



Fiscal Year 2021 Preliminary Budget
For the period July 1, 2020 through June 30, 2021
Colonial School District

Presented to the Board of Education on July 28, 2020

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



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2020-2021**

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PRELIMINARY BUDGET - FISCAL YEAR ENDING JUNE 30, 2021

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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, 2019 was 9,921 students.

The Preliminary Fiscal Year 2021 Budget represents the financial plan for the district for the 2020-2021 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 2021. During the June meeting, Colonial's Board of Education approved a reallocation of the tax rate to decrease debt service and increase tuition.

The State of Delaware budget for FY 2021 included no salary increase. Negotiations with four of the five union groups were stalled due to the Coronavirus pandemic. The cost of the salary increase negotiated as part of the Custodial/Maintenance contract, which is pending approval of the Board, is included in the local salary budget. No other local salary increases have been recommended.

The Preliminary budget for FY 2021 is \$179.3 million. This is a decrease of 1.2% from the FY 2020 budget. The unprecedented events of the COVID-19 pandemic have created significant economic uncertainty and threats of a global recession. Record high unemployment threatens both State revenues and local property tax collections. Fortunately, there was little impact to State education funding for FY 21 but the predictions for out years are bleak.

The FY 21 preliminary budget reflects this reality and preserves cash wherever possible. Discretionary budgets have been decreased to allow for maximum flexibility of resources into the future and increased capacity to continue critical programming if faced with cuts. Plans and costs estimates for the safe re-opening of schools; as well as the extended school closures that are likely in the 20-21 school year; are still being developed.

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 July 21, 2020.

PRELIMINARY BUDGET - FISCAL YEAR ENDING JUNE 30, 2021
SUMMARY OF REVENUE

	PRELIMINARY BUDGET FY 2020	FINAL BUDGET FY 2020	PRELIMINARY BUDGET FY 2021	
<u>REVENUE</u>				
<u>DISCRETIONARY STATE REVENUE</u>				
Division II Costs, AOC	2,242,315	1,490,698	2,250,000	51%
Division III Equalization	5,134,128	5,239,080	5,300,000	1%
Educational Sustainment	2,119,445	2,102,382	2,100,000	0%
Excellence/Admin Option	31,850	28,655	28,000	-2%
SUBTOTAL	9,527,738	8,860,815	9,678,000	9%
<u>RESTRICTED STATE REVENUE</u>				
State formula salaries	70,313,570	71,718,937	72,436,126	1%
Cafeteria Salaries	2,408,388	2,957,665	2,600,000	-12%
Division II Costs, AOC - Voc	187,837	0	0	0%
Division II Costs, Energy	1,637,780	1,924,948	1,925,000	0%
State Transportation	7,026,100	6,970,946	6,971,000	0%
Drivers Ed	27,969	0	0	0%
Unique Alternative	846,205	790,195	790,000	0%
Related Services	422,844	32,303	32,300	0%
Professional Development	110,643	0	0	0%
Technology Block Grant	283,650	0	0	0%
Student Success Block Grant	740,676	740,676	697,290	-6%
Opportunity Funding	2,349,104	2,045,152	2,158,648	6%
Other State Revenue	50,000	178,445	200,000	12%
John G. Leach	7,739,985	8,715,846	8,716,000	0%
ECAP (Pre-K State grant)	290,100	290,100	287,600	-1%
Minor Capital Improvements	947,265	947,265	845,554	-11%
SUBTOTAL	95,382,116	97,312,478	97,659,518	0%
Operational Budget Reduction	(1,957,507)	(1,961,317)	(1,938,690)	-1%
TOTAL STATE REVENUE	\$102,952,347	\$106,173,293	\$105,398,828	-1%

DISCRETIONARY LOCAL REVENUE

Current Expense Tax Receipts	33,130,235	47,084,564	48,254,989	2%
Interest	750,000	1,359,679	1,400,000	3%
Athletics	15,000	20,000	-	-100%
Indirect Costs	350,000	255,000	300,000	18%
CSCRIP	59,000	59,000	59,000	0%
Building Rental	34,000	19,200	-	-100%
Charter (Reduction)	(5,059,114)	(5,912,779)	(5,911,657)	0%
Choice (Reduction)	(1,062,857)	(1,133,363)	(922,622)	-19%
Reserve funds	(4,195,727)	(2,926,644)	(3,359,419)	15%
SUBTOTAL	24,020,537	38,824,657	39,820,291	3%

