



Fiscal Year 2023 Preliminary Budget
For the period July 1, 2022 through June 30, 2023
Colonial School District

Presented to the Board of Education on August 16, 2022

Jeffrey D. Menzer, Ed.D., Superintendent
Emily Falcon, Chief Financial Officer



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2022-2023**

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PRELIMINARY BUDGET - FISCAL YEAR ENDING JUNE 30, 2023

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Executive Summary

The Colonial School District is a school district located in New Castle County in the State of Delaware. We serve students from age 3 to 21. There are fifteen (15) schools located within the district. The enrollment as of September 30, 2021 was 9,531 students.

The Preliminary Fiscal Year 2023 Budget represents the financial plan for the district for the 2022-2023 school year. The plan was developed through a review of the district's priorities and alignment to the vision of creating access and opportunity for every student while maintaining fiscal responsibility and sustainability.

The Colonial community approved an operating referendum in June 2017. The referendum increased the tax rate by \$.27 in FY 2018 and another \$.11 in FY 2019. There is no increase to the tax rate for operating funds in FY 2023. During the July meeting, Colonial's Board of Education approved a tax rate for FY 23 that re-aligned the amounts of various rates- decrease in debt service and tuition and an increase in match tax while the total stayed flat.

The State of Delaware budget for FY 2023 included a 2% salary increase of for all employees, except for bus drivers who received a larger increase. The bargaining agreement with AFSCME was negotiated during FY 22 and all negotiated increases are budgeted.

The Preliminary budget for FY 2023 is \$186.6 million. This is an increase of .4% from the FY 2022 budget. This amount does not include the federal funds that Colonial has received for COVID-19 Pandemic relief. Because of the one-time nature of these funds, they are outlined in a separate sheet to ensure transparency and consistency. While these funds are providing stability and added flexibility to address the immediate challenges presented by the pandemic, the expiration of the funds in several years means that spending must be thoughtful and strategic to avoid program and staff cuts.

The FY 23 preliminary budget continues with the conservative approach to budget growth. Discretionary budgets have been decreased due to the anticipated decline or stagnation of enrollment and units. The budget was developed with the assumption that enrollment and units for FY23 may be funded at the 98% estimated unit count number, Restricted funding is being maximized wherever possible and Colonial continues to pursue additional funding opportunities.

The Colonial School District has a citizen financial oversight committee consisting of residents of the district to oversee the budget and review financial reports and information prior to submission to the Board of Education. This budget was reviewed by that committee on August 9, 2022.

PRELIMINARY BUDGET - FISCAL YEAR ENDING JUNE 30, 2023
SUMMARY OF REVENUE

	PRELIMINARY BUDGET FY 2022	FINAL BUDGET FY 2022	PRELIMINARY BUDGET FY 2023	CHANGE from FY 22 Final
<u>REVENUE</u>				
<u>DISCRETIONARY STATE REVENUE</u>				
Division II Costs, AOC	2,222,769	\$1,776,531	\$1,741,000	-2%
Division III Equalization	5,107,237	\$5,069,453	\$4,968,064	-2%
Educational Sustainment	2,063,983	\$1,876,348	\$1,838,821	-2%
SUBTOTAL	9,393,988	8,722,332	8,547,885	-2%
<u>RESTRICTED STATE REVENUE</u>				
State formula salaries	75,420,954	\$77,550,698	\$82,050,475	5%
Cafeteria Salaries	3,100,000	\$2,507,130	\$2,507,130	0%
Division II Costs, AOC - Voc	0	\$0	\$0	0%
Division II Costs, Energy	1,366,920	\$1,097,896	\$1,350,000	19%
State Transportation	7,050,000	\$6,259,629	\$9,750,000	36%
Drivers Ed	0	\$0	\$0	0%
Unique Alternative	560,000	\$359,440	\$570,475	37%
Related Services	0	\$0	\$0	0%
Professional Development	0	\$0	\$0	0%
Technology Block Grant	0	\$0	\$0	0%
Student Success Block Grant	330,148	\$330,148	\$250,986	-32%
Opportunity Funding	3,292,567	\$3,292,567	\$3,234,618	-2%
Other State Revenue	345,512	\$258,888	\$275,000	6%
John G. Leach	8,762,875	\$4,203,499	\$3,875,000	-8%
ECAP (Pre-K State grant)	285,600	\$309,400	\$321,300	4%
Minor Capital Improvements	933,168	\$933,168	\$896,119	-4%
SUBTOTAL	101,447,744	97,102,463	105,081,103	8%
Operational Budget Reduction		-1,925,570	-1,925,570	0%
TOTAL STATE REVENUE	\$110,841,732	\$105,824,795	\$113,628,988	7%

