



Memorandum

To: Dr. Kevin McGowan

From: Lou Alaimo

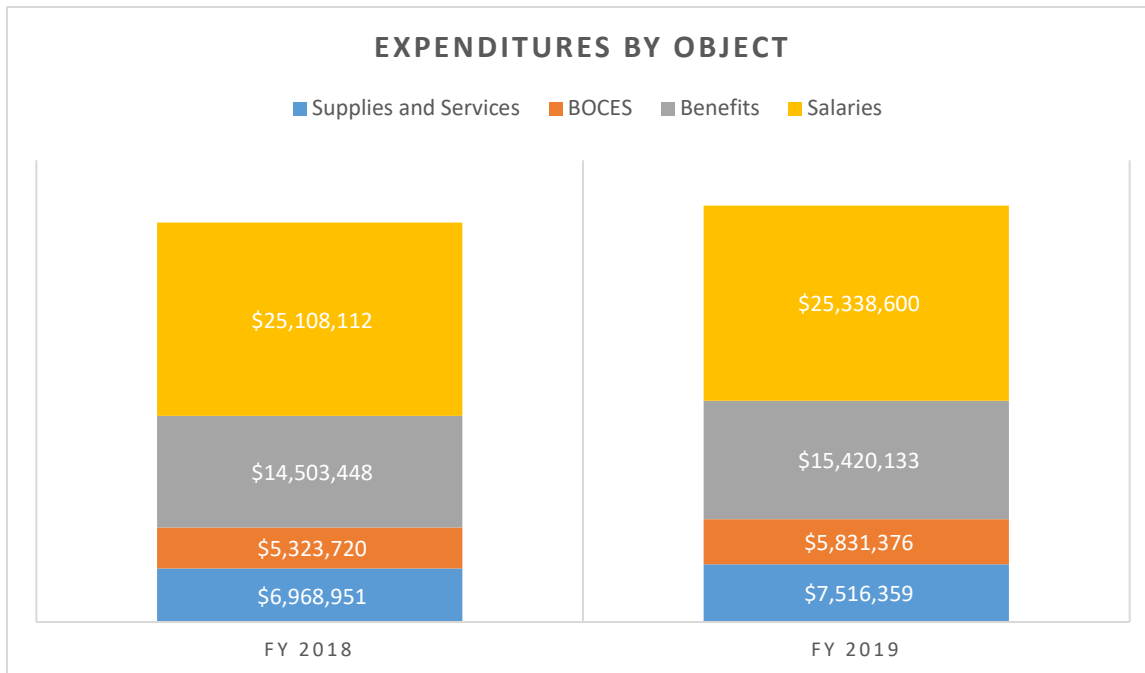
Date: May 14, 2019

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 April 30, 2019.

Year-to-Date Expenditures

As of April 30, 2019, YTD expenditures totaled \$54,106,468. Compared to the prior year-to-date expenditures at April 30, 2018, spending is \$2,202,237, or 4.2% higher. The chart below provides a comparison of the major cost drivers:



Salaries and Wages: YTD payroll expense is \$230,488 or 0.9% greater than prior year:

Salaries	2018 YTD	2019 YTD	Change	% Change
Admin	\$ 1,967,592	\$ 2,010,129	\$ 42,537	2.2%
Teaching/Supervision	17,741,226	17,822,735	81,509	0.5%
Non-Certificated	5,399,294	5,505,736	106,442	2.0%
	<u>\$ 25,108,112</u>	<u>\$ 25,338,600</u>	<u>\$ 230,488</u>	<u>0.9%</u>

Through April 30, 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 \$916,685, or 6.3% 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. 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	\$ 9,574,710	\$ 10,302,307	\$ 727,597	7.6%
Retirement	2,553,736	2,778,699	224,963	8.8%
Payroll Taxes	1,890,746	1,923,978	33,232	1.8%
Other Benefits	484,256	415,149	(69,107)	-14.3%
	<u>\$ 14,503,448</u>	<u>\$ 15,420,133</u>	<u>\$ 916,685</u>	<u>6.3%</u>

