



## Memorandum

**To:** Dr. Kevin McGowan

**From:** Lou Alaimo

**Date:** January 22, 2019

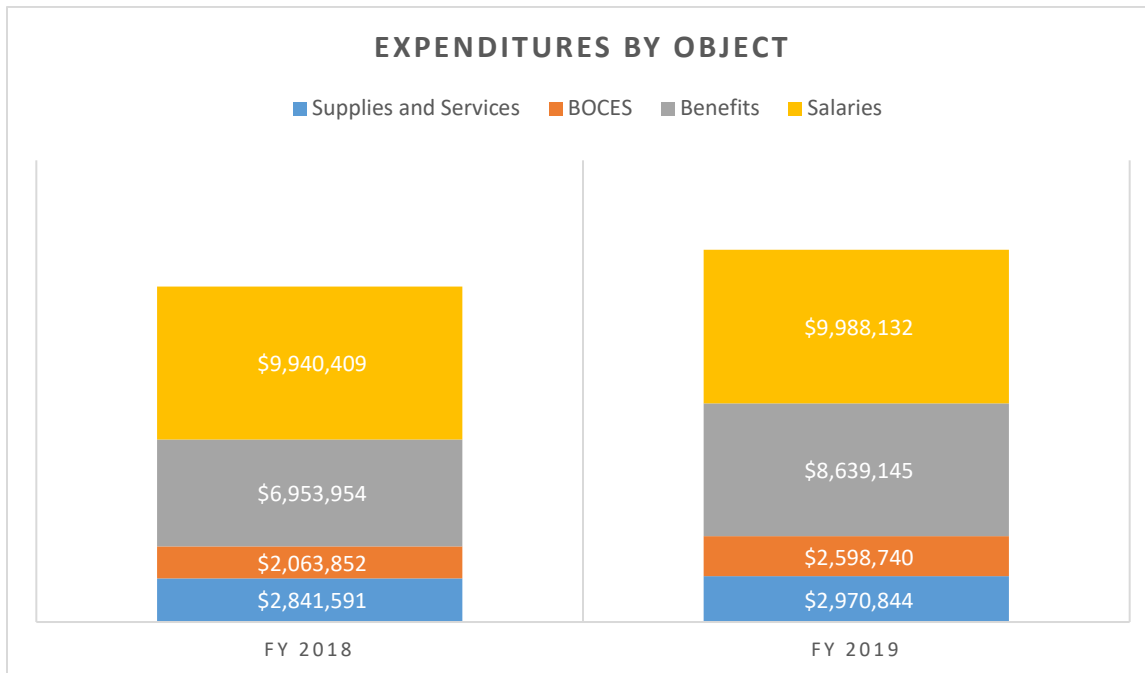
**Re:** Executive Summary: Budget Status Report

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The purpose of this memo is to provide an executive summary of the Budget Status Report for the period ending November 30, 2018.

### Year-to-Date Expenditures

As of November 30, 2018, YTD expenditures totaled \$24,196,861. Compared to the prior year-to-date expenditures at November 30, 2017, spending is \$2,397,055, or 11.00% higher. The chart below provides a comparison of the major cost drivers:



Salaries and Wages: YTD payroll expense is \$47,723, or 0.5% greater than prior year:

Salaries	2019 YTD	2018 YTD	Change	% Change
Admin	\$ 1,006,871	\$ 984,043	\$ 22,828	2.3%
Teaching/Supervision	6,590,378	6,606,658	(16,280)	-0.2%
Non-Certificated	2,390,883	2,349,708	41,175	1.8%
	<u>\$ 9,988,132</u>	<u>\$ 9,940,409</u>	<u>\$ 47,723</u>	<u>0.5%</u>

Through November 30th, 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 \$1,685,191, or 24.2% greater than FY 2018. The significant variance is due to timing of invoice payments for insurance premiums. We will continue to 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	\$ 6,456,461	\$ 4,942,091	\$ 1,514,370	30.6%
Retirement	1,152,815	1,060,091	92,724	8.7%
Payroll Taxes	764,875	754,717	10,158	1.3%
Other Benefits	264,994	197,055	67,939	34.5%
	<u>\$ 8,639,145</u>	<u>\$ 6,953,954</u>	<u>\$ 1,685,191</u>	<u>24.2%</u>

