

Capital School District
945 Forest Street
Dover, DE 19904-3498



CAPITAL
SCHOOL DISTRICT

Wednesday, April 16, 2014
District Office Conference Room 211
MINUTES

Budget Oversight Committee

Dennis Hallock, Chairperson
Joyce Denman, Ed.D.
William Garfinkel
Tina Huff, Ed.D.
Cheryl Jenkins
Kirk Johnson
Vanessa Withers-Little
Sean Sokolowski, Business Manager

(D)	DISCUSSION
(I)	INFORMATION

Budget Oversight Committee Members Present:

Tina Huff, Ed.D.
Cheryl Jenkins
Vanessa Withers-Little

Also Present

Sean Sokolowski, Business Manager

The meeting was called to order at 11:47 p.m.

1.01 Roll Call – Establishment of a Quorum

Quorum was not established with three members present.

2.01 Review and Approval of minutes

Mr. Sokolowski presented the minutes from the March 19, 2014 meeting. Without a quorum the minutes were tabled until the next meeting.

2.02 Financial Position Report

Mr. Sokolowski presented the Financial Position Report. This report is mandated by law and is submitted to DOE three times a year: August 31st, February 1st, and May 1st. The report is designed to make the State aware of any districts that may incur a cash flow shortage. The report is designed to encapsulate the local funds, Div II, Div III, Cash Option, and Tax relief funds. These are the funds that the District uses to fund the general operations of the District. Capital had an unencumbered balance of \$19,848,052.28 as of 3/31/14 with expected revenues of \$609,637 from April 1st through June 30th. Projected expenditures are \$6,881,789 through June 30th to leave an estimated available balance of \$14,011,125. The District's expenditures are projected to exceed its revenues this year.

2.03 Governor's Recommended Budget

Mr. Sokolowski presented an overview of the Governor's Recommended Budget for FY 2015. There were several changes that impact the district. The State included a 1% raise on state salaries. Para salary schedules continue to be compressed which adds pressure to the Federal Grants which fund these positions because federal funding has been stagnant or reduced. Pension is predicted to change from 21.02% to 21.05%. Non-public school transportation stipends have been reduced by \$1.8 million which doesn't have an impact on the district but was a point of interest. There is an increase in the Transportation formula which will impact the District's 10% match. The KCCCS construction projects are fully funded in the Governor's recommended budget.

2.04 Guaranteed Unit Count

Mr. Sokolowski presented the Guaranteed Unit Count for the District. The State authorizes a Guaranteed Unit Count to the District in April so that teachers may be hired prior to the start of the ensuing school year. In the past, the District did not know how many teachers it was authorized until the Unit Count was finalized on September 30th. The Guaranteed Unit Count provides assurance that the District will receive funding for teachers regardless of whether the actual number of students decreases and consequently allows the District to hire teachers prior to the September 30th Unit Count.

2.05 Budget Process

Mr. Sokolowski presented the Budget Process. Funding for schools is based on the number of pupils attending that school as of September 30th. All Schools and Departments submit a budget in April/May detailing their projected

expenditures within their previous years allocation. These budgets are collected reviewed and incorporated into the budget. If there are needs that cannot be addressed within their budget they may submit a request for additional funding. Revenues and Salaries are also analyzed and estimated based on limited information. The Preliminary Budget is presented to the Board at the June Board meeting and establishes budgets so Departments and Schools may proceed with purchasing necessary materials for the upcoming school year. In July the State Budget is passed and the District may incorporate any changes into the district's budget. Furthermore, year end balances and carryovers are known so that they may be incorporated. August through September the enrollment is tracked so that teachers may be hired and the amount of State revenues can be determined. October through November, the final positions are hired and accurate salary information and state revenue estimates can be incorporated into the final budget. The Board reviews the Final budget at the December Board Meeting.

2.06 Monthly Reports

Monthly reports were distributed and discussed. Also the Red Clay Financial Review Committee's Guidelines were distributed for informational purposes.

2.07 Future Meetings

The next meeting of the committee was scheduled for June 18th with the time to be determined.

3.01 Adjournment

There being no further business, the meeting was adjourned at 12:39 pm.