## RESOLUTION OF THE BOARD OF EDUCATION DETROIT PUBLIC SCHOOLS ADOPTING THE SECOND AMENDMENT TO THE 2016-2017 DPS BUDGET

WHEREAS, on June 21, 2016, Public Act 192 of 2016 ("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 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 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 Code, MCL 380.383 was named the Detroit Public Schools Community District ("DPSCD"); and

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

WHEREAS, the District 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 30, 2016, prior to the Board taking office, the 2016-2017 Budget for the Detroit Public Schools Community District was duly adopted; and

WHEREAS, the 2016-2017 Budget may be revised and/or amended to reflect the changes in revenues and/or expenditures; and

WHEREAS, the 2016-2017 Budget has been amended one time in accordance with Section 7(c) of the Financial Review Commission Act; and

WHEREAS, on June 13, 2017 a public hearing was held to discuss the Second Amendment to DPS' 2016-2017 budget; and

WHEREAS, on June 13, 2017 the Board voted affirmatively to approve the Second Amendment to the 2016-2017 DPS budget; and

## NOW, THEREFORE IT IS HEREBY RESOLVED THAT:

 Pursuant to the powers granted under Public Act 192 the Board of Education for DPSCD hereby adopts the Second Amendment to the FY 2016-2017 DPS Budget as attached hereto.

I hereby certify that the foregoing is a full, true and correct copy of a resolution duly passed and adopted by the Board of Education for the Detroit Public Schools Community District

