



Skaneateles Central School District

Excellence in Education

To: SCSD Board of Education
From: Christine DeMass, Assistant Superintendent for Business Operations
Date: 02/25/20

Re: Capital Review II

Purpose of Review: for *Part I* of each of the three budget components – capital, administrative, and program - we will present for discussion and conceptual approval (final approval will not take place until the Board's adoption of the entire budget) key items that we wish to include in the 2020-2021 budget. *Part II* of each component will consist of a more detailed review. Each will include a report out by the Audit, Budget and Finance (ABF) Committee.

Key Capital Components for 2020-2021

Operation of Plant: This portion of the budget is anticipated to increase by salary increases only. Increases have not yet been negotiated with CSEA or set for Confidential/Managerial staff. The remaining lines of this budget are expected to be flat.

Maintenance of Plant: Although the salaries in this portion of the budget are anticipated to increase, the overall amount for maintenance of the plant should decrease. This is due to removing \$52,000 that was used to pay for the building condition survey in the 2019-2020 school year.

Security of Plant: Our School Guards are currently coded in the administrative portion of the budget under OA.2020.160. This cost will shift from the administrative portion of the budget to the capital portion with a \$10,000 (16.7%) increase to accommodate the increase from \$30,000 per guard to \$35,000. This change is being made as to align to a new code from the state reported on the ST-3.

Special Items – Refund on Real Property Taxes: The overall refund on Real Property Taxes is anticipated to remain flat.

Debt Service: Debt service is expected to decrease by approximately \$1.6 million or 14.5%. This is due to two bonds being paid off. It is anticipated that the district will continue the previously approved bus replacement program, in which the district purchases four new buses each year.

Employee Benefits: This portion of the budget is anticipated to remain fairly flat. Health insurance is expected to remain flat while dental insurance is expected to increase slightly (6% increase in calendar year 2020 – remain flat until Jun 30, 2021). ERS rates are anticipated to remain flat at 14.6. Social security will increase due to the increase in salaries and worker's compensation will increase to align with actual costs. Life, unemployment and disability insurance as expected to remain flat.

Transfer to Capital Fund: There will be no change to this budget line. We are continuing to work with the district architect to identify a \$100,000 capital outlay project for the 20-21 school year.

Recommendation: Administration recommends that the Board direct us to continue planning for these areas and to review them for feedback with the ABF at upcoming meeting.

