FY24 salary. Based on this calculation, the total value of the increase plus the bonus for the universal scale for employees on the top step would be 4.2%. So that is below the 5% minimum. For teachers on the top scale, their combined adjustment plus one-time payment is 5.3%. So teachers on the top step of the scale, we have

[00:27:07] no concerns with. And then the auxiliary scale is 4.9. So again, I'm talking about just the employees on the top step, which is why we have on this slide the asterisk that employees on the top step of the scale are receiving the adjustment and the bonus, or the one-time payment, I should say. I'll also share that there are currently 381 employees on the top step of the universal scale and 55 on the auxiliary scale. Staff does not support adjusting only the top step of each scale as that will disrupt the structure and integrity of each salary scale. There is one option should

[00:27:44] the school board want to ensure employees on the top step of the universal and auxiliary scale also receive a minimum five percent and that is to adjust the one-time payment percentages for the universal and auxiliary to ensure topped out employees achieve a total five percent increase right now the value of that one-time payment has historically been one percent so making an adjustment for the universal scale employees on the top step of the scale we would adjust the one-time payment to two percent and that would cost one million dollars and then for the auxiliary

[00:28:20] scale that percentage instead of 1% it'd be 1.1% and it would cost \$75,000 so it's for a total cost of 1.1 million dollars these adjustments to the one-time payment percentages would be for FY24 only and again this is not currently in the superintendent's estimate of needs this additional adjustment of 1.1 million dollars and would require school board action during budget adoption next slide this slide again is just emphasizing the 5% minimum pay increase

[00:28:59] for employees moving steps so again not the top step but moving from a current step on this year scale to the next step on next year salary scale so again you can see the 5% minimum pay increase across the board there and so again we're just wanting to continue to drive home the messaging next slide so this slide shows the FY24 proposed teacher master lane comparison and so you have starting from the bottom the blue line is the current year's master's lane then in red is the FY24 proposed lane with the strategic scale adjustment applied and

[00:29:37] then the FY23 market average so you can see how achieving a minimum five percent pay increase lifts the entire line except for the beginning set and we did not adjust the beginning set since we are already a leader in the region the mid-career steps of step 10 through the last step have a larger adjustment to try and close the gap with the market average as noted by that green dotted line so if you look closely it's kind of hard to tell with the scaling here but the white space between the blue and red line is slightly larger after step 10 than it is between 1 and 10 so they are receiving a larger scale adjustment

[00:30:15] there as we try to close that gap with the market average next slide the superintendent's estimate of needs also includes 5.4 million dollars earmarked for one-time recruitment and retention bonuses as proposed in the governor's budget we expect to receive 2.5 million from the state in revenue for their share the 5.4 million that would be the projected total cost of the program with the difference funded by the county as required so this does require a local funding

[00:30:48] match and based on our lci or our local composite index that amount is 2.9 million as mentioned before we are working on what this program will look like and we'll provide further detail to the school board once a program is created it's important to note that while state funding is based on the state share of a one percent bonus for funded soq positions school divisions have the authority to adjust the bonus paid per employee to promote retention among all staff they employ employee and recruitment efforts so long as the total spending does not exceed the state funding plus the additional match so basically what the state language says is that the amount can't be

[00:31:27] more than 5.4 million dollars and again we're still waiting on additional guidance from the state there was only maybe about two or three sentences in the governor's budget related to this it did provide a lot of flexibility as I mentioned here and so the HRTD team will be will have the task of developing what a recruitment retention bonus plan looks like for next year and then we will also continue to watch if this remains in the budget or if any additional information comes out from the state as it goes through the their

[00:31:58] state budget process. So state compensation, these initiatives do require local matching funds. So again, that 5% pay increase is a state initiative as well as the bonuses. So there's two pie charts on here. So the first one is the pie chart related to the step increases and scale adjustments.

[00:32:25] And so there we have \$67.5 million combined in the budget to support the step increases and scale adjustments for that 5% minimum pay increase the state will fund 43.1% of that leaving the balance or 56.9 to be funded locally this again is a requirement because LCPS along with most other school divisions we staff richer than the minimum state requirement that's why the cost is more to provide pay increases on the right pie chart you have the 5.4 million for

[00:33:00] the recruitment retention bonuses. So the state funding there is 45.5%. The local funding is 54.5, which again is our local composite index or local contribution index, which is the amount that the state determines that local revenues must cover. So really wanted to highlight this because this really

shows that while these are state-driven initiatives, they do require local funding and the local funding has to cover more than half for both of these initiatives. When you add these

[00:33:32] combined, the 67.5 and the 5.4, those items related to compensation represent about two-thirds of the total budget increase. I also want to highlight that you see on the slide 41.3 million of local funds is needed to support these two items. That \$41.3 million requested from the county represents over half of the county transfer request increase. So again, over half of the additional county funds that we are asking for is to support the local match requirement for

[00:34:09] compensation. So then I have several slides that are pulled from the budget book appendix. And I'm not going to go through them. They're here more for reference since this is also a resource document and board docs. So on this slide, we have the proposed teacher scale for FY24, also what will now be known as scale A. On the next slide, through the next several slides, we've got the universal scale now that we have consolidated scales it goes across multiple slides that

[00:34:44] is scale B and then on slide 19 we've got the FY 24 proposed auxiliary scale also known as scale C I will now turn it over to Ms. Bolin to talk a little bit about the position review process thank you so much in fiscal year 17 LCPS implemented a market a multi-year market study process intended to review compensation for positions on the administrative classified and auxiliary salary scales as well as co-curricular and athletic stipends this process was

[00:35:22] designed to provide a systematic and equitable approach to reviewing compensation in fiscal year 22 the budget included funding for the restructure of the classified salary scale and implementation of a universal salary scale. This restructure combined the classified professional and administrative salary scales into a single scale and marked the completion of the first full cycle of the review process, the first of its kind at LCPS. The position market review cycle reset this year

