Brandywine School District

District Finance Committee

Minutes of the Meeting of June 10, 2026

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

Members Absent: Victor Ferzetti

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

Members of the Public: Will Pollins

I. Approval of Minutes – April 15, 2026 Meeting

Review of the April 15, 2026 minutes were postponed due to the late meeting start as the Committee waited for a quorum. The April minutes were reviewed and no revisions were recommended. A motion to approve the minutes was raised by Mr. Landry and seconded by Mr. Skrobot. The April minutes were approved unanimously.

II. Approval of Minutes – May 13, 2026 Meeting

The May 10, 2026 meeting minutes were reviewed. A motion to approve the minutes was raised by Mr. Skrobot and seconded by Mr. Auerbach. The May minutes were approved unanimously.

III. April 30, 2026 Monthly Financial Report

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

Revenue

- As it stands, BSD has received $427,000 over what was expected in tax receipts with one last payment coming in June. Additionally, the senior tax credit of $900,000 has been received in June.
- Factoring in reassessment adjustments, BSD is expected to collect close to 1 million more than budgeted.
- Interest rates came back up to around 4% - about $200,000 over what was anticipated.
- Child nutrition revenue is approximately $1 million above this time last year.

Expenditures

- The local salaries budget is at 94% expended where last May it was at 92%. Note that this is not an indication of lower expenses, but due to an earlier shift of 1.9 mil in tuition tax which was not done until June last year. Also note the salaries are higher this year so it will likely still go over.
    - This is partially because BSD has more experienced, educated teachers. Meanwhile, fewer employees who would have been replaced by people on the lower end of the salary scale retired this year. Teachers may be delaying retirement because of expected teacher salary raise by the state next year and economic conditions.
- Special education is now overbudget, primarily due to increasing students with needs and

contracted service provider payments.

- Tuition tax which supports students categorized as intensive and complex is also significantly overbudget, which is why the Committee has discussed raising the tuition tax rate (see details of discussion in April 15, 2026 meeting minutes). If the increase is approved, BSD should be able to cover the necessary expenses for this student population through the next year or longer.
- Summer school is also over budget, mostly due to last year's expenses. The director of Special Education is now being more cautious when hiring for summer school, and is currently contacting families to confirm the intent for students to attend.
- School buildings' expenses increased in May, leaving Concord over budget and Carrcroft almost meeting their limit.
- The Business Office is working with them to see if any POs can be closed or purchases can be avoided. Carrcroft is also shifting appropriate expenses to Title I when possible.
- Prior year encumbrances page: POs that remain open are those for major capital expenses that extend through fiscal years, and those with last year's alternative placement money that did not become available until this year.

Cash Flow Analysis

- The ending balance is back down to 8.8 million due to higher than expected Special Education May expenses.
    - More Special Educators have been hired for the coming year which should reduce the amount that is spent on contracted service providers.
    - DOE has adjusted the criteria for spec educators to so a greater number of highly qualified employees are now eligible candidates.

A motion to approve the May 31, 2026 Monthly Financial Report was raised by Mr. Landry and seconded by Mr. Auerbach. The vote was unanimous.

Additional comments

- Dr. Lawson added that BSD has been making a strong effort to attend or host events to communicate with the public, respond to questions and concerns, and show that the district is being fiscally responsible.
- Mr. McCoy added that the FY 2027 District Office budget has been decreased to control costs and decrease burden on taxpayers.
- Ms. Heckenstaller spoke about the need to engage with teachers soon so they have a clear picture of what is happening and what to expect, especially with uniformed users on social media outlets influencing their current opinions.

IV. Salary Schedules for Non-Union Positions

Mr. McCoy will be bringing three salary schedule groups to the Board: District office and Operations Staff, Chief I, and Constables.