Iris A. Taylor, Ph.D, Vresident

Detroit Public Schools Community District

Board of Education

Misha Stallworth, Secretary,

Detroit Public Schools Community District

Board of Education

Dated: 7-11-17

## **DPS FY 2017 Budget Amendment #2**

Revenue   Local sources		FY 2017 - Adopted	FY 2017 - Budget Amendment # 1	FY 2017 - Budget Amendment # 2	Budget Amendment # 2 Increase (Decrease) Over Budget Amendment # 1
Property Taxes	Revenue:				
Total Certain Support services   68,000,000   58,100,000   A339,800   A339,80	Local sources				
State sources				58,100,000	-
Total Revenue	Total local sources	66,000,000	58,100,000	58,100,000	-
Expenditures:		-			-
Expanditures:	Federal sources		35,160,478	35,160,478	
Support services	Total Revenue	66,000,000	97,600,358	97,600,358	
Pupl services	Expenditures:				
Publ services   - 1,057,615   1,488,538   439,923   Instructional staff support   - 539,652   1,436,528   896,608   60	Instruction	-	6,373,208	8,070,275	1,697,067
Instructional staff support	Support services				
Seneral administration   300,000   315,829   341,120   25,291   School administration   168,073   262,368   94,293   Business office   700,000   3,031,519   3,022,042   (3,477)   Operations & maintenance   5,495,000   7,748,640   2,250,640   Transportation   5,495,000   7,748,640   2,250,640   Transportation   6   138,310   2,208,425   2,770,115   Central support service   7,770,066   3,032,933   2,855,927   Cther support service   7,770,066   3,032,933   2,855,927   Cther support service   7,826   86,750   83,124   Total support service   1,000,000   10,927,630   19,731,072   8,803,442   165,350   Facilities acquisitions and improvement   2,417   2,417   -	Pupil services	-	1,057,615	1,488,538	430,923
School administration	Instructional staff support	-	539,652	1,436,258	896,608
Business office		300,000	315,829	341,120	25,291
Operations & maintenance         5,496,000         7,746,840         2,280,840           Transportation         138,310         2,308,425         2,770,115           Central support service         177,006         3,052,933         2,855,927           Other support services         1,000,000         10,927,630         19,731,072         8,803,442           Community service         16,092         181,442         165,350           Facilities acquisitions and Improvement         2,417         2,417         -           Debt service         34,300,000         34,285,117         (14,883)           Deformed MPSERS Interest         5,500,000         5,500,000         -           Emergency Loan Debt Service         1,211,750					
Transportation		700,000	. ,		
Central support service		-			
Other support services         1,000,000         10,927,630         19,731,072         8,803,442           Community service         -         16,092         181,442         165,350           Facilities acquisitions and improvement         -         2,417         2,417         -           Debt service         -         34,300,000         34,285,117         (14,883)           Deformed MPSERS Interest         -         5,500,000         5,600,000         -           Emergency Loan Debt Service         -         1,211,750         1,211,750         -           Total Debt service         66,000,000         41,011,750         40,996,867         (14,883)           Total Expenditures         66,000,000         58,331,997         68,982,073         10,650,976           Other Financial Sources (Uses)         150,000,000         150,000,000         150,000,000         -           State Transition Funding         150,000,000         150,000,000         150,000,000         -           Total Sources         150,000,000         150,000,000         150,000,000         -           Uses         1marker to DPSCD General Fund - Transition Operating Costs         (25,000,000)         (25,000,000)         -           Transfer to DPSCD General Fund - Transition Costs         <		-			
Total support services		-			
Community service         -         16,092         181,442         165,350           Facilities acquisitions and Improvement         -         2,417         2,417         -           Debt service         -         34,300,000         34,285,117         {14,883}           Deferred MPSERS Interest         -         5,500,000         5,500,000         -           Emergency Loen Debt Service         1,211,750         1,211,750         -           Total Debt service         66,000,000         41,011,750         40,996,867         (14,883)           Total Expenditures         66,000,000         58,331,697         68,982,073         10,659,976           Other Financial Sources (Uses)         150,000,000         150,000,000         150,000,000         -           State Transition Funding         150,000,000         150,000,000         150,000,000         -           Total Sources         150,000,000         150,000,000         150,000,000         -           Uses         Transfer to DPSCD General Fund - Transition Operating Costs         (25,000,000)         (25,000,000)         -           Transfer to DPSCD Food Service         -         (25,000,000)         (25,000,000)         (4,458,220)           Transfer to DPSCD Internal Service Fund and Agency Fund (ITPMC/Legal)	Other support service		3,626	86,750	83,124
Debt service	Total support services	1,000,000	10,927,630	19,731,072	8,803,442
Debt service	Community service	*	16,092	181,442	165,350
SAN Dabt Service	Facilities acquisitions and improvement	-	2,417	2,417	-
Deferred MPSERS Interest	Debt service				
Total Debt service	SAN Debt Service		34,300,000	34,285,117	(14,883)
Total Debt service 66,000,000 41,011,750 40,996,867 (14,883)  Total Expenditures 666,000,000 58,331,697 66,982,073 10,650,976  Other Financial Sources (Uses) Sources State Transition Funding 150,000,000 150,000,000 150,000,000 - Total Sources 150,000,000 150,000,000 150,000,000 - Uses Transfer to DPSCD General Fund - Transition Operating Costs - (25,000,000) (25,000,000) - Transfer to DPSCD General Fund - (15,696,275) (15,696,275) (15,696,275) (4,458,220) Transfer to DPSCD Internal Service Fund and Agency Fund (TIP/WC/Legal) - (28,600,000) (48,438,893) (19,838,893) Total Uses - (69,296,275) (93,593,388) (24,297,113)  Excess (deficiency) of Revenue and Other Sources Over (Under) Expenditures and Other Uses 150,000,000 119,972,986 85,024,897 (34,948,089)  Beginning Fund Balance (251,587,254) (251,587,254)	Deferred MPSERS Interest	-	5,500,000	5,500,000	
