

Lexington

Staff Update

November 28, 2018

From the office of the Treasurer...

All Staff

- Hoping everyone had a relaxing and enjoyable Thanksgiving and found some time to spend with friends and family over break.

Premium Holiday

During its November 14, 2018 meeting, the Lexington Board of Education approved a **premium holiday** for the month of December. This premium holiday results in a savings for employees totaling approximately \$65,000 and means no medical or dental premiums will be deducted from your December pay checks.

The premium holiday is equivalent to an 8% premium reduction for the year. The premium holiday **savings is more than what the 2019 increase will be.** (See insurance rates reminder below)

Insurance Rates

As a reminder, **insurance rates** effective January 1, 2019, were approved by the Board at the October 17th Board of Education meeting and represent **modest increases of 2.4% for medical, 0% for dental, and 3% for vision.** As in the past, one-half of the premium will be deducted from each pay per month. An e-mail was sent out with the updated rates. If you have any questions, please feel free to contact the Treasurer's Office.

Medical, Dental, and Vision Open Enrollment

Open enrollment is currently ongoing and will run through November and December for **health, dental, and vision insurance** for a January 1st effective date. Employees who wish to add, change, or terminate health coverage may do so by contacting Kathy by December 31st.

Taxable Reimbursements

With year end quickly approaching, just a quick reminder that the Internal Revenue Service determines and specifies employee reimbursements that are taxable as wages. IRC Section 162(a)(2) and IRC Section 162; Reg. Section 162-2(c)(1) describe the following taxable reimbursements:

Meal Reimbursement

In order for travel meal reimbursements to be excluded from wages, employees must be traveling away from their tax home on their employer's business and both of the following must apply:

- The employee must be traveling away from the general area of the tax home longer than an ordinary day's work;
AND
- The employee needs to obtain substantial sleep or rest to meet the demands of the work while away from home – overnight.

In some circumstances, we do receive lunch reimbursement, up to \$8, for travel/conferences that do not require an overnight stay. While these reimbursements and any related taxable amounts are not substantial, the IRS does require inclusion of such reimbursements as taxable.

Uniform Allowances and Reimbursements

In order for uniform allowances and reimbursements to be excluded from wages:

- The clothing or uniforms must be specifically required as a condition of employment and cannot be optional;
AND
- The clothing cannot be worn or adaptable to general usage as ordinary clothing or street wear. It is not enough that the employee wear distinctive clothing, nor is the text met because the employee does not, in fact, wear the work clothes away from work. The clothing must not be suitable for taking the place of regular clothing.

Examples: All shoes are taxable except steel toe safety shoes. All other shoes are adaptable for general wear. Also, the allowance or cost of buying pants and/or shirts with the company decal worn by the employee at the request of a supervisor are taxable because these are appropriate for personal use.

Again, these reimbursements and any related taxable amounts are not substantial, but the IRS does require inclusion of such reimbursements as taxable.

Facilities Communications:

November 6th – Election Results

As we are all aware, on November 6th, the community voted to approve our 8.6 mill bond issue and .5 mill maintenance by a pretty incredible **57% to 43% margin.**

This once again shows the amazing support from our community for our students and staff. **Thank you for all the time, energy, and care that you pour into each of our students each day.** This clearly does not go unnoticed by the parents and other residents of this community.

OFCC

As a result of the election, we have now secured the local portion of our project funding. We are currently awaiting further information from the OFCC as to the specifics of the timeframe for funding our project. As more information becomes available, we will share this information.

In the meantime, as promised during the levy campaign, the Board of Education **passed a resolution** at its November 14th meeting to **postpone collection of the approved taxes until 2020.** Both Richland and Morrow County were informed of the Board's desire to delay the collection of the approved taxes.

Useful? Information:

We should not look back unless it is to derive useful lessons from past errors, and for the purpose of profiting by dearly bought experience.

–George Washington



GO LEX!!!!