Chapter 24 — Cost Report 'Talk':Projecting the Labor Cost

An Example Using the Electric Department

'Projecting the Labor Cost' :
Let's carry on with another example, keeping in mind that you're looking for one of two things,

(I) Available ETC's which can either be used to satisfy the Director's creative vision more effectively, or to cover off known cost overruns in other areas, or

(ii) Under estimated ETC's which when found, allows you the luxury of not being blindsided with an embarrassment but rather grants you the ability to plan an offsetting cost savings.

Let's look at the Electric Department section of a typical Cost Report.

Figure 24.1

Let's assume that there's 6 weeks left to shoot and 1 week after that to wrap up.

1	2	3	4	5	6	7	8	9	10
Account Number	Account Description	ACTUAL ThisPeriod	ACTUAL TO DATE	TOTAL COMMITS	TOTAL COSTS	ESTIMATE ToComplete	ESTIMATED Final Cost	BUDGET	VARIANCE
920-01	GAFFER	3,158	13,088	-	13,088	23,041	36,129	35,929	200
920-02	BEST BOY ELECTRIC	3,060	12,780	-	12,780	21,930	34,710	34,110	600
920-03	LIGHT TECHNICIANS	15,940	36,301	-	36,301	94,908	131,209	134,809	(3,600)
920-04	GENERATOR OPERA	3,060	9,643	-	9,643	21,267	30,910	31,010	(100)
920-05	RIGGING & STRIKING	6,801	10,673	-	10,673	74,1	84,800	84,700	100
920-06	LOSS & DAMAGE	-	-	-	-	2,	2,500	2,500	-
920-07	PURCHASES	1,							-
920-08	GLOBES & CARBONS	-							-
920-09	RENTALS	750							18,000
920-10	GENERATOR RENTAL	-							(10,900)
920-11	BOX RENTAL	1,100							(1,800)
920-12	MISCELLANEOUS EX	-	-	-	-	1,500	1,500	1,500	-
920-99	FRINGES	7,944	22,621	-	22,621	50,761	73,382	74,295	(914)

The Riggers don't follow a straight-line projection. (Only the Key Rigger and Best Boy are on for run of show.)

Multiply the amounts in Col.3 "Actual This Period" by the number of weeks remaining. The result should be close to the ETC amount in Col.7.