DISCRETIONARY LOCAL REVENUE

Current Expense Tax Receipts	49,126,034	\$48,965,924	\$49,590,347	1%
Interest	820,000	\$200,000	\$0	-100%
Athletics	5,000	\$11,000	\$13,000	15%
Indirect Costs	116,841	\$303,604	\$275,000	-10%
CSCRCP	32,000	\$38,425	\$42,000	9%
Building Rental	5,000	\$2,000	\$7,500	73%
Charter (Reduction)	(6,200,000)	(6,795,755)	(7,203,500)	6%
Choice (Reduction)	(1,050,000)	(1,421,704)	(1,435,921)	1%
Reserve funds	(1,307,585)	3,623,698	(101,507)	3670%
SUBTOTAL	50,104,875	44,927,192	41,186,919	-9%

RESTRICTED LOCAL REVENUE

Debt Service Tax Receipts	3,702,830	\$3,702,830	\$3,122,818	-19%
Tuition Receipts (excl. Leach)	6,728,774	\$6,728,774	\$9,023,722	25%
John G. Leach (tuition revenue)	4,750,000	\$4,750,000	\$1,750,000	-171%
Match Tax Receipts	2,462,382	\$2,462,382	\$3,959,733	38%
Technology Maintenance Mat	469,025	469,025	474,668	1%
Cafeteria	5,550,000	5,554,758	3,240,000	-71%
Donations	30,000	20,000	20,000	0%
E3 Grant	2,000,000	1,500,000	750,000	-100%
Other Local Revenue	220,000	250,000	200,000	-25%
Restricted Reseve Funds	-	846,283	-	-100%
SUBTOTAL	25,913,011	26,284,052	22,540,941	-17%

TOTAL LOCAL REVENUE **\$76,017,886** **\$71,211,244** **\$63,727,860** **-12%**

FEDERAL REVENUE

IDEA Part B (611)	2,799,752	2,799,752	2,824,065	1%
IDEA Pre-K (619)	120,079	120,079	122,548	2%
Title I	3,958,086	3,958,086	4,207,962	6%
Title II	711,986	711,986	766,065	7%
Title III	108,020	108,020	120,049	10%
Perkins	252,670	252,670	275,817	8%
Title IV	459,218	459,218	459,944	0%
Other Federal Funds	399,021	440,021	450,000	2%
TOTAL FEDERAL REVENUE	\$8,808,832	\$8,849,832	\$9,226,450	4%

