



## Memorandum

**To:** Dr. Kevin McGowan

**From:** Lou Alaimo

**Date:** December 18, 2018

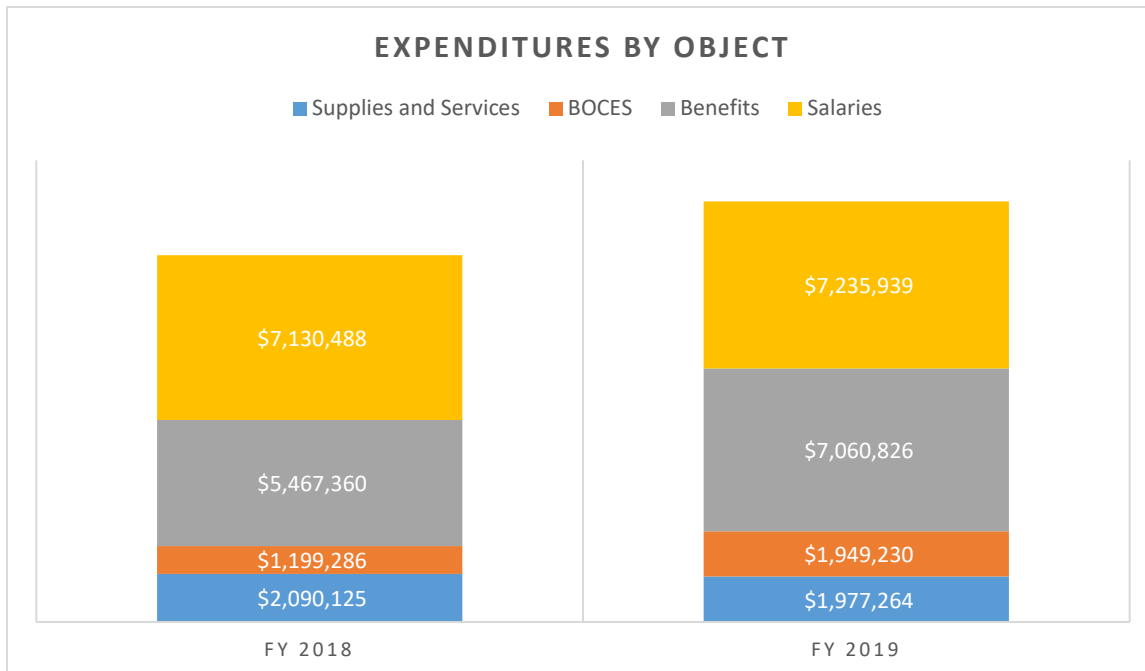
**Re:** Executive Summary: Budget Status Report

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The purpose of this memo is to provide an executive summary of the Budget Status Report for the period ending October 31, 2018.

### Year-to-Date Expenditures

As of October 31, 2018, YTD expenditures totaled \$18,223,259. Compared to the prior year-to-date expenditures at October 31, 2017, spending is \$2,336,000, or 14.7% higher. The chart below provides a comparison of the major cost drivers:



Salaries and Wages: YTD payroll expense is \$105,451, or 1.5% greater than prior year:

Salaries	2019 YTD	2018 YTD	Change	% Change
Admin	\$ 824,293	\$ 807,846	\$ 16,447	2.0%
Teaching/Supervision	4,583,881	4,535,375	48,506	1.1%
Non-Certificated	1,827,765	1,787,267	40,498	2.3%
	<u>\$ 7,235,939</u>	<u>\$ 7,130,488</u>	<u>\$ 105,451</u>	<u>1.5%</u>

Through October 31st, the number of payrolls processed match prior year. Salary and wages groupings reflect contractual increases, less attrition from retirements, and certain vacancies.

Employee Benefits: YTD Benefits expense is \$1,593,466, or 29.1% greater than FY 2018. The significant variance is due to timing of invoice payments for insurance premiums. We will monitor health insurance costs over the next several months. In January 2019, we will expect the rates to increase approximately 1%. We would expect retirement costs to be greater than prior year due to the increase in employer contribution rates. Payroll taxes will be consistent with increase in wages in future months. Other benefits increased due to new employees enrolling in the high deductible plan and receiving a contribution to a health savings account. Otherwise, other benefits would decrease due to a drop in workers' compensation premiums.

