

**Wilmington Education Improvement Commission**

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# Fiscal Impact Analysis of Redistricting

May 2017

*Submitted by the*  
Ad-Hoc Fiscal Impact Committee  
Wilmington Education Improvement Commission

*Prepared by the*  
Institute for Public Administration  
School of Public Policy & Administration  
College of Arts & Sciences  
University of Delaware

## Charge of the Committee

This report has been completed in response to the mandate set forth by the Delaware General Assembly in Senate Bill 300 with House Amendment 1 passed at the conclusion of the 2016 legislative session (see appendix). This legislation requires that the Wilmington Education Improvement Commission (WEIC) undertake an analysis detailing the fiscal impact of transitioning City of Wilmington students from the Christina School District (CSD) to the Red Clay Consolidated School District (RCCSD) as recommended by WEIC's plan *Redistricting in the City of Wilmington and New Castle County: A Transition, Resource, and Implementation Plan*. To fulfill the mandate set forth by the Delaware General Assembly, WEIC created an Ad-Hoc Fiscal Impact Committee that was charged with completing this fiscal impact analysis.

WEIC's plan was conditionally approved by the Delaware State Board of Education in March 2016 and the Delaware General Assembly in June 2016. The WEIC plan called for consolidating portions of Wilmington now served by CSD into the boundaries of RCCSD. That change would mean that more than 50 percent of Wilmington's student population would reside in a single school district with a common curriculum and instructional strategies—changes designed to produce higher-quality schools and improved student outcomes.

## Authors and Report Preparation

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## Wilmington Education Improvement Commission

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## Executive Summary

WEIC's Ad-Hoc Fiscal Impact Committee addressed the fiscal impacts of consolidating the Christina School District's (CSD) Wilmington population and Wilmington school facilities into the Red Clay Consolidated School District (RCCSD). The plan conditionally approved by the State Board of Education and by the Delaware General Assembly but without the "necessary and sufficient funding" calls for:

- Approximately 4,360 students residing in sections of Wilmington served by CSD to move into RCCSD's attendance zone.
- About 2,160 of these students were enrolled in CSD schools during the 2016–2017 school year and are most likely to attend RCCSD schools, just under one-half of CSD's Wilmington students.
- Slightly more than one-half of the students in the CSD attendance area currently choice out to charter schools or other districts, and RCCSD would become responsible for those choice payments.
- Eight facilities would move from CSD to RCCSD.
- Personnel would remain CSD employees until hired by RCCSD.

The methodology employed throughout this report reflects the following:

- Student population numbers used to calculate fiscal impact are from September 30, 2016, enrollment data provided to the Delaware Department of Education for the purposes of determining Division I Unit allocations, unless otherwise noted.
- Under the WEIC plan, City of Wilmington students currently in the CSD attendance zone may choose to complete their educational program in the school they attend at the time of the transition. The Committee cannot predict the impact of those choices.
- This fiscal impact analysis has been conducted before the impacted districts received the funding commitments needed to complete a year of planning that would identify potential changes to programs, feeder patterns, and school configurations. WEIC, the two school districts affected, and the Delaware General Assembly (Senate Joint Resolution No. 17 or June 29, 2016) agree that "necessary and sufficient funding" is essential for success.
- Each of the funding sources we examined is subject to a degree of uncertainty and volatility. Federal funds can be reduced or redirected to support other initiatives. State funds can similarly be redirected or negatively affected by budget shortfalls. Securing local funding is highly unpredictable based on a district's ability to pass a local referendum, and the referendum cycle in each district is unique. It is important to remember that the Committee's analysis is based on fiscal conditions at one point in time; the same analysis conducted in a subsequent year can have different results.
- The Committee did not consider the proposed additional funding for children in poverty, English Language Learners, and K–3 special education students as called for by WEIC and the school districts. This "necessary and sufficient funding" would constitute new resources initially

targeted for RCCSD (\$7.6 million) and CSD (\$5.8 million) and additional support for CSD's City of Wilmington students (\$2 million).

The **principal fiscal impacts** identified by the committee include the following:

- Substantial state and federal financial resources would follow the students and transfer from CSD to RCCSD virtually unchanged. The Committee calculates that **\$19,917,932 in state and \$1,855,135 in federal funding would move with the students from CSD to RCCSD** (see Table 1).
- Local taxable assets of **\$1,089,729,413** and corresponding revenue would transfer from CSD to RCCSD.
- Additional RCCSD revenue from the Current Expense Tax and the NCC Tax Pool (Tax Pool) **would not cover the local portion of RCCSD expenditures for educating the additional students** resulting in a shortfall. RCCSD would commit the same per-pupil local expenditures for all high-risk students residing in Wilmington.
- The **likely gap between RCCSD's revenue generated from new Wilmington properties and the local expenditures to meet the student needs of new Wilmington students would be approximately \$10,604,508, based on the district's 2016–2017 programs and policies** (see Table 1).
- **CSD's student expenditures would decrease by more than the revenue the district would lose**, resulting in a **net savings for the district of at least \$2,380,429**. CSD's savings would be higher if the district returns its per-pupil expenditures to the level prevailing before the 2016 failed referenda and if the additional resources provided to Wilmington students are comparable to those of RCCSD (see Table 1).
- **Transition costs**, though significant, are difficult to predict given many unknowns. We group these costs according to people, facilities, programs, technology, and transportation. The Committee reviewed the districts' requests but did not evaluate them (see Appendix 1).
- Extensive repairs, restoration, or replacement of systems possibly totaling as much as **\$121,642,269** is required over ten years at the eight Wilmington facilities that would transfer across districts. Much of this work needs to be undertaken over the next decade regardless of the district in which the facilities reside. Work directly linked to the WEIC redistricting proposal includes **\$9,812,012** arising from RCCSD-specific building requirements and up to **\$28,341,500** in space renovations to relocate CSD programs from Wilmington to suburban locations. These needs are addressed in the **facilities assessment** conducted by StudioJAED of Bear, Delaware, selected through a request for proposal (RFP) process. It is highly likely that some of the eight locations would become surplus, reducing the RCCSD-specific costs. For details see Section IV of this report.
- Debt-service revenue for the eight facilities would be adequate to cover current obligations regardless of whether taxpayers pay the CSD tax rate or the RCCSD tax rate (see Appendices 2 and 3).

- There would be minimal fiscal impacts on other districts serving Wilmington and charter schools across New Castle County.

**Table 1. Impact on Funding Sources**

Funding Source	Red Clay Consolidated School District	Christina School District
Federal Funds <sup>3</sup>	\$1,855,135	\$(1,855,135)
State Funds <sup>4</sup>	\$19,917,932	\$(19,900,507)
State & Federal Net Transfer	\$17,425	\$(17,425)
<b>Local Funds</b>		
Local School Tax and Tax Pool <sup>5</sup>	\$(10,604,508)	\$2,380,429
Match Tax <sup>6</sup>	\$544,864	\$(653,838)
Tuition Tax <sup>7</sup>	\$(1,816,369)	Insufficient Data
Debt Service	See Appendix 1	See Appendix 1
<b>Local Funds Sub-Total (ongoing)</b>	<b>(\$11,876,013)<sup>8</sup></b>	<b>\$1,726,591<sup>9</sup></b>

**To implement the WEIC redistricting plan, both RCCSD and CSD would require additional funding.**

Table 2 summarizes what the Committee can affirm at this time and should be a starting point for future conversations between the districts, the Delaware Department of Education (DDOE), and the State of Delaware Office of Management and Budget (OMB).

- RCCSD would have a shortfall in local funds and CSD would have a surplus.
- Most transition costs remain estimates and would not be known until the districts' planning is complete.
- RCCSD hiring decisions would directly affect the cost to CSD of retaining staff. If all CSD staff were hired, the transition cost to CSD would be \$0 but if none were hired, the cost would be approximately \$6,129,000.
- Facilities costs would be the largest expense and were provided in the facilities assessment completed by StudioJAED. RCCSD would need \$9,812,012 to bring the eight transferring CSD facilities into conformity with RCCSD requirements. (Not all facilities would likely be retained.)

<sup>3</sup> This funding will follow CSD students who transfer to RCCSD.

<sup>4</sup> This funding will follow CSD students who transfer to RCCSD.

<sup>5</sup> This is the net funding for each district after accounting for changes in revenues and expenditures.

<sup>6</sup> Revenue from the Match Tax is authorized for specific purposes. All funding is spent out yearly.

<sup>7</sup> The RCCSD board is authorized to raise the Tuition Tax rate to account for this shortfall. Insufficient info was provided by CSD to determine net amount.

<sup>8</sup> Not Including Debt Service.

<sup>9</sup> Not Including Debt Service or Tuition Tax.



- Relocating CSD programs now in the city to renovated suburban locations could cost up to \$28,341,500. This cost would be subject to numerous qualifications, for example, the specific locations requiring renovation are unknown.
- Parent choices about their children's education plans would affect costs, particularly transportation.

**Table 2. Funding Required to Implement Transition**

Funding Source	Red Clay Consolidated School District	Christina School District
Local Funds Sub-Total (ongoing)	(\$11,876,013) <sup>10</sup>	\$1,726,591 <sup>11</sup>
<b>Transition Cost Requests<sup>12</sup></b>		
People	\$385,000	\$0-\$6,129,000
Facilities <sup>13</sup>	Up to \$9,812,012	Up to \$28,341,500
Programs	TBD	\$394,000
Technology	\$2,452,000	TBD
Transportation	TBD	TBD

During its deliberations, the Committee identified four issues that will need to be resolved by the Delaware General Assembly before the WEIC plan moves forward.

- Decide how to close the shortfall in RCCSD's Current Expense and Tax Pool revenue. WEIC believes that RCCSD taxpayers should not bear the burden of paying higher taxes to complete redistricting. This problem reflects the reality that the revenue generated from Wilmington's property base is not sufficient to meet the needs of the city's students at prevailing tax rates, no matter which district is responsible for those students and schools.
- Decide whether the debt associated with eight CSD facilities moves to RCCSD or remains with CSD. The Committee received conflicting legal advice about whether RCCSD or CSD taxpayers would be responsible for this debt.
- Decide whether residents of the Wilmington areas moving from CSD to RCCSD would pay RCCSD tax rates or CSD tax rates in the short run. There is a legal question whether CSD residents being relocated from one district to another would be obligated to pay RCCSD rates until they have had the opportunity to vote in a referendum that establishes those rates. There is no mechanism for having differential tax rates within the same district.

<sup>10</sup> Not Including Debt Service.

<sup>11</sup> Not Including Debt Service or Tuition Tax.

<sup>12</sup> Costs included are enumerated cost estimates made by the districts or provided in the facilities assessment prepared by StudioJAED. The Ad Hoc Committee did not evaluate these requests. For additional details on these costs refer to section III of the report and Appendix 1.

<sup>13</sup> Drawn from StudioJAED facilities assessment.

- Decide whether changes should be made in the New Castle County Tax Pool to ensure fairness and equity in the formula being used to redistribute funds across the four northern New Castle County school districts. Inequities date to the time that the system was frozen in 2008.

## I. Redistricting Transfers: Students and Facilities

The first step in addressing the fiscal impacts is to establish the size and nature of the student population and the number of facilities that would transfer between districts. A separate section of the report will address the condition of the facilities and one-time costs associated with the transition.

### A. Students

According to September 30, 2016, enrollment data provided by the Delaware Department of Education for the purposes of determining Division I Unit allocations, there are 4,357 City of Wilmington students residing in the CSD attendance zone. These student population numbers, unless otherwise noted, serve as the foundation for this report.

**Table 3. City of Wilmington Students Currently Residing in Christina School District Attendance Zone<sup>14</sup>**

Grade Level	Count
Pre-K	18
K-3	1,508
4-12	2,115
Basic	319
Intense	264
Complex	133
<b>TOTAL</b>	<b>4,357</b>

Source: Delaware Department of Education – 2016 Unit Count Data

Several caveats are necessary:

1. These numbers are from September 30, 2016, and will change as students move into and out of the attendance zone after this date.
2. Pre-K numbers only include students who receive funding from the state (identified students with special needs); CSD fully funds an additional 47 students through federal funding provided by Title I.
3. While the following analysis assumes that all of these students would transfer from CSD to RCCSD under the redistricting proposal, the plan guarantees that impacted students would have the opportunity to remain in their current schools until the completion of the grades within that school. Thus, some students (those in high school, for example) might choose to remain in CSD rather than move. To provide a measure of stability for district planning, the WEIC plan recommended that families would have one opportunity to make this decision.

<sup>14</sup> Identified through September 30, 2016 Unit Count data. Does not include private placements.

Tables 4, 5, and 6 provide additional details on where CSD's Wilmington students attend school, both in and out of the district, as well as how many students from other districts choose to attend CSD schools in the City of Wilmington. A small number of CSD students residing outside Wilmington also choose to attend CSD schools inside the city limits.

As of September 30, 2016, there were 2,156 City of Wilmington students residing within the CSD attendance zone attending a CSD school. Table 4 reports this information by specific school and student classification. Approximately 49.5 percent of CSD City of Wilmington students currently attend a CSD school.

**Table 4. City of Wilmington Students Residing in Christina School District Attendance Zone Currently Enrolled in a Christina School District School**

School	Grade Level						TOTAL
	Pre-K	K-3	4-12	Basic	Intensive	Complex	
Alternative Programs	0	1	24	3	10	1	39
Bancroft Elementary	0	186	74	18	3	0	281
Bayard Middle	0	0	245	39	12	0	296
Brader Elementary	0	3	0	0	1	0	4
Brennen School	0	0	0	0	2	39	41
Christiana High	0	0	81	14	6	4	105
Christina Early Education Center	13	0	0	0	5	6	24
Christina Intensive Learning	0	0	6	1	100	18	125
Downes Elementary	0	2	0	0	0	0	2
Elbert-Palmer Elementary	0	153	66	9	4	0	232
Gallaher Elementary	0	6	3	1	0	0	10
Gauger-Cobbs Middle	0	0	2	1	0	0	3
Glasgow High	0	0	66	10	5	0	81
Keene Elementary	0	0	1	0	0	0	1
Kirk Middle	0	0	9	0	0	0	9
Leasure Elementary	0	5	1	0	0	0	6
Maclary Elementary	0	2	0	0	0	0	2
Marshall Elementary	0	3	0	0	0	0	3
McVey Elementary	0	2	1	0	0	0	3
Newark High	0	0	203	24	7	2	236
Oberle Elementary	0	1	1	0	0	0	2
Pulaski Elementary	0	210	90	13	12	3	328
REACH/CBIP	0	0	0	0	8	28	36
Shue-Medill Middle	0	0	3	0	2	0	5
Smith Elementary	0	2	0	0	0	0	2
Sterck School for the Deaf	0	0	0	0	0	8	8
Stubbs Elementary	0	181	70	13	4	0	268
West Park Place Elementary	0	2	0	0	0	0	2
Wilson Elementary	0	2	0	0	0	0	2
<b>TOTAL in CSD</b>	<b>13</b>	<b>761</b>	<b>946</b>	<b>146</b>	<b>181</b>	<b>109</b>	<b>2,156</b>

Source: Delaware Department of Education – September 30, 2016 Unit Count Data

As Table 5 demonstrates, 2,201 City of Wilmington students living within the CSD attendance zone exercise the option to choice out of the district, accounting for roughly 50.5 percent of CSD Wilmington students. The majority of these students choice into charter schools (62.1 percent), followed by RCCSD (18.3 percent), New Castle County Vo-Tech School District (12.6 percent), Brandywine School District (4.6 percent), Colonial School District (2.0 percent), Appoquinimink School District (7 students), and Smyrna School District (1 student).

**Table 5. City of Wilmington Students in the Christina School District Attendance Zone Choicing Out of Christina School District**

District	Grade Level						TOTAL
	Pre-K	K-3	4-12	Basic	Intensive	Complex	
Appoquinimink	0	1	6	0	0	0	7
Brandywine	1	23	62	12	3	0	101
Colonial	0	11	24	2	7	1	45
NCCVT	0	0	242	23	13	0	278
Red Clay	4	122	215	37	16	8	402
Smyrna	0	0	0	0	1	0	1
Multiple Charter Schools <sup>15</sup>	N/A	590	620	99	43	15	1,367*
<b>TOTAL Choicing Out</b>	<b>5</b>	<b>747</b>	<b>1,169</b>	<b>173</b>	<b>83</b>	<b>24</b>	<b>2,201</b>

Source: Delaware Department of Education – September 30, 2016 Unit Count Data

Far fewer students choice into CSD schools in Wilmington than choice out. As described in Table 6, there were 151 students choicing into CSD schools within the City of Wilmington as of September 30, 2016. Of these 151 students, 43 percent were from RCCSD, 23.2 percent were from CSD, 20.5 percent were from Christina School District but residing outside of the City of Wilmington, 12.6 percent were from Brandywine School District, and 1 student was from Appoquinimink School District.

