

Hampton Board of Education
Superintendent's Report
1/27/21
Written 1/21/21

**Superintendent's DRAFT Budget Report
1/27/21**

My superintendent's report for this month focuses on the budgeting process that Sam, Sally, Judy, and I have been working on that has resulted in this first **draft** of the 2021-2022 HES budget.

Budget Assumptions

We have made the following assumptions in our budget discussions:

1. The Covid 19 issues that have faced HES since March 2019 will remain unresolved even if the vaccine has been implemented across the country; therefore, we are budgeting for a continued need to observe our current Covid protocols
2. The draft budget we have developed for your review and discussion is based on continued high special education costs
3. The final assumption is that HES's students population will be approximately 76 students - Pre-K to Grade 6.

Estimated grade level number of students - assumption is that all students will return to HES in 2021-2022:

- Pre-K = 8. (Team K = 18)
- K = 10
- Gr. 1 = 10. (Team A = 20)
- Gr. 2 = 10
- Gr. 3 = 11 (Team B = 20)
- Gr. 4 = 9
- Gr. 5 = 7. (Team C = 18)
- Gr. 6 = 11

TOTAL student population estimate = 76

Note: The total student population at HES for the 2020-2021 academic year = 77

Status of HES's Educational Program

We have successfully combined our grades into Teams A, B, & C with multiage classrooms. Team K is made up of two distinct grades of Pre-K and K. This current organization will continue into 2021-2022.

With this arrangement, we have not made any changes in the number of FTE's of certified staff with a very similar certified staff schedule to the current schedule.

In Special Education, we have made the calculation that one student currently out placed will be returning to HES and one student will remain in the

current specialized outplacement. The current number of paraprofessionals has remained consistent in this draft budget

Special Education support services remain with part time service providers in OT, PT, and SLP. These services have been reduced by a small amount with the “stepping up” of one student. At this time, we have no known students in Birth To Three who will be entering HES in 2021.

These special education decisions are always subject to change.

Finally, our Covid protocols will remain in force with continued sanitizing of the building and social distancing, wearing of masks, and hand washing. These protocols have thus far protected our school community.

Transparency

In order to better understand the complex nature of the budgeting efforts, I have included in this superintendent’s report an overview of the data in the budgeting decision making process that we have had to work within in order to develop this budget.

As has been requested by the BoE members, we have made this effort to keep you fully informed and therefore have made our budget submission as transparent as possible without revealing in a public document the sensitive details that a budget document can reveal about students, teachers and their personal information. This is especially true in our very small district with almost any information easily applied to specific names or groups of people.

The first part of our effort is to be as transparent as possible. This effort at transparency is the reason behind this month’s superintendent’s report. It highlight how the outside economic decisions that we cannot control, the inside decisions which we have total control over and those expenses that reflect the interplay of outside and inside decisions have created the figures you see in this budget.

Our second transparency effort is to supply you with the expended five page budget document that Sally and I use to fine tune the budget numbers. This document is entitled:

DRAFT BUDGET 2021-2022

1/20/21

In addition, we have sent to you for your review the proposed budget in its expanded form which expands each line item with more detailed costs. This document is entitled:

EXPANDED BUDGET 2021-2022

DRAFT

1/20/21

Sam, Judy, Sally, and I hope that our efforts will make you as informed about the budget you are reviewing as you have ever been during my tenure as your superintendent.

Dr. Olah's Superintendent's Report:

The Decisions Impacting the Development of the DRAFT Budget for FY 2021-2022 for Hampton Elementary School

INTRODUCTION:

After years of developing budgets for multiple districts as well as individual school based budgets, I have come to understand that there are only three fundamental realities that impact all budgeting. This three realities are:

**Outside decisions / forces
Combined outside and inside decisions / forces
Inside decisions / forces**

In this report, I am not implying that you as a Board of Education, have little control over your budget, rather, there are decisions and forces that have impacted our budget that give us little leeway to make substantive changes to the costs. We always have the final control of costs.

There are Line items which are controlled by outside decisions - these outside decisions create the actual numbers that appear in budget lines that the superintendent has no control over other than to make the calculations that are required in order to formulate the number that goes on the budget line. For example, the cost of Medicare. This number is dictated by federal regulations and it is a calculation based on a formula.