TOTAL REVENUE **\$195,668,450** **\$185,885,871** **\$186,583,298** **0.37%**

PRELIMINARY BUDGET - FISCAL YEAR ENDING JUNE 30, 2023
SUMMARY OF EXPENDITURES

EXPENDITURES

Operating Unit	Program Code		PRELIM FY	FINAL FY	PRELIM FY	Change
			2022	2022	2023	from FY 22 Final
DISCRETIONARY SCHOOL BUDGETS						
9340410A	95437	Carrie Downie Library	2,651	2,700	2,430	-10%
9340410A	99999	Carrie Downie Elementary	43,060	43,060	38,754	-10%
9340412A	95437	Castle Hills Library	4,004	3,615	3,254	-10%
9340412A	99999	Castle Hills Elementary	64,235	64,235	57,812	-10%
9340418A	95437	Pleasantville Library	2,750	3,233	2,910	-10%
9340418A	99999	Pleasantville Elementary	44,135	44,135	39,722	-10%
9340420A	95437	Wilmington Manor Library	2,223	2,223	2,001	-10%
9340420A	99999	Wilmington Manor Elementary	37,075	37,075	33,368	-10%
9340420A	95021	Virtual Academy @ Wilm Manor	33,272	33,272	29,945	-10%
9340422A	95437	Wilbur Library	8,279	8,190	7,371	-10%
9340422A	99999	Wilbur Elementary	132,977	132,977	119,679	-10%
9340427A	95437	Southern Library	5,871	5,573	5,016	-10%
9340427A	99999	Southern Elementary	96,199	96,199	86,579	-10%
9340432A	95437	New Castle Library	3,527	3,090	2,781	-10%
9340432A	99999	New Castle Elementary	57,219	57,219	51,497	-10%
9340456A	95437	Eisenberg Library	3,328	2,993	2,694	-10%
9340456A	99999	Eisenberg Elementary	53,956	53,956	48,560	-10%
9340470A	95437	Gunning Bedford Library	7,617	8,730	7,857	-10%
9340470A	99999	Gunning Bedford Middle	131,073	131,073	117,966	-10%
9340474A	95437	George Read Library	5,401	5,122	4,610	-10%
9340474A	99999	George Read Middle	96,704	96,704	87,034	-10%
9340476A	95437	McCullough Library	5,423	5,213	4,692	-10%
9340476A	99999	McCullough Middle	97,905	97,905	88,115	-10%
9340490A	95048	William Penn - ROTC	4,750	4,750	4,275	-10%
9340490A	95073	William Penn - Music Choir	23,555	23,555	21,200	-10%
9340490A	95437	William Penn - Library	16,367	17,228	15,505	-10%
9340490A	95602	William Penn - Athletics	147,250	147,250	132,525	-10%
9340490A	99999	William Penn High School	267,415	267,415	240,674	-10%
9340490A	95021	WPHS Virtual	21,927	21,927	19,734	-10%
SUBTOTAL			1,427,458	1,420,616	1,278,555	-10%

DISCRETIONARY STATE & LOCAL BUDGETS

99900000	99999	Board of Education	29,450	31,000	27,900	-10%
99900100	99999	Legal	104,500	110,000	99,000	-10%
99900300	95228	Substitutes & Homebound	641,250	900,000	2,500,000	178%
99900300	95494	Teacher of the Year	11,875	13,831	12,448	-10%
99900300	99999	General District Expenses	977,758	1,075,349	1,091,072	1%
99910000	95052	Marketing	82,570	82,570	74,313	-10%
99910000	99999	Public Communications	19,190	19,190	17,271	-10%
99910010	95411	Copy Center	223,250	245,000	220,500	-10%
99910010	99999	District Administration	237,975	250,500	225,450	-10%
99910010	95405	District Choice	3,800	2,500	2,250	-10%
99910100	99999	Superintendent	41,040	41,040	36,936	-10%
99970600	95060	Preschool Expansion	115,425	115,425	103,883	-10%
99970675	95430	Elementary Wellness	85,000	195,000	175,500	-10%
99920000	99999	Curriculum/Instruction	106,875	112,500	101,250	-10%
99920000	95435	Common Core/Curriculum	213,750	225,000	202,500	-10%
99920000	90850	Music/Art Curriculum	38,475	40,500	36,450	-10%
99920100	99999	Discipline Programs	158,175	200,000	180,000	-10%
99920110	99519	Security/Constables	565,250	795,000	715,500	-10%
99920700	99999	Middle school Athletics	51,300	51,300	46,170	-10%
99930300	99999	Student Services	17,100	18,000	16,200	-10%
99930400	99999	Behavioral Health	17,100	29,000	26,100	-10%
99940000	99999	Business Office	36,167	38,070	34,263	-10%
99940400	99999	Local Salaries & Benefits	39,432,702	44,207,262	45,754,516	3%
99950000	99999	Personnel	39,330	41,400	37,260	-10%
99950000	95459	Recruiting	0	15,000	13,500	-10%
99940050	99999	Facilities Maintenance	1,045,000	1,100,000	990,000	-10%
99960200	99531	Custodial Services	475,000	525,000	472,500	-10%
99970680	99999	School Supervision	51,300	51,300	46,170	-10%
99970680	95488	Visiting Teachers	3,420	3,420	3,078	-10%
SUBTOTAL - DISCRETIONARY			44,824,027	50,534,157	53,261,980	5%

