



## Memorandum

**To:** Dr. Kevin McGowan

**From:** Lou Alaimo

**Date:** March 12, 2019

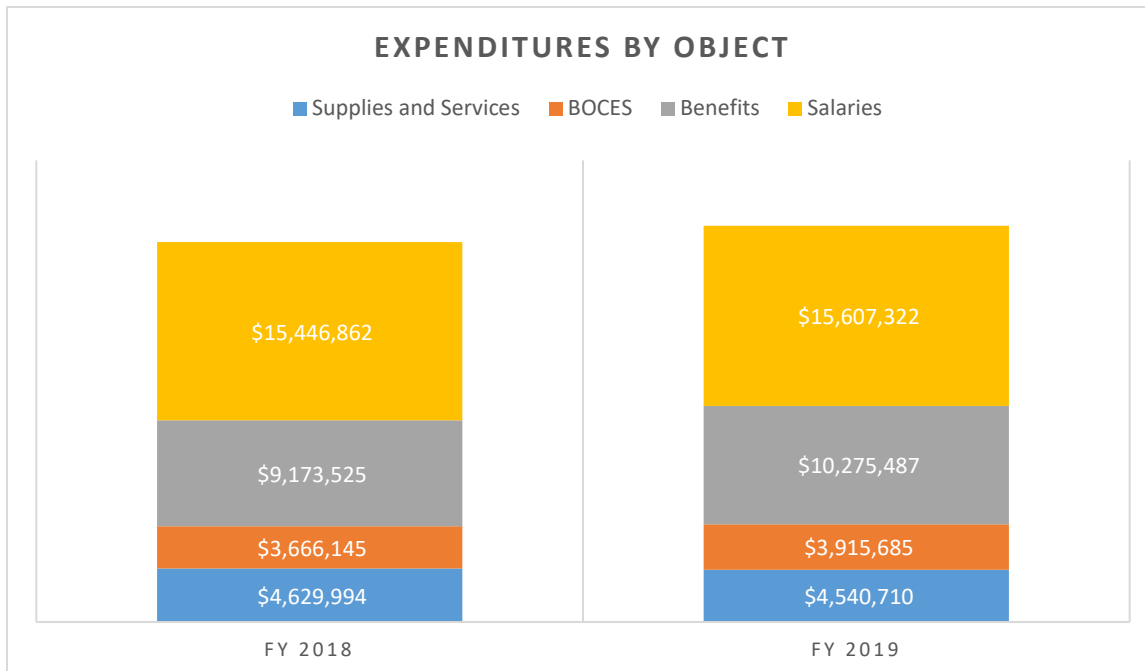
**Re:** Executive Summary: Budget Status Report

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The purpose of this memo is to provide an executive summary of the Budget Status Report for the period ending January 31, 2019.

### Year-to-Date Expenditures

As of January 31, 2019, YTD expenditures totaled \$34,339,204. Compared to the prior year-to-date expenditures at January 31, 2018, spending is \$1,422,678, or 4.3% higher. The chart below provides a comparison of the major cost drivers:



Salaries and Wages: YTD payroll expense is \$160,460, or 1.0% greater than prior year:

Salaries	2018 YTD	2019 YTD	Change	% Change
Admin	\$ 1,338,477	\$ 1,372,513	\$ 34,036	2.5%
Teaching/Supervision	10,629,788	10,687,312	57,524	0.5%
Non-Certificated	3,478,597	3,547,497	68,900	2.0%
	<u>\$ 15,446,862</u>	<u>\$ 15,607,322</u>	<u>\$ 160,460</u>	<u>1.0%</u>

Through January 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 \$1,101,962, or 12% greater than FY 2018. Health insurance increases are the primary driver. In the coming months, the District will be analyzing impact open enrollment will have on cost projections – change in participant numbers and plan selection. 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	2018 YTD	2019 YTD	Change	% Change
Health Insurances	\$ 6,089,684	\$ 7,003,368	\$ 913,684	15.0%
Retirement	1,547,928	1,693,372	145,444	9.4%
Payroll Taxes	1,163,658	1,183,370	19,712	1.7%
Other Benefits	372,255	395,377	23,122	6.2%
	<u>\$ 9,173,525</u>	<u>\$ 10,275,487</u>	<u>\$ 1,101,962</u>	<u>12.0%</u>