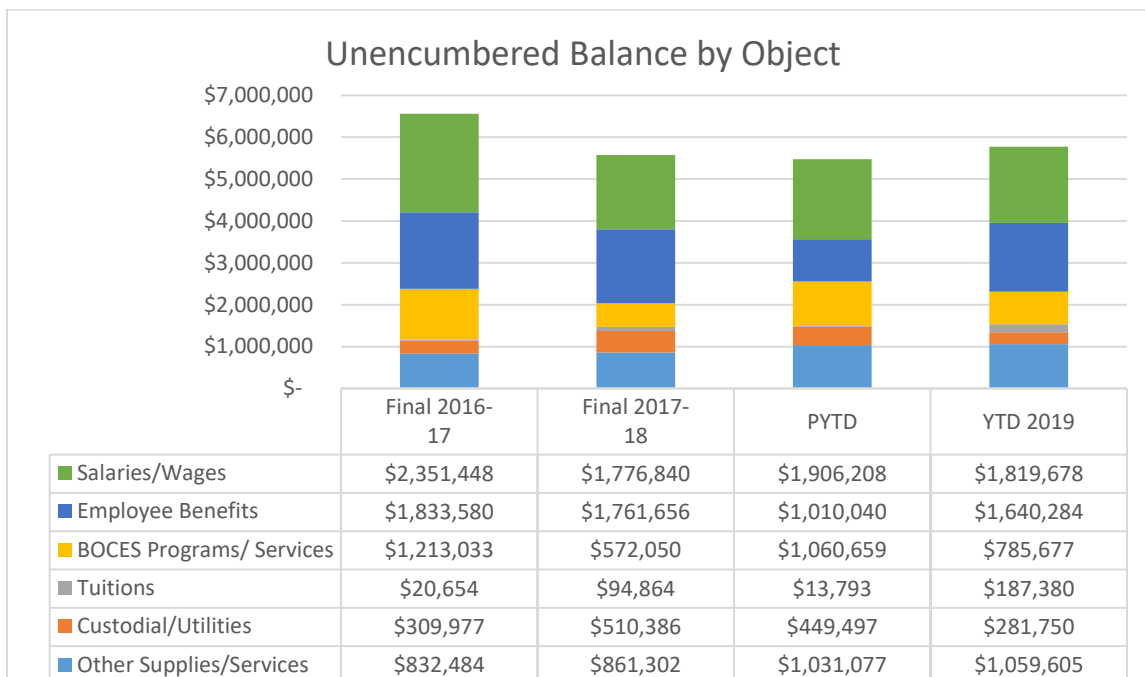
BOCES: Below is a breakdown of the primary BOCES functions subscribed to by the District. The significant variances related to special education programs and purchase of instructional technology.

BOCES	2018 YTD	2019 YTD	Change	% Change
Admin Fees	\$ 577,919	\$ 571,024	\$ (6,895)	-1.2%
Business/Technology Services	684,745	714,549	29,804	4.4%
General Ed/Professional Dev.	496,771	557,570	60,799	12.2%
Special Education	2,187,057	2,459,675	272,618	12.5%
Occ Education	343,170	318,248	(24,922)	-7.3%
Instructional Technology	557,004	747,245	190,241	34.2%
Transportation	477,056	463,065	(13,991)	-2.9%
	<u>\$5,323,722</u>	<u>\$ 5,831,376</u>	<u>\$ 507,654</u>	<u>9.5%</u>

Supplies and Services: YTD expenses on supplies and services are \$547,408 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	\$ 62,272	\$ 92,978	\$ 30,706	49.3%
Utilities/Custodial	754,726	862,034	107,308	14.2%
Maintenance Projects	348,056	514,658	166,602	47.9%
Printing/Mailing	95,458	117,907	22,449	23.5%
Insurances	205,049	210,864	5,815	2.8%
Assessments and Dues	64,645	77,468	12,823	19.8%
School Supplies and Materials	641,740	647,350	5,610	0.9%
Charter School Tuitions	137,375	186,357	48,982	35.7%
Spec Ed. Contracts/Tuitions	1,255,220	1,160,802	(94,418)	-7.5%
Contract Transportation	2,004,261	2,407,292	403,031	20.1%
Debt Service/Transfers	114,731	101,713	(13,018)	-11.3%
All Other Supplies and Services	1,285,418	1,136,936	(148,482)	-11.6%
	\$6,968,951	\$ 7,516,359	\$ 547,408	7.9%

Unencumbered Balances: The unencumbered balance as of April 30, 2019 is estimated at \$5,774,374. 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:

Priorities for Disposition of Surplus	\$ Amount
Appropriate for use in 2019-20	\$2,600,000
Transfer to Capital for BOCES 1 Project	\$1,800,000
Replenish Reserves Used for Operations	\$800,000
Replenish Capital Reserve	\$600,000
	\$5,800,000