[00:35:57] in fiscal year 23 and is anticipated to cost significantly less than the initial cycle, Which is depicted on this slide to ensure costs remain modest. It is critical to conduct routine salary evaluations Not only does it ensure our CPS remains in externally competitive It also demonstrates our commitment and appreciation for our employees and I think I'm handing it back over to miss will be now We've had we're going to talk a little bit about benefits To be the employer of choice when we talk about compensation

[00:36:36] It's really salaries and benefits combined and and so here we also just showing some additional information because we generally when the school board adopts the budget they adopt the staffing standards they adopt salary scales they're also adopting the health plan for the upcoming year so we also take this opportunity to provide some information related to the health plan since we are self-insured and what that means is that we we fund and run run our own health program in conjunction with cigna we offer three health plans. The POS plan is the most costly for employees as the claims burden is more on the

[00:37:12] employer. The OAP is the moderate and in the middle, and the HD or the high deductible plan is the least expensive for employees as the claims burden is shifted more towards the employee. So this just shows our participation across those three plans. You can see with the red OAP, that middle of the road plan, that's where the majority of our employees are, and then the rest are kind of split evenly between the POS plan and the high deductible plan. I'll also share that we

[00:37:44] have about 7 percent of our total employees that choose to opt out for various reasons. This chart highlights the annual health premium rate changes and this again is for both the employer and the employee. Anytime we talk about rate changes it's on both sides. Claims costs have been increasing which has a direct impact on our health premiums. In calendar year 21 we saw about a 14% increase in claims, but that has begun to slow down. We are still waiting to close out December to see what calendar year 22 looks like in claims. Right now, though, through November,

[00:38:22] we're trending at about 9%. Our consultants have projected a 6% claims increase factor, and that is what we have been using in our projections. Combined with increasing costs, we aren't adding as many new employees and participants to the plan as we have in the past.

[00:38:39] Historically, the addition of new employees generated more premium revenue than they did claims expense. Based on these two changes, the FY24 budget includes a 4% premium increase for both the employer and employee's share of the premium. This slide depicts the changes to the health premium each year.

[00:38:57] So you can see between calendar year 19 and 21 that the rates were held flat, that there was a 0% rate increase. In 22, we had a 2% increase. In 23, we had another 2% increase. And then the 4% that is currently included in the FY24 budget.

[00:39:14] Then you see the little dotted line with our little bubble that just highlights that based on these patterns and our out-year projections that there is a very strong likelihood that we may need to continue increasing premiums as well. However, next slide, to try to put this now to scale, because obviously that's a very steep incline that we were seeing on that previous slide.

[00:39:39] It's important to highlight this with the actual dollar amounts. And so what this slide does is show the amount of the 2% rate increases that went to effect this month. So this year's budget had a 2% rate increase that went to effect this month.

[00:39:55] These are the employee premiums. These are the biweekly premiums. And you can see the plan of the HD, the OAP, the POS. You also see dental and vision. So looking at the first, you have HD 2023 premium for employee only is \$4.26 per paycheck.

[00:40:16] That 2% increase was \$0.09. So again, these are very modest increases per paycheck that range from zero to the highest amount per check of \$5.92. So LCPS, I think this helps illustrate that LCPS offers a very competitive and robust health plan, and we are doing our best to keep it that way.

[00:40:40] Next slide. This also was from last night's slide deck, but I always think it's important because what we often hear is 5% pay increase, 4% health premium increase, my pay is only going up 1%.

[00:40:56] Well, that's not how the math works, and so that's what this slide hopes to illustrate. So with the pay increase of 5%, when we look at those charts, the lowest annual pay increase would be \$2,023. The highest premium increase, which would be the POS family plan, is an increase of \$314.

[00:41:19] That 4% increase is a \$314 increase. When you deduct that from the lowest annual pay increase, you see that that is still, in this scenario, the employee would be an annual net positive of a little over \$1,700.

[00:41:35] Just want to highlight, this is also analysis that we do every year that we are looking at the health plan and the premiums because we always want to make sure that we aren't negatively impacting

an employee's paycheck. And I will now turn it back over to Ms. Boland to close it out.

[00:41:56] Thank you. On July 1, 2022, we implemented the Universal Leave Benefit, which provided eligible employees with six weeks of paid leave. This addition has been very well received and was just the first of many enhancements we hope to make to demonstrate our commitment to our employees in offering competitive salaries and benefits and ensuring that LCPS is the employer of choice.

[00:42:23] Next slide, please. To further continue this effort in supporting and retaining top talent included in this year's estimate of needs, we plan to increase our leave benefits for 10- and 11-month employees and revise the criteria for payout of sick leave upon retirement.

[00:42:46] Lower-level employees generally are able to cash out most, if not all, of their sick leave hours due to the difference in daily rates between their salary and the average teacher's salary. On the other hand, higher-level employees and more tenured teachers were generally capped to a portion of their sick leave hours.

[00:43:05] It's expected that this benefit change will help with retaining our employees. In addition, Policy 7628, Retirement Benefits, provides retirees who have 10 years of service with LCPS, 25% of their final daily wage with a cap of 25% of the average annual teacher salary.

[00:43:26] In order to moderately enrich the retirement benefit, we will increase the cap to 50% of the average annual teacher salary. And that concludes the salary and benefits presentation this evening. Board members, questions related to salary and benefits?

[00:43:50] Mr. Mahedby. Thank you, Chair. So thank you for highlighting that, I mean, the commitment of this board has been towards the staff and continuously making sure that the best we could do and increase the salary and the step increases.

[00:44:08] I guess I know we'll be going through further, but I do have a question on page 10, and I think I requested it sometime back, where I understand the superintendent's needs, estimate of needs is a red line marker of where we are.