RESTRICTED LOCAL REVENUE

Debt Service Tax Receipts	4,384,546	4,648,062	4,384,546	-6%
Tuition Receipts (excl. Leach)	7,048,629	6,655,473	6,498,629	-2%
John G. Leach (tuition revenue)	4,200,000	4,200,000	4,750,000	13%
Match Tax Receipts	2,721,442	2,698,874	2,261,821	-16%
Technology Maintenance Match	454,284	454,284	459,621	1%
Cafeteria	6,140,000	6,050,000	4,000,000	-34%
Donations	75,000	50,000	25,000	-50%
E3 Grant	1,750,000	2,079,663	2,080,000	0%
Other Local Revenue	515,000	515,000	500,000	-3%
SUBTOTAL	27,288,901	27,351,356	24,959,617	-9%

TOTAL LOCAL REVENUE	\$51,309,438	\$66,176,013	\$64,779,908	-2%
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FEDERAL REVENUE

IDEA Part B (611)	2,704,775	2,708,526	2,765,003	2%
IDEA Pre-K (619)	101,654	115,511	119,889	4%
Title I	4,156,995	4,173,305	4,173,514	0%
Title II	761,736	764,373	737,282	-4%
Title III	93,147	96,634	106,766	10%
Perkins	302,120	303,174	255,237	-16%
Title IV	459,225	460,092	474,835	3%
Other Federal Funds	100,000	493,120	493,120	0%
CARES Act	-	-	2,718,060	
TOTAL FEDERAL REVENUE	\$8,679,652	\$9,114,735	\$9,125,646	0%

TOTAL REVENUE	\$162,941,437	\$181,464,042	\$179,304,382	-1.19%
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PRELIMINARY BUDGET - FISCAL YEAR ENDING JUNE 30, 2021
SUMMARY OF EXPENDITURES

EXPENDITURES

Operating Unit	Program Code		PRELIM FY 2020	FINAL FY 2020	PRELIM FY 2021	Change FY 20 to 21
DISCRETIONARY SCHOOL BUDGETS						
9340410A	95437	Carrie Downie Library	3,048	3,048	2,743	-10%
9340410A	99999	Carrie Downie Elementary	46,897	47,951	43,156	-10%
9340412A	95437	Castle Hills Library	4,545	4,545	4,091	-10%
9340412A	99999	Castle Hills Elementary	67,431	72,646	65,381	-10%
9340418A	95437	Pleasantville Library	3,078	3,078	2,770	-10%
9340418A	99999	Pleasantville Elementary	46,716	46,716	42,044	-10%
9340420A	95437	Wilmington Manor Library	2,333	2,333	2,100	-10%
9340420A	99999	Wilmington Manor Elementary	34,898	39,747	35,772	-10%
9340422A	95437	Wilbur Library	8,748	8,748	7,873	-10%
9340422A	99999	Wilbur Elementary	129,081	131,032	117,929	-10%
9340427A	95437	Southern Library	6,521	6,521	5,869	-10%
9340427A	99999	Southern Elementary	97,195	97,204	87,484	-10%
9340432A	95437	New Castle Library	3,929	3,929	3,536	-10%
9340432A	99999	New Castle Elementary	58,211	60,871	54,784	-10%
9340456A	95437	Eisenberg Library	3,861	3,861	3,475	-10%
9340456A	99999	Eisenberg Elementary	57,846	58,520	52,668	-10%
9340470A	95437	Gunning Bedford Library	8,010	8,010	7,209	-10%
9340470A	99999	Gunning Bedford Middle	126,018	127,269	114,542	-10%
9340474A	95437	George Read Library	5,989	5,989	5,390	-10%
9340474A	99999	George Read Middle	97,945	97,945	88,151	-10%
9340476A	95437	McCullough Library	5,837	5,837	5,253	-10%
9340476A	99999	McCullough Middle	93,537	95,723	86,151	-10%
9340490A	95048	William Penn - ROTC	4,370	8,900	8,010	-10%
9340490A	95073	William Penn - Music Choir	27,550	27,550	24,795	-10%
9340490A	95437	William Penn - Library	16,614	16,614	14,953	-10%
9340490A	95468	William Penn - Summer School	8,550	8,550	7,695	-10%
9340490A	95602	William Penn - Athletics	152,000	167,200	150,480	-10%
9340490A	99999	William Penn High School	265,373	285,259	256,733	-10%
SUBTOTAL			1,386,131	1,445,596	1,301,036	-10%