RESTRICTED FUNDING WITH LOCAL INVESTMENT

99940810	99999	Tech Equipment & Repair	2,062,500	2,062,500	1,856,250	-10%
99960200	95419	Energy/Utilities	1,896,000	1,495,000	1,345,500	-10%
99960400	99999	Transportation	8,400,000	7,954,381	7,158,943	-10%
SUBTOTAL - RESTRICTED/LOCAL			12,358,500	11,511,881	10,360,693	-10%

OTHER RESTRICTED BUDGETS

99920200	99999	Extra Time	270,000	270,000	243,000	-10%
99920500	99999	Professional Development	110,362	110,362	99,326	-10%
99920800	99999	Drivers Education	25,172	28,000	25,200	-10%
99921000	95512	Opportunity Funds Personnel	1,456,000	1,456,000	1,310,400	-10%
99921000	99999	Opportunity Funds Programming	1,646,946	1,646,946	1,482,251	-10%
99921000	95063	Opp Funds Mental Health & Read	1,001,367	1,001,367	901,230	-10%
99940200	99999	Division I Salaries	75,420,954	77,550,698	82,050,475	6%
99940300	99999	Division II Vocational	160,545	159,510	143,559	-10%
99940410	95037	Spanish Immersion	19,229	19,229	17,306	-10%
99940410	95005	Chinese Immersion	19,229	19,229	17,306	-10%
99940410	99999	Competitive Grants - State	125,000	258,888	232,999	-10%
99940500	99999	Federal Funds	8,517,831	8,849,832	7,964,849	-10%
99940700	99999	Private Grants/Donations	25,000	20,000	18,000	-10%
99960000	99999	Child Nutrition Operations	8,748,000	8,058,450	7,252,605	-10%
99970000	99999	Debt Service	4,165,170	4,165,170	3,748,653	-10%
99970680	95063	SSBG K-4 Reading	429,192	330,148	297,133	-10%
99990050	91476	E3 Grant	1,976,000	1,500,000	1,350,000	-10%
99970200	99999	Minor Capital	1,555,280	1,555,280	1,399,752	-10%
99970600	99768	ECAP (State Pre-K grant)	285,600	309,400	278,460	-10%
SUBTOTAL - RESTRICTED			105,956,877	107,308,509	108,832,505	1%

RESTRICTED/TUITION FUNDED BUDGETS

99970600	95030	Preschool (Colwyck building bud,	76,005	76,005	68,405	-10%
99970600	99532	PreK Payroll	769,500	1,350,000	1,215,000	-10%
9340427A	95521	Southern special programs	104,612	122,744	79,750	-35%
9340470A	95521	GB Special programs	75,695	75,695	18,400	-76%
9340474A	95521	George Read Special Programs		26,234	39,425	50%
9340490A	95521	WPHS Special Programs		50,660	58,800	16%
99920300	99999	LEP/ESL	680,000	680,000	612,000	-10%
99921050	99999	Special Education Services	427,500	450,000	405,000	-10%
99930200	95454	Private Placement	800,000	850,000	765,000	-10%
99930200	99999	In State Tuition	475,000	475,000	427,500	-10%
99930200	95236	Exceptional Children payroll	1,670,000	1,793,956	1,614,560	-10%
99930300	99546	Assistive Technology	30,000	30,000	27,000	-10%
		SUBTOTAL - TUITION	5,141,612	6,807,230	5,376,434	-21%
See detailed budget		Leach - Special School	12,915,893	8,303,479	7,473,131	-10%
TOTAL EXPENDITURES			182,624,366	185,885,872	186,583,298	0.38%