[00:44:27] But at the same time, I'd sort of asked, or just for understanding, what is that, if I were to put a shade on between the green dot line, the red line, what is the dollar amount that perhaps, you know, if you were to look at the budget, what that would be?

[00:44:44] I'd just like to request that. I don't have to answer it tonight, but that's something I'd like to get a little better understanding on that. That's all. Thank you. I said we'll take that down as a question, and so I just want to make sure for clarification, you're wanting to know what the cost would be for us to meet the market average.

[00:45:04] Mr. Beatty. Thank you. Can you point me to the policy changes for the enhanced leave for the 10- and 11-month employees? We haven't made them. Is that what you mean? Yeah, okay. So this is, okay. Those policy changes would be.

[00:45:21] So this is something that would come up to HRTD in the next couple of months. That's correct. If this budget passed. Correct. They are dependent on funding through this budget, yes. Just as we did with the universal leave. Okay, all right. That's why I was confused because I remember the universal leave going to HRTD and I didn't remember this enhanced leave.

[00:45:39] Thank you. Additional questions? Ms. Ogadugbe. Related on this last slide, related to the changes that you described for the change in sick leave payout criteria, can you just outline for us what the current criteria is and the difference that you had alluded to, but I didn't hear specifics, and then also clarify when you talked about an employee who has, sorry, 10 or more years of service, the 25 and 50 percent,

[00:46:16] that's referring to so the criteria is in fact in regards to an employee with 10 years of experience and i'm going to do my best but i'm going to ask miss willoughby to chime in um if i start to go astray um my understanding is that currently an employee that has with 10 years of experience can cash out a percentage of their sick leave at 25 percent up to 25 percent of the lowest level or

[00:46:53] first step within a teacher salary this enhancement this this enhancement would increase that 25 percent to 50 percent and my understanding is that would increase it to a Maximum of thirty eight thousand dollars. I did okay. Thank you. Mr. Madby. Thank you chair Ms. Bull I do again. We are working towards making the employer I guess

[00:47:32] sorry When we talk about exemplary staff and this being the choice of employment do we do we conduct surveys of incoming new staff after one year or two year to see what their experience when what the expectations as this So if I'm a new teacher coming in from university and I want to come here, we talk about all the things.

[00:48:02] And we do provide good compensation, as you've shown in the first five years. I think we lead the market. And I do believe that we provide good benefits package. I know the cost is going up, et cetera. But I guess my simple question is, do we conduct a survey after first year or two years of new staff as they're coming through?

[00:48:22] what their feedback or what their experience has been so far? We do not currently conduct surveys of that nature in masses. What I started last year to see if that would provide any type of significance was almost sitting down with my HRTD team that had just started a year prior to try to gauge how their application period went, How did their onboarding session go?

[00:48:56] How did we integrate them? How did we do on the integration and the onboarding once they were actually here to get a sense of where we may need to work on some of those processes from a customer perspective? I think it's a great idea to implement.

[00:49:12] I think it just will take some work to make sure that we actually get the information we're looking to receive. Ms. Polipko. Okay. Let's see. So the recruitment and retention bonuses that are coming from the state, it noted that it requires a local funding match.

[00:49:36] So is that subject to the same calculation of how much is required? Is it 50-50, or how much is the local transfer anticipated to be as opposed to the state contribution? So our local contribution index is 54.5% in layman's terms.

[00:49:56] and so the state is going to give us 2.5 and so for the 54.5 match the county would need to give us 2.9 and so combined is where we come up with the 5.4 available to set up this program okay thank you and then uh i i believe that the moving to a tiered stipend system is not in the superintendent's estimate of needs but i wanted to get confirmation on that it is not is that work still ongoing or So it is absolutely ongoing. The decision was made based on budget information and the cost

[00:50:35] not to include it in this year's estimate of needs. Thank you. Any additional questions related to salary or benefits? Okay, seeing none, I think we are ready to move to Department of Business and Financial Services. I'm happy to present the Business and Financial Services budget along with these other four presentations I'm doing tonight next slide so starting with the mission of our department you know we we take pride in providing support leadership and direction on financial matters to schools

[00:51:15] central departments as well as the school board we work hard to ensure that financial matters are managed in a fiscally responsible manner consistent with the school board budget and goals next slide so this slide shows a high level work chart of business financial services departments and you're going to see three core teams. We have two areas that work primarily as support to the division and one operational area.

[00:51:46] So the two support areas are going to be the first branch of budget financial analytics and then in the middle we have our traditional financial services of accounting, payroll, procurement, etc. Together they budget the money, they spend the money, they account for the money, and they report on how we spent the money. Right now you're experiencing the budget process and I can't thank the budget team along with all of our budget buddies in the departments for pulling the budget together every year. There is a tremendous amount of work that occurs behind the scenes to bring us to these meetings in January. There are countless meetings, negotiations, even some sweat and tears

[00:52:25] perhaps, but we are always ready to have a meaningful discussion on upcoming budget needs and to support the school board in adopting their annual budget. Financial services is the well-oiled machine that we often take for granted. They make sure we receive our paychecks, but that we also buy what's needed in accordance with Virginia's Public Procurement Act and that we account for everything according to generally accepted accounting principles.

[00:52:52] Our operational section, the last branch there, is the school nutrition service team that provides meals to our students day in, day out. They also see the wellness program for the policy and requirements of the USDA, and they also work with the schools and have also begun working with LEF, the Loudoun Education Foundation, regarding food recovery.

