



*Every Student
College and Career Ready*

Fiscal Year 2014 Preliminary Budget

For the period July 1, 2013 through June 30, 2014

Colonial School District

Presented to the Board of Education on October 8, 2013

**Dorothy Linn, Ed.D., Superintendent
Emily Falcon, Director of Business**



*Every Student
College and Career Ready*

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2013-2014**

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Preliminary Budget for Fiscal Year ending June 30, 2014

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Executive Summary

The Colonial School District is a K-12 district located in New Castle County in the State of Delaware. There are fourteen (14) schools located within the district. The enrollment as of September 30, 2013 was 9,975 students.

The Fiscal Year 2014 Preliminary Budget represents the financial plan for the district for the school year 2013 - 2014. The plan was developed through a review of the district's priorities and education success plan. The budget is inclusive and reflects all elements of the district operations. The preliminary budget is an initial plan as the budget cannot be put into final form until after the State certifies the September 30th count, which is normally accomplished during the months of November/December. The district operates under a Board approved preliminary budget prior to the approval of the final budget.

On June 4, 2013 the Colonial community approved an operating referendum in the amount of 35 cents per \$100 of assessed property value. The preliminary budget reflects a restoration of reserve funds in the amount of \$1.85 million.

The Preliminary Budget for fiscal year 2014 is \$141.7 million for all expenditures and \$138.8 million for operations which excludes major capital costs. The fiscal year 2014 budget represents an increase in operating costs of \$3.5 million as compared to fiscal year 2013 actual costs largely due to increasing salaries, an increase in the state mandated pension rate and technology costs.

The State of Delaware 2014 budget for FY 2014 funds step increases but does not include a pay increase except for paraprofessionals. The local salary scales for 2014 are paid in accordance with the collective bargaining agreement or by Board of Education action. Employees received an increase for steps or years of experience changes where applicable.

The Colonial School District has a citizen financial oversight committee consisting of seven residents of the district to oversee the budget and review financial reports and information prior to submission to the Board of Education.

**PRELIMINARY BUDGET - FISCAL YEAR ENDING JUNE 30, 2014
SUMMARY OF REVENUE**

REVENUE	BUDGET FY 2013	PROJECTED FY 2013	BUDGET FY 2014	% Change
<u>STATE REVENUE</u>				
Division I Salaries	54,005,000	53,121,000	54,500,000	0.92%
Cafeteria Salaries	1,132,746	1,132,745	1,132,745	0.00%
Division II Costs, AOC	1,916,000	1,936,566	1,950,000	1.77%
Division II Costs, AOC - Voc	158,039	158,039	158,000	-0.02%
Division II Costs, Energy	1,635,000	1,634,177	1,640,000	0.31%
Division III Equalization	4,254,000	4,299,139	4,300,000	1.08%
State Transportation	4,459,900	4,771,230	4,900,000	9.87%
Educational Sustainment	2,004,973	2,004,973	2,000,000	-0.25%
Drivers Ed	27,439	27,439	25,000	-8.89%
Unique Alternative	550,000	578,874	600,000	9.09%
Excellence/Admin Option	687,066	695,020	440,000	-35.96%
Professional Development	116,282	116,282	114,074	-1.90%
School Improvement	5,000	0	0	-100.00%
Technology Block Grant	0	0	170,000	NEW
DCAS Equipment	0	0	200,000	NEW
Minor Capital Improvements	730,453	730,453	735,591	0.70%
Other State Revenue	35,000	29,892	71,389	103.97%
TOTAL STATE REVENUE	\$71,716,898	\$71,235,829	\$72,936,799	1.70%
<u>LOCAL REVENUE</u>				
Debt Service Tax Receipts	5,223,100	5,274,280	5,387,600	3.15%
Tuition Revenue & Reserves	4,985,080	4,127,882	4,282,255	-14.10%
Current Expense Tax Receipts	25,660,000	25,610,278	35,000,000	36.40%
Match Tax Receipts	1,231,600	1,248,917	1,099,500	-10.73%
Technology Maintenance Match	417,800	407,912	420,000	0.53%
Interest	220,000	183,831	200,000	-9.09%
Athletics	18,000	15,592	16,000	-11.11%
CSCRIP	150,000	100,232	80,000	-46.67%
Indirect Costs	450,000	383,027	300,000	-33.33%
Cafeteria	5,077,254	5,154,500	4,817,255	-5.12%
Donations	100,000	49,931	100,000	0.00%
Building Rental	17,000	22,670	20,000	17.65%
Erate	60,000	82,442	80,000	33.33%
Other Local Revenue	200,000	309,362	200,000	0.00%
Charter (Reduction)	-3,654,672	-3,652,511	-3,800,000	3.98%
Choice (Reduction)	-1,514,510	-1,514,510	-1,600,000	5.64%
Debt Service & Other Reserve	1,025,000	1,300,000	2,000,775	95.20%
Reserve Funds	6,635,374	4,187,000	-1,876,158	-128.28%
TOTAL LOCAL REVENUE	\$46,301,026	\$43,290,835	\$46,727,227	0.92%

