

**DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT
BOARD OF EDUCATION
RESOLUTION**

**ADOPTING THE SECOND AMENDMENT TO
THE FISCAL YEAR 2020-2021
DPSCD FOOD SERVICE FUND BUDGET**

WHEREAS, on June 21, 2016, Public Act 192 of 2016 (“Public Act 192”) amending The Revised School Code, 1976 PA 451, as amended, MCL §§380.1 to 380.1853 (the “Revised School Code”), was enacted with immediate effect; and

WHEREAS, once Act 192 took effect, the School District of the City of Detroit (“DPS”) became a qualifying school district under section 12b of the Revised School Code, MCL §380.12b, and a community district was created for the same geographic area of DPS to provide public educational services for residents of that geographic area (the “Community District”) under section 383 of the Revised School Code, MCL §380.383; and

WHEREAS, the community district created for the same geographic area of DPS to provide public educational services for residents of that geographic area (the “Community District”) under section 383 of the Revised School Code, MCL §380.383 was named the Detroit Public Schools Community District (“DPSCD”); and

WHEREAS, the Board of Education of the Detroit Public Schools Community District (“Board”) was duly elected in November 2016 and took office on January 1, 2017; and

WHEREAS, DPSCD is subject to financial oversight by a Financial Review Commission to the extent provided under the Michigan Financial Review Commission Act, MCL §380.387 and MCL §141.1632 *et seq.*; and

WHEREAS, pursuant to the MCL §380.382 of the Revised School Code, DPSCD has all of the powers of a general powers school district and has all additional powers granted by law to a community district or the school board of a community district; and

WHEREAS, on June 16, 2020 a public hearing was held to discuss the fiscal year 2020-2021 Food Service Fund budget for DPSCD; and

WHEREAS, on June 16, 2020, the Board voted affirmatively to approve the fiscal year 2020-2021 Food Service Fund budget for DPSCD (“2020-2021 DPSCD Food Service Fund Budget”); and

WHEREAS, the 2020-2021 DPSCD Food Service Fund Budget may be revised and/or amended to reflect the changes in revenues and/or expenditures; and


WHEREAS, the Board now adopts this resolution amending the 2020-2021 DPSCD Budget, for the first time, in accordance with Section 7(c) of the Michigan Financial Review Commission Act, MCL §141.1637(c); and

NOW, THEREFORE IT IS HEREBY RESOLVED THAT:

1. Pursuant to the powers granted under Public Act 192, the Board of Education of the Detroit Public Schools Community District hereby adopts the First Amendment to the Fiscal Year 2020-2021 DPSCD Food Service Fund Budget as attached hereto.

RESOLVED this 8th day of December 2020.

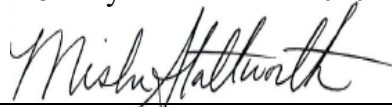
BOARD OF EDUCATION OF THE
DETROIT PUBLIC SCHOOLS
COMMUNITY DISTRICT

By: 

Iris A. Taylor, Ph.D., President
Detroit Public Schools Community District
Board of Education

Certification:

I certify that this Resolution was duly adopted by the Board of Education of the Detroit Public Schools Community District at a properly-noticed open meeting held with a quorum present on the 8th day of December 2020.



Misha Stallworth, Board Secretary
Detroit Public Schools Community District
Board of Education

FY 21 Food Service Amendment

The Food Service Fund currently projects an ending fund deficit of ~\$7M, based on the current staffing and meal distribution.

- ✓ The Nutrition Department employs ~550 staff and during a typical year distributes on average 69,500 meals per day. Due to COVID, the District was distributing ~16,000 meals per day through F2F instruction, learning centers and food distribution sites. With the suspension of in person learning and learning centers, we anticipate distributing ~4,000 meals per day.
- ✓ The Food Service Fund started FY 21 with a \$11.2M fund balance. Unless meals returns to normal distribution (which is unlikely), the department will spend through the fund balance by early February.
- ✓ **Board Approved Option:** The District will maintain Nutrition Staff employment while implementing strategies to increase food distribution and reducing costs. The District will waive \$1.5M transfer from Food Service Fund and transfer \$5.8M from the District General Fund to the Food Service Fund to cover anticipated deficit.

FOOD SERVICE FUND				
FY 2021 DRAFT BUDGET AMENDMENT #1				
YEAR ENDING JUNE 30, 2021				
		FY 21 Budget	FY 21 Propsoed	
	FY 20 Audited	Adopted	Amendment 1	Variance
Revenues				
Local sources	\$ 556,528	830,000	175,000	(655,000)
State sources	1,382,513	1,295,000	1,339,673	44,673
Federal sources	30,420,300	44,921,670	5,350,928	(39,570,742)
Other	2,314,612	-	2,600,000	2,600,000
Total Revenue	34,673,953	47,046,670	9,465,601	(37,581,069)
Expenditures				
Personnel	18,455,541	16,338,656	11,989,957	(4,348,699)
Purchased Services	3,457,490	3,760,742	1,722,729	(2,038,013)
Supplies	21,288,530	27,992,500	7,731,561	(20,260,939)
Equipment & Capital	494,524	1,503,000	2,485,387	982,387
Misc.	2,362,483	-	2,600,000	2,600,000
Total Expenditures	46,058,568	49,594,898	26,529,634	(23,065,264)
Excess (deficiency) of Revenue Over (Under) Expenditures	(11,384,615)	(2,548,228)	(17,064,033)	(14,515,805)
Other Sources (Uses)				
Transfers in	(132,819)	-	(5,800,000)	(5,800,000)
Transfers out	1,875,880	1,500,000	-	(1,500,000)
Total Sources (Uses)	1,743,061	1,500,000	(5,800,000)	(7,300,000)
Total Other Financial Sources (Uses)	1,743,061	1,500,000	(5,800,000)	(7,300,000)
Beginning Fund Balance	24,391,708	13,496,700	11,264,033	(2,232,667)
Ending Fund Balance	11,264,033	9,448,472	-	(9,448,472)