



Memorandum

To: Dr. Kevin McGowan

From: Lou Alaimo

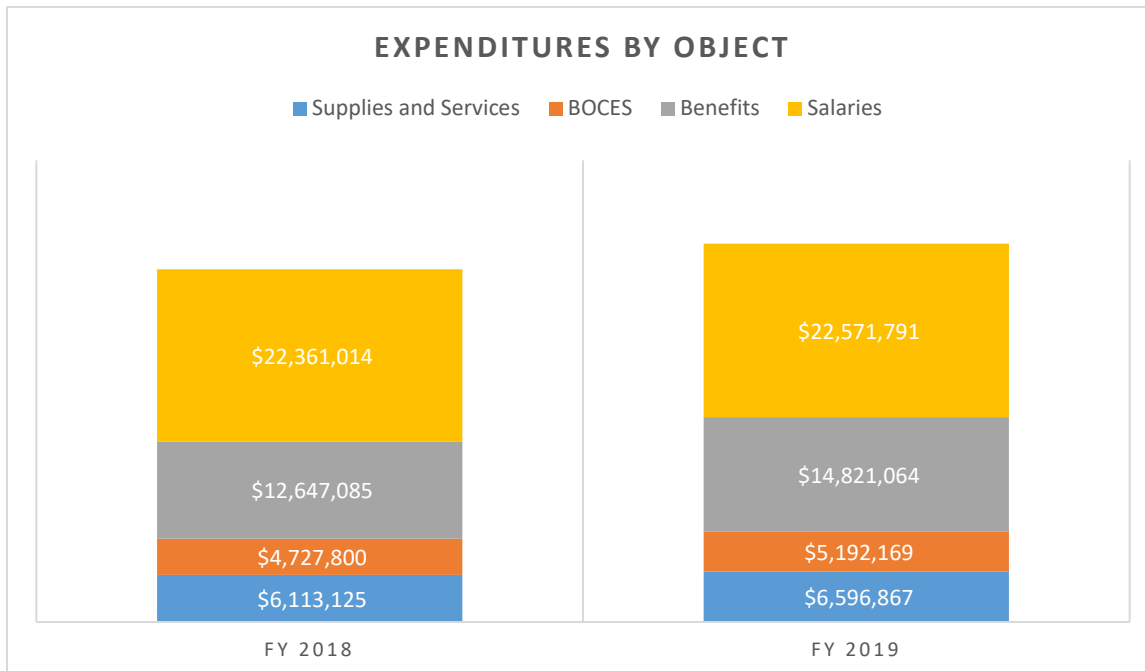
Date: May 14, 2019

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 March 31, 2019.

Year-to-Date Expenditures

As of March 31, 2019, YTD expenditures totaled \$49,181,891. Compared to the prior year-to-date expenditures at March 31, 2018, spending is \$3,332,867, or 7.3% higher. The chart below provides a comparison of the major cost drivers:



Salaries and Wages: YTD payroll expense is \$210,777, or 0.9% greater than prior year:

Salaries	2018 YTD	2019 YTD	Change	% Change
Admin	\$ 1,789,961	\$ 1,828,167	\$ 38,206	2.1%
Teaching/Supervision	15,705,371	15,783,581	78,210	0.5%
Non-Certificated	4,865,682	4,960,043	94,361	1.9%
	<u>\$ 22,361,014</u>	<u>\$ 22,571,791</u>	<u>\$ 210,777</u>	<u>0.9%</u>

Through March 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 \$2,173,979, or 17.2% greater than FY 2018. Health insurance increases are the primary driver. Our trends are consistent with rate increase and overall increase in participation in district-sponsored plans, however March reflects a timing difference in monthly premiums. 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. In March, the District reclassified health insurance opt-out payments to the Health Insurance object series. It was previously accounted for in Other Benefits.

Employee Benefits	2018 YTD	2019 YTD	Change	% Change
Health Insurances	\$ 8,215,054	\$ 10,221,298	\$ 2,006,244	24.4%
Retirement	2,268,502	2,471,144	202,642	8.9%
Payroll Taxes	1,684,425	1,714,246	29,821	1.8%
Other Benefits	479,104	414,376	(64,728)	-13.5%
	<u>\$ 12,647,085</u>	<u>\$ 14,821,064</u>	<u>\$ 2,173,979</u>	<u>17.2%</u>