- The money being used for salary increases for these groups would come from State money given to districts to match the 6% teacher salary increase which can be used to provide their administrators a salary increase at the same rate or distribute the money as they find appropriate.
- It is proposed that the excess of a 3% increase to administrators' salaries be distributed amongst the groups in question so that they also get a 3% increase. BSD believes this plan is more equitable because district office and operations support staff members do not get yearly state salary increases, as do other staff members. Because the vast majority of increases would be

covered by State funds, the impact on local funds is minimal.

- The proposal also includes a restructuring to a step schedule for District Office and Operations Staff.
- District office support staff, technology team, facilities, transportation, and nutrition would receive an automatic step increase based on years in their positions and roughly a 3% increase.
- Chief I custodian changes include a $300 longevity stipend for step 16-25 with $150 added each year after 25, and vacation time to match Chief II.
- Administrative Assistants are paid with State money and get yearly step increases in addition to the 3% State raise amount, but they currently max out at 25 years, so there is also a proposal to add $750 for every year after 25.
- Constables will get a flat 3% increase as will the JROTC positions.
- The JROTC position scale is tied to district office scale, but BSD gets reimbursed from the military for them.

A motion to approve salary schedule changes presented for non-union positions was raised by Mr. Landry and seconded by Mr. Auerbach. Mr. Skrobot abstained.

V. Fiscal Year 2027 Meeting Dates - Mr. McCoy and the Committee agreed to the meeting dates and will adapt if conflicts arise.

VI. Delaware Joint Finance Committee Budget Decisions

Mr. McCoy announced the news that the State is ending the reduction plan which required districts to give money back to the state every fiscal year. For example, last year BSD had to give back 1.9 million in the following:

- Division 1 salaries
- Division 2 vocational
- Professional Development
- Tech block grant
- Drivers ed money
- Division 2 AOC

Mr. McCoy noted that the funding is tied to the specific programs and often strict criteria must be met. However, many of these programs have been funded by other sources, so this will free up that money to be distributed as needed.

The JFC also added the following back into the budgets (previously cut by the Governor):

- the athletic trainer grant - $154,000
- the substitute block grant - $160,000
- $3 million back to WLC money
- State wage increase went from 2% to 3% for those who are not in the PEFC recommendation.

The State also set aside $100 million to be added to the new funding formula for FY 2027.
Mr. McCoy will find out what that means for BSD specifically, to avoid asking for a referendum if the District will have enough funds without one.

VII. High School Budget Comparison

As the Committee requested, Mr. McCoy reviewed Concord high school's spending in FY 2026 and found that EPER (extra pay for extra responsibilities) was a big factor. Concord spent noticeably more than the other high schools, especially on support at sporting events. Concord paid for 426.5 hours while the other high schools were at 139.25 hours and 110.75 hours. Possible reasons:

- Events could be overstaffed.
- Concord might not be using volunteers when possible.
- It's easier for Concord to get events staffed than it is for the other schools that tend to have more incidents.
- Per Mr. Pollins, Concord also has JV team events which create more need for EPER hours.

Mr. Milionis asked if there was a plan in place to keep the schools on track throughout the year. Mr. Skrobot suggested that when a school gets to a certain percentage of budget spent (i.e. 80%), they meet with the CFO to discuss measures to be taken so they won't go over. McCoy said the principals and their senior Admin Assistants are aware of their budget, have access to their records of expenses, and are expected to manage it, but agreed that more guidance is necessary.

VIII. Follow Up for Future Meetings

- The Committee continues to follow up on upcoming votes, referendum plans, and WLC funds.
- There is a structural issue at Talley from cold weather damage. The brick is bowing out from the structural wall. Damage can only be seen on the outside. Insurance doesn't want to cover it, but the State says they should. The cost of the repair is estimated to be $1.3M, it is currently unclear if the District will need to cover the repair cost or if the State will cover the cost.

IX. Public Comment – No comment from the public.

All were in favor of ending the meeting at 6:36 pm. Mr. Skrobot motioned to adjourn, and Mr. Landry seconded the motion.

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

Minutes respectfully submitted by Andrea Sisson, Business Office Associate Specialist.

The next DFC Meeting is scheduled for July 8, 2026 at 5:00pm.