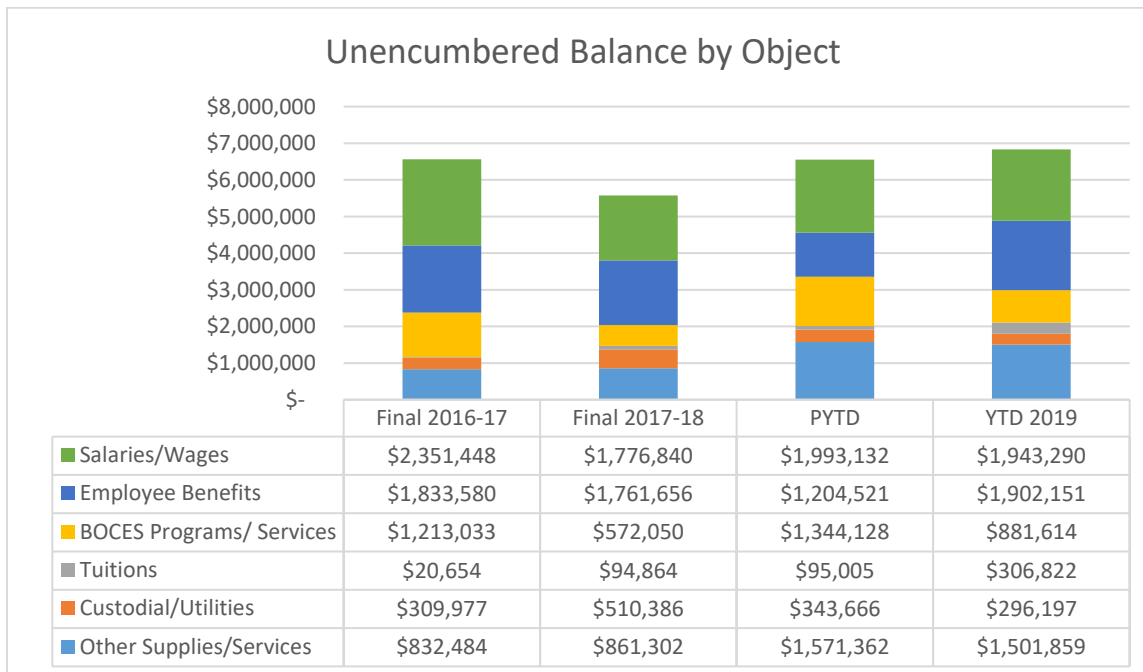
BOCES: Below is a breakdown of the primary BOCES functions subscribed to by the District. The most significant variances relate to technology spending and timing of transportation billing:

BOCES	2018 YTD	2019 YTD	Change	% Change
Admin Fees	\$ 385,279	\$ 373,230	\$ (12,049)	-3.1%
Business/Technology Services	502,873	515,270	12,397	2.5%
General Ed/Professional Dev.	379,924	397,481	17,557	4.6%
Special Education	1,419,700	1,497,934	78,234	5.5%
Occ Education	228,780	206,584	(22,196)	-9.7%
Instructional Technology	509,747	633,756	124,009	24.3%
Transportation	239,842	291,430	51,588	21.5%
	<u>\$3,666,145</u>	<u>\$ 3,915,685</u>	<u>\$ 249,540</u>	<u>6.8%</u>

Supplies and Services: YTD expenses on supplies and services are \$89,284 lower than prior year. Below is a comparison of significant cost drivers:

Supplies, Services, Transfers	2018 YTD	2019 YTD	Change	% Change
Legal Fees	\$ 38,611	\$ 40,424	\$ 1,813	4.7%
Utilities/Custodial	480,487	488,074	7,587	1.6%
Maintenance Projects	260,625	358,353	97,728	37.5%
Printing/Mailing	52,116	86,032	33,916	65.1%
Insurances	205,049	210,598	5,549	2.7%
Tax Certiorari Claims	62,101	38,398	(23,703)	-38.2%
School Supplies and Materials	493,251	484,318	(8,933)	-1.8%
Charter School Tuitions	107,136	111,274	4,138	3.9%
Spec Ed. Contracts/Tuitions	819,688	590,783	(228,905)	-27.9%
Contract Transportation	1,191,634	1,247,222	55,588	4.7%
Debt Service/Transfers	114,731	101,713	(13,018)	-11.3%
All Other Supplies and Services	804,565	783,521	(21,044)	-2.6%
	\$4,629,994	\$ 4,540,710	\$ (89,284)	-1.9%

Unencumbered Balances - The unencumbered balance as of January 31, 2019 is estimated at \$6,831,933. Below 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 allocate funds to appropriate \$2.6 million for the 2019-20 Budget and replenish a portion of the planned capital withdraws recommended for 2017 BFIP bid overages and the BOCES capital project.