OTHER REVENUE

IDEA Part B	2,357,483	2,357,483	2,438,156	3.42%
Title I	3,112,860	3,112,860	3,227,081	3.67%
Title II	829,848	829,848	664,363	-19.94%
Title III	141,271	141,271	133,507	-5.50%
Perkins	260,263	260,263	269,196	3.43%
Other Federal Funds	265,603	247,276	200,000	-24.70%
Race to the Top	1,842,775	1,842,775	1,365,000	-25.93%
Edujobs	57,807	57,807	0	-100.00%
Special School Programs	11,740,680	10,190,369	10,843,225	-7.64%
Major Capital Improvements	<u>3,834,229</u>	<u>4,564,681</u>	<u>2,826,997</u>	-26.27%
TOTAL OTHER REVENUE	<u>\$24,442,819</u>	<u>\$23,604,633</u>	<u>\$21,967,525</u>	-10.13%
TOTAL REVENUE	<u>\$142,460,743</u>	<u>\$138,131,297</u>	<u>\$141,631,551</u>	-0.58%
TOTAL OPERATING REVENUE	<u>\$138,626,514</u>	<u>\$133,566,616</u>	<u>\$138,804,554</u>	0.13%

Total Operating Revenue excludes major capital funding.

**COLONIAL SCHOOL DISTRICT
PRELIMINARY BUDGET - FISCAL YEAR ENDING JUNE 30, 2014
SUMMARY OF EXPENDITURES**

<u>EXPENDITURES</u>			BUDGET FY 2013	PROJECTED FY 2013	BUDGET FY 2014	
<u>Operating</u>	<u>Program</u>					
<u>Unit</u>	<u>Code</u>					<u>% Chg.</u>
SCHOOL BUDGETS						
9340410A	95437	Carrie Downie Library	5,240	3,072	4,110	-21.56%
9340410A	99999	Carrie Downie Elementary	65,500	64,342	51,375	-21.56%
9340412A	95437	Castle Hills Library	7,800	7,528	6,310	-19.10%
9340412A	99999	Castle Hills Elementary	97,500	92,588	78,875	-19.10%
9340418A	95437	Pleasantville Library	5,500	3,442	4,930	-10.36%
9340418A	99999	Pleasantville Elementary	68,750	69,191	61,625	-10.36%
9340420A	95437	Wilmington Manor Library	4,650	4,163	3,710	-20.22%
9340420A	99999	Wilmington Manor Elementary	58,125	55,361	46,375	-20.22%
9340422A	95437	Wilbur Library	11,360	10,983	10,820	-4.75%
9340422A	99999	Wilbur Elementary	142,000	131,496	135,250	-4.75%
9340427A	95437	Southern Library	9,650	7,865	7,820	-18.96%
9340427A	99999	Southern Elementary	120,625	120,736	97,750	-18.96%
9340450A	95437	Colwyck Library	4,190	4,239	0	Changes due to redistrict- ing
9340450A	99999	Colwyck Elementary	52,375	55,403	0	
9340432A	95437	New Castle Library	0	0	5,640	
9340432A	99999	New Castle Elementary	0	0	70,500	
9340456A	95437	Eisenberg Library	5,600	1,330	5,100	-8.93%
9340456A	99999	Eisenberg Elementary	70,000	64,573	63,750	-8.93%
9340470A	95437	Gunning Bedford Library	10,310	10,736	10,250	-0.58%
9340470A	99999	Gunning Bedford Middle	128,875	119,764	128,125	-0.58%
9340474A	95437	George Read Library	8,110	6,709	6,450	-20.47%
9340474A	99999	George Read Middle	101,375	90,643	80,625	-20.47%
9340476A	95437	McCullough Library	7,830	7,665	7,047	-10.00%
9340476A	99999	McCullough Middle	97,875	98,605	88,088	-10.00%
9340522A	99530	Wallin (Regular Ed)	5,000	0	5,000	0.00%
9340490A	95048	William Penn - ROTC	10,000	1,841	9,000	-10.00%
9340490A	95073	William Penn - Music Choir	30,000	34,629	30,000	0.00%
9340490A	95437	William Penn - Library	24,876	23,799	23,800	-4.33%
