



Memorandum

To: Dr. Kevin McGowan

From: Lou Alaimo

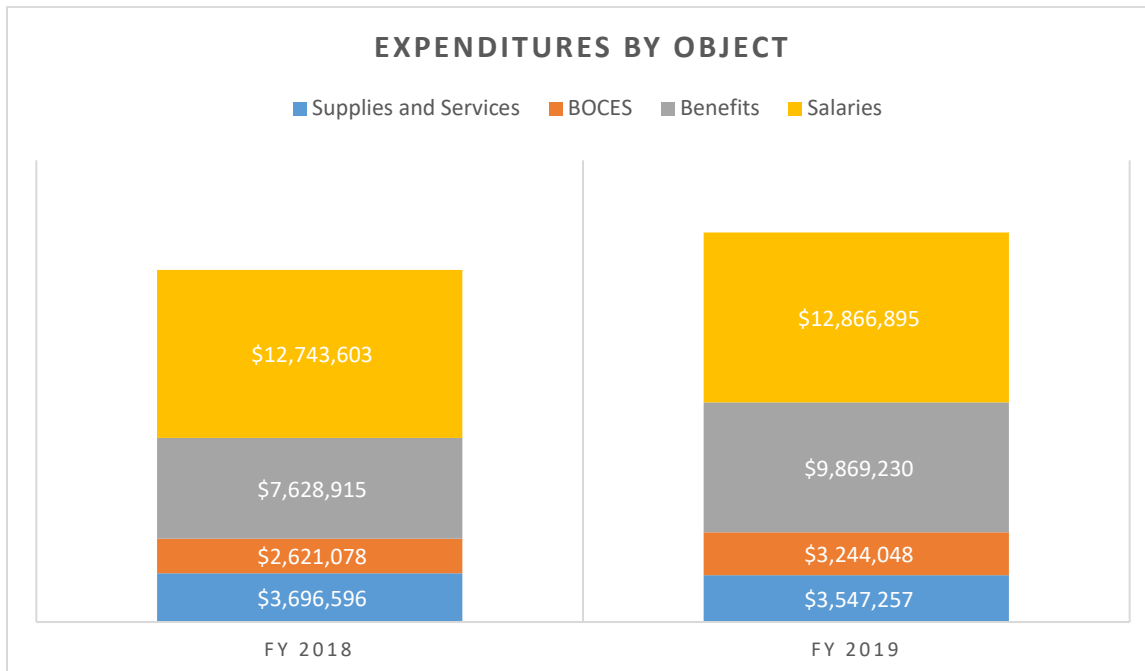
Date: February 26, 2019

Re: Executive Summary: Budget Status Report

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

Year-to-Date Expenditures

As of December 31, 2018, YTD expenditures totaled \$29,527,429. Compared to the prior year-to-date expenditures at December 31, 2017, spending is \$2,837,238, or 10.6% higher. The chart below provides a comparison of the major cost drivers:



Salaries and Wages: YTD payroll expense is \$123,292, or 1.0% greater than prior year:

Salaries	2019 YTD	2018 YTD	Change	% Change
Admin	\$ 1,189,448	\$ 1,161,323	\$ 28,125	2.4%
Teaching/Supervision	8,680,960	8,642,998	37,962	0.4%
Non-Certificated	2,996,487	2,939,282	57,205	1.9%
	<u>\$ 12,866,895</u>	<u>\$ 12,743,603</u>	<u>\$ 123,292</u>	<u>1.0%</u>

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

Employee Benefits: YTD Benefits expense is \$2,240,315, or 29.4% greater than FY 2018. The significant variance is due to timing of invoice payments for insurance premiums. FY 19 payments are current whereas prior year reflects a delay due to billing discrepancies. 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	\$ 7,076,143	\$ 5,084,435	\$ 1,991,708	39.2%
Retirement	1,472,087	1,350,651	121,436	9.0%
Payroll Taxes	976,552	960,659	15,893	1.7%
Other Benefits	344,448	233,170	111,278	47.7%
	<u>\$ 9,869,230</u>	<u>\$ 7,628,915</u>	<u>\$ 2,240,315</u>	<u>29.4%</u>