[00:53:13] Together, the business financial service team is a dedicated, resilient team that I am very proud to be a part of. So this slide shows the four strategic goals related to 1LCPS. Because we are predominantly a support department, we don't have specific actions spelled out related to one LCPS. Rather, we support the division as a whole. There are a few highlights though that I would like to touch on. To support our community, we continue to see increased activity and usage of the online payment portal. We strive for a one-stop shop for families to make payments

[00:53:49] for their students. The procurement team has begun a series of vendor outreach workshops to engage with local vendors to include our SWAM vendors with how to do business with LCPS. Our accounting team has launched and is working to increase vendor participation in ACH payments. This would reduce the number of paper checks we process and is a more efficient way for vendors to receive payments. Finally, another example is our payroll team has leveraged our system to allow employees to receive their W-2 electronically this year. It's a very simple process to opt in for this

[00:54:23] and would reduce the number of paper W-2s we process as well. Our school nutrition team does have a specific action item that I will cover shortly as well. So our support operations are in the

school operating fund. And so on this slide, you just see the high level for the department for FY23, the adopted budget of \$11 million. The proposed is \$11 million rounded.

[00:54:51] And the difference actually shows a very small decrease. The business financial services budget begins on book page 83. However on the next slide I wanted to show more of an apples to apples comparison because what happened during the year is that we had some staff that was working to support Oracle move over to DDI and they were consolidated to create an Oracle support team.

[00:55:23] I'm not sure exactly what it's called over there but that's what they're doing over there. So this is showing a revised budget the proposed and then really in full transparency that the budget for the business financial services area is actually going up 6.9 percent once you do that apples to apples comparison we had about a little over 700 000 worth of personnel and o m costs that moved out of business and finance into ddi the increase for personnel is impact from consolidating the classified scale into the universal scale last year and the resulting pay and then the increase

[00:55:59] related to operations maintenance is we have increases to contractual services like our audit services credit card fees and then we also are experiencing increases to our school cash online software that we utilize next slide so our operational component is housed in the school nutrition fund and on the next slide you're going to see a summary of the school nutrition fund budget and how the budget is going up twelve point eight percent which is five point eight million on the next slide I have two charts here and so the school nutrition

[00:56:37] fund begins on book page 321. We are projecting a 5.8 million increase for FY24 spread across personnel, operations, and capital purchases. For personnel, we have staffing adjustments and compensation, specifically three new positions related to the staffing standard and one position that was added earlier this year via the supplemental process. Personnel also includes the reclassification of a position, other compensation adjustments, such as step increases and COLA adjustments. Operations and maintenance include inflationary increases to food and supplies

[00:57:12] and then finally for capital outlay we are increasing our capital expenditures by 1.5 million to continue spending down this fund's excess funds. As you may recall we're not supposed to have more than two and a half, three months worth of expenditures on this fund and so for the last several years we've exceeded that amount and so we have a spend down plan and that plan is to with equipment replacement and renovations of server and dining areas. The pie chart on the right shows the breakdown of the 5.8 million increase and you can see how over half, so on

[00:57:51] the left hand side of that pie, over half is related to personnel costs. So this slide does show where we do have a specific action related to the strategic plan goal related to empowered students one point three says prioritize care for students by ensuring a safe and affirming learning environment for all in this we are charged with increasing meal participation rates so you see we pulled from the plan the baseline of where we're at today at 35 percent meal participation

[00:58:27] and our goal is to increase meal participation rates by 10 percent each year and And so then you see what the resulting targeted rates are on the next slide. We have included in the budget reallocating one floating school nutrition worker to an executive chef to develop menus, utilizing available produce and commodities, existing kitchen equipment, student taste preferences, etc.

[00:58:59] The idea with this is that by making this change, it will help make our menu perhaps more appealing and that can help increase our meal participation rates. We want to continue with Taste It Thursday and Fear Factor Friday programs. Those are very popular programs where we introduce new produce or new items, new ingredients to students.

[00:59:21] And it gives us a chance to basically just do a pilot test before we roll something out and find out maybe, you know, it's not a popular option. And then finally, we will continue with remodeling dining rooms and serverly to enhance the experience. The idea here is to try to move away from the very institutionalized stainless steel serving lines and try to have a more homey environment so that, again, all in the goal of increasing participation rates.

[00:59:53] And that concludes my presentation for the business and financial services budget. Board members, questions? Ms. Ogidugbe. I had two questions. The first one is about the summer meal program. so I saw in the pie chart there's a figure here for summer I need my glasses I'm sorry hold on the summer feed and office support so that was something that came up this last summer and the school system was able to adjust and provide more meals than originally planned and so I wanted to ask if there's been

[01:00:31] thought to expanded meal services during the summer for this upcoming summer if If I recall correctly, part of the changes that we made last summer was also in relation to changes at the state and federal level in terms of reimbursements.

[01:00:51] So going into this summer, because this school year is where we no longer have universal free meals, and so we're back to our more traditional model. So now we also need to look at it from a financial perspective. So we haven't looked that far ahead. I know that they have just begun the meetings regarding summer school and so that is something I can take down and provide probably a follow-up maybe it might be after the budget process of what we may or may not be able to do if we will just have our traditional model if we'll be able to do anything more than that okay I'm very interested to hear about that and then my second

[01:01:28] question is about the executive chef so I'm assuming that's a central position that would then work with school-based food services personnel and then reading this is this mean that there's more of a focus on food preparation with produce rather than pre pre-prepared foods and if you can just speak to that a little bit yes that's a great question so exactly it's to use the produce and the

[01:02:05] commodities that we generally have available to us, as well as our existing kitchen equipment, which is a key piece of that. And so we do have, so I think they're called like combi ovens, which are a very fancy oven. And my understanding is that we're, like this year, they've been bringing in the reps of those ovens to get additional training to use it beyond just the basics of perhaps heating something up. And I know I'm probably way oversimplifying what the school nutrition team does but I know that there's additional capabilities with some of our kitchen equipment to do exactly what you're describing is there

[01:02:41] more that we can try to prepare on site versus heating up perhaps additional questions mr. baby thank you going to slide 11 could you explain the the rationale for I guess interpreting the fact that more students need to participate in meals. I would take that rationale is that if you're not going through the meal

[01:03:11] program, then it's not good for you. Could you explain that? I would like to take that down as a question. I would like to get my experts to help with providing a really good response for that.