9340490A	95468	William Penn - Summer School	50,000	23,334	25,000	-50.00%
9340490A	95602	William Penn - Athletics	150,000	131,159	130,000	-13.33%
9340490A	99999	William Penn High School	279,855	270,962	271,000	-3.16%
SUBTOTAL - OTHER			<u>1,632,971</u>	<u>1,516,158</u>	<u>1,468,325</u>	-10.08%

**COLONIAL SCHOOL DISTRICT
PRELIMINARY BUDGET - FISCAL YEAR ENDING JUNE 30, 2014
SUMMARY OF EXPENDITURES**

EXPENDITURES			BUDGET FY 2013	PROJECTED FY 2013	BUDGET FY 2014	
<u>Operating</u>	<u>Program</u>					
<u>Unit</u>	<u>Code</u>					
TUITION FUNDED BUDGETS						
99970600	95030	Preschool	56,640	54,424	48,000	-15.25%
99970601	99532	PreK Nonprincipal	350,000	272,627	320,000	-8.57%
9340427A	95217	Southern ILC	17,760	17,408	14,400	-18.92%
9340427A	99532	Southern ILC Nonprincipal Item:	220,000	173,423	220,000	0.00%
9340427A	95207	Southern CASL	2,880	2,074	2,880	0.00%
9340427A	99530	Southern CASL Nonprincipal	30,000		30,000	0.00%
9340470A	95207	Gunning Bedford CASL	0		2,400	NEW
9340470A	99530	Gunning Bedford CASL Non Pri	0		30,000	NEW
9340522A	99532	Sec ILC Nonprincipal	1,000,000	954,719	1,100,000	10.00%
9340522A	99999	Secondary ILC	52,800	45,009	43,200	-18.18%
99920300	99999	LEP/ESL	480,000	404,313	440,000	-8.33%
99930200	95454	Private Placement	1,200,000	1,263,424	1,350,000	12.50%
99930200	99999	In State Tuition	2,200,000	3,229,581	3,600,000	63.64%
99930300	99546	Assistive Technology	0		40,000	NEW
SUBTOTAL - TUITION			5,610,080	6,417,002	7,240,880	29.07%
OTHER/LOCAL AND STATE FUNDED						
99900000	99999	Board of Education	50,000	29,964	40,000	-20.00%
99900100	99999	Legal	120,000	60,864	100,000	-16.67%
99900300	95083	William Penn Twilight Program	55,000	7,504	0	-100.00%
99900300	95228	Substitutes & Homebound	600,000	546,728	600,000	0.00%
99900300	95260	Community & Schools	30,000	30,000	30,000	0.00%
99900300	95494	Teacher of the Year	7,500	1,363	7,500	0.00%
99900300	99999	General District Expenses	1,112,000	1,036,733	1,121,000	0.81%
99910000	99541	Events & Recognition	50,000	21,580	25,000	-50.00%
99910000	99999	Public Communications	75,000	56,946	60,000	-20.00%
99910010	95411	Copy Center	400,000	309,163	350,000	-12.50%
99910010	99999	Admin Building General	15,000	4,215	15,000	0.00%
99910100	99999	Superintendent	13,000	13,891	13,000	0.00%
99910110	95488	Visiting Teachers	10,000	5,301	10,000	0.00%
99910110	99999	Assistant Superintendent	10,000	5,715	10,000	0.00%
99920000	99999	Curriculum/Instruction	150,000	140,134	150,000	0.00%
99920000	95435	Common Core/Curriculum	0	0	275,000	NEW
99920100	99999	Discipline Programs/SRO	350,000	250,111	270,000	-22.86%
99920200	99999	Extra Time	480,000	376,578	270,000	-43.75%
99920400	99999	Local Testing Program	5,000	0	0	-100.00%
99920500	99999	Professional Development	116,282	82,947	114,000	-1.96%
99920700	99999	Athletics	40,000	19,651	40,000	0.00%