There are other outside decisions that we have no control over and those are the contracted services we provide to our employees. For example: we have the Lines 210 (Health insurance) and 211 (Life Insurance) expenses that are driven by the contracts we have with the insurance industry.

We also have contracted services such as the Technical Services - EastConn that are required to maintain our internet which has become a critical infrastructure on the same level importance as our heating and electric costs.

Section 500 (Other Professional Services) including Line 510 (Pupil

Transportation), Line 515 (Transportation Special Education) make-up over 90% of this section of our budget.

Turning to Section 600 (Supplies), Line 624 (Heating Oil/Propane) and Line 625 (Diesel) are projected to be a total cost of 34% of Section 600. We have made assumptions for the price of oil at \$1.82/gal, propane at \$2.34/gal, and diesel at \$2.10/gal.

Finally, Section 800, Line 850 (Transfer Out - Cafeteria) reflects our costs for the operation of our food services by EastConn and are required by the Federal Food Program that feeds ALL of our students free breakfasts and lunches.

There are Line items which are controlled by both outside and inside decisions

For this section, I will start with Section 800 (Other Objects) and Line 810 (Dues and fees). We belong to professional organizations; URSA (EastConn's superintendent's organization) ConnCase, CASBO, EastConn, ASCD, Ct. REAP and CAFE. We have made the decision to join these organizations of the dozens we could have joined. We are the only school district that is NOT a member of the statewide superintendent's organization: CAPSS. We have control only in the sense that we do or we do not join a professional organization. The membership fees are set outside and inside, we make the choices of which organization to join.

Looking at Section 100, Line 104 (Certified Staff) and Line 111 (Paraprofessionals), these are expenses which combine the outside decisions exerted by the HEA contract or pay scales with the inside decisions on the number of teachers and paraprofessionals who are required to operate the school effectively and lawfully per state and federal regulations. Combined, these two Lines account for 69% of Section 100. If there are any savings to be had, we need to first look at staffing. Staffing impacts almost every outside force impacting this budget.

Line 110 (Substitutes) reflects this outside/inside decisions issue. We have cut this Line. Remember that the current HEA contract allows each teacher to accumulate 180 days of sick time which is the outside force that directly impacts Line 110. Since the Covid 80 hour sick time provision for work absences based on Covid infections has lapsed as of December 31, 2020, we will need to continue to fund substitutes to cover long periods of time for sick teachers and paraprofessionals.

I have also directed our business coordinator to include in this budget a 1% salary increase for all employees not covered by a contract or pay scale. So positions from the principal to the custodian are included in this salary decision.

Section 400 (Purchased Property Services) has a few areas impacted by inside/outside decisions. Line 430 (Building/Grounds Maintenance) includes the

contracts for HVAC and snow removal which are only two of the many contracts we hold. I have made the decision that these contracts are essential.

There are Line items that are controlled only by inside decisions

The Section we have a great deal of direct control over is Section 600 (Supplies). Lines 601 (General Supplies), 611 (Instructional Supplies), 613 (Expendable Equipment), 615 (Main./Repair Supplies), Line 641 (Textbooks/Workbooks) and 642 (Library Books/Periodicals) all can be determined solely by our inside decisions.

When I looked at these Lines, I used the following reasoning:

- Total estimated students for FY 2021-2022 = 76
- Using that estimate, the following are the per pupil costs for a full year's worth of supplies for each Line item that is included in this draft budget:
 - Line 601 (General supplies) = \$139/student/year*
 - Line 611 (Instructional Supplies) = \$203/student/year
 - Line 613 (Expendable Equipment) = \$118/student/year**
 - Line 641 (Textbooks/Workbooks) = \$198/student/year
 - Line 642 (Library Books / Periodicals) = \$23.66/student/year
- * NOTE: Line 601 includes all supplies that support the education of students including all the office and nursing room supplies.
- ** Line 613 (Expendable Equipment) includes the replacement/repair of all technology like Chromebooks and iPads

The total cost per student per year is \$682 or \$47,039 / year in direct costs to educate our 76 students and that equals 2.2% of the total expenses in this budget draft.

Conclusion:

We have developed a budget we believe will provide our HES students with a quality education. The estimated total expense in this DRAFT budget reflects no substantive change in the student population. The impact of Covid will continue to impact HES's budget.

As your superintendent, my job is to develop and present to you a budget for 2021-2022 based on our best estimate of costs for our 76 students. We have also presented to you a transparent budget document.