[01:03:28] Okay, thank you. Additional questions? So I'm going to follow on to that. You may have to take it as a budget question. That's fine. But I'm looking at we have a baseline of 35% meal participation the goal is you want to get to 55 by fy27 that's an enormous increase so in i think every conversation i've had with staff on related to school nutrition they cited that the the number

[01:04:02] one issue or the number one thing that would help in improving meal service was staffing levels with the number of school nutrition workers in schools so i'm looking at just the total number of FTE counts where there's 433, 434 total, and you're only proposing an increase of four FTEs, that's less than 1%. So going up by four FTEs, adding one executive chef, I'm skeptical that

[01:04:40] that is going to allow for that kind of massive increase in the meal participation rate that is your goal so i don't know if you're prepared to speak to that now or you want to take it as a budget question but i would have expected either more significant changes or a higher increase in order to to justify or or try and achieve that goal i'm going to do both i definitely i want to take it down as a question because i want to pull the numbers behind because i can't remember the

[01:05:14] numbers off the top of my head and so while it is 55 um it is it is it's an aspirational goal and we but we're up for the challenge I will also share that in terms of staffing the staffing standard is based on the number of meals per labor hour so it is very formulaic and I if I remember correctly I think that's part of the reason for the three because we really don't have as you recall from last night's presentation an increase in the number of students we're only increasing budget-wise by about 22 students but we're increasing three based on that

[01:05:46] formula of we're hoping to hit for FY 24 um you know 43 percent so I will take the rest to pull some some data and um appreciate the concern thank you additional questions Mr excuse me Ms Reiser thank you chair I also wondered if you could take down as a budget question as a follow-on to that what the staffing standards used to be when I believe it was a previous school board that moved move the staffing standard from having more people in the kitchens when we were doing more than just

[01:06:24] reheating i think we were actually making meals so some information about what year that changed and what it was like before thank you mr baby thank you uh just as a follow-on to my question if you could also provide whatever costing is associated with that i appreciate that if there is any here because it just says it's part of the budget so i assume that there's some cost and i would just like to know what that is in terms of the 1.3 um the increased meal participation

[01:06:57] rates you mean like project for the out years beyond fy24 what is there going to be a cost associated with with uh increasing meal participation rates like in terms of the okay we could do a high level out your projection thank you additional questions seeing none we can move on to 4.04 other funds this is a little bit of the loose ends of the

[01:07:36] budget so we kind of capture it under other funds but on the next slide we're actually gonna start with the non-departmental department and so on the next slide the non-departmental department is actually in the school operating fund it begins information on this area is on page 219 of the budget book the non-departmental department budget summarizes expenditures that are system-wide in nature and not assignable to a particular department or program so So this pie chart shows the total FY24 budget, which is \$111 million.

[01:08:13] The 5% of this \$111 million is related to the division's property and liability insurance and then the new teacher and returning teacher allotments, which are budgeted here, along with a few other miscellaneous items. The remaining 95% of the entire non-departmental budget is a placeholder funding for the step increases, the scale adjustments, and other high-level compensation items in the school operating fund that we don't process yet through our budget system until the budget is finalized and there's many reasons why we wait and we go with this approach because things can change and with the system a little cumbersome and

[01:08:52] this allows us to isolate those costs and really see them separately then moving on to the remaining of our the remainder of our funds so there's three other funds on here that I'm going to briefly go over one's the grant fund which shows a forty five point nine percent decrease the least purchase fund which is showing flat and then our self-insurance fund which shows eleven point two percent also on here but grayed out is the capital improvement projects fund and the capital asset preservation program fund however you've

[01:09:30] already been through that process and Mr. Lewis has shared information on that during the CIP process so on the next slide starting with the grant fund we have three buckets of grants. The first is federal grants which are decreasing with the final spend down of our remaining COVID funds. Associated with that is the reduction of some FTEs and the movement of other FTEs to the school operating fund as Dr. Lewis shared in his presentation last night. In the middle we have our state grants. State grants are also decreasing due to this year's one-time funding for a school construction grant. And then finally we have a modest reduction

[01:10:08] in our other local grant funding and again the detail behind those was in last night's budget presentation overall the grant fund is budgeted so that expenditures equal awards and while the awards are estimates the fund will only ever expend actual funding received on the next slide we have our lease purchase fund the lease is capped at ten million dollars due to IRS provisions related to favorable tax treatment lending institutions receive for these lower dollar debt instruments they must be for capital equipment and historically we have used it for support services vehicles and equipment and

[01:10:47] computer and technology equipment in DDI so for FY 24 we've got 2.8 million of the lease to support the transportation fleet plan a 7.2 million to replace instructional computers on the next slide we have our collective self insurance funds we actually have four self-insurance funds one is the health another workers comp short-term disability and the Virginia local disability program on the slide you could see revenues offset with

[01:11:23] expenditures with revenues on the funds there the sources of revenues are going to be employer and employee paid premiums to the health fund and then school operating fund contributions to the workers comp short-term disability and BLDP. As you know, as we've discussed, we expect premium increases. We expect revenues to increase, as well as we also are expecting increased rebates from our wellness programs and prescription plans. On the expenditure side, we are expecting a reduction in administrative

[01:12:01] fees. However, that is offset with a 6% increase in employee claims costs. We also have projected and are seeing increased retiree health care costs and we have projected and are seeing currently rising workers comp short-term disability and BLDP claims costs.