**COLONIAL SCHOOL DISTRICT
PRELIMINARY BUDGET - FISCAL YEAR ENDING JUNE 30, 2014
SUMMARY OF EXPENDITURES**

<u>EXPENDITURES</u>		BUDGET FY 2013	PROJECTED FY 2013	BUDGET FY 2014	
Operating Program					
<u>Unit</u>	<u>Code</u>				
99920800	99999	Drivers Education	27,439	18,000	25,000 -8.89%
99930300	99999	Special/Student Services	30,000	30,297	30,000 0.00%
99940000	99999	Business Office	15,000	12,528	15,000 0.00%
99940200	99999	Division I Salaries	53,000,000	53,120,921	53,400,000 0.75%
99940400	99999	Local Salaries & Benefits	30,100,000	28,178,077	29,000,000 -3.65%
99940300	99999	Division II Vocational	158,039	95,255	160,000 1.24%
99940410	99999	Competitive Grants - State	5,000	0	41,586 731.72%
99940700	99999	Private Grants/Donations	100,000	64,583	100,000 0.00%
99940800	99999	Data Collection & Reporting	100,000	89,302	100,000 0.00%
99940810	99999	Tech Equipment & Repair	700,000	641,858	800,000 14.29%
99940810	95234	Device Replacement	0	0	500,000 NEW
99940810	95093	Network/Wireless	0	0	250,000 NEW
99950000	99999	Personnel	50,000	39,696	50,000 0.00%
99960000	99999	Child Nutrition Operations	7,215,000	6,758,654	7,050,000 -2.29%
99960200	95419	Energy/Utilities	1,900,000	2,043,897	2,200,000 15.79%
99940050	99999	Facilities Maintenance	500,000	357,411	450,000 -10.00%
99960200	99531	Custodial Services	300,000	213,835	300,000 0.00%
99960200	99999	Operations	20,000	4,328	10,000 -50.00%
99960400	99999	Transportation	5,913,420	5,973,420	6,100,000 3.16%
99970675	99999	Other District Programs	25,000	18,718	20,000 -20.00%
99970680	99999	School Supervision	60,000	24,391	60,000 0.00%
		SUBTOTAL - OTHER	103,907,680	100,684,559	104,162,086 0.24%
99970000	99999	Debt Service	5,728,000	5,727,951	5,566,750 -2.82%
99940500	99999	Federal Funds	8,810,103	9,460,430	8,297,303 -5.82%
99970100	99999	Major Capital	3,834,229	2,794,984	2,826,997 -26.27%
99970200	99999	Minor Capital	1,272,000	1,332,608	1,225,985 -3.62%
		Leach - Special School*	11,740,680	10,190,370	10,843,225 -7.64%
TOTAL EXPENDITURES			142,535,743	138,124,062	141,631,551 -0.63%
TOTAL OPERATING EXPENDITURES			138,701,514	135,329,078	138,804,554 0.07%

