

These are trying educational and financial times as we continue adapting to life affected by the pandemic. With stupendous efforts by students, teachers and staff, parents and guardians, the Hanover community, and the administration, the Ray School helped prevent the educational losses in our students that other districts around the country have seen due to school closures and other pandemic fallout. This strong academic performance is in large part due to our dedicated staff and parents to whom we are most grateful. That said, higher inflation has impacted all of us and continues to do so.

The Hanover School District - representing the Ray School, Hanover PreK-Grade 12 Special Education, and Hanover transportation - is no exception to inflationary pressures. With economic conditions in mind, the Hanover School Board and administration began work for the 2023-2024 school year budget beginning in August 2022. As always, we strive to maintain and improve the excellence of the Ray School while simultaneously balancing budgetary concerns of our taxpayers and concurrent town costs. After numerous public meetings and nuanced discussions, we present our budget throughout this document.

Specific to the Ray School, we are asking for a year-on-year budget increase of approximately 3.2%, or \$471,000, which is well below current regional inflation metrics of nearly 7%. These increases are mostly driven by higher costs of special education, previous voter-approved changes in salaries and benefits, and transportation costs. Please see our supporting materials for more information. Despite this small 3.2% increase, we project the actual net assessment to increase 8.1%, or \$951,000, largely due to aspects beyond our local immediate control. This is primarily driven by a loss in adequacy aid by the state and increases in tuition for students with out-of-district special education needs.

Across all our Hanover schools, including the Dresden School District (Hanover High School and Richmond Middle School), we anticipate a total increase in the Hanover education property tax rates of 6.69%, or an increase in \$365 on a property assessed at \$500,000 assuming all warrant articles pass. Notably, this remains under recent inflation rates.

Although we plan for a 1.10 FTE decrease, solely among currently unfilled positions, among approximately 105 full-time employees at the Ray School, we are still hoping to hire approximately 2 certified staff (i.e., teachers) and 15 support staff, including 10 special education assistants. These open positions are essential and we hope to fill them as soon as possible. If any of these positions are appealing to you, please contact the Ray School or SAU70 administrations. We are also actively recruiting substitute teaching positions.

In addition to our standard recurring warrant articles, this year's articles include a collective bargaining agreement, a fund retainage request, a fund discontinuation, and a reserve fund request.

- We present a 2-year collective bargaining agreement with the Hanover Service Staff, which includes a \$4,054 over-status-quo budget increase in the 2023-2024 academic year.

- We hope to expand our ability to retain additional unassigned funds remaining at the end of the fiscal year. If there are unassigned general funds remaining at the end of the fiscal year, beyond what is considered in other warrant articles, then the School Board may decide whether to retain any surplus up to 5.0% of Hanover District assessment in case of unexpected need (as we saw happen with the pandemic in 2020!). This is an increase from the previous voter-approved 2.5% limit.
- There was an approved warrant article in 2021 that shifted the 6<sup>th</sup> grade students in Hanover to be part of the Dresden School District, rather than remain on the Hanover School District budget. This aligns those students with their Richmond Middle School peers and had several “behind the scenes” advantages, including stabilizing funding needs year-on-year. Since the Hanover District no longer includes Grade 6, the existing Grade 6 Tuition Fund no longer serves a purpose. The Board asks voters for approval to dissolve this fund, currently projected at \$381,000, with remaining funds returned to taxpayers.
- Although inflation factors are impacting all our lives and budgets, we have noticed a particular need in our Capital Reserve Fund for the Education of Persons with Disabilities, i.e., “special education.” The costs of education for out-of-district residential placement for students needing these services may exceed over \$300,000 per student annually. We ask for an appropriation of up to \$100,000 to further add to this reserve fund, with those dollars only coming from unassigned funds at the end of the fiscal year. This balance, currently around \$223,000, has not been adjusted in 7 years.

We almost made it to the end of the yearly update without mentioning Covid, but it does warrant a brief discussion. We continue to internally monitor cases. This has been a hard year for the trifecta of Covid, influenza, and RSV; that said, our cases for Covid specifically have been negligible across all four of the schools. We thank you for your continued diligence at preventing the spread of illness.

As always, the Hanover School Board has numerous folks to thank. Firstly, we thank our students for coming to school ready to learn and giddy with smiles. We thank our teachers, staff, and administration for working tirelessly daily for helping our students reach their full potential. We thank our parents for being there for our students, and in particular the parent volunteers for their time and expertise. We thank the Hanover community for focusing so much energy, time, and funds for our children. Every time I’m at Ray during school hours, I’m astonished at how happy everyone is. It is truly an honor and privilege to be a part of this community!

Benjamin Keeney  
Chair, Hanover School Board