**Table 6. Students Choicing Into Christina School District Schools Located in the City of Wilmington**

Resident District	CSD School the Student Is Choicing Into					TOTAL
	Bancroft ES	Bayard MS	Elbert Palmer ES	Pulaski ES	Stubbs ES	
Appoquinimink	1	0	0	0	0	1
Brandywine	10	4	0	3	2	19
Christina*	10	4	1	5	11	31
Colonial	8	6	4	1	16	35
Red Clay	16	9	7	25	8	65
<b>TOTAL Choicing In</b>	<b>45</b>	<b>23</b>	<b>12</b>	<b>34</b>	<b>37</b>	<b>151</b>

Source: Delaware Department of Education – September 30, 2016 Unit Count Data

\*CSD students residing outside of the City of Wilmington attendance zone.

<sup>15</sup> See Appendix for the number of CSD students choosing to attend separate charter schools.

## B. Facilities

Under the WEIC redistricting proposal, the following CSD facilities would move from CSD to RCCSD:

1. Bancroft Elementary School (includes two classrooms for Delaware Autism Program)
2. Bayard Middle School
3. Elbert-Palmer Elementary School
4. Pulaski Elementary School
5. Stubbs Elementary School
6. Douglass School
7. Sarah Pyle Academy (SPA)
8. Drew Educational Support Center (serving as CSD administrative offices)

The condition of these facilities is addressed in an addendum to this report submitted upon its completion by StudioJAED, a mid-Atlantic architectural/engineering firm with headquarters in Bear, Delaware.

## II. Fiscal Impact Analysis

The discussion of fiscal impacts on RCCSD and CSD focuses on the districts' three key funding sources: state, local, and federal. In undertaking the analysis, the Committee agreed upon the following caveats and assumptions:

- Student population numbers used to calculate fiscal impact are from September 30, 2016, enrollment data provided to the Delaware Department of Education for the purposes of determining Division I Unit allocations, unless otherwise noted. These numbers will change as students move into or out of the attendance zone.
- Redistricting may have an impact on parents' future decisions to choose their students into a charter school or another district. The number of students that either choice into or out of the district would almost certainly vary from the current data provided.
- Costs related to special education can vary greatly on a year-to-year basis. An especially important variable is the number of students requiring private placements.
- The timing of the transition would have a significant impact on funding, particularly from the federal government. Federal changes would not take place all at once but instead would be phased in over a period of time. Fortunately, federal officials have experience with comparable boundary changes across the nation. It is critical that the Delaware Department of Education work with federal officials at the beginning of the transition phase to ensure that they are able to update student population data that is used to determine federal grant allocations.
- City of Wilmington students currently in the CSD attendance zone may choose to complete their educational program in the school they attend at the time of the transition. The Committee cannot predict the impact of those choices. To provide a measure of stability for district planning, the WEIC plan recommended families would have one opportunity to make this decision.
- This fiscal impact analysis has been conducted before the impacted districts have had the opportunity to identify potential changes to programs, feeder patterns, and school configurations. Under the WEIC proposal, 2016–2017 was to have been a planning year for both districts. With the delay in state funding for the proposal, the Committee cannot assess the costs associated with new programs or additional services designed to meet the needs of students.
- This analysis does not include any revenues that might result from revising the current unit system to provide additional funding for low-income, ELL, and special education students K–3, a key proposal made by WEIC. The model included in the WEIC proposal would provide an additional \$7.6M to RCCSD and \$5.8M to CSD with the CSD City of Wilmington students generating an additional \$2M.
- Finally, each of the funding sources we examine is subject to a degree of uncertainty and volatility. Federal funds can be reduced or redirected to support other initiatives. State funds

can similarly be redirected or negatively affected by budget shortfalls. Securing local funding is highly unpredictable based on a district's ability to pass a local referendum, and the referendum cycle in each district is unique. It is important to remember that the Committee's analysis is based on fiscal conditions at one point in time; the same analysis conducted in a subsequent year can have different results.

#### A. Fiscal Impact on Red Clay Consolidated and Christina School Districts

To determine the fiscal impact of transferring responsibility for the students residing in Christina's portion of Wilmington to RCCSD, we must answer two questions:

1. What is the projected cost of educating CSD's Wilmington students?
2. Will the transfer of financial resources (state and federal) and taxable assets (local) cover those costs?

**To summarize our principal finding, we find that the transfer of resources from state and federal sources is nearly unchanged. State and federal resources follow the students as they move from one district to another. The real difference arises in local funding. The addition of approximately 4,360 students will not be offset by the funding that can be generated by taxable assets that also transfer from Christina.**

We have provided detailed enumerations of both federal and state funding in later sections of the report. However, due to the significance of the local funding question, we will start our report with that analysis.

#### *Fiscal Impact of Redistricting on Local Share of Revenues and Expenditures Resulting from Transfer of CSD Students to RCCSD*

In this section of the analysis, we examine the fiscal impact of redistricting on the local share of revenues and expenditures for the two school districts. It includes an examination of the fiscal impacts on funding generated from the Current Expense Tax and the Tax Pool, the Match Tax, and the Tuition Tax. While Debt Service also falls within local revenues and expenditures it is examined in the Transition section of the analysis that begins on page 34 of the report and is discussed further in the Conclusions section, pages 51–52.

Table 7 reviews the local tax rates for CSD and RCCSD as of July 1, 2016. The rates are assessed per \$100 of taxable assessed value in the district. In all cases except Debt Service, CSD currently has the higher rate. Districts use a referendum to establish the Current Expense Tax rate and Debt Service authorized expenditures,<sup>16</sup> while the school boards set the Match Tax and Tuition Tax rates. The New Castle County Tax Pool rate was established by legislation (Title 14, Chapter 10, Section 1028) and has a fixed rate of 0.468.

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<sup>16</sup> In the case of the Debt Service Tax, the rate is then set by the board to fulfill debt service obligations over the length of the bond's term.



**Table 7. Local Tax Rates for Christina School District and Red Clay Consolidated School District as of July 1, 2016**

Category	Christina	Red Clay
Current Expense (R)	1.252	1.058
Tax Pool (L)	0.468	0.468
Match (B)	0.06	0.05
Tuition (B)	0.49	0.382
Debt Service (R)	0.11	0.216
<b>TOTAL</b>	<b>2.38</b>	<b>2.174</b>

Source: Correspondence J. Floore and B. Silber  
 (R) Set by Referendum; (L) Set by Legislation; (B) Set by Board

For the purposes of this analysis:<sup>17</sup>

- RCCSD net assessed value of real property is \$5,289,173,202.
- CSD net assessed value of real property is \$5,554,178,673.
- City of Wilmington property that would be transferred from CSD to RCCSD as the result of redistricting has a net assessed value of real property of \$1,089,729,413.

#### *Local Revenues (Current Expense Tax and NCC Tax Pool) and Operating Expenditures*

These expenditures are tied to the local portion of operating costs that include staff salaries and benefits, classroom materials, and transportation, among other items. Local per-pupil expenditures are based on the average cost to educate a student in each school district plus any additional expenditures related to providing necessary supports for high-risk students.

##### *1. RCCSD Local Revenues (Current Expense Tax and NCC Tax Pool) and Operating Expenditures*

How much do RCCSD residents now spend from local funds to educate their students? And, in particular, how much does RCCSD spend per-pupil for its students residing in Wilmington? There is every reason to assume that the educational needs of Wilmington students moving from Christina would be virtually identical to those of RCCSD's Wilmington students. Additionally, it can be expected that the transferring students would receive the same level of service in their new district (RCCSD). Table 6 provides the expenditures per student in RCCSD by classification.

RCCSD has been able to direct a combination of additional support to high-risk students. These resources are generated from across the district, and the district's board and administration have the discretion to direct the resources to meet pressing student needs. In this way, additional resources have been directed to serve Wilmington students. Thus, one can set forth three measures of student expenditures:

<sup>17</sup> Correspondence J. Floore and B. Silber

- (1) The district average.
- (2) The district average + supplemental resources.
- (3) The district average + supplemental resources + the proposed additional funds provided by creation of new supports for ELL, low-income and K–3 special education students, as called for by the WEIC plan.

This analysis of RCCSD expenditures employs measure 2. As a result of data gaps, the Committee was forced to use measure 1 for our later discussion of CSD, though we offer some speculations about measure 2.

**Table 8. Red Clay Consolidated School District Local Operating Per-Pupil Expenditures, 2016–2017**

<b>Grade</b>	<b>District Average Per-Pupil Expenditures</b>	<b>Estimated Additional District Expenditures Per High-Risk Student</b>	<b>Total</b>
Pre-K	\$5,203.39	N/A	<b>\$5,203.39</b>
K–3	\$4,111.32	\$2,688.00	<b>\$6,799.32</b>
4–12	\$3,330.17	\$1,037.69	<b>\$4,367.86</b>
Basic	\$7,928.98	N/A	<b>\$7,928.98</b>
Intensive	\$11,100.57	N/A	<b>\$11,100.57</b>
Complex	\$25,616.71	N/A	<b>\$25,616.71</b>

Sources: District Average Per-Pupil Expenditures from Delaware Department of Education – Local Expenditures by Student Category; Additional District Expenditures Per High-Risk Student from RCCSD calculations

Table 8 includes both the average district per-pupil expenditures and the additional costs associated with educating K-12 high-risk students. RCCSD supplements expenditures for high-risk students by utilizing districtwide resources and targeting those resources on specific focus areas.

- At the K–3 level, supplemental staff supports smaller class sizes, Response to Intervention (RTI), as well as services for social/emotional and behavior supports in high-needs schools. This analysis focuses on expenditures in RCCSD’s four City of Wilmington elementary schools (Highlands, Shortlidge, Warner, and Lewis Elementary Schools).
- At the 4–12 level, specific resources are targeted for safety and security, discipline, alternative programming, academic tutoring, and curricular support (e.g., AVID). This analysis aggregates data from schools across the district.

In Table 9, we seek to project the costs of educating CSD’s Wilmington students at RCCSD’s local per-pupil expenditure levels. In making these calculations, we make several assumptions:

- RCCSD will be financially responsible for the 4,357 CSD Wilmington students that would transfer under redistricting. This means that the district would be responsible for supporting these

students at the district average per-pupil expenditure whether they decide to remain within the district or choice out.

- We assume that all CSD Wilmington students currently enrolled in CSD schools would move to RCCSD schools (2,156 students), as shown in Table 1 of this report.

The local cost to RCCSD for the 4,357 former CSD students would be at least **\$22,203,759**. This figure includes payments that would be made to other districts and charter schools for students opting to attend school outside the district. If, as we suspect, a large portion of former CSD students choosing to remain in RCCSD schools require additional services provided by the district to high-risk students, the RCCSD local cost would be **\$25,230,981, a maximum cost estimate**.

It is unlikely that all students currently enrolled in CSD schools would enter RCCSD schools. In particular, a significant number of high school students living in the CSD Wilmington attendance area would likely choose to complete their programs of study in CSD schools. For the first four years following redistricting, this means local expenditures for high-risk students in grades 4–12 would be lower than projected in Table 9.

**The Committee concludes that the local cost for RCCSD to educate the CSD students residing in Wilmington would likely be up to \$25,230,981.** Using this maximum estimate ensures that RCCSD would not be surprised by unexpected costs.

**Table 9. Projected Total Local Operating Expenditures for City of Wilmington Students Residing in Christina School District Attendance Zone<sup>18</sup>**

Grade	Estimated Expenditures based on Per-Pupil Average <sup>19</sup>	Estimated Additional Support for High-Risk Students <sup>20</sup>	Estimated Total <sup>21</sup>
Pre-K	\$93,661	N/A	<b>\$93,661</b>
K–3	\$6,199,871	\$2,045,568	<b>\$6,199,871</b>
4–12	\$7,043,310	\$981,655	<b>\$7,043,310</b>
Basic	\$2,529,345	N/A	<b>\$2,529,345</b>
Intensive	\$2,930,550	N/A	<b>\$2,930,550</b>
Complex	\$3,407,022	N/A	<b>\$3,407,022</b>

Source: Estimated Expenditures based on Per-Pupil Average from Delaware Department of Education – Local Expenditures by Student Category, Delaware Department of Education – September 30, 2016 Unit Count Data; Estimated Additional Support for High-Risk Students from RCCSD Calculations

<sup>18</sup> These are projected at the 2016–2017 Red Clay Consolidated School District rates from Table 8.

<sup>19</sup> These are the projected costs utilizing RCCSD’s district average per-pupil expenditures. This corresponds with measure 1, as previously discussed on page 17.

<sup>20</sup> The factors used to assess these costs were estimated according to the methodology found on page 18. Costs for additional support were only calculated for the number of K-12 students who do not currently choice out of CSD.

<sup>21</sup> These are the projected total costs of educating the CSD City of Wilmington students at the same level as current RCCSD Wilmington students. This amount corresponds with measure 2, as previously discussed on page 17. Please note that these are estimates, and the real cost will land between measure 1 and measure 2.

#### Additional Resources Moving from CSD to RCCSD

Will the new taxable assets moving from CSD to RCCSD generate sufficient revenue to cover the additional local costs to RCCSD? Under the WEIC proposal, RCCSD gains new taxable assets while also assuming new educational obligations. By our calculation, RCCSD would **gain an additional \$14,626,473 in Current Expense Tax and Tax Pool revenue** resulting from the addition of City of Wilmington properties to its tax base, as shown in Table 10.

One of the Committee's most important findings is that even with the addition of these new revenues, there is a significant funding gap between additional local revenues (Table 10) and local expenditures after redistricting (Table 9). **The gap is likely to be approximately \$10,604,508 (42% of required expenses). The exact amount would depend on the number of former CSD students who choose to complete their programs of study in CSD schools.**

As we point out later in the report, significant federal and state funds would transfer to RCCSD, but these are determined by state and federal formulas that would support the students in either CSD or RCCSD. In short, **these federal and state funds would not cover the shortfall.**

**Table 10. Projected Current Expense and Tax Pool Revenue for Red Clay Consolidated School District<sup>22</sup>**

	Before Redistricting	After Redistricting	Change
Current Expense Revenue	\$55,399,858	\$66,813,902 <sup>23</sup>	\$11,414,044
NCC Tax Pool Revenue	\$23,269,442	\$26,481,872	\$3,212,430
<b>Total Revenue</b>	<b>\$78,669,301</b>	<b>\$93,295,774</b>	<b>\$14,626,473</b>

Source: Red Clay Consolidated School District FY 2017 Preliminary Budget

#### 2. CSD Local Revenues (Current Expense Tax and NCC Tax Pool) and Operating Expenditures

The Ad-Hoc Committee also examined redistricting's likely impact on CSD's local operating expenditures and revenues (Current Expense Tax and NCC Tax Pool). Unfortunately, we were unable to conduct our analysis with the same level of detail that we had for RCCSD due to the unavailability of some data. Thus, this analysis is based exclusively on measure 1 of district-wide average student expenditures rather than measure 2 that includes additional expenditures for high-risk students.

In Table 11, we display CSD's local per-pupil expenditures for each classification of student for three fiscal years (FY 2017, 2016, and 2015). CSD's local per-pupil expenditures were very similar to RCCSD's for FY 2015 and 2016, but were significantly lower in FY 2017 due to budget cuts implemented in

<sup>22</sup> Using FY 2017 Tax Rates and City of Wilmington Property Assessment Value from September 9, 2016.

response to failed referenda. Thus, the current expenditure level is lower than the district's normal level.

For the purposes of this analysis, FY 2017 numbers were used as the baseline to calculate the fiscal impact of redistricting on CSD's local operating expenditures. Because Christina's local per-pupil expenditures suddenly became lower than RCCSD's in FY 2017, other projected RCCSD costs would be greater than CSD's. For example, RCCSD's projected payments to other districts and charter schools resulting from student choice would be greater than those of CSD in 2016–2017 because of RCCSD's higher per-pupil expenditure rate.

**Table 11. Local Per-Pupil Expenditures for Christina School District by Classification for FY 2017, 2016, and 2015**

Grade Level	FY 2015	FY 2016	FY 2017
Pre-K	\$4,806.57	\$4,831.38	\$4,507.97
K–3	\$3,797.78	\$3,817.38	\$3,561.85
4–12	\$3,076.20	\$3,092.08	\$2,885.10
Basic	\$7,324.29	\$7,362.10	\$6,869.29
Intensive	\$10,254.01	\$10,306.94	\$9,617.00
Complex	\$23,663.10	\$23,785.24	\$22,193.08

Source: Delaware Department of Education – Local Expenditures by Student Category

As shown in Table 12, it is estimated that under the WEIC redistricting proposal CSD would see a **reduction of at least \$19,236,271 in local per-pupil expenditures**. (For comparison, remember we found that RCCSD's additional projected cost would be **\$25,230,981** for the CSD student population.)