**COLONIAL SCHOOL DISTRICT
PRELIMINARY BUDGET - FISCAL YEAR ENDING JUNE 30, 2014
DETAIL OF OPERATING UNIT EXPENDITURES**

<u>EXPENDITURES</u>		BUDGET	BUDGET		
		FY 2013	FY 2014		
<u>Operating</u>	<u>Program</u>				
<u>Unit</u>	<u>Code</u>			% Change	
99900300	99999	General District Expenses			
		Phone & Repairs	40,000	40,000	0%
		Trash Removal	150,000	150,000	0%
		General Admin Office	50,000	50,000	0%
		Postage & Courier	20,000	20,000	0%
		Security	40,000	40,000	0%
		Printing	10,000	5,000	-50%
		Data Management/Archive	36,000	36,000	0%
		Audit	20,000	50,000	150%
		Insurance	178,000	185,000	4%
		Data Service Center	468,000	445,000	-5%
		Contingency	100,000	100,000	0%
			\$1,112,000	1,121,000	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.

**COLONIAL SCHOOL DISTRICT
 PRELIMINARY BUDGET - FISCAL YEAR ENDING JUNE 30, 2014
 DETAIL OF OPERATING UNIT EXPENDITURES**

<u>EXPENDITURES</u>		BUDGET	BUDGET
		FY 2013	FY 2014
<u>Operating</u>	<u>Program</u>		
<u>Unit</u>	<u>Code</u>		
99960000	99999		Child Nutrition Operations

The detailed budget will be determined after school opens and lunch information is available.

The Child Nutrition operation is self supporting through State and Federal funding and the collection of receipts for meals purchased.

**COLONIAL SCHOOL DISTRICT
 PRELIMINARY BUDGET - FISCAL YEAR ENDING JUNE 30, 2014
 DETAIL OF OPERATING UNIT EXPENDITURES**

<u>EXPENDITURES</u>		BUDGET	BUDGET
		FY 2013	FY 2014
<u>Operating</u>	<u>Program</u>		
<u>Unit</u>	<u>Code</u>		
99960400	99999		Transportation

The detailed budget will be determined after school opens and bus route information is available.

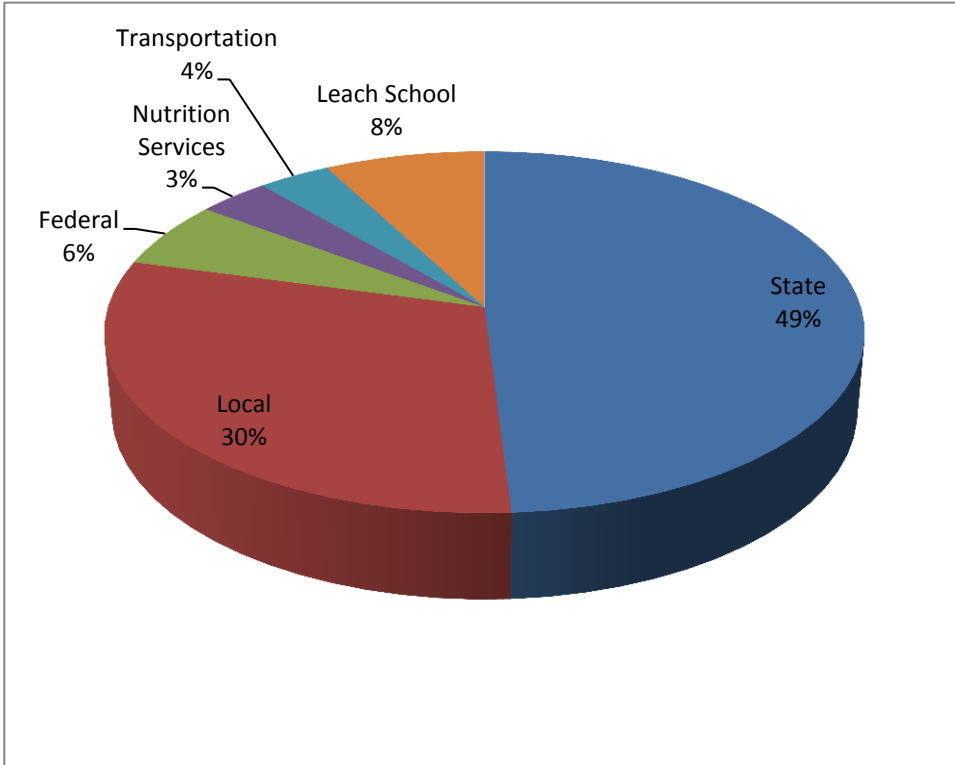
The Transportation Division is funded by State and Local appropriations. In the 2012 State of Delaware budget school transportation funding was cut by 10%.

