

Brandywine School District
District Finance Committee
Minutes of the Meeting of August 12, 2020

Members Present: James Hanby (Chair Person), Chuck Landry, John Skrobot, III,
Matt Auerbach

Members Absent: Susan Koski, Jack Vinokur, Chris Milionis, Victor Ferzetti

Other District Representatives Present: Jason Hale, Chief Financial Officer,
Lincoln Hohler, Superintendent

Members of the Public: Willie Pollins

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

I. Approval of Minutes – July 8, 2020 Meeting

The minutes of the July 8, 2020 meeting were introduced for review and approval.

A motion to approve the minutes was introduced by Mr. Landry; seconded by Mr. Skrobot.
Approved unanimously.

II. July 31, 2020 Financial Report

The July 31, 2020 financial report set was introduced for review. Dr. Hale led the
committee through the reports.

a. Revenue Report

There is not a lot of activity in the first month of the fiscal year. The district received about
eighty percent of its state funding. Local tax receipts came in at \$41,000.00 which is normal
for this time of year. Tax receipts in August, September and October will be much higher.

The Consolidated Grant has been submitted and the district will receive those funds when the
grant is approved.

b. Operating Unit Expenditure Report

The state's financial system came back online on July 10th and the district started to process
purchase orders. A majority of the technology expenditures were processed through the
C.A.R.E.S funding. The C.A.R.E.S funding cannot be used for revenue replacement. The
committee was presented with a list showing how the C.A.R.E.S funding may be used.

The district has budgeted for increased expenditures related to the opening of school whether
it be hybrid education, face to face or remote.

The district does not yet have answers regarding the funding sources for Transportation and School Nutrition. Normally for Transportation the funding received is based on routes and mileage. For School Nutrition the funding is based on the number of meals served.

The district is seeking additional funding from the Department of Education and the County. Some of the funds could be used for providing internet access to families and tutoring.

c. Cash Flow

The projected carryover balance for June 30, 2021 is \$10.2 million.

A motion to approve the July 31, 2020 Financial Report was introduced by Mr. Landry; seconded by Mr. Auerbach. Approved unanimously.

III. Financial Position Report

This is the quarterly report required by the Department of Education to show that school districts have sufficient funds to get through October 15th. October is when the bulk of the tax dollars come in.

A motion to approve the Financial Position Report was introduced by Mr. Skrobot; seconded by Mr. Auerbach. Approved unanimously.

IV. Tax Abatement Request – Informational

Dr. Hale shared with the committee a request for a tax credit that will go before the Board of Education for consideration. A property owner in Brandywine School District is requesting credit for overpayment of school taxes resulting from their property's misclassification for tax years 1984 through 2019.

The NCC Chief Financial Officer agreed to provide credit for the past five years of overpayment on the NCC property taxes as that is the County law.

NCC Councilwoman Dee Durham and Councilman George Smiley introduced Resolution 20-132 to provide a credit for taxes overpaid by the property owner for the tax years 1984 through 2014. The Resolution passed on June 23, 2020.

The impact on the County is \$2,618.26. The impact on the school tax side would be \$7,854.78 and would be in the form of a tax rebate on future taxes, not a direct payment from the school district.

This matter is on the district's August Board Agenda because Brandywine is the home district. If the Board approves the tax credit the property owners will also need to seek approval from Colonial, Christina and Red Clay.

A discussion ensued regarding the validity of going back 35 years instead of 5 years and whether the school district should be responsible for the County's mistake.

V. Board Meeting Follow Up

The Monthly Financial Report for June 30, 2020 was approved.

VI. Other Business

There was no other business.

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

The meeting adjourned at 6:10 P.M.

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

Respectfully submitted by Joni Ciolko, Senior Administrative Assistant