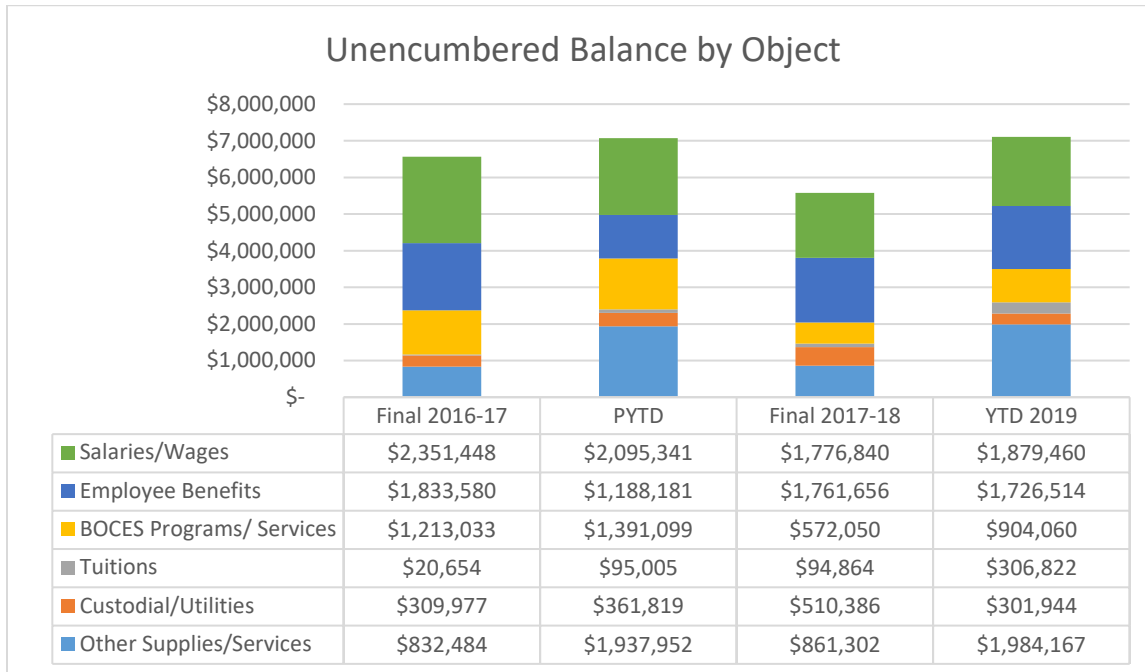
BOCES: On page 3 is a breakdown of the primary BOCES functions subscribed to by the District. The most significant variances relate to technology spending and timing of transportation billing:

BOCES	2019 YTD	2018 YTD	Change	% Change
Admin Fees	\$ 307,299	\$ 256,853	\$ 50,446	19.6%
Business/Technology Services	453,414	386,634	66,780	17.3%
General Ed/Professional Dev.	353,038	298,335	54,703	18.3%
Special Education	1,182,287	999,152	183,135	18.3%
Occ Education	169,363	152,520	16,843	11.0%
Instructional Technology	540,677	441,773	98,904	22.4%
Transportation	237,970	85,811	152,159	177.3%
	\$3,244,048	\$ 2,621,078	\$ 622,970	23.8%

Supplies and Services: YTD expenses on supplies and services are \$149,339 lower than prior year. Below is a comparison of significant cost drivers:

Supplies, Services, Transfers	2019 YTD	2018 YTD	Change	% Change
Legal Fees	\$ 25,855	\$ 32,419	\$ (6,564)	-20.2%
Utilities/Custodial	394,470	382,621	11,849	3.1%
Maintenance Projects	336,775	241,551	95,224	39.4%
Printing/Mailing	48,323	38,651	9,672	25.0%
Insurances	210,598	205,049	5,549	2.7%
Tax Certiorari Claims	2,859	-	2,859	
School Supplies and Materials	429,459	432,159	(2,700)	-0.6%
Charter School Tuitions	111,274	101,757	9,517	9.4%
Spec Ed. Contracts/Tuitions	387,749	601,732	(213,983)	-35.6%
Contract Transportation	930,297	938,306	(8,009)	-0.9%
Debt Service/Transfers	101,713	114,731	(13,018)	-11.3%
All Other Supplies and Services	567,885	607,620	(39,735)	-6.5%
	\$3,547,257	\$ 3,696,596	\$ (149,339)	-4.0%

Unencumbered Balances - The unencumbered balance as of December 31, 2018 is estimated at \$7,102,967. On page 4 is a comparison to prior year projected-to-actual:



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