**COLONIAL SCHOOL DISTRICT
PRELIMINARY BUDGET - FISCAL YEAR ENDING JUNE 30, 2014
DETAIL OF OPERATING UNIT EXPENDITURES**

<u>EXPENDITURES</u>		BUDGET FY 2013	BUDGET FY 2014		
<u>Operating Unit</u>	<u>Program Code</u>				
Leach - Special School				% Change	
9340427A	99999	Southern Integration Program	22,080	9,600	-57%
9340474A	99999	George Read Integration Program	31,680	19,200	-39%
9340490A	99999	William Penn Integration Program	23,520	16,800	-29%
9340514A	99999	Leach Principal's Budget	91,650	92,625	1%
9340514A	95254	Vocational Expenses	30,000	30,000	0%
9340514A	99545	Related Services	10,000	10,000	0%
9340514A	99546	Assistive Technology	20,000	20,000	0%
9340514A	95468	Summer School	0	10,000	
99900300	95228	Substitutes	60,000	40,000	-33%
99900300	99999	General	700,000	700,000	0%
99940200	99999	Division I Salaries	6,500,000	6,250,000	-4%
99940400	99999	Local Salaries & Benefits	2,975,000	2,700,000	-9%
99960200	95419	Energy/Utilities	100,000	50,000	-50%
99970100	99999	Major Capital	1,176,750	875,000	-26%
99970200	99999	Minor Capital	0	20,000	
TOTAL EXPENDITURES			<u>\$11,740,680</u>	<u>\$10,843,225</u>	-8%
TOTAL OPERATING EXPENDITURES			<u>\$10,563,930</u>	<u>\$9,968,225</u>	-6%

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 September 30th count and through tuition funds paid by local school districts in which the students reside.