However, the reduction in expenditures for CSD could be greater. Following its successful referendum, CSD might restore the district's per-pupil expenditures to FY 2016 and 2015 levels. Moreover, the Committee could not determine what additional resources CSD commits to support high-risk students (measure 2 of student expenditures introduced earlier). While the Committee did not have access to that data, it is reasonable to assume that CSD supplements high-risk students with additional resources of up to 50 percent of the district-wide student average.

**Table 12. Total Local Operating Expenditures for City of Wilmington Students in Christina School District Attendance Zone<sup>24</sup>**

Grade Level	General
Pre-K	\$81,143.46
K-3	\$5,371,269.80
4-12	\$6,101,986.50
Basic	\$2,191,303.51
Intensive	\$2,538,888.00
Complex	\$2,951,679.64
<b>Total</b>	<b>\$19,236,270.91</b>

Source: Delaware Department of Education – Local Expenditures by Student Category

Table 13 makes clear that **CSD would also see a decrease in revenue** from the Current Expense Tax and Tax Pool after redistricting. We estimate this reduction at **\$16,855,842**.

**Table 13. Projected Current Expense and Tax Pool Revenue for Christina School District<sup>25</sup>**

	Before Redistricting	After Redistricting	Change
Current Expense Revenue	\$69,257,487	\$55,614,074	\$ (13,643,412)
NCC Tax Pool Revenue	\$25,039,944	\$21,827,514	\$ (3,212,430)
<b>Total Revenue</b>	<b>\$94,297,430</b>	<b>\$77,441,588</b>	<b>\$ (16,855,842)</b>

Source: Christina School District FY 2017 Preliminary Budget

Overall, CSD would see a **net reduction in expenses of at least \$2,380,429** after accounting for the decrease in local costs and the decrease in local revenues. If CSD had made such a change in FY 2016 (or restores per-pupil expenditures to that level), the net reduction would have been at least **\$3,760,460** because of higher per-pupil expenditures. If CSD provides additional resources to high-risk students comparable to those provided by RCCSD (expenditures of up to 50% more per student), then the savings could be closer to **\$4.6 million**. Without more detailed data, however, the Committee can make no firm conclusions. As in the case of RCCSD, an important unknown is how many students would choose to complete their programs of study in CSD, particularly at the high school level.

<sup>24</sup> At FY 2017 Christina School District rates.

<sup>25</sup> Using FY 17 Tax Rates and City of Wilmington Property Assessment Value from September 9, 2016

### Match Tax

Match tax rates are set by each district's school board to cover costs associated with minor capital expenditures and authorized expenses related to state mandates (state technology maintenance, Minner Reading/Math Specialist, and extra time).<sup>26</sup>

For the purposes of this analysis it is assumed that the state would modify funding caps related to each of these categories via legislation to allow them to increase in proportion to the number of new students transferring into RCCSD. Doing so would allow RCCSD to continue to tax at their current Match Tax rate after the addition of the CSD Wilmington properties.

As Table 14 shows, under these conditions, RCCSD would see a \$544,864 increase in Match revenue to account for the additional services required by the new Wilmington students.

**Table 14. Red Clay Consolidated School District Match Tax Revenues Before and After Redistricting<sup>27</sup>**

	Before Redistricting	After Redistricting	Change
Total Revenue	\$2,644,587	\$3,189,451	\$544,864

Source: Red Clay Consolidated School District FY 2017 Preliminary Budget

CSD, as shown in Table 15, would see a decrease of \$653,838 in Match revenue due to the loss of Wilmington properties from its tax roll.

**Table 15. Christina School District Match Tax Revenues Before and After Redistricting<sup>28</sup>**

	Before Redistricting	After Redistricting	Change
Total Revenue	\$3,209,970	\$2,678,670	\$ (653,838)

Source: Christina School District FY 2017 Preliminary Budget

### Tuition Tax

Tuition Tax rates are set by each district's school board to cover costs associated with providing special education services to students. The board is authorized to set the rate to cover the costs of implementing the IEP's of students in the district. Note: Because the composition of students can change dramatically from year to year, the real cost to RCCSD will remain unknown until the final student transition is complete.

As shown in Table 16, Tuition revenues for RCCSD would increase by an estimated \$4,162,766. However, it is expected that Tuition expenditures would increase by \$5,979,135, leaving a **funding gap**

<sup>26</sup> FY 17 Red Clay Consolidated School District Preliminary Budget.

<sup>27</sup> Using FY 2017 Tax Rates and City of Wilmington Property Assessment Value from September 9, 2016.

<sup>28</sup> Using FY 2017 Tax Rates and City of Wilmington Property Assessment Value from September 9, 2016.

of **\$1,816,369**. Before redistricting, Tuition expenditures include \$3,279,789 in costs that are paid through state and federal sources. It is assumed that this amount will continue to be covered by those sources after redistricting. The funding gap only accounts for the amount of additional revenue that will need to be generated through the Tuition Tax to cover the additional Tuition expenditures created by redistricting.

**Table 16. Red Clay Consolidated School District Tuition Tax Revenues and Expenditures Before and After Redistricting<sup>29</sup>**

	Before Redistricting	After Redistricting	Change
Total Revenue	\$20,204,642	\$24,367,408	\$4,162,766
Total Expenditures	\$23,484,431	\$29,463,566	\$5,979,135

Source: Red Clay Consolidated School District FY 2017 Preliminary Budget

Table 17 shows that CSD would see an **estimated decrease in revenues of \$4,818,287**. Insufficient data was available to evaluate expenditures.

**Table 17. Christina School District Tuition Tax Revenues Before and After Redistricting<sup>30</sup>**

	Before Redistricting	After Redistricting	Change
Total Revenue	\$26,584,179	\$21,765,892	\$ (4,818,287)

Source: Christina School District FY 2017 Preliminary Budget

#### Summary of Local Fiscal Impact

**Table 18. Summary of Local Funding Impacts**

Local Funds	Red Clay Consolidated School District	Christina School District
Local School Tax and Tax Pool <sup>31</sup>	\$(10,604,508)	\$2,380,429
Match Tax <sup>32</sup>	\$544,864	\$(653,838)
Tuition Tax <sup>33</sup>	\$(1,816,369)	Insufficient data
Debt Service	See Appendix 2 and 3	See Appendix 2 and 3
<b>Local Funds Sub-Total (ongoing)</b>	<b>\$(11,876,013)<sup>34</sup></b>	<b>\$1,726,591<sup>35</sup></b>

<sup>29</sup> Using FY 2017 Tax Rates and City of Wilmington Property Assessment Value from September 9, 2016.

<sup>30</sup> Using FY 2017 Tax Rates and City of Wilmington Property Assessment Value from September 9, 2016.

<sup>31</sup> This is the net funding for each district after accounting for changes in revenues and expenditures.

<sup>32</sup> Revenue from the Match Tax is authorized for specific purposes. All funding is spent out yearly.

<sup>33</sup> The RCCSD board is authorized to raise the Tuition Tax rate to account for this shortfall. Insufficient information was provided by CSD to determine net amount.

<sup>34</sup> Not Including Debt Service.

<sup>35</sup> Not Including Debt Service or Tuition Tax.



### **Federal Funds Expected to Transfer to RCCSD with CSD Students**

In this section we identify all sources of federal funding for both school districts that will be impacted by redistricting and determine how each district's allocations will be affected. Appendix 4 provides a summary of each of these grants.

For the purposes of this analysis:

- The 2015–2016 school year is the most recent period for which we have full data on student populations and regulatory guidelines. We do not believe the funding figures are significantly different for 2016–2017.
- The timing of the transition would have a significant impact on funding from the federal government. All of these changes would not take place at once, but instead, will be phased in over a period of time.
- Federal appropriations are subject to change due to decisions by the federal government. The recent change in administration could produce significant policy changes. Additionally, the Every Student Succeeds Act (ESSA), the primary piece of federal legislation pertaining to public education, was recently passed and is in the beginning stages of implementation.
- Districts other than CSD and RCCSD would be subject to some fiscal impacts due to redistricting; however, the changes would be minimal.

#### *Summary of Federal Fiscal Impact: Funds Transferring with Students from CSD to RCCSD*

As Table 19 shows, significant federal funding would transfer with the CSD Wilmington students to RCCSD. In every category RCCSD would receive the same level of funding that CSD did to educate these students. These estimates are based on the assumption that all students from the CSD Wilmington attendance zone would transfer to RCCSD. In reality, the actual amount of funding that would transfer between districts is expected to be less because it is anticipated that some CSD Wilmington students would decide to finish their programs in their original schools.

**Table 19. Summary of Federal Funds Transferring With Students from Christina School District to Red Clay Consolidated School District Using 2015–2016 Data**

Title of Grant	Christina School District Impact	Red Clay Consolidated School District Impact
Title I	(\$881,956)	\$881,956
Perkins	(\$106,064)	\$106,064
Title II ITQ	(\$504,941)	\$504,941
IDEA 611	(\$417,850)	\$417,850
IDEA 619	(\$20,493)	\$20,493
Title III	(\$29,894)	\$29,894
<b>TOTAL</b>	<b>(\$1,855,135)</b>	<b>\$1,855,135</b>

Source: Delaware Department of Education – 2015–2016 Federal Funds

### ***State Funds Expected to Transfer to RCCSD with CSD Students***

In this section, we identify the impact of redistricting on state funding sources including Division I (personnel), Division II (energy and other costs), Division III (equalization), other funds (Academic Excellence, Educational Sustainment Fund, and Technology Block Grant), and formula-based transportation allocations.

For the purposes of this analysis:

- Student population numbers used to calculate fiscal impact are from the September 30, 2016 Unit Count.
- City of Wilmington students currently in the CSD attendance zone may choose to complete their educational program in the school they attend at the time of the transition. It is assumed they will have one opportunity to make this decision.

#### *Division I Funding*

Division I funding for staff and academic services is calculated using the unit count. Each student classification will generate units at a different rate. The rates are as follows:

- Pre-K: 1 unit for every 12.8 students
- K-3: 1 unit for every 16.2 students
- 4-12 Regular Education: 1 unit for every 20 students
- 4-12 Basic Special Education: 1 unit for every 8.4 students
- Pre-K-12 Intensive Special Education: 1 unit for every 6 students
- Pre-K-12 Complex Special Education: 1 unit for every 2.6 students

Division I units are then used to develop the yearly needs-based position allotment, for which the state then provides funding. Table 20 summarizes how each of these positions is generated.

**Table 20. Needs-Based Position Entitlement Calculations for 2016–2017 School Year**

<b>Position</b>	<b>Allotment</b>
Teachers	1 for Each Division I Unit
Driver’s Ed Teacher	1 for Every 125 Tenth Grade Unit
11-Month Supervisor	1 for Each 150 Division I Units
Related Services	1 for Each 57 Units
Related Services (intensive) 11 months	1 for Each 5.5 Units
Related Services (complex) 12 months	1 for Each 3 Units
Visiting Teacher	1 for Each 250 Division I Units
Nurse	1 for Each 40 Division I Units
Academic Excellence	1 for Each 250 Pupils (up to 30% may be cashed in)

Source: Delaware Department of Education – 2016–2017 Needs-Based Position Entitlement Report for RCCSD and CSD

In Table 21, positions and academic services impacted by redistricting are included in the first column. Current numbers include the number of units generated by CSD’s student population as of September 30 for the 2016–2017 school year, while the “after movement of students” column depicts the number of units generated with student population changes caused by redistricting. In all cases, as is expected, CSD would see a reduction in the number of units generated. In the case of teacher units, this means that CSD, which currently receives state funding to support 1,290.04 teacher units, would see a decrease of 188.65 units if redistricting is finalized. **Financially, this means that CSD would receive an estimated \$16,254,757 less in state funding due to a decrease in position allotments.**<sup>36</sup>

<sup>36</sup> The monetary value of each unit was determined by identifying the costs related to the average salary and benefits for an FTE for each of these positions. These calculations include only the state share of personnel costs. Assessing the true fiscal impact in monetary terms is difficult because the costs could differ depending on how the unit is used. For instance, a unit that is used to support the state share of a teacher (70%) will differ in monetary cost depending on the teacher’s level in the pay scale. Thus, the final dollar figure is a reasonable approximation and the true final dollar figure could be higher or lower.

**Table 21. Unit Count Changes Due to Redistricting in Christina School District<sup>37</sup>**

<b>Position</b>	<b>Current</b>	<b>After Movement of Students</b>	<b>FTE Change</b>	<b>Estimated Monetary Value of FTE Change for State Portion of Funding</b>
Teachers	1290.04	1101.39	-188.65	(\$12,600,010)
Driver's Ed Teacher	6.80	4.73	-2.07	(\$140,107)
11-Month Supervisor	8.00	7.00	-1.00	(\$91,987)
Related Services	13.75	11.79	-1.96	(\$143,128)
Related Services (intensive) 11 months	23.36	17.88	-5.48	(\$400,173)
Related Services (complex) 12 months	111.15	97.18	-13.97	(\$1,020,150)
Visiting Teacher	5.00	4.00	-1.00	(\$71,190)
Nurse	32.08	27.15	-4.93	(\$345,353)
Academic Excellence	58.74	50.27	-8.47	(\$565,715)
Secretary	109.00	93.00	-16.00	(\$876,945)
<b>TOTAL</b>	<b>1,675.92</b>	<b>1,432.39</b>	<b>-243.53</b>	<b>(\$16,254,757)</b>

Source: Delaware Department of Education – 2016–2017 Needs-Based Position Entitlement Report

Inversely, RCCSD would see increases in units for all of the categories included in Table 22. Note: In some cases, the number of units transferring from CSD to RCCSD is not an exact match. This is because RCCSD has generated fractional units based on their existing student population before the transfer of CSD students. **We estimate that with the addition of CSD's Wilmington students, RCCSD's personnel funding would increase by an estimated \$16,272,087.**

<sup>37</sup> Using September 30, 2016 Unit Count data.

**Table 22. Unit Count Changes Due to Redistricting in Red Clay Consolidated School District<sup>38</sup>**

<b>Position</b>	<b>Current</b>	<b>After Movement of Students</b>	<b>FTE Change</b>	<b>Estimated Monetary Value of FTE Change for State Portion of Funding</b>
Teachers	1129.53	1318.18	188.65	\$12,600,010
Driver's Ed Teacher	7.60	9.83	2.23	\$150,937
11-Month Supervisor	7.00	8.00	1.00	\$91,987
Related Services	15.44	17.40	1.96	\$143,128
Related Services (intensive) 11 months	14.39	19.88	5.49	\$400,904
Related Services (complex) 12 months	46.15	60.13	13.98	\$1,020,880
Visiting Teacher	4.00	5.00	1.00	\$71,190
Nurse	28.07	32.28	4.21	\$294,916
Academic Excellence	62.80	71.28	8.48	\$566,383
Secretary	95.00	112.00	17.00	\$931,754
<b>TOTAL</b>	<b>1423.98</b>	<b>1667.98</b>	<b>244</b>	<b>\$16,272,087</b>

Source: Delaware Department of Education – 2016–2017 Needs-Based Position Entitlement Report

### *Division II Funding*

Division II funding is provided to districts to cover operating costs related to supplies, materials, energy, services, and vocational technical education. One Division II unit is provided for each Division I unit generated by the district. Division II funding is distributed through three separate allocations including:<sup>39</sup>

- Division II all other costs: Can cover operating costs related to supplies, materials, and services. For FY 2017, each Division II unit had a value of \$2,925.
- Division II Vocational all other costs: Can cover the costs of providing vocational education for students. Division II Vocational all other costs are allocated based on the number of Division I Vocational Education units that are generated by the district.
- Division II Energy: Can cover energy-related costs such as electricity, gas, etc. For FY 2017, each Division II unit had a value of \$2,435.

**As shown in Table 23, under the redistricting proposal CSD would receive an estimated \$1,011,165 less in Division II funding each year.**

<sup>38</sup> Using September 30, 2016 Unit Count data.

<sup>39</sup> Delaware School Finance 101 Presentation

**Table 23. Division II Funding for Christina School District Before and After Redistricting<sup>40</sup>**

Funding	Before Redistricting	After Redistricting	Change
Div II AOC*	\$2,632,958	\$2,100,120	(\$532,838)
Div II VOC AOC*	\$337,468	\$318,504	(\$18,964)
Div II Energy	\$2,472,816	\$2,013,453	(\$459,363)
<b>TOTAL</b>	<b>\$5,443,242</b>	<b>\$4,432,077</b>	<b>(\$1,011,165)</b>

Source: Delaware Department of Education – Division II, Division III, and Other State Funds

\*Does not impact or include separate calculations for Autistic (6000), Sterck (5100), REACH (5600), or ILCs (5900).