Employee Benefits	2019 YTD	2018 YTD	Change	% Change
Health Insurances	\$ 5,421,564	\$ 3,953,238	\$ 1,468,326	37.1%
Retirement	829,988	769,711	60,277	7.8%
Payroll Taxes	548,382	547,076	1,306	0.2%
Other Benefits	260,892	197,335	63,557	32.2%
	<u>\$ 7,060,826</u>	<u>\$ 5,467,360</u>	<u>\$ 1,593,466</u>	<u>29.1%</u>

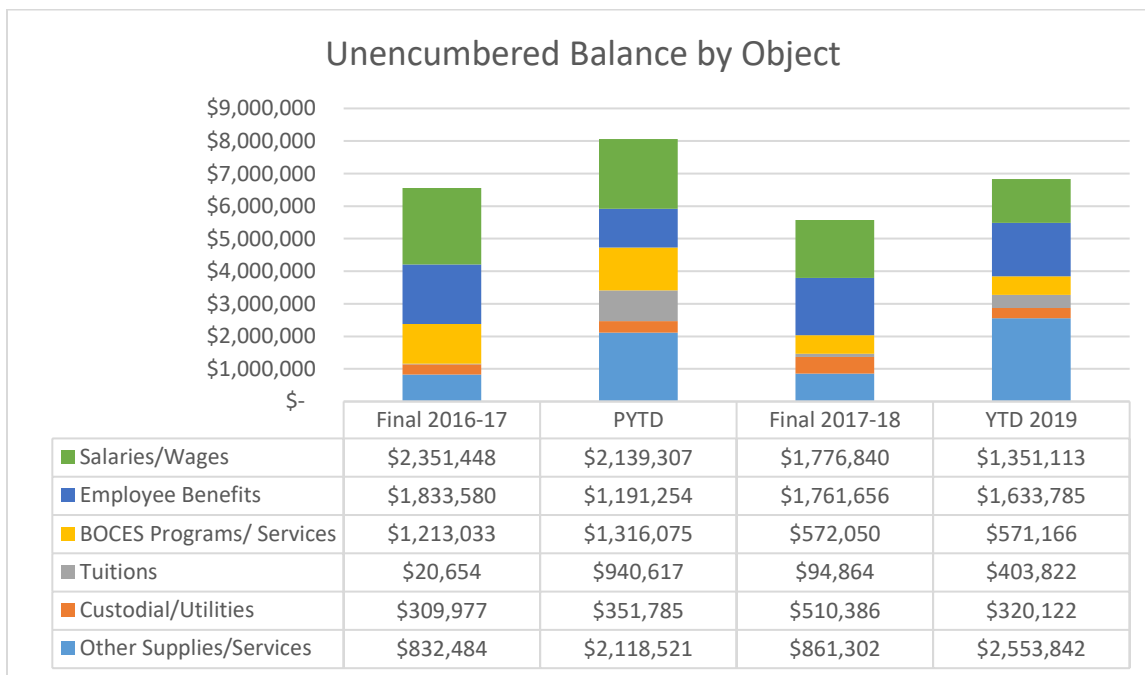
BOCES: Attached is a breakdown of the primary BOCES functions subscribed to by the District. The most significant variances relate to technology spending and timing of transportation billing:

BOCES	2019 YTD	2018 YTD	Change	% Change
Admin Fees	\$ 175,436	\$ 128,426	\$ 47,010	36.6%
Business/Technology Services	182,018	153,977	28,041	18.2%
General Ed/Professional Dev.	249,394	200,233	49,161	24.6%
Special Education	610,664	542,794	67,870	12.5%
Occ Education	94,921	76,260	18,661	24.5%
Instructional Technology	508,520	91,202	417,318	457.6%
Transportation	128,277	6,394	121,883	1906.2%
	<u>\$1,949,230</u>	<u>\$ 1,199,286</u>	<u>\$ 749,944</u>	<u>62.5%</u>

**Supplies and Services:** YTD expenses on supplies and services are \$112,861 less than prior year. Below is a comparison of significant cost drivers:

Supplies, Services, Transfers	2019 YTD	2018 YTD	Change	% Change
Legal Fees	\$ 17,101	\$ 21,963	\$ (4,862)	-22.1%
Utilities/Custodial	222,413	226,371	(3,958)	-1.7%
Maintenance Projects	222,824	166,348	56,476	34.0%
Printing/Mailing	22,886	21,743	1,143	5.3%
Insurances	209,713	204,926	4,787	2.3%
Tax Certiorari Claims	(7,595)	-	(7,595)	
School Supplies and Materials	304,864	272,191	32,673	12.0%
Charter School Tuitions	93,947	71,723	22,224	31.0%
Spec Ed. Contracts/Tuitions	158,043	80,081	77,962	97.4%
Contract Transportation	362,039	283,370	78,669	27.8%
Debt Service/Transfers	-	-	-	
All Other Supplies and Services	371,029	741,409	(370,380)	-50.0%
	\$1,977,264	\$ 2,090,125	\$ (112,861)	-5.4%

**Unencumbered Balances** - The unencumbered balance as of October 31, 2018 is estimated at \$6,833,850. Below is a comparison to priors:



The District will closely monitor trends in the high risk categories presented in this chart. In future months, additional salaries will be charged to federal grants thereby increasing fund balance to a level more consistent with prior year. Balances in Other Supplies/Services will be depleted throughout the year.