DISCRETIONARY STATE & LOCAL BUDGETS

99900000	99999	Board of Education	31,000	31,000	27,900	-10%
99900100	99999	Legal	68,000	88,000	79,200	-10%
99900300	95228	Substitutes & Homebound	850,000	750,000	675,000	-10%
99900300	95494	Teacher of the Year	7,500	12,500	11,250	-10%
99900300	99999	General District Expenses	976,000	1,141,612	1,391,612	22%
99910000	95052	Marketing	60,600	60,600	54,540	-10%
99910000	99999	Public Communications	20,200	20,200	18,180	-10%
99910010	95411	Copy Center	235,000	235,000	211,500	-10%
99910010	99999	District Administration	87,500	250,500	225,450	-10%
99910010	95405	District Choice	4,500	4,500	4,050	-10%
99910100	99999	Superintendent	18,000	18,000	16,200	-10%
99970600	95060	Preschool Expansion	135,000	135,000	121,500	-10%
99970675	95430	Elementary Wellness	85,000	85,000	76,500	-10%
99910110	99999	Assistant Superintendent 1	15,000	15,000	13,500	-10%
99910115	99999	Assistant Superintendent 2	15,000	15,000	13,500	-10%
99920000	99999	Curriculum/Instruction	125,000	125,000	112,500	-10%
99920000	95435	Common Core/Curriculum	250,000	250,000	225,000	-10%
99920000	90850	Music/Art Curriculum	45,000	45,000	40,500	-10%
99920100	99999	Discipline Programs	185,000	185,000	166,500	-10%
99920110	99519	Security/Constables	595,000	595,000	535,500	-10%
99920700	99999	Middle school Athletics	60,000	60,000	54,000	-10%
99930300	99999	Student Services	20,000	20,000	18,000	-10%
99930400	99999	Behavioral Health	20,000	20,000	18,000	-10%
99940000	99999	Business Office	42,300	42,300	38,070	-10%
99940400	99999	Local Salaries & Benefits	36,440,160	37,897,766	38,276,744	1%
99950000	99999	Personnel	46,000	46,000	41,400	-10%
99940050	99999	Facilities Maintenance	1,100,000	1,100,000	990,000	-10%
99960200	99531	Custodial Services	450,000	450,000	405,000	-10%
99970680	99999	School Supervision	60,000	60,000	54,000	-10%
99970680	95488	Visiting Teachers	4,000	4,000	3,600	-10%
SUBTOTAL - DISCRETIONARY			42,050,760	43,761,978	43,918,696	0%

RESTRICTED FUNDING WITH LOCAL INVESTMENT

99940810	99999	Tech Equipment & Repair	1,724,840	1,875,000	1,687,500	-10%
99960200	95419	Energy/Utilities	2,132,523	2,034,192	1,830,773	-10%
99960400	99999	Transportation	8,500,000	7,235,746	6,512,171	-10%
SUBTOTAL - RESTRICTED/LOCAL			12,357,363	11,144,938	10,030,444	-10%

OTHER RESTRICTED BUDGETS

99920110	95064	State Security Grant	377,039	377,039	0	-100%
99920200	99999	Extra Time	270,000	270,000	270,000	0%
99920500	99999	Professional Development	110,643	110,643	99,579	-10%
99920800	99999	Drivers Education	27,969	27,969	25,172	-10%
99921000	95512	Opportunity Funds Personnel	1,167,118	1,167,118	1,202,487	3%
99921000	99999	Opportunity Funds Programming	911,798	911,798	822,404	-10%
99921000	95063	Opp Funds Mental Health & Reading	816,210	816,210	684,239	-16%
99940200	99999	Division I Salaries	70,313,570	71,718,937	72,436,126	1%
99940300	99999	Division II Vocational	187,837	187,837	169,053	-10%
99940410	95037	Immersion Funding	20,000	20,000	20,000	0%
99940410	99999	Competitive Grants - State	50,000	178,445	200,000	12%
99940500	99999	Federal Funds	8,679,652	9,114,735	9,125,646	0%
99940700	99999	Private Grants/Donations	75,000	50,000	25,000	-50%
99960000	99999	Child Nutrition Operations	8,548,388	9,720,000	8,748,000	-10%
99970000	99999	Debt Service	4,384,546	4,648,062	4,384,546	-6%
99970680	99562	SSBG K-3 Basic	441,078	441,078	461,331	5%
99970680	95063	SSBG K-4 Reading	882,509	882,509	729,743	-17%
99990050	91476	E3 Grant	1,750,000	2,079,663	2,080,000	0%
99970200	99999	Minor Capital	1,578,775	1,578,775	1,414,742	-10%
99970600	99768	ECAP (State Pre-K grant)	290,100	290,100	287,600	-1%
SUBTOTAL - RESTRICTED			100,882,232	104,202,299	103,185,668	-1%