**COLONIAL SCHOOL DISTRICT
PRELIMINARY BUDGET - FISCAL YEAR ENDING JUNE 30, 2023
DETAIL OF OPERATING UNIT EXPENDITURES**

EXPENDITURES

Operating Unit	Program Code		PRELIM BUDGET FY 2022	FINAL BUDGET FY 2022	PRELIM BUDGET FY 2023	Change from FY 22 Final
99900300	99999	General District Expenses				
		Audit	9,500	7,500	7,500	0%
		Insurance	238,115	299,277	315,000	5%
		Data Service Center	397,643	418,572	418,572	0%
		One Time items	237,500	250,000	250,000	0%
		Contingency	95,000	100,000	100,000	0%
			977,758	1,075,349	1,091,072	1%

A contingency line is been established to fund any emergency, unexpected items or line item budget overages. An example of items that could present an issue would be increases in utility costs or other items that cannot be controlled by the District administration or Board of Education.

99960000 99999 Child Nutrition Operations

A detailed budget will be prepared once the unit count is finalized.

99960400 99999 Transportation

A detailed budget will be prepared once the unit count is finalized.

			PRELIM BUDGET FY 2022	FINAL BUDGET FY 2022	PRELIM BUDGET FY 2023	Change from FY 22 Final
		Leach - Special School				
9340514A	99999	Leach Principal's Budget	69,123	69,123	62,211	-10%
9340514A	95254	Vocational Expenses	5,130	5,400	4,860	-10%
9340514A	99545	Related Services	8,550	9,000	8,100	-10%
9340514A	99546	Assistive Technology	10,260	10,800	9,720	-10%
9340514A	95468	Summer School	8,550	9,000	8,100	-10%
99900300	95228	Substitutes	14,250	15,000	13,500	-10%
99900300	99999	General (Incl. Transportation)	802,750	1,575,000	1,417,500	-10%
99940200	99999	Division I Salaries	8,294,389	3,880,426	3,492,383	-10%
99940400	99999	Local Salaries & Benefits	3,634,761	2,661,600	2,395,440	-10%
99960200	95419	Energy/Utilities	55,000	55,000	49,500	-10%
99970200	99999	Minor Capital	13,130	13,130	11,817	-10%
		TOTAL EXPENDITURES	12,915,893	8,303,479	7,473,131	-10%

The John G. Leach School is a state school that is managed by the Colonial School District. It is funded by State appropriations as determined by the unit count and through tuition funds paid by local school districts in which the students reside.

**COLONIAL SCHOOL DISTRICT
PRELIMINARY BUDGET - FISCAL YEAR ENDING JUNE 30, 2023
DETAIL OF SUPPLEMENTAL FEDERAL COVID-19 PANDEMIC RELIEF FUNDS**

ESSER II

Focus Areas	TOTAL BUDGET	Balance remaining July 1, 2022
Facility Repairs	\$1,065,709.79	\$1,065,709.79
Air Quality Projects	\$6,307,330.00	\$1,630,954.00
Educational Technology- Supplies	\$1,035,000.00	\$1,035,000.00
Educational Technology- Capital Outlay	\$1,881,900.00	\$1,881,900.00
Long Term Closure (Nutrition Support)	\$1,000,000.00	\$0.00
Learning Loss	\$200,000.00	\$121,600.60
Indirect Costs	\$2,162,555.21	\$2,162,555.21
	\$13,652,495.00	\$7,897,719.60