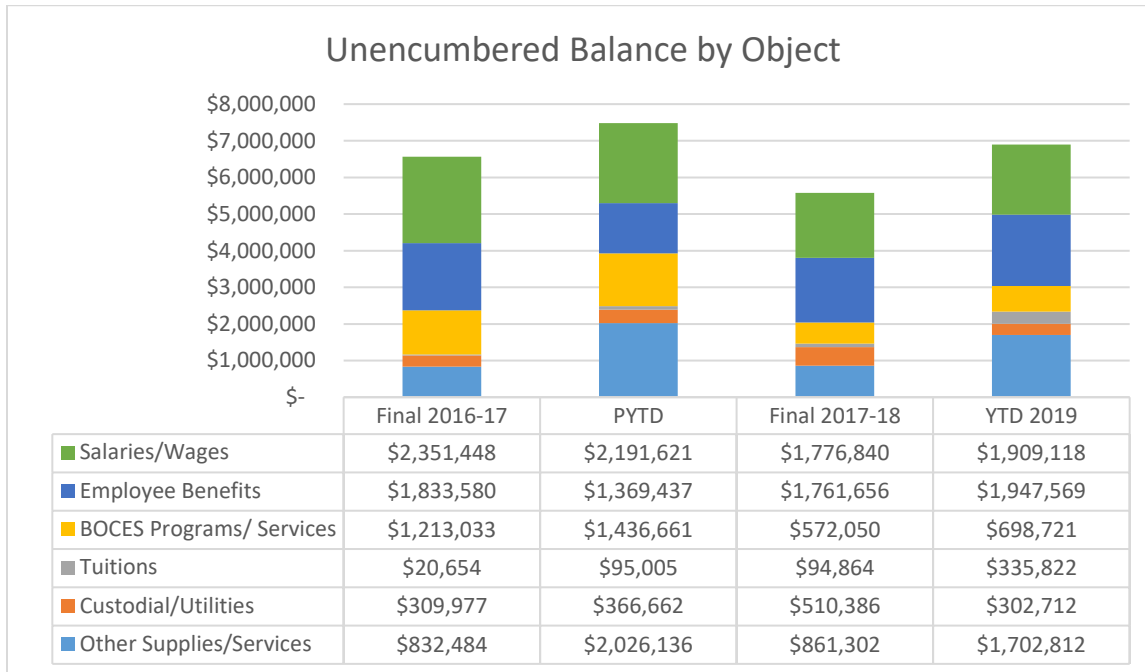
BOCES: Attached is a breakdown of the primary BOCES functions subscribed to by the District. The most significant variances relate to technology spending and timing of transportation billing:

BOCES	2019 YTD	2018 YTD	Change	% Change
Admin Fees	\$ 241,368	\$ 192,640	\$ 48,728	25.3%
Business/Technology Services	319,265	273,801	45,464	16.6%
General Ed/Professional Dev.	304,725	254,356	50,369	19.8%
Special Education	891,163	760,321	130,842	17.2%
Occ Education	132,142	114,390	17,752	15.5%
Instructional Technology	525,343	458,573	66,770	14.6%
Transportation	184,734	9,771	174,963	1790.6%
	\$2,598,740	\$ 2,063,852	\$ 534,888	25.9%

Supplies and Services: YTD expenses on supplies and services are \$129,253 higher 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	311,863	300,573	11,290	3.8%
Maintenance Projects	240,223	214,793	25,430	11.8%
Printing/Mailing	37,941	29,382	8,559	29.1%
Insurances	210,598	205,049	5,549	2.7%
Tax Certiorari Claims	2,621	-	2,621	
School Supplies and Materials	364,077	333,637	30,440	9.1%
Charter School Tuitions	93,947	77,102	16,845	21.8%
Spec Ed. Contracts/Tuitions	264,903	457,696	(192,793)	-42.1%
Contract Transportation	904,167	643,144	261,023	40.6%
Debt Service/Transfers	66,338	71,963	(5,625)	-7.8%
All Other Supplies and Services	457,065	486,289	(29,224)	-6.0%
	\$2,970,844	\$ 2,841,591	\$ 129,253	4.5%

Unencumbered Balances - The unencumbered balance as of November 30, 2018 is estimated at \$6,896,754. Below is a comparison to priors:



The District will closely monitor trends in the high risk categories presented in this chart. However, based prior year results through November, the District is confident that it will be able to replenish the capital reserves and appropriate \$2.6 million for the 2019-20 Budget.