[01:12:23] Our self-insurance funds though maintain for the FY24 budget maintains a two-month minimum fund balance in accordance with school board policy and best practices. Again though our five-year out-year projection currently forecast the additional health premium increases for the next several years to maintain our two-month minimum fund balance and this is something that we will definitely continue to monitor and that concludes the other funds presentation board members any questions related to other funds miss palifco thank you mr chair

[01:13:01] i do have a quick question about the transportation fleet and the 2.8 million dollars is any percentage of that i know that in the capital improvement projects there was funding set aside for electric buses is any of that money involved in this 2.8 million dollars by any by any chance the cip budget is completely separate and so the funding for for those vehicles is outside of this additional 2.8 and i don't know if mr lewis wants to give examples of what this 2.8 is for no i don't have

[01:13:39] that on top of my head i guess i was fixated on miss politko one of your comments was that was money in the CIP for electric buses what's in the CIP is just for the diesel costs and the the premium between the diesel bus and the electric bus we're getting through grants at this point so at this point we're only buying diesel buses through grants thank you know i'll get the answer to the other part additional questions for the lease purchase fund that's been capped at ten million dollars for as long as I can remember does that ever grow or is it

[01:14:15] based on the size of the division or is it ten million regardless it's an IRS thing and as far as I know it's been 10 million as well I don't know if there's any projected increase to that and is it the same regardless of the size of the division okay any other questions seeing none we'll move to 4.05 central office okay so central support is what we in the budget collectively refer to the

[01:14:54] superintendent's office as well as the school board office and so that's how this short presentation is going to be presented and so on the next slide since this is the the administration of the division we've just got information about the vision and mission vision and mission of how everyone works together as one LCPS to place you know students at the center of our work on the vision on the next slide how every student will reach their full potential and achieve their their dreams and that's what the leadership in these areas is striving for and then of course our mission on the next slide regarding empowering all

[01:15:31] our students to make meaningful contributions to the world so with the budget summary on the next slide you will see a org chart and so the budget book pages begin on page 101 so central support has four programs in the budget book that are captured in those two main areas or departments if you were to think of the structure we have throughout the organization so again one is the superintendent's office which I will cover first and the second is the school board so this slide shows the organizational structure of the superintendent's office. You're going to note the asterisk areas for division

[01:16:10] council and auditor general and how they also report independently to the school board. You're also going to see on the right hand side the communications and community engagement and safety and security box how those are a different shade of blue and that just notes the different programs for reporting to match the budget book. So in the book you will find a section for superintendent you'll find it in that section is going to have superintendent, division council auditor general chief of staff strategic planning and ombudsman all collectively rolled up in those costs another section on communications and community engagement another section on safety

[01:16:48] and security on the next slide this shows the budget for the superintendent's office and this is basically everything that was on that prior slide so we've got the fy 23 adopted budget which was 16.5. Then we are showing the FY23 revised budget because we think it's helpful to put into context changes that were submitted and approved after the FY23 budget was adopted.

[01:17:24] So that increased the budget to 18.4. So the revised budget for this year is 18.4 million. The proposed budget for next year is 19.7 million. So the last column matches what the math would do if you calculated this of what's presented in the budget book because we compare adopted to proposed so when you compare the proposed to the FY23 adopted there's an increase in 19% however the majority of the expenses are personnel driven and they were from a review of needed resources to better support schools and the vision that occurred after the FY23 budget was

[01:18:01] adopted these changes are captured in the FY24 base budget these changes are the difference in personnel between FY23 adopted and FY23 revised. Then another increase occurs for new resources and budget increases to capture rising costs in FY24.

[01:18:21] So overall, comparing the FY24 proposed budget to the FY23 adopted budget is an increase of 19%, but most of these increases were already approved and rolled into the base for FY24. So the real increase for FY 24 is 6.7%.

[01:18:42] So on the next slide, if you think about those two changes, one from FY 23 adopted to revised, and that's what's going to be shown in this blue or teal circle, and then the 6.7% increase for the new initiatives, which is shown in the red circle.

[01:19:00] So to further break down those changes, the teal circle lists those changes approved after the FY 23 budget was adopted. allows the superintendent to make budget and organizational adjustments if additional FTE are added to the bottom line then information is shared through the school board update for approval so this includes what was so again kind of going through what's in that teal circle an executive assistant that was submitted assistant division counsel was added as well as a supervisor of strategic planning then we have a series of school safety supports there were two school safety

[01:19:37] security officers to lead SSOs the safety security coordinator and then a dispatcher as well as a couple of position reclassifications so these were items again that went through the school board update and were approved and our adjustments to the base the new items for FY 24 is the addition of a paralegal to support our two attorneys we are also increasing legal services we've seen a big increase in this year's expenses and we are projecting that to continue to increase in next year's budget so we're increasing legal services there and then

[01:20:14] we also have an increase in part-time funding for emergency management consultants next slide so the second area is going to be the school board budget and so the school board budget we have the adopted budget of nine hundred thousand the FY 24 proposed of 1.5 and increases 66.6 and so while this is a big percentage the this represents a six hundred thousand dollar increase in personnel cost which is a net change excuse me from the addition of nine full-time school board aides and the reduction of the part-time school board

[01:20:52] aid budget and then this is the only substantial change this budget also includes the two percent cost of living adjustment for school board members for policy 2150 and then other than that the school board budget is relatively flat and then on the next slide the budget book for pages for school board

begin on page 116 and then the addition of those nine full-time school board assistants we have made the connection with the enriched division goal and the specifically 3.2 straightforward communication believe that the addition of these full-time assistants would better support the school board

[01:21:30] members and their role and then also we're just looking around at our neighbors Fairfax has full-time school board aides as well as does the county and that concludes the central support budget presentation. Questions related to central office?

