

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

**ADOPTING THE FIRST AMENDMENT TO
THE FISCAL YEAR 2019-2020
DPS 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, DPS and DPSCD are 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 May 14, 2019 a public hearing was held to discuss the fiscal year 2019-2020 budget for DPS; and

WHEREAS, on May 14, 2019, the Board voted affirmatively to approve the fiscal year 2019-2020 budget for DPS (“2019-2020 DPS Budget”); and

WHEREAS, the 2019-2020 DPS Budget may be revised and/or amended to reflect the changes in revenues and/or expenditures; and


WHEREAS, the Board now amends the 2019-2020 DPS 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 2019-2020 DPS Budget as attached hereto.

RESOLVED this 16th day of June 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 16th day of June 2020.



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

DPS FY 20 Budget Amendment No. 1

	FY 2019 Audited Actuals	FY 2020 Adopted Budget	FY 2020 Proposed Budget Amendment #1	Variance from Adopted Budget
Revenue:				
Local Sources ¹	\$ 68,869,427	\$ 65,145,930	\$ 69,050,171	\$ 3,904,241
State Sources	5,366,901	4,330,730	4,077,871	(252,859)
Total Revenue	74,236,328	69,476,660	73,128,042	3,651,382
Expenditures:				
Support Services				
Instruction				
Support Services	145,430	100,000	90,000	(10,000)
Total Support Services	145,430	100,000	90,000	(10,000)
Debt Service				
Stabilization Bonds	46,298,766	37,303,182	37,303,182	-
MPSERS	2,000,000	8,648,000	6,000,000	(2,648,000)
Emergency Loan Debt Service	1,965,000	1,965,000	1,965,000	-
Supplemental MPSERS Payments	4,503,076	-	19,291,589	19,291,589
Total Debt Service	54,766,842	47,916,182	64,559,771	16,643,589
Total Expenditures	54,912,272	48,016,182	64,649,771	16,633,589
Other Financial Sources/(Uses)				
Other Financing Sources	-	-	-	-
Transfer to DPSCD General Fund ²	(6,928,093)	(6,900,000)	-	6,900,000
Total Other Financial Sources/(Uses)	(6,928,093)	(6,900,000)	-	6,900,000
Total Expenditures and Other Sources/(Uses)	61,840,365	54,916,182	64,649,771	9,733,589
Excess (deficiency) of Revenue Over/ (Under) Expenditures and Other Uses	12,395,963	14,560,478	8,478,271	(6,082,207)
Beginning Fund Balance	5,049,270	(2,494,833)	17,445,233	
Ending Fund Balance	\$ 17,445,233	\$ 12,065,645	\$ 25,923,504	

DPS FY 20 General Fund Budget through the year ending June 30, 2020.

- ✓ Revenue is based on a conservative projection of remaining tax collections in May and June.
- ✓ Support Services include expenses for audit and staff expenses associated with the administration of DPS.
- ✓ Debt service expense includes both interest and principal for the Stabilization Bonds, MPSERS and Emergency Loan repayment.
- ✓ As part of the restructuring, it was assumed that a portion of the 18 mill property tax collection would ultimately be transferred to DPSCD for legacy obligations. During the FY19 Audit, the final transfer of \$6.9 million in remaining cash to DPSCD was recorded.

1) FY20 Local revenue projection is based on actual revenue as of April 30, 2020

2) During the Fiscal Year 2019 Audit, the transfer to DPSCD was pulled into FY19 from FY20