Inversely, RCCSD would see an estimated increase of \$1,011,164 in Division II funding under the redistricting proposal, as shown in Table 24.

**Table 24. Division II Funding for Red Clay Consolidated School District Before and After Redistricting<sup>41</sup>**

Funding	Before Redistricting	After Redistricting	Change
Div II AOC*	\$2,923,044	\$3,454,647	\$531,603
Div II VOC AOC*	\$340,583	\$360,781	\$20,198
Div II Energy	\$1,764,596	\$2,223,959	\$459,363
<b>TOTAL</b>	<b>\$5,028,223</b>	<b>\$6,039,387</b>	<b>\$1,011,164</b>

Source: Delaware Department of Education – Division II, Division III, and Other State Funds

\*Does not impact or include separate calculations for Meadowood (5400) or ILCs (5800).

\*\*Difference in Before Redistricting and After Redistricting columns reflects a FY 2017 deduction of \$952.3 for its energy conservation equipment lease schedule.

### Division III: State Equalization Funding

#### Division III Equalization Funding:<sup>42</sup>

- Is flexible and can be used for any local purpose by a school district.
- Distributed via a legislated formula where a district maximizes equalization support if its tax rates are set at a level to raise a certain amount of funding per unit (called the authorized amount) through a combination of current expense taxes and equalization.
- Smaller school districts with a smaller tax assessment base are expected to raise a smaller portion of the authorized amount and vice versa.

<sup>40</sup> Using September 30, 2016 Unit Count data.

<sup>41</sup> Using September 30, 2016 Unit Count data.

<sup>42</sup> Delaware School Finance 101 Presentation.

- If a district raises the revenue necessary through property taxes and equalization, it receives its full share of equalization funding. If it doesn't, it receives less than what it otherwise would be eligible for.
- **Due to budget constraints, the formula has been frozen for several years and is not functioning properly.**<sup>43</sup>

Under the redistricting proposal, an estimated \$1,219,623 in funding would transfer from CSD to RCCSD as shown in Table 25.

**Table 25. Division III Funding for Christina School District and Red Clay Consolidated School District Before and After Redistricting**<sup>44</sup>

School District	Before Redistricting	After Redistricting	Change
Christina*	\$5,996,029	\$4,776,407	(\$1,219,622)
Red Clay**	\$6,663,152	\$7,882,775	\$1,219,623

Source: Delaware Department of Education – Division II, Division III, and Other State Funds

\*Christina – Does not impact or include separate calculations for Autistic (6000), Sterck (5100), REACH (5600), or ILCs (5900). \*\*Red Clay – Does not impact or include separate calculations for Meadowood (5400) or ILCs (5800).

#### Other State Funds

School districts are also provided state funding through three grants including:

- *Academic Excellence* (block grant): Funding provided for multiple purposes tied to educational advancement in conjunction with the academic excellence unit. This funding accounts for the Division II and III units that correspond with Division I units for academic excellence.
- *Educational Sustainment Fund*: “Allocated proportionally statewide based on Division I units and can be used for any local purpose.”<sup>45</sup>
- *Technology Block Grant*: Is “allocated proportionally statewide based on Division I units for technology maintenance and support.”<sup>46</sup>

Under the redistricting proposal, CSD would receive \$654,963 less in funding through these three sources as shown in Table 26.

<sup>43</sup> This view is held by most district finance experts.

<sup>44</sup> Using September 30, 2016 Unit Count data.

<sup>45</sup> Delaware School Finance 101 Presentation.

<sup>46</sup> Delaware School Finance 101 Presentation.

**Table 26. Other State Funds for Christina School District Before and After Redistricting<sup>47</sup>**

Funding	Before Redistricting	After Redistricting	Change
Academic Excellence	\$553,105	\$472,164	(\$80,941)
Educational Sustainment Fund	\$3,634,799	\$3,103,261	(\$531,538)
Technology Block Grant	\$290,517	\$248,033	(\$42,484)
<b>TOTAL</b>	<b>\$4,478,421</b>	<b>\$3,823,458</b>	<b>(\$654,963)</b>

Source: Delaware Department of Education – Division II, Division III, and Other State Funds

Under the redistricting proposal \$655,058 in funding would transfer to RCCSD from these sources, as shown in Table 27.<sup>48</sup>

**Table 27. Other State Funds for Red Clay Consolidated School District Before and After Redistricting<sup>49</sup>**

Funding	Before Redistricting	After Redistricting	Change
Academic Excellence*	\$589,692	\$670,728	\$81,036
Educational Sustainment Fund	\$3,182,552	\$3,714,090	\$531,538
Technology Block Grant	\$254,370	\$296,854	\$42,484
<b>TOTAL</b>	<b>\$4,026,614</b>	<b>\$4,681,672</b>	<b>\$655,058</b>

Source: Delaware Department of Education – Division II, Division III, & Other State Funds

\*Academic Excellence (AE) due 1/31/17 and not yet received from RCCSD as of 1/10/17; estimate based on enrollment shift and \$0.00 requested for AE cash option.

### Transportation

Currently the state provides \$760,000 in funding to CSD to support the transportation of its Wilmington students. Of this funding, \$620,000 is used to support 69 bus routes, and \$140,000 is used for 26 school bus aides.<sup>50</sup> **Under redistricting it is expected that approximately \$760,000 in funding for transportation would transfer to RCCSD.**

Note the following assumptions:

1. There is a different number of school days between RCCSD and CSD.

<sup>47</sup> Using September 30, 2016 Unit Count data.

<sup>48</sup> This amount is slightly higher than the amount of funding transferring from CSD due to RCCSD's accumulation of fractional units.

<sup>49</sup> Using September 30, 2016 Unit Count data.

<sup>50</sup> K. Field Rogers, Correspondence



2. Fuel costs will fluctuate.
3. Routes are created and managed by the districts; RCCSD may find ways to shorten routes due to feeder patterns and proximity of student residences to schools; RCCSD will decide whether district employees or contractors will provide transportation for each route.
4. Personnel costs are subject to pay scales that differ by district.
5. RCCSD has been unable to undertake the planning needed to determine costs associated with special needs and alternative program school assignments.
6. It is unknown how many students would be in a walk zone for their new schools.
7. It is unknown how redistricting would impact decisions by parents to choose their student(s) into another district or charter school.
8. Funding would be required to provide transportation for CSD students who decide to complete their academic program in CSD; costs associated with this are included below in the discussion of transition costs.

#### Summary of State Fiscal Impact

As detailed in Table 28, we estimate that redistricting would result in a **decrease of \$19,900,507** in state funding for CSD, while RCCSD would see an estimated increase of \$19,917,932. These funds are merely transferring from one district to another. The small discrepancy arises from RCCSD's fractional units.

**Table 28. State Funds Moving from Christina School District to Red Clay Consolidated School District as a Result of Redistricting**

Funding	Christina	Red Clay
Division I	(\$16,254,757)	\$16,272,087
Division II	(\$1,011,165)	\$1,011,164
Division III	(\$1,219,622)	\$1,219,623
Other Funds	(\$654,963)	\$655,058
Transportation	(\$760,000)	\$760,000
<b>TOTAL</b>	<b>(\$19,900,507)</b>	<b>\$19,917,932</b>

Source: Delaware Department of Education

### III. Transition Costs

As part of the discussions held in the WEIC Redistricting Committee during 2015–2016, CSD and RCCSD developed “Interim Frameworks for Planning” that were incorporated into the final WEIC proposal approved by the State Board of Education and the Delaware General Assembly. Working off those materials, the Ad-Hoc Fiscal Impact Committee developed the following discussion of transition costs centering on people, facilities, programs, technology, and transportation.

The estimates provided last year remain unchanged in some cases, and in others they have been refined after further review and discussion with stakeholders. In all cases, the Ad-Hoc Committee has merely itemized the district’s estimated costs. For a listing of the items discussed in the narrative, see Appendix 1.

#### A. People

A variety of employees work in the eight facilities scheduled to move from CSD to RCCSD including administrators, teachers/specialists, paraprofessionals, secretaries, child nutrition services personnel, custodial staff, and transportation personnel. RCCSD might reconfigure schools or launch new programs that would modify the district’s personnel needs.

CSD employees would not lose jobs as a result of the redistricting. The two districts have had extensive discussions with the unions representing their workers and with each other to develop a transition plan.

RCCSD would initiate processes to fill openings. CSD employees would have the option to apply and interview for positions in the reconfigured RCCSD schools with careful attention given to those working with high-risk students. Successful candidates would be hired by RCCSD. Other employees would remain CSD employees. All employees hired into RCCSD positions would follow RCCSD’s salary schedule.

Thus, current CSD employees impacted by redistricting can be divided into **transitioning staff** and **non-transitioning staff**. CSD employees would remain covered by the relevant negotiated agreements unless they accepted a job offer for a new position from RCCSD. Although it is impossible to be certain, it is likely that a preponderance of CSD personnel would transition to RCCSD, but RCCSD reserves the right to interview and select those most appropriate for openings. Similarly, employees may choose not to accept a position in a different district and remain in CSD. There will be costs associated with both transitioning and non-transitioning staff employees.

#### **Transitioning Staff – Cost TBD**

RCCSD will have human resource costs associated with the need to interview and review CSD applicants and then to assimilate former CSD staff into RCCSD through their usual new employee orientation.

In some cases, employees new to the district will require additional professional development. As an example, teachers new to RCCSD who will be using a different math series will need training. Costs would include staff time for teachers to attend the training as well as costs for the vendor to conduct training previously provided to the district’s math teachers. It is hard to identify exact costs until a

complete inventory of instructional programs has been completed. A budgeting number for adoption of a typical math series is \$637 per teacher. Curricular training costs would be similar for other teachers using new materials.

### ***Non-Transitioning Staff – Cost TBD***

Conversely, CSD will have costs associated with non-transitioning employees who will need to be absorbed into the district workforce. This could mean moving to very different positions. CSD is recommending a two-year transition period during which the costs of non-transitioning staff would be funded 100% with state funds. The students generating units would no longer be within CSD, and the local tax base that would have helped support the local share of salaries and other employee compensations would have transferred to RCCSD.

Maximum possible costs—no CSD staff would be hired by RCCSD—are listed below. It is likely, however, that a high proportion of CSD staff would transition. Approximate costs if state covered 100 percent of current CSD employees:

Teachers	~ \$2,250,000
Paras	~ \$750,000
Secretaries	~ \$260,000
Nutrition Services	~ \$540,000
Custodial	~ \$1,125,000
Administrators	~ \$1,200,000

### ***Engagement – Cost Estimate \$385,000***

Both districts will have costs arising from the need to engage in discussions with a wide array of partners (e.g., educators, staff, parents, and community members) about their future in the reconfigured district. This includes the cost of printed materials, as well. The Committee hopes that the two districts will develop a joint engagement plan to ensure a common and consistent message. The districts recognize that by working together the impact to employees and the cost of the transition can be minimized.

## **B. Facilities**

There are multiple issues to be resolved regarding the eight facilities designated to be transferred from CSD to RCCSD. The simplest elements involve furnishings, equipment, and technology hardware (e.g., copiers). It is CSD's intent to leave all furnishing in place in the schools to be transferred. Similarly, it is CSD's intent to leave all technology hardware in place. Specific costs and activities related to the transfer and/or surplus of these items are included below under the CSD and RCCSD costs. More complex are the physical issues associated with the eight facilities and the debt obligations associated with each. These are discussed in a Section IV of this report.

## C. Programs

### **Curricular Materials**

RCCSD uses different curricular materials than CSD. This involves two sets of costs: RCCSD costs to procure the needed materials for former CSD students and CSD costs to transfer and store curricular materials no longer needed in the Wilmington schools.

### **New Curricular Materials – Cost \$481,000**

If each of the facilities became a traditional RCCSD school, there would be costs to purchase the curricular materials available unless CSD is already using the same materials. A full inventory of CSD's curricular materials would be necessary to estimate the total cost. As part of the planning process, RCCSD and CSD confirmed that new ELA and math materials would be required. The cost for this is based on the contracted purchase price in effect during October 2016.

### **Additional Curricular Materials – Cost TBD**

In addition, as the high school students enroll in RCCSD schools, there could be costs for additional materials if those schools do not have sufficient student materials.

### **Transfer/Storage of Unused Curricular Materials – Cost TBD**

The materials that are not compatible with RCCSD's programs would need to be moved to CSD schools or surplus through the state surplus process.

### **New Programs – Cost \$67,000+**

As part of the transition, stakeholders are likely to identify new or different programs needed in these schools. There would be costs to implement these programs. The costs cannot be quantified without a study that includes extensive community involvement is conducted. Some examples of start-up costs for programs the community may identify as part of this transition are listed below.

IB Middle Years Program Initial Start-Up Costs	\$48,000
AVID – Initial Start-Up Costs	\$14,000
Elementary Immersion Program Start-Up	\$5,000 Per Classroom Involved

### **Attendance Zones – Cost \$10,000**

The addition of these facilities would require RCCSD to review and approve new attendance zones. This process includes contractual services required to review demographic trends, bus routes, and attendance zone preferences and generate updated maps.

### **CSD Program Planning and Relocation**

CSD has been operating a number of unique programs in its Wilmington schools that would need to be relocated to suburban locations, discontinued, or handed off to RCCSD. A portion of the facilities assessment dealt with possible costs to relocate. See Section IV.

Unique CSD Programs to Be Relocated or Discontinued:

- **Sarah Pyle Academy** – Non-traditional high school program geared to prevent drop-out rates from increasing and tailoring educational tools and resources to assist students in achieving success. Sarah Pyle Academy serves students throughout the district. Space needs will be addressed by the StudioJAED facilities assessment.
- **Douglass Program** – Alternative placement programs for students in grades 6-12 who have violated CSD Code of Conduct or who are returning from outside placements. It serves both Wilmington and non-Wilmington students. CSD is likely to relocate the program. Space needs will be addressed by the StudioJAED facilities assessment.
- **Montessori Academies at Christina (Bancroft Elementary)** – RCCSD would assess the need for the existing pre-school and K-5 programs and determine whether this program would be continued. Since the launch of CSD's program, a charter school with a Montessori curriculum has also opened in Wilmington. The CSD program has experienced difficulties securing faculty with dual certification. CSD is exploring options to address the staffing concerns. Montessori representatives have expressed their desire to remain in the city.
- **Delaware Autism Program (DAP)** – CSD provides two classrooms for inclusion DAP students in Wilmington schools. CSD will relocate these classrooms.

## D. Technology

There are costs associated with technology relating to the transition. These costs can be categorized as follows.

### **Infrastructure – Cost \$1,902,000**

There would be costs to integrate the computer networks of the new facilities. This includes switches, network backbone, Wide Area Network (WAN) costs, and wireless access points.

An analysis of the RCCSD and CSD networks shows that there might be some savings from CSD equipment left behind, but most of the cost is related to providing infrastructure and technology similar to that found in other RCCSD facilities.

### **Student Computer – Cost \$550,000**

RCCSD taxpayers have committed to a 1:1 technology program to provide students with twenty-first century devices for learning, including interactive displays, WiFi, and audio enhancement in every classroom. An analysis based on the number of students expected to transition to RCCSD schools shows a one-time cost for initial purchase of 1:1 devices.

Ongoing costs for both the infrastructure and student computer costs as well as maintenance would be covered under RCCSD operating costs, assuming that there is an increase in revenue sufficient to cover the increased costs.

## E. Transportation

A portion of transportation costs are provided by state funds generated by student ridership. As students transition from CSD transportation to RCCSD transportation, those funds would be provided to RCCSD. There are some costs, however, that would need to be addressed. These are:

### **Bus Storage Space – Cost TBD**

RCCSD does not have space to house the additional buses required to transport the additional students. If these routes are not provided to contractors, there would be costs to procure a larger or additional site.

### **Choice Transition – Cost TBD**

A guiding principle of the transition is that students will be able to remain in their existing schools. This means that there are additional costs, especially at the secondary level. As an example, during the 2015–2016 school year, there were approximately 400 RCCSD secondary students who attended CSD schools and are likely to remain there. They would need to be transported by CSD or RCCSD through the choice program, but there is currently no funding for choice transportation.

