



Skaneateles Central School District

Excellence in Education

To: SCSD Board of Education
From: Lynda Quick, Superintendent
Christine DeMass, Assistant Superintendent for Business Operations

Date: 03/05/19

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 2019-2020 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 2019-2020

Operation of Plant: This portion of the budget is anticipated to increase by 3-4% (approximately \$45,000). The increase is due to negotiated salary increases as well as modest increases in materials and supplies.

Maintenance of Plant: This portion of the budget is anticipated to increase by about 4-5% (approximately \$26,000 – 32,000). This is due to negotiated salary increases as well as funding for the 5 year building condition survey. Currently, there is \$20,000 budgeted for the building condition survey. We are waiting for guidance on whether or not lead and mold remediation testing will also be mandatory. If this is the case, there would be an additional increase to support the testing, and possible remediation costs.

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 increase almost 8% (approximately \$384,378) over the 18-19 budget. This is due to increased debt service payments from projects authorized in 2013-2015 coming on the books. It is also anticipated that the district 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 by 12%. ERS rates are anticipated to fall from 14.9 to 14.6.

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 19-20 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.