[01:21:52] Seeing none, we can move on to our last presentation, 4.06, Department of Human Resources and Talent Development. Good evening. I'm excited to share with you this evening the Department of Human Resources and Talent Development's portion of the superintendent's estimate of needs. HRTD's budget includes 74 FTEs and approximately \$14.6 million. Before we dive in, I want to

[01:22:28] take a moment to highlight goal two of our 2027 strategic plan for excellence. We recognize that our staff are one of the most important factors to the success of our students and the division. This is why goal two, exemplary staff, and its aligned actions guide and drive our path forward and play a significant role in this year's budget process. Next slide. HRTD is committed to recruiting, developing, supporting, and retaining top diverse talent while also

[01:23:03] offering competitive salaries and benefits for a workforce of over 13,000 full-time employees and more than 4,500 part-time substitute and hourly employees. The department directs all phases of human resources practices through the planning, organization, and implementation of programs and services. During the 2021-22 school year, HRTD transitioned from a generalist model to the creation of teams specializing in recruitment, staffing, employee development,

[01:23:37] and workplace relations. The specialist approach allows HRTD staff to focus on a specific HR function, increase expertise in that area, develop well-defined goals, processes, and timeframes that positively impact efficiencies and better serve students, staff, and community members.

[01:23:58] The department is organized into six subject matter expert groups. School-based staffing, recruiting, and substitutes, support staffing, operations, and compensation, employee benefits, performance management and talent development, workplace relations, and Title IX.

[01:24:17] Next slide. The school-based staffing, recruiting, and substitutes group works with hiring managers on the staffing of school-based positions, including teachers, school counselors, coaches, deans, and principals. This group continues to develop new and innovative ways to attract and recruit a talented, diverse workforce, including the development of grow your own programs and partnerships to mitigate a shortage of qualified candidates and maintain a substitute workforce of approximately 3,200 employees to serve LCPS schools.

[01:24:54] Next slide. Similarly, the support staffing operations and compensation group works with hiring managers on the staffing of support positions, including custodians, bus drivers, digital experience specialists, social workers, and central office administrators.

[01:25:14] This group processed 2,250 employment experience verification requests and supported the onboarding of over 3,000 new hires. Additionally, this group supports our efforts to retain employees with cyclical reviews of position classification and provides recommendations of equitable and competitive enhancements in employee compensation.

[01:25:39] Next slide. The employee benefits group provides orientations, education and training on LCPS benefits for future employees, new hires, rehires, transfers, and retirees. They manage health plan eligibility and enrollment for approximately 32,000 employee dependent and retiree lives. Last year, this team processed over 4,000 requests for leave, including FMLA, restoration of health, military leave, long-term leave without pay, and the Virginia Local Disability Program. Additionally, in an effort to support employee well-being,

[01:26:17] this group provides wellness offerings for employees and retirees, including weight management and walking challenges. And with a dedicated position provided by our partnership with Cigna, this group is working on future enhancements and an expansion to this program. Next slide.

[01:26:35] The performance management and talent development team's efforts include the creation of programs and services that foster growth, development, and professional leadership. This group provides guidance to principals, supervisors, and employees during the evaluation process and supports the Washington Post Teacher of the Year and Principal of the Year recognition programs.

[01:26:58] Next slide. The Workplace Relations Group focused primarily on promoting positive communication between supervisors and employees concerning workplace relations decisions, grievances, problem resolutions, and training to prevent unnecessary employment conflict.

[01:27:17] They provide guidance to principals, supervisors, and employees and investigate alleged policy violations. Next slide. The Title IX office provides oversight of Title IX compliance. This group conducts ongoing training for school-based administrators and staff on how to respond to possible Title IX violations and sexual harassment complaints.

[01:27:40] In the event an allegation meets the regulation standard and a formal complaint is filed, This group conducts investigations into allegations of student and employee Title IX sexual harassment and gender inequality. This group provides support for impacted families, students, and employees and has developed partnerships with the community organizations such as law enforcement, advocacy agencies, the Department of Education, and the Office of Civil Rights.

[01:28:09] Next slide. Although broken out into six individual groups, the Human Resources and Talent Development Department works together collaboratively as one team, supporting the same mission with a focus on being the employer of choice.

[01:28:28] Our team is made up of a dedicated, hardworking group of professionals that I am honored to work with and to lead. Every day, they work to uphold our mission by building, developing, and retaining a high-performing, diverse workforce to empower students to make meaningful contributions to the world.

[01:28:47] Next slide. The employee life cycle is something I have shared with the board previously. It is a model used to explain the various stages most employees will experience with an employer. Each stage of the cycle directly overlaps with core HRTD responsibilities.

[01:29:05] Throughout each one of these stages, HRTD plays a critical role of creating a positive and rewarding employee experience that drives retention. The six stages identify the key areas HRTD teams focus on to track trends and develop strategies to continually improve upon the employee experience.

[01:29:26] This evening's discussion will focus on proposed efforts to specifically support improvements for the two highlighted stages, benefits and compensation, and performance and recognition. Next slide.

Supporting and retaining our staff has never been more important than it is today.

[01:29:47] Goal two of our strategic plan is focused heavily around the concept that LCPS be the employer of choice. While compensation has been proven to motivate employees and boost productivity, there are other considerations of equal and or greater significance which provide increased job satisfaction impacting employee retention.

[01:30:09] In order to make our vision become a reality, we need to ensure that we provide our employees with strong leadership, frequent feedback, recognition and appreciation, opportunities for advancement and growth, competitive compensation packages, and an understanding of the need for a good work-life balance.