**PRELIMINARY BUDGET - FISCAL YEAR ENDING JUNE 30, 2014
REVENUE CHART**

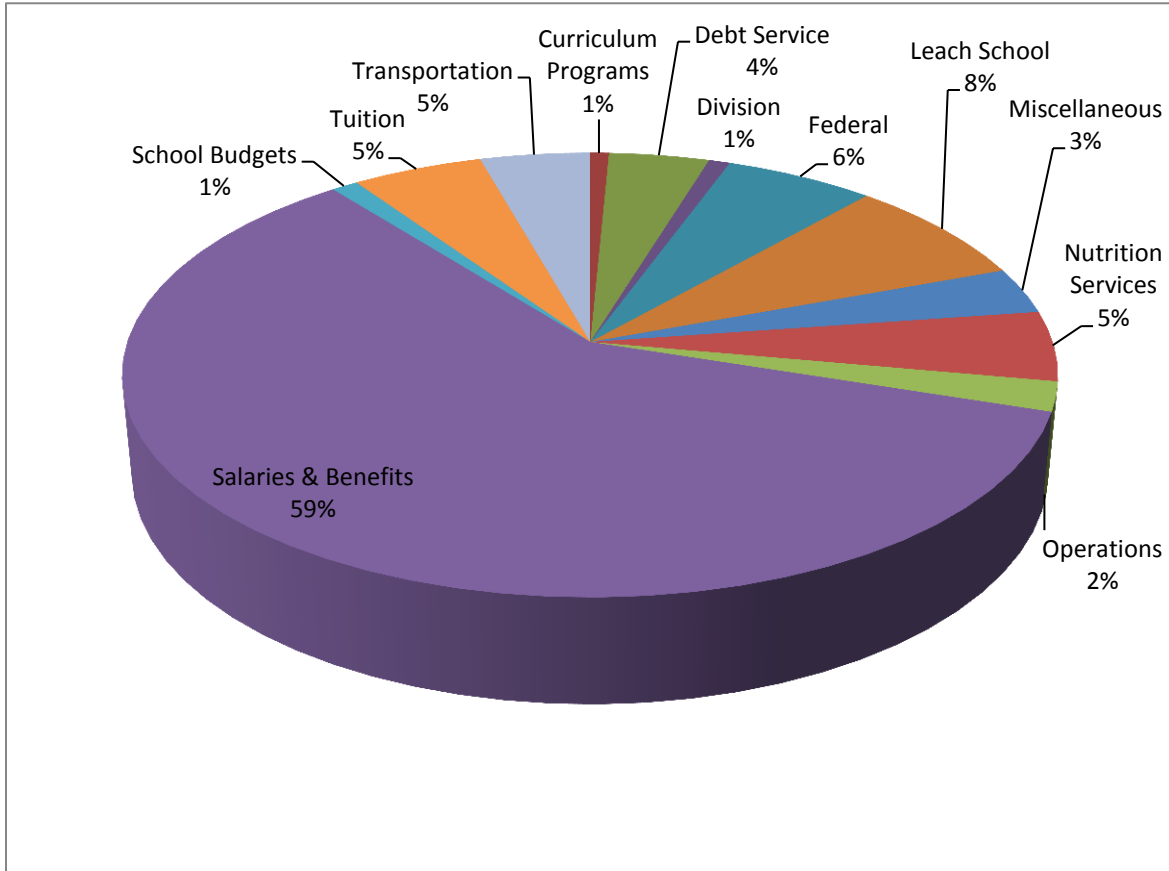


Historical Revenue Breakdown

	2012	2013	2014
State	44%	47%	49%
Local	32%	31%	30%
Federal	8%	6%	6%
Nutrition Services	5%	5%	3%
Transportation	3%	3%	4%
Leach School	8%	8%	8%
	100%	100%	100%

Revenue excludes major capital.

**PRELIMINARY BUDGET - FISCAL YEAR ENDING JUNE 30, 2014
EXPENDITURE CHART**



Salaries represents State and Locally funded salaries and does not include salaries paid under transportation, nutrition services, Leach or federal funds. All personnel sources would exceed 70% of the total budget.

**PRELIMINARY BUDGET - FISCAL YEAR ENDING JUNE 30, 2014
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.

There are two components to current expense tax. The first component involves multiplying the district's tax assessment times 38.8 cents per \$100 of assessed valuation.

The second component is a function of the New Castle County School Tax District and 46.8 cents of the tax rate. The calculation 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 2014 is 18.59364082%.

The district's total assessed valuation is \$2,762,894,451

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 60% and the local district pays 40%

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	\$1.206	\$35,000,000
Debt Service	\$0.195	5,387,600
Tuition Tax	\$0.250	6,907,200
Match/MCIP	\$0.055	1,519,500
Total	\$1.706	\$48,814,300

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.

Glossary of Terms

Board Approved Budget - the district's spending plan for the current fiscal year as approved by the Board of Education

Preliminary Budget - operational financial plan in use until such time as the September 30th enrollment count is confirmed

Fiscal Year - July 1st to June 30th

Debt Service - Principal and interest payments for bonds related to school construction

Division I - state supported salaries and other employment costs funded through the September 30th enrollment count

Division II - All Other Costs and Energy funds that may pay for any item except transportation and debt service

Division III - state equalization funds based on effort and ability

Equalization - attempt to level the playing field for the property wealthy districts versus the property poor

Expenditure - the payment to a vendor or employee

Reserve Funds - funding carried over from prior years that is available in the current year

Race to the Top - federal funds awarded to states that applied (Delaware was one of only 2 states that received an award in round 1). Funds are to be used to advance reforms and turn around our lowest achieving schools. This is a four year grant with funding each year.