

GLASSBORO SCHOOL DISTRICT
Variance Analysis Report
July 14, 2014

During the 2013-14 fiscal year we will continually be faced with the challenge of limiting our spending within our budget. The local levy for 2013-14 is \$17,231,596 as compared to \$17,377,451 for 2012-13. This is a net reduction of \$145,855. Although this reduction will result in a favorable local tax impact, necessary unbudgeted purchases will potentially require unavailable funds throughout the year. Furthermore, the additional state aid received in the amount of \$628,020 was primarily used to reduce the local tax levy as noted above.

Typically, when the budget is prepared, various estimates are relied upon since actual amounts are unknown. In past budget years, employee health benefits were budgeted using an estimate since the actual premium rates were not known at the time of budget development. The estimate provided by the consultant was conservative and generally higher than the actual premium rates. Consequently, funds budgeted for employee health benefits could be relied up to cover necessary and essential unbudgeted purchases throughout the year. Since the premium rates used in the budget are actuals rather than estimates, no available funds exist in this budget area this year.

During the first six months of the fiscal year, the following activity has occurred:

Unbudgeted Costs

Valve and condenser for Beach Air Conditioning unit	\$10,275
Championship banner in high school gym	1,947
High School camera repairs	2,000
CNG Truck – incremental cost	15,425
Crump Settlement	15,000
Route for PM at High School, Intermediate & Bullock	9,104
One-on-One Aide per IEP	12,852
Salary adjustments: Ferraro, Sheridan, Jellig & Kelk	2,458
Special Education Transportation	146,200
Utica Legal Claims	9,284
Charter School Tuition	26,659

Bullock Special Education Aide	7,646
Ineligible Title II A charges reclassified	86,623
DEP Change Order	9,900
Newsletter for referendum	3,250
Lundahl retirement	2,388
Dump Truck Transmission	2,600
Intermediate School Generator Repairs	3,800
High School Lavatory Plumbing Repair	9,800
Rodgers Heat Supply/Return Repair	8,740
Intermediate School Air Conditioning Repair	6,500
Rodgers School Air Conditioning Repair	3,035
TOTAL	395,486

Unbudgeted Savings

Figueroa	0
Henry	11,100
Haldeman	0
Sheridan (January)	6,260
Lundahl	0
Williams	2,000
Teachers	27,000
H.S. Athletic Secretary	9,000
Termination of 1 Aide	20,000

Aide total hours reduced	20,000
Internal route to replace a contracted route	40,000
Special Education Tuition	76,397
Transportation Dept. – Reassignments due to Resignations and Terminations	3,980
PERS Employer Contribution	<u>30,053</u>
TOTAL	245,430

A differential exists between costs and savings. An aggregate of many line items will end the year with unencumbered available funds. This list of line items is extremely lengthy and comprised of many varying small amounts. The total year end favorable balance is \$297,694. This amount represents the total amount of unused funds when compared to our original appropriations budget of \$35,708,695.

The Operations Committee will be provided with a summary report in August which will highlight the fiscal year end 2014 fund balance and future impact on the 2015-2016 budget.