



## Memorandum

**To:** Dr. Kevin McGowan

**From:** Lou Alaimo

**Date:** April 6, 2022

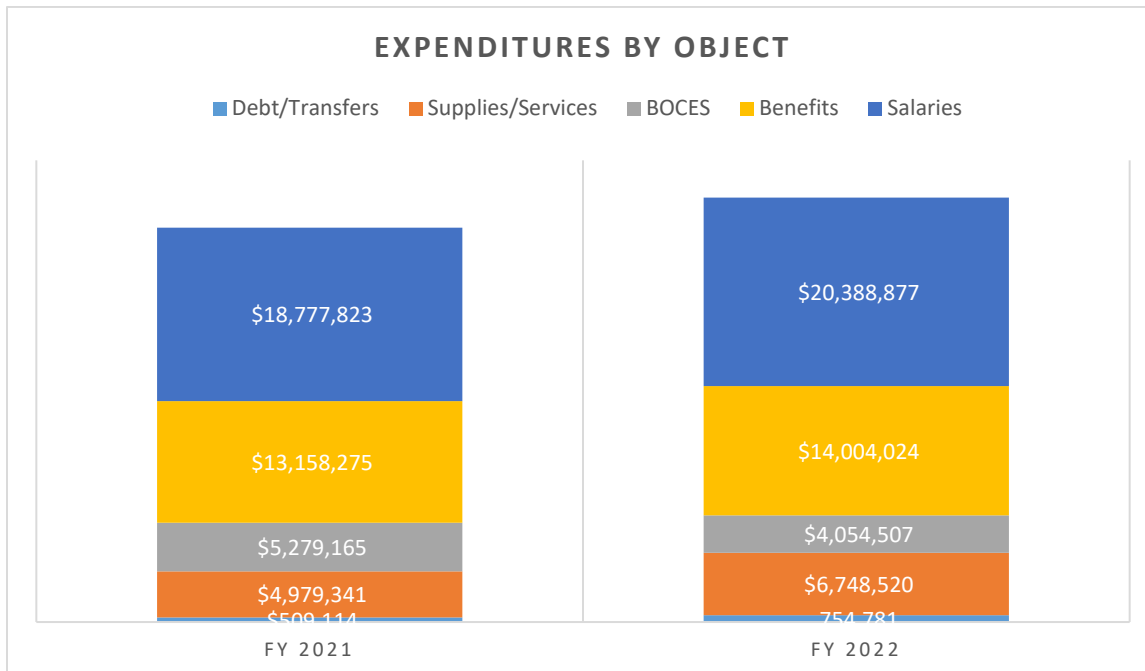
**Re:** Executive Summary: Budget Status Report

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The purpose of this memo is to provide an executive summary of the Budget Status Report for the period ending February 28, 2022.

### Year-to-Date Expenditures

As of January 31, 2022, YTD expenditures totaled \$45,950,709. Compared to the prior year-to-date expenditures through February 28, 2021, spending is \$3,246,991, or 7.6% greater. The chart below provides a comparison of the major cost drivers:



Salaries and Wages: YTD payroll expense is \$1,611,054 or 8.6% greater than prior year:

Salaries	2021	2022	Change	% Change
Admin	\$ 1,580,214	\$ 1,551,585	\$ (28,629)	-1.8%
Teaching/Supervision	13,629,096	14,868,790	1,239,694	9.1%
Non-Certificated	3,568,513	3,968,502	399,989	11.2%
	<u>\$ 18,777,823</u>	<u>\$ 20,388,877</u>	<u>\$ 1,611,054</u>	<u>8.6%</u>

The change in salaries from prior year is attributable to the following:

- Attrition in administrative salaries and vacancy during summer of 2021.
- Increased number of teaching positions due to full-day kindergarten and restoration of certain instructional positions.
- Stipends for fall and winter coaching were delayed to the spring last year due to COVID-19.
- Reopening of schools and afterschool activities increases overtime and supervision costs.
- Less vacancies in custodial maintenance compared to prior year.
- Increase in hourly wages responsive to change in minimum wage and market trends.

Employee Benefits: YTD benefits expense is \$845,749, or 6.4% greater than prior year. Health insurance rates increased 6.2% in January 2022. Pension contributions are greater due to increase in payroll and contribution rates. Payroll taxes are consistent with payroll trends. Other benefits are less than prior year due to unemployment expenses paid in 2020. These were later credited with federal dollars.

Employee Benefits	2021	2022	Change	% Change
Health Insurances	\$ 9,331,096	\$ 9,833,564	\$ 502,468	5.4%
Retirement	1,883,432	2,172,499	289,067	15.3%
Payroll Taxes	1,429,897	1,574,031	144,134	10.1%
Other Benefits	513,850	423,930	(89,920)	-17.5%
	<u>\$ 13,158,275</u>	<u>\$ 14,004,024</u>	<u>\$ 845,749</u>	<u>6.4%</u>

BOCES: On the subsequent page is a breakdown of the primary BOCES functions subscribed to by the District. The current year expenditures represent a one-month lag from prior year. Spending on instructional technology will be less than prior year due to last year's investment to become 1:1 for the hybrid learning model.

