



Skaneateles Central School District

Excellence in Education

To: SCSD Board of Education

From: Lynda Quick, Superintendent

Christine DeMass, Assistant Superintendent for Business Operations

Date: February 2, 2019

Re: Program Budget Review I

Purpose of Recommendation: To inform the Board of current priority planning for the program component of the 2019-2020 budget and to request direction for proceeding with budget design.

Background of Recommendation: The 2018-2019 program budget at SCSD constitutes 65.3% of the total general fund budget. For the 2019-2020 budget, our goal is to ensure that we develop the budget with the District's mission, vision and 6 dimension of wellness in mind. The following information is foremost in our consideration at this time:

1. **Staffing** – No additional teacher staffing, at this time, is being considered for the 2019-2020 budget. We have received the notification of retirements and will continue discussions on the replacement of those individuals. We continue to review our tech staffing that is currently employed by OCM BOCES to ensure that we have the best coverage for our district. Hiring a district employee, in lieu of using OCM BOCES, is being considered but further research still needs to be done.

2. **Teacher Retirement System (TRS)** - Employer contribution rates for the 2018-2019 school year are projected to be finalized between 8.5 and 9.5%, down from 10.62%. These rates apply to all certificated teachers. **Employee Retirement System (ERS)** employer contribution rates for classified employees (teacher aides, bus attendants, athletic coordinator, network administrator, etc.) are expected to decrease from 14.9 to 14.6%.

3. **Employee Benefits** – At this point, we are expecting healthcare insurance premiums to remain flat or very close to flat. Dental insurance benefits will increase 12% for the calendar year of 2019. We anticipate dental rates will increase by another 12% in the 2020 calendar year.

4. **Contract Negotiations** - The Skaneateles Teachers' Association negotiations are nearing the end. The new agreement will be in effect until June 30, 2020 and will give a 3% increase on salaries for the 19-20 school year. No major changes are expected in Confidential/Managerial terms and conditions. Negotiations will begin in February for CSEA (contract ends June 30, 2019).

5. **Legal Services** – At this time, we are expecting a slight increase in our legal services budget code. Our legal services over the past year have increased and we would like to increase this to align with our actual spending.

6. **District transportation** – We anticipate an increase in the transportation codes. As you know, the district is currently under contract with First Student (formerly Ryder) for our transportation services. The contract is from 1991 and some of the information is outdated. We are contemplating developing an RFP, with the assistance of a consultant, and going out to bid in the Fall of 2019 for the 2020-2021 school year. There will be more information about this as we develop the budget and present Program Review II.

7. **BOCES** – The initial service requests were sent to BOCES in December. We continue to receive information on pricing for services we currently subscribe to as well as some additional services we may be interested in (one example is running our Driver Education program through BOCES). In addition, we are working with Cayuga-Onondaga BOCES in regards to enrollment in their special education programs.

Recommendation: We recommend that the Board direct administration to proceed with current plans in these areas and provide information to the Audit, Budget, and Finance Advisory Committee at the next scheduled meeting. Administration will then report to the Board on March 19, 2019 with Program Review II.