**Table 29. Summary of Transition Cost Estimates**

<b>Funding Source</b>	<b>RCCSD</b>	<b>CSD</b>
<b>People</b>		
Orientation/Professional Development	TBD	TBD
Guaranteed CSD Positions	\$0 to \$6.125M	TBD
Engagement	-----\$385,000 (joint)-----	
<b>Facilities (StudioJAED Assessment)</b>	See Section IV	See Section IV
<b>Programs</b>		
New Curricular Materials	TBD	TBD
Materials Storage	TBD	TBD
New Programs	TBD	TBD
Attendance Zones	\$10,000	TBD
<b>Technology</b>		
Infrastructure Changes	\$1.9M	TBD
Student Computers	\$550,000	TBD
<b>Transportation</b>		
Bus Storage	TBD	TBD
Transition Costs	TBD	TBD

## IV. Facilities and Debt Service

The WEIC recommendation called for eight facilities to move from CSD to RCCSD. A critical question centers on the condition of those facilities and modifications that may need to be undertaken as they would move to a new district home. In addition, there are districtwide programs and services currently being provided by CSD in Wilmington locations that would need to be relocated to suburban sites with associated costs.

The Committee used a standard RFP process overseen by the Delaware Department of Education to select StudioJAED, a mid-Atlantic architectural and engineering firm headquartered in Bear, Delaware, to conduct two studies:

1. A comprehensive facilities condition assessment of all major building systems and components for eight CSD facilities located within the City of Wilmington. These were the schools identified as part of the redistricting action proposed by the Wilmington Education Improvement Commission and conditionally approved by the Delaware State Board of Education and the Delaware General Assembly. The selected CSD facilities that were included in the study are as follows: Bancroft Elementary School, Bayard Middle School, Douglass School, Drew Educational Support Services Center, Elbert-Palmer Elementary School, Pulaski Elementary School, Sarah Pyle Academy for Academic Intensity, and Stubbs Elementary School.
2. A design analysis of space requirements for selected CSD programs and services that are currently housed within four City of Wilmington facilities: Drew Educational Support Services Center, Douglass School, Sarah Pyle Academy for Academic Intensity, and Bancroft Elementary School which houses two Delaware Autism Program classrooms.

Importantly, RCCSD has not had the opportunity to undertake the planning required to determine which of the eight facilities might be needed or how students and programs might be reconfigured. Therefore, StudioJAED was not tasked to consider such unknown costs.

All cost estimates were calculated based on today's dollars (not including inflation) for each recommended repair, replacement, renovation, or new installation. Deferred maintenance and capital improvements are cyclical in nature, therefore, the costs identified in the facilities assessment are only capturing a snapshot of capital needs for a specific point in time. The final report also contained detailed assessment reports broken down by facility. StudioJAED recommended corrections in specific areas:

- ADA compliance
- Codes/Standards
- Damage/Wear
- Energy Conservation
- Environmental Improvements
- Functional/Functionality
- Life Safety
- Security

### A. Principal Findings on Facilities to Transfer from CSD to RCCSD

Extensive repairs, restoration, or replacement of systems is required at the eight Wilmington facilities that would transfer across districts. Much of this work needs to be undertaken over the next decade regardless of the district in which the facilities reside. As StudioJAED reminds us, "The number of

deferred items and related cost do not reflect an organization's willingness or ability to make repairs/renovations or improvements, but are a direct result of the prioritization of needs across multiple facilities with a limited budget.”<sup>51</sup>

The breadth and cost of work recommended in the facilities assessment conducted by StudioJAED is daunting. However, these costs are not likely to be incurred all at once. Costs could be amortized over the length of their respective bond issues (generally 20–30 years), or a district might explore other funding options. Capital referenda are far from every year occurrences; the last one in CSD was in 2003.

Findings on the eight facilities were organized following an industry standard building classification system and prioritized by the architect's or engineer's recommended timeline to complete the corrective action. There were four priorities: **Immediate**, **Priority 2** (1–2 years), **Priority 3** (3–5 years) and **Priority 4** (6–10 years).

Corrective actions recommended by StudioJAED fell into the following categories:

- **Deferred Maintenance:** Corrective actions that address required maintenance repairs, restoration, or replacement of an existing building system or component that have not yet been expended.
- **Capital Improvement:** Corrective actions that address a non-existing or non-compliant building system or component required to meet shared CSD and RCCSD construction standards or general code/ADA compliance, and corrective actions that address educational or functional inadequacies of existing space.
- **Red Clay Consolidated School District Criteria:** Corrective actions that address unique RCCSD construction standards that differ from CSD.

The Committee strongly agrees with the recommendation of StudioJAED on moving forward:

Should the final determination be made to transfer buildings within this assessment from CSD to RCCSD, a funding formula & plan should be developed. The plan should include the complete capital improvements and programmatic changes to meet RCCSD strategic plans and the relocation of CSD programs out of City of Wilmington facilities.<sup>2</sup>

## B. Deferred Maintenance Items

Deferred maintenance items corrective actions address required maintenance repairs, restoration, or replacement of an existing building system or component that have not yet been expended. These are sorted according to priority: Immediate, 1–2 years, 3–5 years, and 6–10 years.

As shown in Table 30, over the next ten years there will be an estimated \$76,831,826 in deferred maintenance costs for the eight facilities. Deferred maintenance costs account for 63 percent of the total costs identified in the facilities assessment. Of this total approximately \$37,328,125 is required

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<sup>51</sup> Studio JAED Facilities Assessment, March 2017, pg. 2

<sup>47</sup> Studio JAED Facilities Assessment, March 2017, pg. 2



within the next 1–2 years. These deferred maintenance projects will need to take place even if redistricting does not occur.

**Table 30. Assessed Deferred Maintenance Costs**

Time Period	Cost
1–2 Years	\$37,328,125
3–5 Years	\$23,490,898
6–10 Years	\$16,012,803
<b>Sub-Total</b>	<b>\$76,831,826</b>
% Total Cost	63%

Source: Studio JAED Facilities Assessment, March 2017

Some examples of deferred maintenance projects include repair/corrective work related to:

- Superstructure
- Exterior enclosure
- Roofing
- Interior construction and finishes
- Plumbing
- HVAC
- Furnishings
- Site improvements

## C. Capital Improvements

Capital improvement corrective actions address a non-existing or non-compliant building system or component required to meet shared CSD and RCCSD construction standards or general code/ADA compliance and corrective actions that address educational or functional inadequacies of existing space. These are sorted according to priority: Immediate, 1–2 years, 3–5 years, and 6–10 years.

As shown in Table 31, over the next ten years there will be an estimated \$34,998,430 in capital improvement costs for these facilities. Capital improvement costs account for 29 percent of the total costs identified in the facilities assessment. The majority of spending (\$31,661,360) will be required in the next 1–2 years. As with deferred maintenance items these projects will eventually need to take place even if redistricting does not occur.

**Table 31. Capital Improvement Costs**

Time Period	Cost
1–2 Years	\$31,661,360
3–5 Years	\$3,337,070
6–10 Years	N/A
<b>Sub-Total</b>	<b>\$34,998,430</b>
% Total Cost	29%

Source: Studio JAED Facilities Assessment, March 2017

Some examples of capital improvement projects include the new construction/renovation of items in the following categories:

- Interior construction and finishes
- Plumbing
- HVAC
- Electrical
- Additional space

#### D. RCCSD-Specific Building Criteria

As shown in Table 32, corrective actions in this category totaled \$9,812,012, most of which needed to be completed within 1–2 years. These actions address unique RCCSD construction standards that differ from those of CSD. HVAC controls are an example of a process that RCCSD has standardized across the district. All RCCSD facilities are controlled through a centralized Building Automation System (BAS). The facilities assessment also looked at any energy-savings measures that are inconsistent and costs associated with them.

**Distinctive RCCSD criteria include the following:**

Flooring	All kitchens and bathrooms have epoxy-poured floors
Building-wide	Dual occupancy sensors for HVAC and lighting Building Automation System Controls monitored by Allerton Niagra All Boiler Central Station monitoring provided by ADT
Bathrooms	Faucets are hard wired electronic sensors (CSD = Metered) Urinals/toilets are battery electronic sensors (CSD = Waterless) RCCSD specific standard dual dispensing toilet tissue dispenser RCCSD specific standard paper towel dispenser RCCSD specific standard soap dispenser
Classrooms	Sound/voice enhancement system in all classrooms (Redcat) Kiln provided in all art rooms
Library	Modernization with furnishing, casework, and space improvements
Kitchen	RCCSD specific cooking and warming kitchen district standards RCCSD specific serving line district standards Stand-alone interior service lift (high bay areas)
Signage	District site, building exterior

As with deferred maintenance and capital improvements, these corrections are sorted according to priority: Immediate, 1–2 years, 3–5 years and 6–10 years.

**Table 32. Costs Associated with RCCSD Criteria**

Time Period	Cost
1–2 Years	\$9,557,880
3–5 Years	\$77,014
6–10 Years	\$177,118
<b>Sub-Total</b>	<b>\$9,812,012</b>
% Total Cost	8%

Source: Studio JAED Facilities Assessment, March 2017

## E. Summary of Deferred Maintenance, Capital Improvement, and RCCSD Criteria Costs for Eight Facilities

The projected costs to address deferred maintenance, capital improvement, and RCCSD-specific criteria are summarized in Table 33. Even without the \$9,557,880 associated with RCCSD building criteria, the total is \$68,989,485 through the next two years. The final total could be higher if conditions deteriorate more rapidly than expected or new problems appear. StudioJAED's assessment captures the situation at one point in time. The facilities' maintenance needs will continue to change throughout the decade and reconfigurations are certain to cost even more. However, the total would be reduced by any facilities not utilized by a district.

**Table 33. Summary of Deferred Maintenance, Capital Improvement, and RCCSD Criteria Costs**

Time Period	Deferred Maintenance	Capital Improvement	RCCSD Criteria	Total
1–2 Years	\$37,328,125	\$31,661,360	\$9,557,880	<b>\$78,547,365</b>
3–5 Years	\$23,490,898	\$3,337,070	\$77,014	<b>\$26,904,983</b>
6–10 Years	\$16,012,803	N/A	\$177,118	<b>\$16,189,921</b>
<b>Sub-Total</b>	<b>\$76,831,826</b>	<b>\$34,998,430</b>	<b>\$9,812,012</b>	<b>\$121,642,269</b>
% Total Cost	63%	29%	8%	100%

Source: Studio JAED Facilities Assessment, March 2017

## F. Costs to Relocate CSD Programs

The facilities assessment identified the space needs for programs and services provided at four facilities within Wilmington for districtwide programs: the district administrative offices (Drew), the Sarah Pyle Academy 9–12 Alternative Program (Pyle), the Douglass 6–12 Alternative Program (Douglass), and two classrooms at Bancroft Elementary School dedicated to the Delaware Autism Program (DAP).

Based on their analysis of existing space usage, StudioJAED provided findings and recommendations for the cost to renovate existing space or to construct new space to house these programs and services in suburban locations. CSD was unable to forecast where individual programs and services might be relocated; thus, the cost estimates are for renovations of unidentified space and are based on \$250 per

square foot. New construction costs do not include any capital dollars for land acquisition, revisions to offsite public access ways, or potential offsite utility upgrades.

As the data presented in Tables 34 and 35 make clear, the cost for renovating or reconfiguring space is considerably lower than building new space, \$28,341,500 vs. \$44,464,927.

**Table 34. Estimated Cost to Reconfigure/Renovate CSD Programs**

Facility/Space Name	Area (SF)	Cost per SF	Est. Construction Cost
Drew ESSC (District Admin.)	53,752	\$250	\$13,438,000
Douglass School	25,634	\$250	\$6,408,500
Sarah Pyle Academy	31,980	\$250	\$7,995,000
DAP Classrooms & Support	2,000	\$250	\$500,000
<b>Total</b>	<b>N/A</b>	<b>N/A</b>	<b>\$28,341,500</b>

Source: Studio JAED Facilities Assessment, March 2017

**Table 35. Estimated Cost to Construct New Space for CSD Programs**

Facility/Space Name	Area (SF)	Cost per SF	Est. Construction Cost
Drew ESSC (District Admin.)	53,752	\$371.00	\$19,941,992
Douglass School	25,634	\$396.20	\$10,156,191
Sarah Pyle Academy	31,980	\$422.80	\$13,521,144
DAP Classrooms & Support	2,000	\$422.80	\$845,600
<b>Total</b>	<b>N/A</b>	<b>N/A</b>	<b>\$44,464,927</b>

Source: Studio JAED Facilities Assessment, March 2017

## G. Surplus Property

StudioJAED did not assess which of the Wilmington properties would no longer be utilized by RCCSD. It is almost certain, however, that the district would not continue to use all eight facilities being transferred from CSD. This would be determined after RCCSD has had the opportunity to review the facilities assessment and complete its planning. After those deliberations are complete, unused facilities could be surplus as per the guidelines set forth in **Title 14 Section 1057**. Among other provisions, the Title specifies that:

(7) The property for sale shall be offered to other state agencies at the price determined in paragraph (6) of this subsection. Such offer to other state agencies shall be made through the Director of the Office of Management and Budget who shall in turn confer with the Department of Education. Together, they shall approve a purchase or release the district to proceed with another sale within 30 days of the offer by the Board of Education to the Director of the Office of Management and Budget;

(8) A state agency may negotiate to the extent feasible and practical to assume the state share in such property by transfer of the debt service obligation to the account of that agency without payment of cash for that share of the price set;

(9) If no other agency of state government declares its intent to purchase the property, the Board of Education shall proceed to offer said property to the local government in whose jurisdiction the property is located. Such an offer shall be made to the chief elected official of that local government. If the offer is not accepted within 30 days, the Board may proceed to sell the property on the open market; (Title 14 Section 1057)

## H. Existing Debt Service

As shown in Table 36, there is currently \$4,706,365.65 of outstanding debt on facilities that would transfer from CSD to RCCSD under the redistricting proposal.

**Table 36. Outstanding Debt on Christina School District City of Wilmington Facilities as of July 1, 2017**

<b>Project</b>	<b>Outstanding Total</b>
Renovate Stubbs ES	\$103,704.84
Renovate Bayard ES	\$88,545.52
Renovate Pyle ES	\$41,951.44
Renovate Douglass KG	\$25,188.68
Renovate Pulaski ES	\$37,631.08
Renovate Elbert Palmer ES	\$21,703.67
Renovate Pulaski ES	\$548,188.18
Renovate Elbert Palmer ES	\$316,057.68
Renovate Bancroft ES	\$89,530.33
Renovate Bancroft IS	\$1,006,581.90
Renovate Drew Pyle IS	\$753,258.32
Renovate Bayard ES to MS	\$1,674,024.00
<b>TOTAL</b>	<b>\$4,706,365.65</b>

Source: Delaware Office of the State Treasurer, 2017

Several issues are attached to this debt.

- Will the debt transfer with the facilities from CSD to RCCSD?
- If the debt moves to RCCSD, will the former CSD residents be required to pay the higher RCCSD tax rate?

The Committee thoroughly explored who would bear the obligations after facilities transferred from one district to another. Debt on a facility is not the equivalent of a mortgage on an individual's house. That is, the asset (a school facility) is not collateral for the debt associated with it. In the case of redistricting, the tax base and titles of the facilities would transition from one district to another. The key question becomes, would the debt follow the facilities?

Our Committee received conflicting opinions on this matter. In Section V of this report, we explore the two possibilities: the debt remains with CSD or the debt transfers to RCCSD.

On the question of taxpayer obligations, the Wilmington Education Improvement Commission's legal counsel has advised the Committee that it is highly questionable whether the former CSD residents would have to pay the higher RCCSD tax rate that they had no role in setting. As former residents of CSD, they had no opportunity to vote in RCCSD referenda that ultimately determined the rates. As debt service is the only RCCSD tax rate higher than CSD's, following this legal guidance would provide former CSD residents with a substantial tax reduction and establish two tax rates throughout RCCSD. This dilemma is explored in Section V of the report.

What the Committee has determined, however, is that regardless of whether the CSD or RCCSD tax rate is used, the revenue generated by the Wilmington properties transferring to RCCSD would be sufficient to pay off the transitioned debt over a period of ten years (see Appendices 2 and 3).

Finally, it should be noted that the eight CSD facilities slated to move across districts amount to 11.6 percent of the total current debt service of CSD. However, the proposed reduction in tax basis for CSD is 19.6 percent. This represents an additional tax burden for remaining CSD residents.