BOCES	2021	2022	Change	% Change
Admin Fees	\$ 454,535	\$ 379,509	\$ (75,026)	-16.5%
Business/Technology Services	641,569	663,524	21,955	3.4%
General Ed/Professional Dev.	442,138	469,550	27,412	6.2%
Special Education	2,088,868	1,762,541	(326,327)	-15.6%
Occ Education	246,937	276,329	29,392	11.9%
Instructional Technology	1,284,097	328,740	(955,357)	-74.4%
Transportation	121,021	174,314	53,293	44.0%
	<u>\$5,279,165</u>	<u>\$ 4,054,507</u>	<u>\$ (1,224,658)</u>	<u>-23.2%</u>

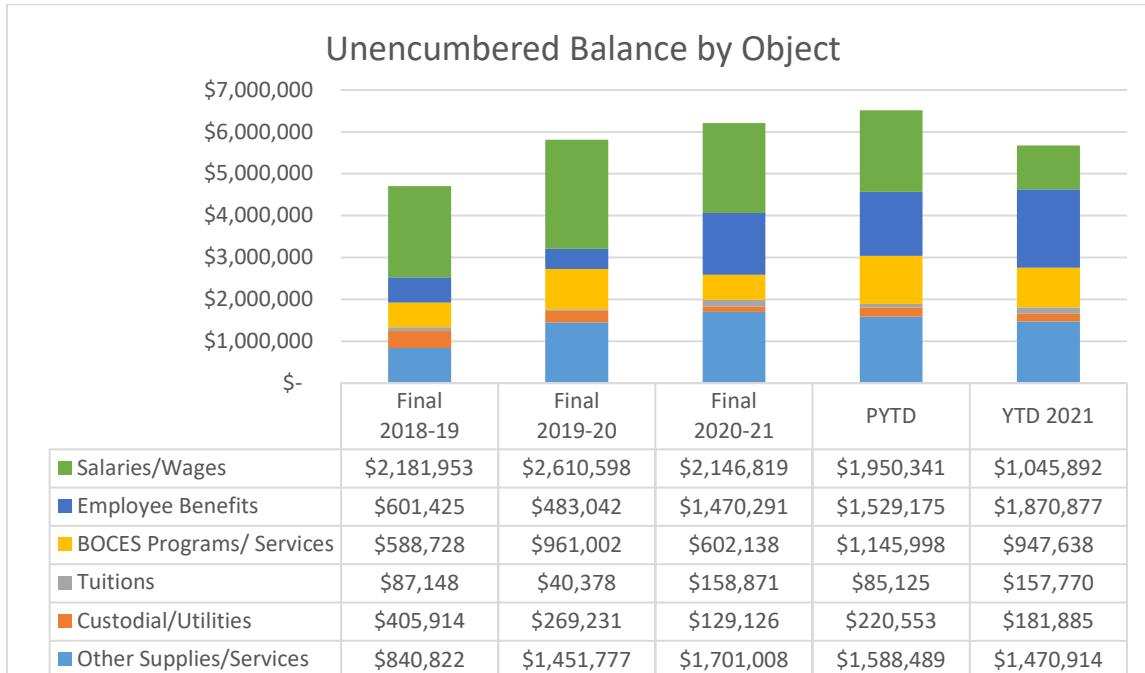
Supplies and Services: YTD expenses on supplies and services total \$1,769,179 greater than prior year and debt/transfers are \$245,667 greater than prior year:

Supplies, Services, Transfers	2021	2022	Change
Legal Fees	\$ 89,190	\$ 180,915	\$ 91,725
Utilities/Custodial	613,383	730,227	116,844
Maintenance Projects	231,160	291,403	60,243
Printing/Mailing	57,953	81,475	23,522
Insurances	226,095	224,516	(1,579)
Assessments and Dues	51,620	293,365	241,745
School Supplies and Materials	259,849	341,009	81,160
Charter School Tuitions	170,475	257,852	87,377
Spec Ed. Contracts/Tuitions	1,056,643	1,345,235	288,592
Contract Transportation	1,630,669	2,077,209	446,540
All Other Supplies and Services	592,304	925,314	333,010
Total	4,979,341	6,748,520	1,769,179
Debt Service/Transfers	509,114	754,781	245,667

Notable changes:

1. Legal fees have increased due to pending litigation and independent hearings initiated.
2. Utility rates and delivery charges have increased. In addition, utilization is greater with more activities occurring in the buildings.
3. Assessments and Dues reflects a tax refund related to a COMIDA property.
4. Special education tuitions have increased due to the number of placements outside of the District.
5. Contract transportation has increased due to increased number mandated out of District transports that cannot be combined with regular routes.

Unencumbered Balances: The unencumbered balance as of February 28, 2022 is estimated at \$5,674,976. Below is a comparison to prior year projected-to-actual:



Budget Monitoring Notes:

The District will closely monitor trends in the high risk categories – staff, transportation, tuitions and mandated services. The District expects be able to replenish and reappropriate the \$3.0 million budgeted for in the 2021-22 school year.