[01:30:30] Next slide. Now that the foundation has been provided for the why behind HRTD's fiscal year 24 estimate of needs, let's dig into what is being proposed. One LCPS's 2027 Strategic Plan for Excellence Aligned Action 2.3 charges LCPS with serving as the employer of choice. A strategy identified to meet this goal includes efforts to ensure LCPS offers employees competitive salaries

[01:31:05] and benefits. In the fiscal year 24 estimate of needs, HRTD includes a proposed increase to leave benefits for 10 and 11 month employees and a revision to the criteria for payout of sick leave upon retirement which will increase from 25% to 50%. These changes provide greater alignment with comparator divisions, support internal consistency, and provide employees with peace of mind knowing that they can take the time needed to rest, recharge, take care of themselves and their family, and address a medical situation should one arise.

[01:31:42] Employees have become increasingly more complex over the years. As an important factor in recruiting and retaining the best employees, we recognize the need to ensure employees are aware of all the benefits LCPS offer, which can be a difficult task to accomplish.

[01:32:01] Jellyvision is an employee benefits engagement software designed to guide employees through the benefits maze from enrollment decisions to in-the-moment health care choices that meet their individual needs, leading to happier, healthier employees and a benefits investment well spent.

[01:32:21] Next slide. HRTD's estimate of needs includes a request for an HRTD supervisor to support employee recognition. Employee recognition is an important part of an organization's retention strategy.

[01:32:38] As such, HRTD would like to refine and expand upon existing programs, as well as add new programs. But to do so effectively, HRTD is requesting a new 1.0 FTE. The recognition activities are currently being managed by several staff members within HRTD that have other primary responsibilities.

[01:33:00] So this new position will allow for recognition programs to be consolidated and a dedicated individual will be able to focus on creating more streamlined processes for recognition activities while also seeking ways to expand employee recognition for the division.

[01:33:18] Next slide. Lastly, HRTD is requesting an HRTD representative position to assist the secondary staffing team with the management of co-curricular staffing and stipends. This position will be charged with providing support for new hires and employees serving in all co-curricular stipend position.

[01:33:42] As you may recall, the number of positions that receive a stipend were significantly expanded for the 2022-23 school year to include an increase in fine arts stipends. The total number of stipend positions is approximately 160, with over 3,000 employees serving in these positions.

[01:34:03] Each employee that receives a stipend is processed through HRTD on an annual basis, which represents onboarding and offboarding employees for stipend positions, as well as employees that serve in co-curricular positions.

[01:34:19] Next slide. The overall proposed fiscal year 24 budget for HRTD reflects an overall increase of a little over \$1.1 million. This increase is largely due to the addition of services related to the management of the Title IX program, which was not previously included in the HRTD budget.

[01:34:40] The addition of a program to promote the division's benefits as we focus on being an employer of choice and costs for enhancing systems for tracking employee leave and training. Next slide. Thank you for your time and attention this evening regarding the Department of Human Resource and Talent Development, fiscal year 24, estimate of needs, and I'm happy to take any questions you may have.

[01:35:07] Board members, questions related to the HRTD presentation? I'll start. There were a couple of references in the superintendent's estimate of needs to a new program to promote LCPS benefits to employees. Is that what Jellyvision is, or is that something else?

[01:35:30] so jelly vision will promote yes will promote benefits but it does much more than that so i'm not 100 sure if that is the um the item that was referenced in the superintendent's budget however isn't it was in the hrted section then yes it is jelly vision okay so is it do you have a what the is there a cost for that or what the cost for that is so there is a cost associated

[01:36:03] with Jellyvision, a portion of that cost is being funded out of the self-insurance fund based on some of what Jellyvision will support. The HRTD portion of that is around \$60,000. Thank you. Regarding the attrition data and the attrition percentages increasing over the past three fiscal years, do you have data for surrounding school divisions for what theirs looks like because I'd like to understand whether it's to what degree it's part of a larger trend

[01:36:39] and to what degree it's it's something unique to LCPS do you have that data we do have some data that I'm happy to pull together and provide to you some of it is kept very close to the belt we do have what is publicly available and what we've been able to ascertain from our counterparts What I will say is LCPS is doing far better than surrounding school divisions.

[01:37:05] We have yet to experience what is being called the great resignation, but we recognize that there may come a time where we too fall within some of these, where our numbers fall much lower and are trying to do everything we can to prevent that and to stay ahead of the curve. I can see what I can provide and give that to you in a follow-up. Thank you. Additional questions?

[01:37:36] Ms. Polipko. Thank you, Mr. Chair. I have mentioned a few times my desire to match Fairfax County in terms of the dual retirement system that they offer their employees, and I just wonder if there's ever been any discussion on that in Loudoun County Public Schools and to what degree we may be able to make that possibility for our employees to be more competitive with Fairfax County and any other neighboring districts that do offer that. Ms. Polifco thanks for the question I'm happy to speak to that a little bit you know being previously in

[01:38:11] Fairfax County so I did experience that I know there's been a change to that in terms of the legacy plan that was in place and and how attractive that is to where that is now I know we we did discuss that a part of looking at the estimate of needs and said it was something we want to take a look at but would take a multi-year effort there's a within that they have a whole board of trustees that's involved with

it so it's something that we don't we would like to take a look at to see if it's feasible if that's the desire of the board but that it would be a multi-year effort to take a

[01:38:42] look at that mr baby thank you um going to page 13 i may have missed it but did you give a cost for the change those employee benefit enhancements it's the adding extra sick days for and personal leave enhanced? So there's not a cost associated with the actual leave. The cost, because it is

[01:39:14] when, essentially, an after-the-fact cost, the cost that is associated to it is the \$2.5 million, which would be an estimated cost of what, for substitutes. Okay, so is the, and that \$2.5 million is the entire projected cost for the different payouts and in this extra days yes sir okay thank you additional questions seeing none thank you very much for the presentations tonight uh

[01:39:51] dr smith any closing remarks regarding the work session or the budget uh no sir not at this time that concludes our business for tonight our next work work session is scheduled for this coming tuesday and as we have no further business we are adjourned thank you



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