ESSER III

Focus Areas	TOTAL BUDGET	Balance remaining July 1, 2022
Air Quality Projects - Contractual	\$14,639,888.90	\$14,639,888.90
Educational Technology- Contractual	\$180,000.00	\$101,662.00
Educational Technology- Supplies	\$525,000.00	\$525,000.00
Educational Technology- Capital Outlay	\$1,582,800.00	\$396,300.00
Learning Loss - Salaries	\$1,714,377.12	\$1,610,388.07
Learning Loss - OECs	\$607,903.16	\$549,320.01
Learning Loss - Contractual	\$1,413,000.00	-\$200,598.27
Learning Loss - Supplies	\$3,264,594.65	-\$907,969.41
Mental Health - Contractual	\$300,000.00	\$166,640.00
Other Activities - Salaries	\$467,743.72	\$381,406.35
Other Activities - OECs	\$154,869.95	\$113,232.29
Preparedness and Response - Salaries	\$259,600.72	\$168,707.04
Preparedness and Response - OECs	\$130,953.80	\$94,028.72
Implement DPH Protocols - Contractual	\$630,000.00	\$269,761.25
Implement DPH Protocols - Supplies	\$228,862.96	-\$2,840.87
Summer Learning - Salaries	\$1,314,702.12	\$1,314,702.12
Summer Learning - OECs	\$435,297.00	\$435,297.00
Summer Learning - Contractual	\$1,825,000.00	\$1,806,908.50
Address needs of Unique Pop. - Salaries	\$15,025.17	\$15,025.17
Address needs of Unique Pop. - OECs	\$4,974.73	\$4,974.73
Address needs of Unique Pop. - Contractual	\$976,800.00	\$955,527.82
	\$30,671,394.00	\$22,437,361.42

PRELIMINARY BUDGET - FISCAL YEAR ENDING JUNE 30, 2023
LOCAL PROPERTY TAX RECEIPTS

The local revenue consists mainly of property tax receipts. The tax rate is approved by the Board annually and is due to New Castle County (who prepares, distributes and collects the tax) by the second Thursday of July each year.

The tax rate consists of four categories, each with its own calculation and purpose.

Current Expense may be used for any expenditure in the district except to buy property or pay off bonds. This portion of the rate can only be increased through voter referendum. Revenue is budgeted at 98% of expected collections to account for delinquencies and assessment appeals and adjustments.

There are two components to current expense tax. The first component is a function of the New Castle County School Tax District and represents the first 46.8 cents of the tax rate. All revenue generated among the districts within the Tax district (Brandywine, Christina, Colonial & Red Clay) are pooled together and re-allocated. The reallocation is based on the number of units at September 30th of the prior fiscal year. The district's share of the tax district for fiscal year 2023 is 18.59364082%. The calculations determining Colonial's portion of this share of revenue are done by the Delaware Department of Education.

The second component involves multiplying the district's tax assessment by 111.8 cents per \$100 of assessed valuation. There was a successful referendum in June 2017. This increased this portion of the current expense tax rate from 73.8 cents to 100.8 cents in FY 2018 and to 111.8 in FY 2019. There is no increase in the operating tax rate for FY 2023.

The total assessed valuation in the New Castle County Tax district is \$17,610,521,950.

The district's total assessed valuation is \$3,122,817,835.

Debt Service is to pay the principal and interest due on the bonds sold for major capital improvements as approved by voter referendum. The State funds major capital improvements at 61% and the local district pays 39%

Tuition Tax is used to fund a variety of programs for students with disabilities in special schools, programs or private placements. State law permits the local school board to set this portion of the tax rate without referendum.

Match or MCIP funds areas that are matching state funds (such as minor capital or abatement) or are allowed to be set by the local school board to fund items such as extra time, technology or designated state units that were eliminated from the state budget. State law permits the local school board to set this portion of the tax rate without referendum.

Tax	Rate	Revenue
Current Expense	\$1.118	\$34,214,841
NCC Tax pool	\$0.468	\$15,913,765
Debt Service	\$0.100	\$3,122,818
Tuition Tax	\$0.345	\$10,773,722
Match/MCIP	<u>\$0.142</u>	<u>\$4,434,401</u>
Total	\$2.173	\$68,459,547

The rates are per \$100 of assessed valuation of property.

Funds were in reserve in each tax component to supplement this year's revenue collections.