

Brandywine School District
District Finance Committee

Minutes of the Meeting of December 8, 2021

Members Present: James Hanby (Chair Person), John Skrobot III, Matt Auerbach, Jack Vinokur, Victor Ferzetti, Kim Stock

Members Absent: Susan Koski, Chuck Landry, Chris Milionis

Other District Representatives Present: Jason Hale-Chief Financial Officer, Angie Thomas-Manager of Finance

Members of the Public: Willie Pollins

The meeting was called to order by Mr. Hanby at 5:02 P.M.

I. Approval of Minutes – November 10, 2021 Meeting

The minutes of the November 10, 2021 meeting were introduced for review and approval.

A motion to approve the minutes as submitted was introduced by Mr. Ferzetti; seconded by Mr. Auerbach; Approved unanimously.

II. December 31, 2021 Financial Report

The December 31, 2021 financial report set was introduced for review. Dr. Hale led the committee through the reports including the FY 2022 Preliminary Budget.

a. Revenue Report

Dr. Hale commented that on the Local Tax side there was an error made by the Office of Management and Budget on the Senior Tax Credit and had to be corrected.

We have received all of the Federal Funds.

Dr. Hale stated we are starting to receive some of the Choice revenue from the other districts.

Mr. Pollins asked about the \$750,000 Long Term Plan. Dr. Hale explained that we started this a few years ago for anticipated technology. We wanted to keep it included in the budget for the future after ESSER ends.

b. Operating Unit Expenditure Report

Dr. Hale reported that the expenditures are on track.

Prior year expenditures are continuing to be cleaned up.

Dr. Hale reported that Lavina Jones-Davis and Yolanda McKinney are overseeing the expenditures at the building level along with Dr. Lawson and Cora Scott. They are keeping a close eye on what can be spent from ESSER as opposed to Local funding.

c. Cash Flow

Dr. Hale reported revenue is still at zero with respect to the Interest Revenue and he sent something out to everyone from the Treasurer's Office. He has not had any response from them about coming to Brandywine to explain the zero Interest Revenue.

The projected carryover balance for June 30, 2022 is \$10.8 million.

A motion to approve the November 30, 2021 Financial Report was introduced by Mr. Auerbach; seconded by Mr. Ferzetti.

III. First Read-Final Operating Budget FY 2022

Dr. Hale explained that the first part of the budget is the Executive Summary which is an overall breakdown and explanation of the budget.

The Budget for FY 2021 is \$220.58 million, an increase of \$8.9 million over the FY 2020 budget. Increase due in large part to increases in State and Local salary, benefit and Other Employees Costs. The district also received \$36 million in ESSER funds from both the Federal Government split up into 3 years is \$12 million added to this year's budget.

Enrollment for the 2021-2022 school year is 10,401 decreased by 4 students compared to 2020-2021 school year.

Dr. Hale explained that he has made a significant reduction in the amount of the anticipated Interest Income.

Dr. Hale stated there is little change in other income areas.

Dr. Hale mentioned that the Major Capital funds of \$25 million received for the Bush Early Childhood Center is listed but not added to the operating section because it is 100% funded by the State.

Mr. Skrobot asked about the County's effort to collect old debt and whether it was still active. Dr. Hale explained that it is continuing but it is trickling off and there is more of a focus on redistricting.

Dr. Hale reported that there is a slight increase in some of the enrollment growth. Most building budgets are staying the same and not being penalized due to enrollment being the same to very similar to last year.

Dr. Hale pointed out the projected June 30, 2022 carry forward balance is \$10.8 million which is in line with the monthly report.

Dr. Hale explained that Brandywine School District provides a program code detail as to what funds are being budgeted for. This includes a yearly and overall breakdown of the ESSER II and ESSER III funds.

Dr. Hale stated there is a breakdown of the enrollment by building and grade levels. We are down by 4 students but are up by units due to our Special Education numbers. There is also a breakdown of our Choice and Charter enrollment.

Mr. Auerbach asked if we receive interest on the \$25 million Facilities and ESSER Funds? Dr. Hale explained that we only received interest on local funds. We do not get interest on any State or Federal Funds.

IV. Board Meeting Follow Up

V. Other Business

Public question from Mr. Pollins about the students keeping the Chromebooks during the summer again this year? Dr. Hale stated he would find out. Mr. Pollins also asked about why the Chromebooks would be given back to the district if we are just going to replace them with updated ones. Dr. Hale explained that the District would love to give the students the Chromebooks but based on Delaware Code they are State of Delaware Property and must be disposed of through Surplus Services.

After discussion the next DFC Meeting will be on January 5, 2022.

Mr. Hanby requested that anyone with any suggestions on new members to please reach out to them and have them send their information to him or Dr. Hale.

A motion to adjourn was introduced by Mr. Skrobot; seconded by Mr. Ferzetti. Approved unanimously.

The meeting adjourned at 5:59 P.M.

This meeting was held via Zoom because of the Coronavirus Pandemic.

Respectfully submitted by Rebecca Lurty, Senior Administrative Assistant