Total Expenditures	Emergency Loan Debt Service		1,211,750	1,211,750	
Total Expenditures					
Coller Financial Sources (Uses)   Sources   State Transition Funding   150,000,000   150,000,000   150,000,000   150,000,000   - 150,000,000   150,000,000   150,000,000   -	Total Debt service	65,000,000	41,011,750	40,996,867	(14,883)
Sources         State Transition Funding         150,000,000         150,000,000         150,000,000         -           Total Sources         150,000,000         150,000,000         150,000,000         -         -           Usas         Transfer to DPSCD General Fund - Transition Operating         Costs         -         (25,000,000)         (25,000,000)         -           Transfer to DPSCD General Fund         -         (15,696,275)         (15,696,275)         -           Transfer to DPSCD Food Service         -         -         (4,458,220)         (4,458,220)           Transfer to DPSCD Internal Service Fund and Agency         -         (28,600,000)         (48,438,893)         (19,838,893)           Total Uses         -         (69,296,275)         (93,593,388)         (24,297,113)           Total Other Financial Sources (Uses)         150,000,000         80,703,725         56,406,612         (24,297,113)           Excess (deficiency) of Revenue and Other Sources         150,000,000         119,972,986         85,024,897         (34,948,089)           Beginning Fund Balance         (251,587,254)         (251,587,254)         (251,587,254)         (251,587,254)	Total Expenditures	66,000,000	58,331,697	68,982,073	10,650,976
State Transition Funding					
Total Sources		480 000 000	450 004 5	450 000 5	
Uses   Transfer to DPSCD General Fund - Transition Operating   -   (25,000,000)   (25,000,000)   -					-
Transfer to DPSCD General Fund - Transition Operating Costs - (25,000,000) (25,000,000) - Transfer to DPSCD General Fund - (15,696,275) (15,696,275) (- Transfer to DPSCD Food Service - (4,458,220) (4,458,220) Transfer to DPSCD Internal Service Fund and Agency Fund (TIP/WC/Legal) - (28,600,000) (48,438,893) (19,838,893) Total Uses - (69,296,275) (93,593,388) (24,297,113)  Total Other Financial Sources (Uses) 150,000,000 80,703,725 56,406,612 (24,297,113)  Excess (deficiency) of Revenue and Other Sources Over (Under) Expenditures and Other Uses 150,000,000 119,972,986 85,024,897 (34,948,089)  Beginning Fund Balance (251,587,254) (251,587,254)		150,000,000	150,069,600	150,000,000	•
Costs - (25,000,000) (25,000,000) -					
Transfer to DPSCD General Fund         - (15,896,275)         (15,696,275)         - (15,696,275)			63E 000 000)	(25 000 000)	
Transfer to DPSCD Food Service         -         -         (4,458,220)         (4,458,220)           Transfer to DPSCD Internal Service Fund and Agency         -         -         (28,600,000)         (48,438,893)         (19,838,693)           Total Uses         -         (69,296,275)         (93,593,388)         (24,297,113)           Total Other Financial Sources (Uses)         159,000,000         80,703,725         56,406,612         (24,297,113)           Excess (deficiency) of Revenue and Other Sources         Over (Under) Expenditures and Other Uses         160,000,000         119,972,986         85,024,897         (34,948,089)           Beginning Fund Balance         (251,587,254)         (251,587,254)         (251,587,254)         (251,587,254)		-			-
Transfer to DPSCD Internal Service Fund and Agency Fund (TIP/WC/Legal)         - (28,600,000)         (48,438,893)         (19,838,893)           Total Uses         - (69,296,275)         (93,593,388)         (24,297,113)           Total Other Financial Sources (Uses)         150,000,000         80,703,725         56,406,612         (24,297,113)           Excess (deficiency) of Revenue and Other Sources         000,000         119,972,986         85,024,897         (34,948,089)           Beginning Fund Balance         (251,587,254)         (251,587,254)         (251,587,254)         (251,587,254)			(10,000,210)		(4.458.220)
Fund (TIP/WC/Legal) - (28,600,000) (48,438,893) (19,838,693) Total Uses - (69,296,275) (93,593,388) (24,297,113)  Total Other Financial Sources (Uses) 150,000,000 80,703,725 56,406,612 (24,297,113)  Excess (deficiency) of Revenue and Other Sources Over (Under) Expenditures and Other Uses 150,000,000 119,972,986 85,024,897 (34,948,089)  Beginning Fund Balance (251,587,254) (251,587,254)				(4,400,220)	(1, 100;EE0)
Total Uses - (69,296,275) (93,593,388) (24,297,113)  Total Other Financial Sources (Uses) 150,000,000 80,703,725 56,406,612 (24,297,113)  Excess (deficiency) of Revenue and Other Sources Over (Under) Expenditures and Other Uses 150,000,000 119,972,986 85,024,897 (34,948,089)  Beginning Fund Balance (251,587,254) (251,587,254) (251,587,254)			(28,600,600)	(48.438.893)	(19.838.893)
Excess (deficiency) of Revenue and Other Sources Over (Under) Expenditures and Other Uses  150,000,000  119,972,986  85,024,897  (34,948,089)  Beginning Fund Balance  (251,587,254)  (251,587,254)		*			
Over (Under) Expenditures and Other Uses         150,000,000         119,972,986         85,024,897         (34,948,089)           Beginning Fund Balance         (251,587,254)         (251,587,254)         (251,587,254)	Total Other Financial Sources (Uses)	150,000,000	80,703,725	56,406,612	(24,297,113)
Over (Under) Expenditures and Other Uses         150,000,000         119,972,986         85,024,897         (34,948,089)           Beginning Fund Balance         (251,587,254)         (251,587,254)         (251,587,254)	Excess (deficiency) of Revenue and Other Sevene				
		150,000,000	119,972,986	85,024,897	(34,948,089)
	Beginning Fund Balance	(251,587,254)	(251,587,254)	(251,587,254)	
	Ending Fund Balance	\$ (101,587,254)	\$ (131,614,268)		