

Business Coordinator Report

BOE Meeting December 16, 2020

COVID 19 related expenses to date total approximately \$93,250. Our Covid 19 related grants, to offset these costs, total \$47,742. Several of our (600) supply accounts and the (423) housekeeping account are very high for this time of year due to COVID 19 expenses. Once the grants are received and applied these accounts will fall back in-line. Through December 31, 2020 we must continue to pay employees under the Emergency Paid Sick Leave Act (EPSLA). Although this paid leave is mandated for various Covid 19 related absences, public schools are excluded from the federal reimbursement. This act is set to expire at the end of the calendar year but could be extended by future legislation.

A few other areas of the budget are notable. Our legal services account (302) is over 78% spent for the year. This is anticipated as we had negotiations with the Hampton Educators Association (HEA). If our legal needs for the remainder of the year are typical, the balance in the account will be sufficient. In the (500) Other Purchased Services accounts there are several expenses which were unanticipated including public tuition, an increase in private tuition, and an increase in special education transportation. These changes are manageable due to changes in staffing, changes in insurance coverage elections and more School Readiness Grant funds than anticipated. At this time, we expect our budget to meet our immediate needs.

I am actively working with our auditor to complete the 2019-2020 audit. During the last month I completed the GASB 74/75 OPEB Actuarial Report using an online tool. GASB is the acronym for Governmental Accounting Standards Board which sets generally accepted accounting principles used by state and local governments. GASB 74/75 are the standards which measure Other Post Employment Benefits (OPEB). All CT teachers may continue to be enrolled in medical insurance after retirement, through their last employer. The option for medical insurance is the post employment benefit measured by the actuarial report. The calculated cost of this benefit, \$565,353, is included in the Town of Hampton financial statements. Although this number appears significant, it is an ongoing, changing liability, not paid in a lump sum but, rather, paid in our ongoing insurance premiums.

Budget preparations for 2021-2022 are underway and we plan to have a first draft at the January meeting. Having the negotiated HEA salary scale as well as new para step scale and substitute rates will be helpful in preparing the first draft.

Respectfully submitted,
Sally Lehoux