## V. Conclusions and Issues to be Resolved

### A. Conclusions about Total Fiscal Impact

1. Just under one-half of the students enrolled in CSD schools during the 2016–2017 school year would likely move into RCCSD schools. Approximately 4,360 students reside in the sections of Wilmington served by CSD and would move into RCCSD’s attendance area. Of that total, about 2,160 were enrolled in CSD schools during 2016–2017. These students would be most likely to move into RCCSD schools. Slightly more than one-half of the students in the CSD attendance area currently choice out to charter schools or other districts. Consolidating these students into RCCSD could change these families’ choice decisions and increase the number choosing to attend RCCSD schools.
2. Substantial state and federal financial resources would follow the students and transfer from CSD to RCCSD virtually unchanged. **The Committee calculates that \$19,917,932 in state and \$1,855,135 in federal funding would move with the students from CSD to RCCSD** (see Table 37).
3. Local taxable assets and the corresponding revenue would also transfer to RCCSD but **would not cover the local portion of RCCSD expenditures for educating the accompanying students**. We base this finding on an analysis of RCCSD’s current per-pupil local expenditures for high-risk students residing in Wilmington. There is every reason to believe that CSD’s current Wilmington student population has the same educational needs as the RCCSD’s Wilmington students. The Committee calculates that the **likely gap between revenue generated from CSD’s Wilmington properties and CSD’s Wilmington student needs would be approximately \$10,604,508** (see Table 37).
4. CSD’s student expenditures would decrease by more than the revenue the district would lose, resulting in a net savings for the district. But without access to more complete data, the Committee can provide only a rough estimate. At a minimum, we believe **CSD’s student expenditures would decline by at least \$19,236,271, and its revenues by \$16,855,842 for a net reduction in expenses of at least \$2,380,429**. The net reduction could be greater if CSD returns its per-pupil expenditures to the higher level that prevailed before failed referenda and if CSD provides additional resources to its high-risk students residing in Wilmington. Without better data, the Committee cannot provide a more confident figure (see Table 37).

Table 37. Impact on Funding Sources

Funding Source	Red Clay Consolidated School District	Christina School District
Federal Funds <sup>52</sup>	\$1,855,135	\$(1,855,135)
State Funds <sup>53</sup>	\$19,917,932	\$(19,900,507)
State & Federal Net Transfer	\$17,425	\$(17,425)
<b>Local Funds</b>		
Local School Tax and Tax Pool <sup>54</sup>	\$(10,604,508)	\$2,380,429
Match Tax <sup>55</sup>	\$544,864	\$(653,838)
Tuition Tax <sup>56</sup>	\$(1,816,369)	Insufficient data
Debt Service	See Appendix 2 and 3	See Appendix 2 and 3
<b>Local Funds Sub-Total (ongoing)</b>	<b>\$(11,876,013)<sup>57</sup></b>	<b>\$1,726,591<sup>58</sup></b>

5. As recognized in the WEIC plan, there would be significant one-time transition costs associated with redistricting. RCCSD's expenses for program, planning, facilities, technology, and personnel would be substantial. CSD would incur costs to relocate unique programs from city to suburban locations and ensure that no CSD personnel would lose their positions because of redistricting. Both districts would incur modest transportation costs. Personnel costs, in particular, remain unknown until the full RCCSD hiring process would be completed. The Committee reviewed the districts' requests, but did not evaluate them (see Appendix 1).
6. Extensive repairs, restoration, or replacement of systems is required at the eight Wilmington schools that would transfer across districts. Much of this work needs to be undertaken over the next decade regardless of the district in which the facilities reside. These needs are addressed in the **facilities assessment** conducted by StudioJAED of Bear, Delaware, selected through an RFP process overseen by the Delaware Department of Education.<sup>59</sup> Two expenses flow from the WEIC redistricting proposal: RCCSD specific-construction requirements and CSD relocation costs. Bringing the new facilities into compliance with RCCSD district-specific construction requirements is estimated to cost **\$9,812,012**. (RCCSD would likely declare some facilities surplus, reducing this cost.) In addition, relocating CSD programs now in Wilmington to

<sup>52</sup> This funding will follow CSD students who transfer to RCCSD.

<sup>53</sup> This funding will follow CSD students who transfer to RCCSD.

<sup>54</sup> This is the net funding for each district after accounting for changes in revenues and expenditures.

<sup>55</sup> Revenue from the Match Tax is authorized for specific purposes. All funding is spent out yearly.

<sup>56</sup> The RCCSD board is authorized to raise the Tuition Tax rate to account for this shortfall. Insufficient information was provided by CSD to determine net amount.

<sup>57</sup> Not Including Debt Service.

<sup>58</sup> Not Including Debt Service or Tuition Tax

<sup>59</sup> Contract details can be found here: [http://contracts.delaware.gov/contracts\\_detail.asp?i=4162](http://contracts.delaware.gov/contracts_detail.asp?i=4162)



renovated suburban space could cost up to **\$28,341,500** depending on specific locations and which programs are retained.

7. Even without RCCSD-specific costs, the facilities assessment identifies **\$68,989,485** in work that should be done over the next two years. Over the next decade, the assessment puts the total cost of deferred maintenance, capital improvements, and RCCSD-specific costs at **\$121,642,268**. Either new debt service would be required to cover the deferred maintenance, capital improvements, and RCCSD-specific construction standard requirements, or the district might explore other options. For details see Section IV of this report and the StudioJAED facilities assessment on WEIC website.
8. There would be minimal fiscal impacts on other districts serving Wilmington and on charter schools across New Castle County. For example, payments for students who choice into these other districts and schools would be adjusted to the RCCSD rate.
9. WEIC, CSD, RCCSD, and the Delaware General Assembly agree that the plan requires “necessary and sufficient funding” to succeed. One element of that funding would be to provide supplemental services for children in poverty, English Language Learners, and K–3 special education students. WEIC’s final plan included a model sample district to illustrate how the new units would work. If one applied that model and used 2015–2016 enrollments, new resources would flow to the districts, \$7.6 million to RCCSD, \$5.8 million to CSD, and an additional \$2 million for CSD’s City of Wilmington students. **These resources are not included in this report, but we would be remiss if we did not remind members of the Delaware General Assembly of the critical importance of this reform.**
10. To implement the WEIC redistricting plan, both RCCSD and CSD would require additional funding. Table 38 summarizes what the Committee can affirm at this time and should be a starting point for future conversations between the districts, DDOE, and OMB.
  - RCCSD would have a shortfall in local funds and CSD would have a surplus.
  - Most transition costs remain estimates and would not be known until the districts’ planning is complete.
  - RCCSD hiring decisions would directly affect the cost to CSD of retaining staff. If all CSD staff were hired, the transition cost to CSD would be \$0 but if none were hired, the cost would be approximately \$6,129,000.
  - Facilities costs would be the largest expense and were provided in the facilities assessment completed by StudioJAED. RCCSD would need \$9,812,012 to bring the eight transferring CSD facilities into conformity with RCCSD requirements. (Not all facilities would likely be retained.)
  - Relocating CSD programs now in the city to renovated suburban locations could cost up to \$28,341,500. This cost would be subject to numerous qualifications, for example, the specific locations requiring renovation are unknown.

- Parent choices about their children’s education plans would affect costs, particularly transportation.

**Table 38. Funding Required to Implement Transition**

Funding Source	Red Clay Consolidated School District	Christina School District
Local Funds Sub-Total (ongoing)	(\$11,876,013) <sup>60</sup>	\$1,726,591 <sup>61</sup>
<b>Transition Cost Requests</b> <sup>62</sup>		
People	\$385,000	\$0-\$6,129,000
Facilities <sup>63</sup>	Up to \$9,812,012	Up to \$28,341,500
Programs	TBD	\$394,000
Technology	\$2,452,000	TBD
Transportation	TBD	TBD

## B. Issues to be Resolved

The Committee believes the Delaware General Assembly will need to resolve several issues. In this section, the Committee establishes the dimensions of four highlighted issues: the RCCSD shortfall; debt service; tax liability of former CSD residents; and the New Castle County Tax Pool. It is not within the Committee’s purview to make recommendations on these questions.

### **RCCSD Shortfall**

This report’s most startling finding is that RCCSD would face a large gap between the additional tax revenues generated from properties transferring to RCCSD and the additional local expenditures needed for students moving to the district. The Committee believes that many of the former CSD pupils would be high-risk students and, therefore need additional services that the district provides from local funds.

As we explained, the Committee’s maximum cost estimate is that RCCSD’s shortfall would be **approximately \$10,604,508**. This assumes that ALL CSD Wilmington students currently attending CSD’s schools would move to RCCSD schools. With the option to complete their program of study uninterrupted, virtually everyone agrees that it is unlikely all CSD high school students would move to RCCSD. It is impossible to know how many might opt to remain until the students and families began to make choices during the implementation phase of the redistricting plan.

How much might the maximum cost be reduced? Should we assume that 80 percent of CSD’s secondary students would choose to remain in place? Or would 50 percent be a reasonable assumption?

<sup>60</sup> Not Including Debt Service.

<sup>61</sup> Not Including Debt Service or Tuition Tax.

<sup>62</sup> Costs included are enumerated cost estimates made by the districts or provided in the facilities assessment prepared by StudioJAED. The Ad Hoc Committee did not evaluate these requests. For additional details on these costs refer to section III of the report and Appendix 1.

<sup>63</sup> Drawn from StudioJAED facilities assessment.

Or, perhaps, another percentage is reasonable? There is no guidance from past experience, but it is reasonable to assume that **in the first four years after the boundary change, RCCSD's costs will be lower than the maximum cost projection.** The number of students remaining in CSD schools would decrease as cohorts graduate. After the first four years, new residents would become accustomed to the quality and opportunities in RCCSD schools, and students would choose to stay in RCCSD, boosting the shortfall to the maximum level. On the other hand, the initial Wilmington Educational Advisory Committee report projected significant growth in the number of seats in Wilmington-based charter high schools that would reduce the number of high school students and lower the shortfall.

To ensure that no one underestimates the gap between local revenues and local expenditures, the Committee concludes that in the **first year of implementation, the shortfall would be a maximum of approximately \$10,604,508.**

How would RCCSD close this shortfall? WEIC has argued that RCCSD taxpayers should not bear that burden. It reflects the reality that the revenue generated from Wilmington's property base is not sufficient to meet the needs of the city's students at prevailing tax rates, no matter which district is responsible for those students and schools.

**The Committee believes this is an issue that needs to be resolved before redistricting would move forward.**

### ***Debt Service***

Counsel to WEIC has found support for two opposite possibilities:

- The debt remains with the district while the facilities transfer.
- The debt moves with the facilities.

We lay these out in Scenarios One and Two.

Table 39 shows the required debt service payments on CSD Wilmington facilities over the length of their respective bonds. Note that the taxable assets of the City of Wilmington's properties provide sufficient revenue to cover required debt service payments over the length of the bond at either the CSD or RCCSD tax rate (see Appendices 2 and 3).

**Table 39. Required Debt Service Payments on Christina School District Wilmington Facilities by Fiscal Year as of July 1, 2017**

<b>Year</b>	<b>Debt</b>
FY 2018	\$838,254.34
FY 2019	\$561,242.51
FY 2020	\$543,621.16
FY 2021	\$525,999.80
FY 2022	\$508,378.45
FY 2023	\$490,757.10
FY 2024	\$464,455.75
FY 2025	\$330,467.53
FY 2026	\$187,097.00
FY 2027	\$130,728.00
FY 2028	\$125,364.00

Source: Office of the State Treasurer

### ***Scenario One: Debt Remains with Christina School District***

One provision of the Delaware Code, while not dispositive, is instructive.

14 Del. C. sec. 1028 governs division of reorganized school districts into two or more by the State Board, the reverse of the process proposed by WEIC and examined here. Subsection (d) of that section relates to bond debt and provides as follows:

In the event any reorganized school district has, at the time of division, any outstanding obligations evidenced by bonds or bond obligations resulting from a division in a previous high school district, such obligations shall remain the obligations of the residents of the school district then obligated upon such bonds to pay the principal and interest when due until paid according to the original authorization with respect to principal and interest. The rights of any bondholder shall not be impaired by reason of a division of any reorganized school district. If division is by referendum, the notice of the referendum shall distinctly state the provisions of this subsection. (14 Del. C. sec. 1028)

### ***Scenario Two: Debt Moves with Facilities from CSD to RCCSD***

The Committee received a second opinion from the Director of Bond Finance in the Delaware Department of Finance. In her view, the local share of bond debt would follow the property to the new district. The amount of debt remaining for a property could affect the answer.

**The Committee believes this is an issue for the Delaware General Assembly to resolve.**

### C. Taxpayer Liability of Residents Formerly in CSD Attendance Area

During the Committee's deliberations, the question arose about the tax obligation of property owners who formerly resided within the CSD attendance area but now would reside in the RCCSD area. Would those taxpayers be obligated to pay RCCSD tax rates? This would be a particular problem if the taxpayers were called upon to pay a higher tax bill upon which they had not voted. As former residents of CSD, they had no opportunity to participate in RCCSD referenda.

In all cases save one, the CSD tax rates are presently higher than those of RCCSD. This issue was reviewed briefly in Section II.A. of this report. But the higher tax rate, Debt Service, is set through referendum.

**Table 40. Local Tax Rates for Christina School District and Red Clay Consolidated School District as of July 1, 2016**

Category	Christina School District	Red Clay Consolidated School District
Current Expense (R)	1.252	1.058
Tax Pool (L)	0.468	0.468
Match (B)	0.06	0.05
Tuition (B)	0.49	0.382
Debt Service (R)	0.11	0.216
<b>TOTAL</b>	<b>2.38</b>	<b>2.174</b>

Source: Correspondence J. Floore and B. Silber

*Set by Referendum (R)*

*Set by Legislation (L)*

*Set by Board (B)*

There are several logical possibilities:

If former CSD residents were required to pay the new RCCSD rates (including Debt Service), they would see an overall property tax reduction from 2.38 cents per \$100 assessed value to 2.174.

If it were determined that the former CSD residents would continue to pay the CSD rates until such time as they have the opportunity to participate in RCCSD referenda, they would bear a disproportionate share of RCCSD expenses, paying 2.38 cents while other RCCSD residents would pay 2.174 cents per \$100 assessed value.

If it were determined that former CSD residents should pay all RCCSD tax rates except Debt Service where they would continue to pay the CSD rate until participating in the next RCCSD referendum, former CSD residents would pay 2.068 cents per \$100 assessed value, an overall reduction from the CSD tax obligation but also less than the RCCSD rate.

There is no clear mechanism whereby a school district can charge residents differential tax rates. A single rate would be preferable to make the property transfer to RCCSD clear.

**The Committee believes this is an issue for the Delaware General Assembly to resolve.**

#### **D. NCC Tax Pool**

General operations of the four northern New Castle County school districts are primarily funded through real estate taxes. There are two components to the tax rates of Red Clay Consolidated, Christina, Colonial, and Brandywine School Districts. The first component is referred to as the “New Castle County Tax Pool,” or simply the “Tax Pool,” which was established through Delaware Code when the New Castle County School District was divided into the four current districts in 1981. The tax rate has remained unchanged since it was set in 1985. Each of the four districts contributes the first 46.8 cents per \$100 of assessed value as set in Delaware Code, **14 Del Code §1925 and 14 Del Code §1028 (k)**. Funds from this pooled revenue are then redistributed based on each district’s total Division I earned units minus any units earned in Special Schools as calculated by the Department of Education. The effect of the Tax Pool is that money shifts from some districts to others.

The formula used for this redistribution is antiquated, and the Tax Pool no longer allocates funds equitably nor in accordance with the original intent. The formula for allocation has not been adjusted to account for students attending charter schools or exercising choice. Equally important, the formula was frozen at a time when some districts had adjusted for significant enrollment changes in special education based on inclusion efforts, while others were in the process of doing so. However, the timing of the freeze leaves a significant disparity in the formula where similar students (formerly special school students) are now counted for some districts and not others, which ultimately impacts the percentage of funding each district generates from the pool.

While the system’s inequities have been identified by the Department of Education and the districts, the allocation continues to be frozen because correcting it would create an immediate budget problem for one or more districts.

**Although opinions vary on precisely what should be done, the Committee agrees that this problem should be resolved.**

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## VII. Appendices

Appendix 1. Christina and Red Clay Transition Costs based on Interim Planning Sheets Submitted to WEIC Redistricting Committee During 2015–2016 School Year

Appendix 2. Debt Service Revenues for CSD City of Wilmington Properties from FY 2018 to FY 2028 at CSD Rate

Appendix 3. Debt Service Revenues for CSD City of Wilmington Properties from FY 2018 to FY 2028 at RCCSD Rate

Appendix 4. Federal Grant Summaries

Appendix 5. 148th General Assembly Senate Bill 300 as Amended By House Amendment 1

Appendix 6. 148th General Assembly Senate Joint Resolution 17

Appendix 7. City of Wilmington Students Currently Choicing Out of Christina School District, School Year 2016–17.

