

**Brandywine School District**  
**District Finance Committee**  
Minutes of the Meeting of January 7, 2025

Members Present: Chris Milionis, Chuck Landry, Matt Auerbach, John Skrobot III, Jeff Viar, Mousumi Bhattacharjee, Ron Kimbrough

Members Absent: Victor Ferzetti, Carolyn Heckenstaller

Other District Representatives Present: Daniel McCoy – Chief Financial Officer, Dr. Lisa Lawson – Superintendent

Members of the Public: Will Pollins

The meeting was called to order by Mr. Milionis at 5:00 P.M.

I. Approval of Minutes – December 10, 2025 Meeting

The minutes for the December 10, 2025, meeting were reviewed. A motion to approve the minutes with a typo correction was raised by Mr. Landry and seconded by Mr. Auerbach. The minutes were unanimously approved with a reminder to add all follow-up items to the agendas moving forward.

II. 2026 Final Budget Approval (moved forward)

Mr. McCoy began by giving an overview of all sections of the final budget and noted that he gave local spending its own category in the Budget Summary by Operating Unit section. He then reviewed the presentation, and the committee elaborated on previous discussions about the factors that influenced adjustments to the final budget:

- **Tuition revenue continues to be outpaced by expenditures** – In years past, funds from debt services have been pulled to bolster tuition. That strategy keeps tax rates from increasing and was followed for FY26 as well, but the need for more tuition funds is rapidly increasing due to better identification, medical advancements, and mental health services now factoring in. A visual of BSD students with intensive and complex needs was displayed, showing a significant increase in students between years 2022 and 2023. Dr. Lawson noted that BSD maintains a lower tuition tax than most Districts in the State.
- **Enrollment decline** – The budget was initially based on the idea that enrollment might increase slightly. Because it has decreased, portions of expenses that would have been covered by the state – such as salaries and utilities – will now be covered by local funds. Mr. McCoy shared the alternative reduction plan for FY 2026 (the allotments that would be given back to the State): tech block grant, division 1 salaries, 9 teacher units, and an assistant principal unit.
- **Assessment changes** – growth (more properties), corrections (amending mistakes such as the Delmarva miscalculation), and appeals (taxpayers appealing assessment calculations) are also factors. Mr. Milionis stressed the importance of creating a plan for next year. Mr. McCoy reminded the Committee of the many uncertainties ahead but agreed that requesting the ability to adjust for at-risk properties again would help in any case.

- **Decline in interest income** –Adjustments were made to account for decreasing revenues caused by delayed tax collection.
- **Charter tuition** – The per student amount Charters received increased.
- **Choice changes from FY 25 to FY 26** - 23 more students choiced out and 54 less students choiced in. Capacity was identified as one cause considering Talley, Hanby, Lancashire, and Claymont were not accepting students.

Mr. Milionis expressed the need to place more emphasis on the gravity of the situation. He suggested adding a quantitative element to the presentation so the community and the Board are fully informed.

Mr. Kimbrough moved to approve the final budget and to approve the presentation with the additions proposed. Mr. Landry seconded the motion. The Final Budget was unanimously approved.

### III. December 31, 2025 Monthly Financial Report

Mr. McCoy presented the highlights of the December 31, 2025 Monthly Financial Report.

- Local funds - Choice and charter are paid.
- State funds – Drivers ed and professional development funds were given back to the State
- Tuition – Charter payment came from tuition as well
- Both encumbered and expended amounts are shown individually – Student support services have encumbered 98% of their budget. Further research will be conducted on this.
- School buildings – Expenditures are under where they were last year.
- Unique Alternatives – Spending last year’s money now that it is available.
- Follow-up item: State loan expenditures were added to the cash flows report as requested.

Mr. Auerbach asked about the likelihood of the need for a referendum based on our projected balances, and Mr. McCoy confirmed a referendum may be needed after the upcoming year, especially if there is no school funding reform. That aligns with the three-year target of the last referendum.

A motion to approve the Monthly Financial Report was raised by Mr. Auerbach and seconded by Mr. Kimbrough. The vote was unanimous.

### IV. February 1, 2026 Financial Position Report

Mr. McCoy explained that the Financial Position Report must be presented every year and it is very similar to the cash flow report. He added that this year’s numbers comply with State expectations.

A motion to approve the Financial Position Report was raised by Mr. Landry and seconded by Ms. Bhattacharjee. The vote was unanimous.

### V. District Finance Committee Term Limits

Mr. Landry prepared a DFC memorandum for the record outlining the DFC's term limits and requested that the Committee review the document and vote on it next month.

## VI. Follow-up Items for Future Meetings

Before highlighting the follow-up items for the next meeting, updates were provided regarding follow-up items from December:

- Footnote added to include State appropriation expenditures – The cashflow statement in the monthly report now shows use of the state “loan” money.
- DFC terms of service – This was an agenda item. The document was shared and will be voted on in the February meeting
- Online course for new members of the DFC – Mr. McCoy will provide information this month.
- WLC Dashboard update – Dr. Lawson will request the information again at the WLC Meeting.

### Follow up items for February meeting:

- Terms of service for DFC members vote
- Update on online course completion for new members
- WLC Dashboard update
- Additions to the final budget presentation
- Research on the neighboring districts’ intensive and complex student population numbers in relation to what they collect for tuition funds
- Research regarding funds used to cover payroll before October tax receipts come in

## VII. Public Comment

Mr. Pollins asked how payroll will be covered from July through October if tax receipts don’t come in until late October. Mr. McCoy explained that the State does pre-load funds to cover payroll for the beginning of the school year, and tax receipts do start trickling in as of July.

A motion to adjourn was introduced by Mr. Landry and seconded by Mr. Skrobot.

The meeting was adjourned at 6:25 P.M.

This meeting was held in the Brandywine School District Administrative Office Board of Education conference room and via zoom.

Minutes respectfully submitted by Andrea Sisson, Business Office Associate Specialist

The next DFC Meeting is scheduled for February 4, 2026 at 5:00pm.