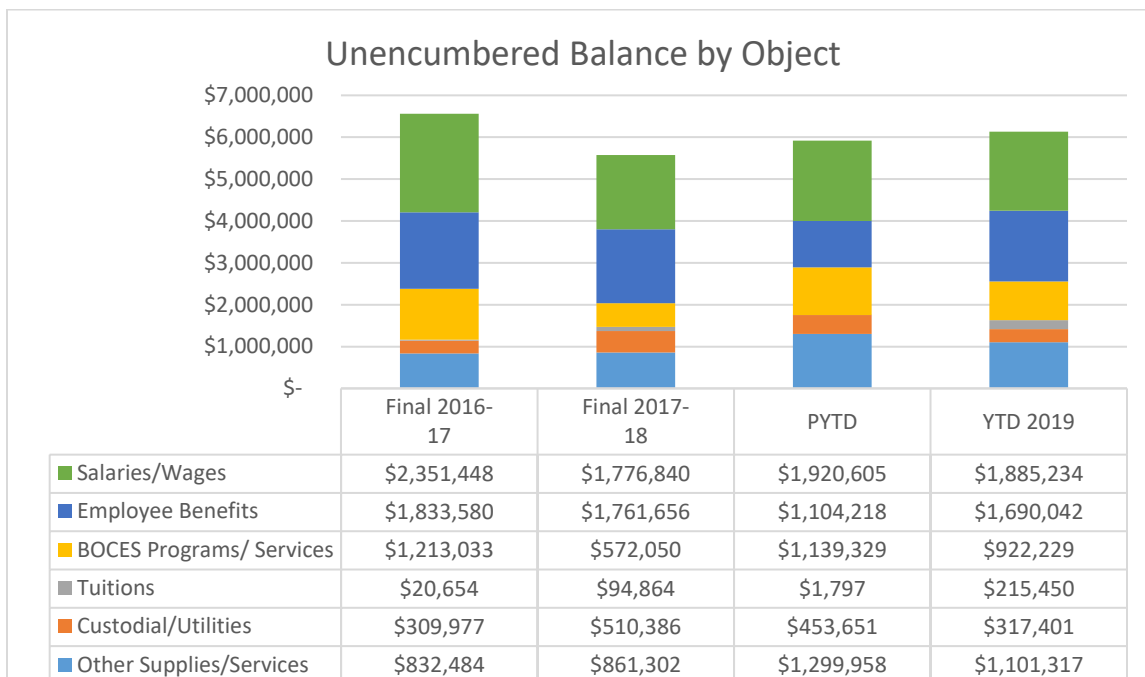
BOCES: Below is a breakdown of the primary BOCES functions subscribed to by the District. The significant variances related to special education programs and purchase of instructional technology.

BOCES	2018 YTD	2019 YTD	Change	% Change
Admin Fees	\$ 513,705	\$ 505,093	\$ (8,612)	-1.7%
Business/Technology Services	620,455	648,558	28,103	4.5%
General Ed/Professional Dev.	455,035	480,615	25,580	5.6%
Special Education	1,902,028	2,138,049	236,021	12.4%
Occ Education	305,040	281,027	(24,013)	-7.9%
Instructional Technology	536,927	734,531	197,604	36.8%
Transportation	394,610	404,296	9,686	2.5%
	<u>\$4,727,800</u>	<u>\$ 5,192,169</u>	<u>\$ 464,369</u>	<u>9.8%</u>

Supplies and Services: YTD expenses on supplies and services are \$483,742 higher than prior year. Below is a comparison of significant cost drivers. The most significant variances are related to timing differences in payment of invoices:

Supplies, Services, Transfers	2018 YTD	2019 YTD	Change	% Change
Legal Fees	\$ 52,893	\$ 92,264	\$ 39,371	74.4%
Utilities/Custodial	679,493	764,327	84,834	12.5%
Maintenance Projects	306,605	456,949	150,344	49.0%
Printing/Mailing	88,582	109,804	21,222	24.0%
Insurances	205,049	210,598	5,549	2.7%
Assessments and Dues	57,549	38,968	(18,581)	-32.3%
School Supplies and Materials	561,772	590,150	28,378	5.1%
Charter School Tuitions	123,478	155,099	31,621	25.6%
Spec Ed. Contracts/Tuitions	1,142,995	1,004,090	(138,905)	-12.2%
Contract Transportation	1,701,733	2,044,526	342,793	20.1%
Debt Service/Transfers	114,731	260,047	145,316	126.7%
All Other Supplies and Services	1,078,245	870,045	(208,200)	-19.3%
	\$6,113,125	\$ 6,596,867	\$ 483,742	7.9%

Unencumbered Balances - The unencumbered balance as of March 31, 2019 is estimated at \$6,131,673. 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. Below are the preliminary recommendations for the use of fund balance at year-end:

Recommended Use:	\$ Amount
Appropriate for use in 2019-20	\$2,600,000
Transfer to Capital for BOCES 1 Project	\$1,400,000
Replenish Reserves Used for Operations	\$800,000
Replenish Capital Reserve	\$1,400,000
	\$6,200,000