

Brandywine School District
District Finance Committee

Minutes of the Meeting of May 13, 2026

Members Present: Chris Milionis, Carolyn Heckenstaller, Matt Auerbach, Victor Ferzetti, Ron Kimbrough, John Skrobot III

Members Absent: Jeff Viar, Chuck Landry

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

Members of the Public: None present

The meeting was delayed while waiting for a quorum. The final member required arrived at 5:08 pm and the meeting officially began.

I. Approval of Minutes – April 15, 2026 Meeting

Review of the minutes for the April 15, 2026 meeting was postponed until the June DFC meeting due to the late meeting start.

II. April 30, 2026 Monthly Financial Report

Mr. McCoy presented the highlights of the April 30, 2026 Monthly Financial Report.

Revenue

- BSD has received tax receipts in excess of the budget; this will grow larger as the second installment of senior tax credits is still pending.
- Interest income will be in excess of the budget as the interest rate held in the 4% range all year, but that will slow as our cash balance gets lower. Next year will likely be at a lower rate than this year.
- Tuition funds to and from other school districts: BSD paid \$1.2 million and received \$772,000 from other districts with Red Clay payment of \$295,000 expected soon.
- Child nutrition revenue is up \$800,000 from last year.

Expenditures

- Payroll is stable, same as at this time last year.
- School board operating unit is over budget due to forced upgrade to Diligent Board Management system and purchase of accessibility technology.
- The instructional technology refresh budget will be used as of next month for Chromebook replenishment.
- Though special education has a positive balance now, they are expected to be over budget as of May as they continue paying invoices for contracted services providers.
- Mr. Skrobot asked if we should be increasing our budget for the operating units that have gone over. Mr. McCoy explained that he did increase the budget for special education, but due to increasing needs of BSD students, cost of services, and teacher vacancies, expenses were still higher than expected.

- Dr. Lawson added that as Delaware increases teacher salaries, companies demand higher pay for their contracted specialists who typically earn more than teachers, for example, physical and occupational therapists, psychologists, etc.
- The tuition tax overbudget amount has decreased due to payroll reallocation to State funds, but expenses will continue to rise up to the end of FY2026. Some payroll costs can be moved to local funds.
- Summer school will be overbudget, also due to contracted service provider costs.
- Expenses are at 83% compared to 81% last year, so overall the forecast is still ok thanks to conservative spending by school buildings this year.
- Concord High is the only school building close to maxing out their budget, partially due to the need for an adjustment to high school budgets in comparison to middle schools that are currently operating with a higher dollar amount per student unit. Mr. Milionis pointed out that both Brandywine and Mount Pleasant High Schools have obligated less funds to date. Mr. McCoy agreed to investigate further.
- Mr. Skrobot asked what the finance department does to monitor buildings and departments as they approach their limit and the Committee discussed possible actions that can be taken before there is a concern, such as a monthly or quarterly review.
- Prior year appropriation – 2025 funds for alternative education student placement have been encumbered and will continue being spent down.

Cash Flow Analysis

- It was originally projected that three pays would be drawn in May, but since the first pay was May 1st, that cost was incurred in April. Both months were adjusted to reflect that.
- The balance is now at 9.1 million, a decrease from last month as Mr. McCoy explained there are some concerns about tax appeal refunds.
- In addition, the reassessment rates have been coming in much lower. For example:
 - Brandywine Country club was originally assessed at \$24.5 million, requested they be updated to \$12.3 million, and after reassessment, NCC settled on less at \$8.1 million.
 - Concord Mall was originally assessed at \$70 million, did not request a value in their appeal, and NCC settled at \$23.million.
- Given that the districts can reset their rates next year, Mr. McCoy will request a rate that will bring BSD to revenue neutral so the loss in tax receipts can be factored out, but nothing has been established for the years following. By the end of June more decisions will have been made.

A motion to approve the April 30, 2026 Monthly Financial Report was raised by Mr. Ferzetti and seconded by Mr. Auerbach. The vote was unanimous.

III. Revisiting Financial Projections

Mr. McCoy presented the projection for FY27-29 with no referendum and with a 2% decrease to most budgets in District Office. The projections do not include cuts to school buildings or anything that directly impacts students.

However, BSD has already decreased staff numbers through attrition and continues to evaluate the necessity of other positions and costs, especially those that were funded with ESSER money during the onset and aftermath of the Covid pandemic.

According to the projections, a referendum is likely necessary in spring of 2027. However, there are still many unknowns: local funding reform, a new public school funding formula, results of

still pending appeals.

IV. DFC Referendum Idea Document

Mr. McCoy created a document that shows a timeline for referendum planning based on the previous process three years ago. Mr. Milonis confirmed with Mr. Skrobot that the need for a referendum has been mentioned at recent Board meetings.

V. WLC Request

BSD submitted a spending plan to WLC ahead of the April meeting. There have been two meetings since, and at both meetings, WLC did not get to the approval of our spending plan. As a result, BSD continues to sit on a large carryover balance.

VI. Follow Up for Future Meetings – The Committee continues to follow up on upcoming votes, referendum plans, and WLC funds.

VII. Public Comment – No comment from the public.

All were in favor of adjourning at 5:55pm. Mr. Skrobot motioned to adjourn and Mr. Auerbach seconded the motion.

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 June 10, 2026 at 5:00pm.