RESTRICTED/TUITION FUNDED BUDGETS

99970600	95030	Preschool (Colwyck building budget)	78,660	84,450	76,005	-10%
99970600	99532	PreK Payroll	550,000	855,000	1,115,000	30%
9340427A	95217	Southern ILC	66,434	69,930	62,937	-10%
9340427A	99532	Southern ILC Payroll	312,000	318,000	318,000	0%
9340427A	95207	Southern CASL	43,990	46,305	41,675	-10%
9340427A	99530	Southern CASL Payroll	255,000	313,622	313,622	0%
9340470A	95217	Gunning Bedford ILC	43,990	46,305	41,675	-10%
9340470A	99532	GB ILC Payroll	250,000	250,000	232,000	-7%
9340470A	95207	Gunning Bedford CASL	35,910	37,800	34,020	-10%
9340470A	99530	GB CASL Payroll	225,000	225,000	225,000	0%
9340490A	95207	WPHS CASL	35,910	37,000	33,300	-10%
9340490A	99530	WPHS CASL Payroll	112,000	136,667	123,000	-10%
9340522A	99532	Wallin General Expenses	880,000	880,000	792,000	-10%

9340522A	99999	Wallin Principal	46,636	46,636	41,972	-10%
99920300	99999	LEP/ESL	570,000	570,000	570,000	0%
99921050	99999	Special Education Services	500,000	500,000	450,000	-10%
99930200	95454	Private Placement	1,280,000	1,280,000	1,280,000	0%
99930200	99999	In State Tuition	750,000	750,000	675,000	-10%
99930200	95236	Exceptional Children payroll	500,000	500,000	450,000	-10%
99930300	99546	Assistive Technology	30,000	25,000	22,500	-10%
		SUBTOTAL - TUITION	6,565,529	6,971,715	6,897,706	-1%
See detailed budget		Leach - Special School	13,698,738	13,937,517	13,970,832	0%
TOTAL EXPENDITURES			176,940,752	181,464,042	179,304,382	-1.2%

**COLONIAL SCHOOL DISTRICT
PRELIMINARY BUDGET - FISCAL YEAR ENDING JUNE 30, 2021
DETAIL OF OPERATING UNIT EXPENDITURES**

EXPENDITURES

Operating Program	PRELIM BUDGET FY 2020	FINAL BUDGET FY 2020	PRELIM BUDGET FY 2021	% Change
99900300 99999 General District Expenses				
Audit	10,000	10,000	10,000	0%
Insurance	191,000	213,040	213,040	0%
Data Service Center	425,000	418,572	418,572	0%
One Time items	250,000	400,000	250,000	-38%
Contingency	100,000	100,000	500,000	400%
	976,000	1,141,612	1,391,612	22%

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 2020	FINAL BUDGET FY 2020	PRELIM BUDGET FY 2021	
Leach - Special School				
9340427A 99999 Southern Integration Program	18,228	20,146	18,132	-10%
9340474A 99999 George Read Integration Program	26,372	29,149	26,234	-10%
9340490A 99999 William Penn Integration Program	17,452	19,289	17,360	-10%
9340522A 99999 Wallin Adult Integration	21,280	21,750	19,575	-10%
9340514A 99999 Leach Principal's Budget	62,943	63,000	56,700	-10%
9340514A 95254 Vocational Expenses	20,349	6,000	5,400	-10%
9340514A 99545 Related Services	9,500	10,000	9,000	-10%
9340514A 99546 Assistive Technology	14,250	12,000	10,800	-10%
9340514A 95468 Summer School	9,500	10,000	9,000	-10%
99900300 95228 Substitutes	33,250	30,000	27,000	-10%
99900300 99999 General (Incl. Transportation)	1,300,000	1,300,000	1,300,000	0%
99940200 99999 Division I Salaries	8,600,000	8,601,483	8,644,491	0.5%
99940400 99999 Local Salaries & Benefits	3,500,000	3,769,336	3,788,183	0.5%
99960200 95419 Energy/Utilities	52,250	32,000	28,800	-10%
99970200 99999 Minor Capital	13,363	13,363	10,158	-24%
TOTAL EXPENDITURES	13,698,738	13,937,517	13,970,832	0%

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.

PRELIMINARY BUDGET - FISCAL YEAR ENDING JUNE 30, 2021

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 2021 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 2021.

The total assessed valuation in the New Castle County Tax district is \$17,381,130,627.

The district's total assessed valuation is \$3,023,824,876.

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	\$33,130,235
NCC Tax pool	\$0.468	\$15,124,754
Debt Service	\$0.145	\$4,384,546
Tuition Tax	\$0.372	\$11,248,629
Match/MCIP	\$0.090	\$2,721,442
Total	\$2.193	\$66,609,606

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.