Appendix 8. StudioJAED Facilities Evaluation Analysis Definitions and Standards for the Delaware Department of Education

## Appendix 1. Christina and Red Clay Transition Costs based on Interim Planning Sheets Submitted to WEIC Redistricting Committee During 2015–2016 School Year

### Summary of Transition Cost Estimates

Funding Source	RCCSD	CSD
<b>People</b>		
Orientation/Professional Development	TBD	TBD
Guaranteed CSD Positions	\$0 to \$6.125M	TBD
Engagement	-----\$385,000 (joint)-----	
<b>Facilities (StudioJAED Assessment)</b>	See Section IV	See Section IV
<b>Programs</b>		
New Curricular Materials	TBD	TBD
Materials Storage	TBD	TBD
New Programs	TBD	TBD
Attendance Zones	\$10,000	TBD
<b>Technology</b>		
Infrastructure Changes	\$1.9M	TBD
Student Computers	\$550,000	TBD
<b>Transportation</b>		
Bus Storage	TBD	TBD
Transition Costs	TBD	TBD

## Red Clay Consolidated School District Interim Framework for Planning Transition Costs

### People

- Professional Development
  - Cost = *Budget Consideration*
  - There would be a significant cost as part of assimilating CSD staff to RCCSD, although it is difficult to determine costs until it is clear which programs might be added.
- Engagement (Joint Plan with CSD)
  - Cost = Shared \$385,000

### Facilities

- Facilities Assessment
  - Cost= \$79,000
  - Funded out of Fiscal Impacts Committee budget with Delaware Department of Education overseeing RFP process.
- Deferred Maintenance
- Building Standardization

### Programs

- Identification of Programs/Needs and Planning
  - Cost = \$1,000,000 (rough estimate)
  - This is a placeholder. Additional detail provided in #3 of Transition Costs Report.
- Curricular Materials
  - Cost for elementary math materials required for elementary students joining RCCSD = Approximately \$481,000
  - An inventory of curricular materials for other subjects will be necessary. ELA would be the most likely area where additional materials would be needed.
  - Secondary Students – There would be similar costs for any curricular materials needed for other subjects and grade levels. For example, as secondary students transition to RCCSD curriculum, the district would need to purchase additional textbooks and other curricular materials.

### Technology

- Infrastructure Costs

- Cost = \$1,902,000
- CSD existing equipment left in place may eliminate some of these costs, but the vast majority is related to providing infrastructure and technology similar to that installed in RCCSD buildings.
- Student Technology Costs
  - Cost = \$550,000
  - Initial purchase of 1:1 devices for students transitioning from CSD to RCCSD. Ongoing costs of this initiative would come from operating revenues.

### **Transportation**

- House Additional Buses
  - RCCSD currently leases approximately four acres of land for school bus storage, employee parking, and garage space. This space will not hold any additional buses or employees, so the district would need to acquire satellite space or move from the current facility to a larger one. While the ongoing rental costs for additional space would be covered in operating costs, there would be initial setup costs for the installation of fuel tanks, garage equipment, etc.
- Students choosing to remain in CSD Schools
  - There would be ongoing, unfunded costs for five+ years based on the provision that students may opt to complete their current program. While the state choice law will accommodate students choosing to remain in their existing school, the transportation for choice students is not currently covered. Either RCCSD or CSD would need funding to transport those students until they age out of their existing program.

## Christina School District Interim Framework for Planning Transition Costs

### *People*

- School-Based Personnel Assignment
  - Two-year transition costs to guarantee that non-transitioning staff in CSD retain positions. State to cover 100% of costs.
  - Teachers Cost = Approximately \$2,250,000
  - Paras Cost = Approximately \$750,000
  - Secretaries Cost = Approximately \$264,000
  - CNS Cost = Approximately \$540,000
  - Custodial Cost = Approximately \$1,125,000
  - Administrators Cost = Approximately \$1,200,000
- Engagement (Joint Plan with RCCSD)
  - Cost = Shared \$385,000

### *Facilities*

- Facility Requirements
  - Facilities Assessment
    - Cost = \$79,000
    - Funded out of Fiscal Impacts Committee budget with DDOE serving as fiscal agent.
- Unique and Special Programs
  - Sarah Pyle Academy
  - Douglass Program
  - Montessori Program
  - District Central Office
- Furniture
  - Cost = TBD (traditional schools)  
\$45,000 (SPA, Drew, Douglass)

### *Programs*

- Curricular Materials (traditional schools)
  - Cost = \$144,000
- High School Transition (planning and consulting)
  - Cost = Approximately \$125,000

- Suburban Elementary and Middle Impacts (planning and consulting)
  - Cost = Approximately \$125,000
- Bridge Plan
  - Cost = Budget Consideration

### **Technology**

For New Locations

- Systems (building automation, security and access, CCTV)
  - Cost = TBD
- Technology Infrastructure
  - Cost = TBD
- Technology – Hardware and Copiers
  - Cost = TBD (traditional schools)  
\$25,000 (SPA, Drew, Douglass)

### **Transportation**

- Students Choosing to Remain in CSD Schools
  - Cost = TBD
  - Costs for a couple of years based on the provision that students may opt to complete their program. Current transportation law is not sufficient, as cross-district busing is not funded. Ongoing transportation costs would be funded through the current transportation funding model.

## Appendix 2. Debt Service Revenues for CSD City of Wilmington Properties from FY 2018 to FY 2028 at CSD Rate<sup>64</sup>

Year	Debt	Revenue
FY 2018	\$838,254.34	\$1,198,702.35
FY 2019	\$561,242.51	\$1,204,695.87
FY 2020	\$543,621.16	\$1,210,719.35
FY 2021	\$525,999.80	\$1,216,772.94
FY 2022	\$508,378.45	\$1,222,856.81
FY 2023	\$490,757.10	\$1,228,971.09
FY 2024	\$464,455.75	\$1,235,115.95
FY 2025	\$330,467.53	\$1,241,291.53
FY 2026	\$187,097.00	\$1,247,497.98
FY 2027	\$130,728.00	\$1,253,735.47
FY 2028	\$125,364.00	\$1,260,004.15

<sup>64</sup> CSD Debt Service rate is 0.11 per \$100 of assessed value. Revenues increase by 0.5% each year.

## Appendix 3. Debt Service Revenues for CSD City of Wilmington Properties from FY 2018 to FY 2028 at RCCSD Rate<sup>65</sup>

Year	Debt	Revenue
<b>FY 2018</b>	\$838,254.34	\$2,353,815.53
<b>FY 2019</b>	\$561,242.51	\$2,365,584.61
<b>FY 2020</b>	\$543,621.16	\$2,377,412.53
<b>FY 2021</b>	\$525,999.80	\$2,389,299.60
<b>FY 2022</b>	\$508,378.45	\$2,401,246.09
<b>FY 2023</b>	\$490,757.10	\$2,413,252.32
<b>FY 2024</b>	\$464,455.75	\$2,425,318.59
<b>FY 2025</b>	\$330,467.53	\$2,437,445.18
<b>FY 2026</b>	\$187,097.00	\$2,449,632.40
<b>FY 2027</b>	\$130,728.00	\$2,461,880.57
<b>FY 2028</b>	\$125,364.00	\$2,474,189.97

<sup>65</sup> RCCSD Debt Service rate is 0.216 per \$100 of assessed value. Revenues increase by 0.5% each year.



## Appendix 4. Federal Grant Summaries<sup>66</sup>

### Title I Grant

**Estimated Fiscal Impact:** \$881,956 in funding will transfer with the students from CSD to RCCSD.

Title I, Part A is the U.S. Department of Education's largest K-12 grant program. Title I provides supplemental resources to help low-income schools to improve the academic achievement of struggling students.<sup>67</sup>

In Delaware, all Title I schools currently operate schoolwide programs. Schoolwide schools can use Title I funds to address their specific needs, including activities such as:

- Implementing schoolwide supports.
- Upgrading the curriculum—such as providing opportunities for struggling students to participate successfully in advanced coursework.
- Teacher support activities.
- School climate interventions.
- Formative or interim assessments and/or screening.
- Expanded learning opportunities.
- Family and community engagement activities.
- Implementation of community school mode.

### Title II ITQ Grant

**Estimated Fiscal Impact:** \$504,941 in funding will transfer with the students from CSD to RCCSD.

Title II, Part A is a U.S. Department of Education grant program that provides supplemental resources to improve teacher and principal quality.

To be eligible to receive Title II funds, federal law requires that LEAs<sup>68</sup> conduct an assessment of local needs for professional development and hiring, as identified by the LEA and school staff. According to the

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<sup>66</sup> Grant summaries were retrieved from <http://www.doe.k12.de.us/domain/163>

<sup>67</sup> How Title I, Part A Funds Can Be Used (May 6, 2015). Delaware Department of Education. Retrieved from: <http://www.doe.k12.de.us/cms/lib09/DE01922744/Centricity/domain/232/performance%20mgmt/title%20i/Title%20I%20Funds%20Guidance-5-6-15.pdf>

<sup>68</sup> An LEA is defined as a Local Education Agency (school district or charter school) by the Delaware Department of Education.

U.S. Department of Education guidance, the purpose of this needs assessment is to determine the needs of the LEA's teaching force in order to be able to have all students meet challenging state standards.<sup>69</sup>

LEAs must spend Title II, Part A funds consistent with the results of the needs assessment and must target schools that:

- Have the lowest proportion of highly qualified teachers;
- Have the largest average class size; or
- Are designated as low performing under the state's accountability system, such as priority or focus schools.

### Title III Grant

**Estimated Fiscal Impact:** \$29,894 will transfer with the students from CSD to the RCCSD.

U.S. Department of Education Title III provides supplemental funds to enhance district's and charter school's basic English as a second language (ESL) core instructional program. Title III funds are not intended to be the single source of revenue for the English language learner program. Districts and charters may leverage allowable expenditures from other federal programs, such as Title I, in order to ensure the fidelity of the ESL program.<sup>70</sup>

LEAs shall use the funds:

- To increase the English proficiency of limited English proficient (LEP) children by providing high-quality language instruction educational programs that are based on scientifically based research demonstrating the effectiveness of the programs in increasing English proficiency and student academic achievement in the core academic subjects
- To provide high-quality professional development to classroom teachers (including teachers in classroom settings that are not the settings of language instruction educational programs), principals, administrators, and other school or community-based organizational personnel, that is:
  1. Designed to improve the instruction and assessment of LEP children;
  2. Designed to enhance the ability of such teachers to understand and use curricula, assessment measures, and instruction strategies for LEP children;
  3. Based on scientifically based research demonstrating the effectiveness of the professional development in increasing children's English proficiency or substantially

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<sup>69</sup> How Title II, Part A Funds Can Be Used (May 1, 2015). Delaware Department of Education. Retrieved from: <http://www.doe.k12.de.us/cms/lib09/DE01922744/Centricity/domain/232/performance%20mgmt/title%20ii/Title%20II%20Funds%20Guidance-5-1-15.pdf>

<sup>70</sup> How Title III Funds Can Be Used (April 2016). Delaware Department of Education. Retrieved from: [http://www.doe.k12.de.us/cms/lib09/DE01922744/Centricity/domain/232/performance%20mgmt/title%20iii/Guidance TitleIII Funds 4-16.pdf](http://www.doe.k12.de.us/cms/lib09/DE01922744/Centricity/domain/232/performance%20mgmt/title%20iii/Guidance%20TitleIII%20Funds%204-16.pdf)

*increasing the subject-matter knowledge, teaching knowledge, and teaching skills of such teachers; and*

*4. Of sufficient intensity and duration.*

## **Perkins Grant**

**Estimated Fiscal Impact:** \$106,064 will transfer with the students from CSD to the RCCSD.

Carl D. Perkins Career and Technical Education (Perkins) is a U.S. Department of Education grant program that provides supplemental resources to support career and technical education (CTE).<sup>71</sup>

Perkins funds can be used on a wide variety of CTE-related activities, but there are three key considerations that should guide any spending decision:

- Perkins funds must be used to improve CTE programs.
- Perkins funds must be used to promote continuous improvement against core indicators of accountability.
- Perkins funds must be spent on allowable activities under the federal statute and consistent with the LEA's local plan.

To ensure states and LEAs are continually improving outcomes for CTE students, the Perkins statute requires LEAs to track their performance in seven areas:

- Academic attainment in reading/language arts and math.
- Technical skills attainment.
- Secondary school completion.
- Student graduation rates.
- Secondary placement.
- Nontraditional participation.
- Nontraditional completion.

LEAs must work with DDOE to set performance targets in each of these areas and annually report their progress. Perkins-funded activities should be designed to help LEAs meet their performance targets.

## **IDEA, Part B Grant**

**Estimated Fiscal Impact:** \$417,850 will transfer with the students from CSD to RCCSD under IDEA 611.

**Estimated Fiscal Impact:** \$20,493 will transfer with the students from CSD to RCCSD under IDEA 619.

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<sup>71</sup> How Perkins Funds Can Be Used (April 2016). Delaware Department of Education. Retrieved from: [http://www.doe.k12.de.us/cms/lib09/DE01922744/Centricity/domain/232/performance%20mgmt/Perkins/Guidance Perkins Funds 4-16.pdf](http://www.doe.k12.de.us/cms/lib09/DE01922744/Centricity/domain/232/performance%20mgmt/Perkins/Guidance%20Perkins%20Funds%204-16.pdf)

*IDEA, Part B is a U.S. Department of Education grant program that provides supplemental financial support to local educational agencies (LEAs) to help pay the excess cost of providing a free appropriate public education to children with disabilities.<sup>72</sup>*

*The grant is awarded in two parts:*

- *Section 611 funds support students ages 3 to 21 who have been identified as “children with disabilities” in accordance with IDEA, Part B 611 requirements.*
- *Section 619 funds support students ages 3 to 5 who have been identified as “children with disabilities” in accordance with IDEA, Part B 619 requirements.*

## **IDEA 611 Grant**

### *Section 611: Uses of Funds<sup>73</sup>*

*An LEA that meets maintenance of effort and excess cost requirements (see Section B) may spend Section 611 funds on any reasonable cost to deliver special education and related services to eligible students ages 3 through 21 with disabilities.*

*Common Section 611 costs include:*

- *Special education teachers and administrators.*
- *Related services providers (speech therapists, psychologists, assistive technology providers, etc.).*
- *Materials and supplies for use with children with disabilities.*
- *Professional development for special education personnel.*
- *Professional development for regular education teachers who teach children with disabilities.*
- *Assistive technology and assistive technology services to assist children with disabilities.*

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<sup>72</sup> How IDEA, Part B Funds Can Be Used (April 2016). *Delaware Department of Education*. Retrieved from: [http://www.doe.k12.de.us/cms/lib09/DE01922744/Centricity/domain/232/performance%20mgmt/idea/Guidance\\_IDEA\\_Funds\\_4-16.pdf](http://www.doe.k12.de.us/cms/lib09/DE01922744/Centricity/domain/232/performance%20mgmt/idea/Guidance_IDEA_Funds_4-16.pdf)

<sup>73</sup> Using IDEA, Part B Funds to Improve Outcomes for Students With Disabilities, Section 611 (April 2016). *Delaware Department of Education*. Retrieved from: [http://www.doe.k12.de.us/cms/lib09/DE01922744/Centricity/domain/232/performance%20mgmt/idea/Guidance\\_IDEA\\_Funds\\_4-16.pdf](http://www.doe.k12.de.us/cms/lib09/DE01922744/Centricity/domain/232/performance%20mgmt/idea/Guidance_IDEA_Funds_4-16.pdf)

## IDEA 619 Grant

### *Section 619: Uses of Funds<sup>74</sup>*

*An LEA that meets maintenance of effort and excess cost requirements may spend Section 619 funds on any reasonable cost to deliver special education and related services to eligible students ages 3 through 5 with disabilities.*

*Common Section 619 costs include:*

- *Special education teachers and administrators.*
- *Related services providers (speech therapists, psychologists, assistive technology providers, etc.).*
- *Materials and supplies for use with children with disabilities.*
- *Professional development for special education personnel.*
- *Professional development for regular education teachers who teach children with disabilities.*
- *Assistive technology and assistive technology services to assist children with disabilities.*

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<sup>74</sup> Using IDEA, Part B Funds to Improve Outcomes for Students With Disabilities, Section 619 (April 2016). *Delaware Department of Education*. Retrieved from: [http://www.doe.k12.de.us/cms/lib09/DE01922744/Centricity/domain/232/performance%20mgmt/idea/Guidance\\_IDEA\\_Funds\\_4-16.pdf](http://www.doe.k12.de.us/cms/lib09/DE01922744/Centricity/domain/232/performance%20mgmt/idea/Guidance_IDEA_Funds_4-16.pdf)

## Appendix 5. 148th General Assembly Senate Bill 300 as Amended By House Amendment 1



SPONSOR: Sen. Blevins  
Sens. Henry Townsend Peterson Marshall McDowell Hall-  
Long Poore Bushweller Ennis & Rep. J. Johnson

DELAWARE STATE SENATE

148th GENERAL ASSEMBLY

SENATE BILL NO. 300  
AS AMENDED BY  
HOUSE AMENDMENT NO. 1

AN ACT TO AMEND TITLE 14 OF THE DELAWARE CODE RELATING TO REORGANIZATION OF SCHOOL DISTRICTS AND MAKING A SUPPLEMENTAL APPROPRIATION TO SUPPORT CONTINUED WORK ON THE PLAN OF THE WILMINGTON EDUCATION IMPROVEMENT COMMISSION.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend § 1008, Title 14 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1008. Wilmington Education Improvement Commission.

