

Capital School District
198 Commerce Way
Dover, DE 19904-3498



CAPITAL
SCHOOL DISTRICT

Wednesday, December 9, 2015
District Office Conference Room 126
MINUTES

Budget Oversight Committee
Dennis Hallock, Chairperson
Joyce Denman, Ed.D.
William Garfinkel
Toriano Giddens
Tina Huff, Ed.D.
Kirk Johnson, Ph.D.
Vanessa Withers-Little
Sean Sokolowski, Business Manager

(D)	DISCUSSION
(I)	INFORMATION

Budget Oversight Committee Members Present:

Dennis Hallock, Chairperson
Joyce Denman, Ed.D. (Arrived 2:20pm)
William Garfinkel
Toriano Giddens
Kirk Johnson, Ph.D.
Vanessa Withers-Little

Also Present

Sean Sokolowski, Business Manager

The meeting was called to order at 2:02 p.m.

1.01 Roll Call – Establishment of a Quorum

Quorum was established with five members present.

2.01 Review and Approval of minutes

Mr. Sokolowski presented the minutes from the October 21, 2015 meeting. A motion to approve the minutes was made by Mr. Hallock, seconded by Mr. Giddens, and were approved on a unanimous vote (5-0).

2.02 FY 16 Final Budget

Mr. Sokolowski presented the FY 16 Final Budget which encompasses July 1st, 2015 through June 30, 2016. Div I units earned equaled 512.51 which was a 1.1 unit decrease from the previous year. Div III funding is meant to distribute additional funding to the poorer districts to offset their disparity in wealth. However, the formula for Div III is broken and consequently the Div III funding has been frozen for the past 4 or 5 years. There is a push from wealthier districts to unfreeze the formula because they would receive more funding. However, unfreezing the formula could be devastating for poorer Districts. For example, Capital receives approximately \$8 million in funding. If the formula were unfrozen, the district would see a drop in Div III funding to less than \$1 million. The State Transportation Formula for Bus Contractors is beginning to influence contractors in our District. More and more routes are being dropped by contractors because they are just not profitable enough. This is forcing the District to purchase buses and hire drivers for additional routes. As this occurs, Funds are being shifted in the District's State appropriations for District Transportation vs Contracted Transportation. The District's assessed value is 1,265,247,566 which represents a 1.56% increase. The District expects to collect 101% of its estimated taxes which is a decrease from last year's estimate of 101.5%. Total projected local revenues are expected to equal \$23.2 million. Last year the ending reserve in Local was \$12.3 million. FY 16 is the eleventh year since the last operating referendum which was expected to last 5 years. The District is deficit spending which means the annual expenditures are exceeding the annual revenues and reserves are being utilized to bridge the gap. OEC rates increased from 30.08% to 30.48%. Central Middle School has requested \$27K as a one-time increase to purchase athletic equipment across all sports. KCCS increased by \$6k to purchase a read 180 lab and participate in DASL. Kent Sec ILC increased by \$78K to accommodate increases in rent, instructional supplies, professional development, and etc. A one-time allotment of \$45K was included for strategic planning. DHS Baseball and Softball were each awarded \$21,250 as a one-time expenditure to purchase new equipment. \$31K in one-time expenditures were awarded to DHS athletics for a wrestling mat, lacrosse helmets, headsets, and field hockey goals. Funding for preschool was moved from the schools to special services. KCCS received \$5K from the state for its

vocational program. The DHS culinary arts was provided \$12.5K to renovate the facilities to accommodate catering services. \$6K was allocated to purchase gates at the old DHS. An Additional \$39K was allocated to the Baseball/Softball facility. An additional \$149,000 was allocated for new lockers at William Henry based on a prior bid. If all categories within the budget are fully expended, the ending local reserve would be \$8,099,719.

2.03 Energy Initiative

Mr. Sokolowski explained that Energy is the largest categorical expenditure incurred by the district other than salaries. Consequently, it is a focus for initiating a cost containment program. The schools are currently being sent information on a monthly basis pertaining to their energy consumption. As an incentive for the schools to save energy, the District is offering roughly 50% of any energy savings to be redirected back to the schools. Of the funds redirected back to the schools, 25% will be spent on projects that will further energy savings and the remaining 75% can be spent for any school purpose. The benchmark for schools is based on the last two years of energy consumption. Furthermore, to encourage student involvement, the district is recommending each school initiate a Student Energy Council. Awards will be awarded to these Student Energy Councils based on presentations to the Energy Committee that represent the best cost containment initiatives.

2.04 Monthly Reports

The November 30, 2015 monthly reports were disseminated and discussed with the members.

2.09 Future Meetings

The next meeting will be scheduled for January 20, 2016 at 11:00am.

3.01 Adjournment

There being no further business, the meeting was adjourned on a motion from Mr. Hallock, seconded by Dr. Johnson, and was approved (6-0).