(g) The WEIC shall work with and across all governmental agencies, educational entities, and private and nonprofit institutions to promote and support the implementation of all recommended changes from the Wilmington Education Advisory Committee (WEAC). The WEIC also will also monitor the progress of implementation and recommend policies and actions to the Governor and General Assembly to facilitate progress and to promote the continuous improvement of public education. The WEIC shall develop a transition, resource and implementation plan, for presentation to and approval by the State Board of Education, for the provision of necessary services to schools and students affected by the implementation of the changes recommended by WEAC. WEIC shall also develop a resource plan regarding transitional resources to effectively implement school district realignment. Both the transition plan and resource plan must be submitted first to the State Board of Education and then to the General Assembly and the Governor for final approval. Both are due for submission and related action by December 31, 2015. Final approval of the transition plan and resource plan by the General Assembly and the Governor shall not constitute an endorsement of any particular revenue or spending

measure and shall not bind the State, nor any of its political subdivisions, to any specific action with regard to revenue and spending.

Section 2. Amend § 1026, Title 14 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1026. Changing boundaries; vocational-technical school districts; City of Wilmington.

(d)(1) Notwithstanding the provisions of subsections (b) and (c) of this section, the State Board of Education may change or alter the boundaries of school districts in New Castle County in a manner consistent with some or all of the redistricting recommendations made by the Wilmington Education Advisory Committee in the report issued March 31, 2015, provided that the General Assembly passes, and the Governor signs, a Joint Resolution supporting the proposed changes in school district boundaries. Passage of such a Joint Resolution does not constitute support or approval of any particular measure for revenue or spending proposed in the plan described in this subsection.

(2) Prior to ordering a change or alteration of a school district boundary under this subsection, the State Board or the Wilmington Education Improvement Commission, shall conduct at least 1 public hearing in each of the school districts to be affected, including at least two in the City of Wilmington.

(3) In its decision and order to change or alter a school district boundary under this subsection, the State Board of Education shall adopt a transition, resource, and implementation plan. The plan shall be developed by the Wilmington Education Improvement Commission, for presentation to and approval by the State Board, and shall, at a minimum, provide for:

a. The orderly and minimally disruptive reassignment of students affected by the boundary change and the reassignment of governance responsibilities;

b. Implications for educators, administrators, and other personnel that may lead to equitable adjustments to local collective bargaining agreements;

c. ~~Resources~~ Recommendations on resources that will be required, from state, district, and local sources, to support the redistricting transition and provide for the effective ongoing education of all affected students, and for the support of schools with high concentrations of low income students and English language learners;

d. Student transportation;

e. Distribution of capital assets; and

f. Engagement of educators, staff, parents, district personnel, and community members throughout the transition.



The plan shall permit students to continue their attendance at the school they attended prior to the boundary change, with tuition payments by the sending district as provided in Chapter 6 of this title, until such time as the pupils complete the grade levels offered in that school. If the State Board does not approve the plan as submitted by the Wilmington Education Improvement Commission, it shall notify the chairperson of the Commission in writing, give reasons why the plan was not approved, and allow the Commission to resubmit the plan within 60 days of the chairperson receiving the notice of denial.

(4) The State Board shall base its decision to change or alter school district boundaries on a record developed in compliance with state open meetings laws.

(5) The authority of the Wilmington Education Improvement Commission and the State Board of Education to act under the provisions of this subsection shall terminate on March 31, 2016.

Section 3. There is hereby appropriated \$200,000 to Public Education, Block Grants and Other Pass Through Programs, Special Needs Programs (95-03-20) to continue work related to the efforts of the Wilmington Education Improvement Commission. The appropriation establishes the Wilmington Redistricting Transition Fund. Any requirements for additional State funding, including capital improvements that may be based upon revised transportation feeder patterns, and the reallocation of State and federal resources and local budget impacts shall require action by the General Assembly to take effect. Changes to the Red Clay Consolidated School District's property tax rate shall require the approval of the residents of the District through the referendum process under § 1903 of Title 14.

## Appendix 6. 148th General Assembly Senate Joint Resolution 17



SPONSOR: Sen. Blevins  
Sens. Henry Marshall Townsend Poore McDowell  
Peterson Hall-Long Bushweller Ennis & Rep. J. Johnson

DELAWARE STATE SENATE  
148th GENERAL ASSEMBLY

SENATE JOINT RESOLUTION NO. 17

AFFIRMING THE DECISION OF THE STATE BOARD OF EDUCATION TO APPROVE THE PLAN OF THE WILMINGTON EDUCATION IMPROVEMENT COMMISSION AND AUTHORIZING CONTINUED WORK BY THE COMMISSION.

1 WHEREAS, the Wilmington Education Improvement Commission (the "Commission") was created and  
2 empowered by House Bill No. 148, as amended, to plan, recommend, and implement improvements to the quality and  
3 availability of public education in the City of Wilmington; and

4 WHEREAS, Senate Bill No. 122, passed in the first half of the 148th General Assembly, made amendments to  
5 § 1026 of Title 14 of the Delaware Code, and authorized the State Board of Education to change or alter the boundaries of  
6 school districts in New Castle County in a manner consistent with some or all of the redistricting recommendations made  
7 by the Wilmington Education Advisory Committee in the report issued March 31, 2015, provided that the General  
8 Assembly passes, and the Governor signs, a Joint Resolution supporting the proposed changes; and

9 WHEREAS, in compliance with § 1026(d)(2) of Title 14, the Commission held 6 public hearings, including at  
10 least 1 public hearing in each of the affected school districts and at least 2 in the City of Wilmington; and

11 WHEREAS, the Commission presented to the Board of Education a plan for redistricting dated December 15,  
12 2015, and revised on March 14, 2016, including an addendum thereto dated February 11, 2016, (the "Plan") which  
13 addresses all provisions identified in §§ 1026(d)(3) and 1008(g) of Title 14 and also describes the ways in which  
14 redistricting will lead to higher-quality schools and improved student outcomes; and

15 WHEREAS, the State Board of Education approved the Plan at a meeting of the Board on March 17, 2016; and

16 WHEREAS, the Plan is conditioned upon the allocation of necessary and sufficient funding, including resources to  
17 support affected school districts and eventual extension of those resources statewide, and the Plan is designed to be  
18 suspended for a year in the absence of an appropriation of said necessary and sufficient funding; and

19 WHEREAS, the General Assembly will not be able to allocate necessary and sufficient funding in a manner  
20 consistent with the Plan for the State fiscal year ending June 30, 2017, and therefore it is recognized that the Plan will be  
21 suspended; and

22 WHEREAS, the General Assembly affirms the State Board of Education's approval of the Plan and desires that the  
23 Commission continue to develop additional specificity in the Plan, including working with the Christina School District and  
24 Red Clay Consolidated School District to include assessment of facilities, possible grade configurations, transportation  
25 feeder patterns, transition support for students and schools, and the reallocation of State units of funding.

26 NOW, THEREFORE:

27 BE IT RESOLVED by the Senate and the House of Representatives of the 148<sup>th</sup> General Assembly of the State of  
28 Delaware, with the approval of the Governor, that the General Assembly and Governor affirm the decision of the State  
29 Board of Education to approve the Plan, and authorize continued work by the Commission and others in additional  
30 development of details of implementation of the Plan.

31 BE IT FURTHER RESOLVED that the support of the General Assembly and the Governor for the Plan, including  
32 the alteration of school district boundaries, remains conditioned upon the allocation of necessary and sufficient funding;  
33 however, nothing in this Joint Resolution obligates the General Assembly to any action with respect to financing, property  
34 reassessment, or taxation.

35 BE IT FURTHER RESOLVED that the General Assembly and the Governor recognize that necessary and  
36 sufficient funding for the Plan is not provided in the Fiscal Year 2017 budget, and therefore the General Assembly and the  
37 Governor do not intend that this Joint Resolution fulfill the condition of § 1026(d)(1) of Title 14 and do not intend that this  
38 Joint Resolution constitute final approval for purposes of § 1008(g) of Title 14, but the General Assembly and the Governor  
39 anticipate that a joint resolution fulfilling those conditions be further considered after additional development of the details  
40 of implementation of the Plan.

#### SYNOPSIS

This Senate Joint Resolution affirms the decision of the State Board of Education to approve the Wilmington Education Improvement Commission's Plan ("the Plan") and supports the continued work of the Commission in developing details of implementation of the Plan.

It also recognizes that the Plan will require necessary and sufficient funding to achieve the goals laid out in the Plan for redistricting and improving student outcomes.

In the absence of necessary and sufficient funding support for the Plan in the Fiscal Year 2017 budget, this Senate Joint Resolution does not fulfill the condition of § 1026(d)(1) of Title 14 that the General Assembly pass and the Governor sign a joint resolution supporting the proposed changes to school district boundaries in New Castle County and does not constitute final approval of the transition and resources plan required under § 1008(g) of Title 14. The General Assembly and the Governor anticipate that a joint resolution fulfilling those conditions be further considered after additional development of the details of implementation of the Plan.

Author: Sen. Blevins

## Appendix 7. City of Wilmington Students Currently Choicing Out of Christina School District, as of the September 30, 2016 Unit Count

**City of Wilmington Students Currently Choicing Out of Christina School District**  
**By SCHOOL NAME AND GRADE LEVEL**

Choice District & School Name	Classification					
	PreK	K-3	Grades 4-12	Basic	Intense	Complex
<b>APPOQUINIMINK</b>						
Middletown HS			2			
Redding MS			1			
Silver Lake Elem			3			
Townsend Elem		1				
<b>BRANDYWINE</b>						
Brandywine HS			10	1		
Carrcroft Elem		2				
Charles W. Bush School	1					
Claymont Elem			3	1		
Forwood Elem		1	1			
Hanby Elem		1				
Harlan Elem		8	5	1	2	
Lombardy Elem		2				
Maple Lane Elem		2	2			
Mt. Pleasant Elem		7	2	1	1	
Mt. Pleasant HS			21	1		
P.S DuPont MS			10	3		
Springer MS			3			
Talley MS			5	2		
<b>COLONIAL</b>						
Carrie Downie Elem		2	1	1		
Castle Hills Elem		3	2			
Eisenberg Elem		2		1		
George Read MS			3		1	
McCullough MS			6			
New Castle Elem		2	2			
Pleasantville Elem		1				
Southern Elem			1		1	1
William Penn HS			9		4	
Wilmington Manor Elem		1			1	
<b>NCCVT</b>						
Delcastle HS			100	7	3	
Delcastle ILC					3	
Hodgson Vo-Tech HS			31	3	3	
Howard HS			98	12	4	
St. Georges HS			13	1		
<b>RED CLAY</b>						
A.I DuPont HS			52	11	2	
A.I DuPont MS			26	4		
Baltz Elem		8	4	1		
Brandywine Springs School		1				
Cab Calloway School of the Arts			4			
Conrad Schools of Science			17			
Cooke Elem		1	1			

Dickinson High School			11	1	1	1
First State School						4
Forest Oak Elem		3	3			
H.B DuPont MS			18	2		
Heritage Elem		1		1		
Highlands Elem		19	9	3		
Lewis Dual Language Elem		51	17			1
Linden Hill Elem		1				
Marbrook Elem		5	3	2		
McKean HS			17	3	1	
Meadowood Program					1	
Mote Elem			1			
Richardson Park Elem		13	9	4	3	
Richardson Park Learning Center	4				5	1
Richey Elem		4	1	1		
Shortlidge Academy		13			1	
Skyline MS			3			
Stanton MS			10	3	1	
Warner Elem		2	9	1	1	
<b>SMYRNA</b>						
Smyrna HS					1	
<b>CHARTER SCHOOLS</b>						
Academia Antonia Alonso		109				
Charter School of Wilmington			2			
DE Academy of Public Safety & Security			13	4	4	
DE Design-Lab High School			13	6		1
DE Military Academy			7			
Early College HS @ DSU			7			
East Side Charter School		90	48	8	7	5
Family Foundations Academy		48	49	6		2
First State Military Academy			1			
First State Montessori Academy		21	9	1	1	
Freire Charter School			51	14	5	
Gateway Lab School		3	6	5	12	1
Great Oaks Charter School			81	20	5	4
Kuumba Academy		154	121	13	3	
Las Americas Aspira Academy		10	14	3	3	
MOT Charter School			1	2		
Odyssey Charter School		26	30	1	1	
Prestige Academy			53	8	2	2
Thomas Edison Charter School		129	114	8		
<b>TOTAL</b>	<b>5</b>	<b>747</b>	<b>1,169</b>	<b>173</b>	<b>83</b>	<b>24</b>

## Appendix 8. StudioJAED Facilities Evaluation Analysis Definitions and Standards for the Delaware Department of Education



### **Project Scope of Work Summary**

The project includes a comprehensive facilities condition assessment to be conducted at eight (8) Christina School District schools located in the City of Wilmington for the purpose of identifying deferred maintenance and capital improvement needs as well as Red Clay Consolidated School District driven construction standard requirements. The assessment scope includes an evaluation of all major building systems as well as site improvements including:

Building Envelope (Structure and Systems)	Plumbing Systems
Roofing	Fire Protection Systems
Exterior Walls, Windows, Doors	Hazardous Abatement
Interior Construction & Finishes	Elevators / Lifts / Ramps (ADA)
HVAC Systems	Security Systems
Electrical Power / Distribution	Exterior Building Lighting
Lighting Systems	Sidewalks / Building Perimeter
Telecommunications	Pedestrian & Vehicular Access / Flow
	Athletic / Play Fields

### **Building Classification System**

The UNIFORMAT classification system is one of the primary tools for insuring consistency of assessment information between buildings and projects. Listed below is the categorization by which “corrective actions” are applied to each facility by building system and sub-system per the UNIFORMAT.

- |                                |   |
|--------------------------------|---|
| 1. A20 – Basement Construction | 10. D30 – HVAC                          |
| 2. B10 – Superstructure        | 11. D40 – Fire Protection               |
| 3. B20 – Exterior Enclosure    | 12. D50 – Electrical                    |
| 4. B30 – Roofing               | 13. E10 – Equipment                     |
| 5. C10 – Interior Construction | 14. E20 – Furnishings                   |
| 6. C20 – Stairs                | 15. F10 – Special Construction          |
| 7. C30 – Interior Finishes     | 16. G20 – Site Improvements             |
| 8. D10 – Conveying             | 17. G30 – Site/Mechanical Utilities     |
| 9. D20 – Plumbing              | 18. G40 – Site/Electrical Utilities     |
|                                | 19. H10 – Additional Space Requirements |

### **Prioritization Classifications**

Corrections will be assigned a priority which, in the opinion of the assessor, classifies the urgency of the required replacement or repair. The data can be queried to generate assessment reports based on individual priorities.

- |                          |  |
|--------------------------|--|
| • Priority 1 ~ Immediate | Work should be performed immediately. Potential Life / Safety issue. |
| • Priority 2 ~ High      | Work should be performed within the next 1-2 years.                  |

	Asset has reached useful life.
• Priority 3 ~ Medium	Work should be performed within the next 3-5 years. Asset will reach useful life soon.
• Priority 4 ~ Low	Work should be performed within the next 6-10 years or the subject deficiency is an architectural or engineering “good practice” recommendation that is not required by code.

#### Reasons for Corrective Actions

Corrections will be assigned a “reason” criterion that helps identify “why” the subject correction was noted. Similar to priority, the reason property can be queried in the database after generation of the assessment report. Suggested reasons available for assignment to a correction include:

- ADA
- Aesthetics
- Codes/Standards
- Damage/Wear
- Energy Conservation
- Environmental Improvements
- Functional / Functionality
- Life Safety
- Security

#### Correction Type Category

Corrections will be assigned a “correction category” criterion that helps identify the driver or “type” of expenditure required to address the recorded issue. This rating will provide another option to analyze data and assist the decision making process to develop long and short capital improvement plans.

- Deferred Maintenance
  - Corrective actions that address required maintenance repairs, restoration, or replacement of an existing building system or component that have not yet been expended.
- Capital Improvement
  - Corrective actions that address a non-existing or non-compliant building system or component required to meet facility standards or general code / ADA compliance.
  - Corrective actions that address educational or functional inadequacies of existing space.
- RCCSD Construction Standards