

DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

TO: The Detroit Public Schools Community District Board of Education

FROM: Marios Demetriou, Deputy Superintendent of Finance and Operations

SUBJECT: Fiscal Year 2017 Budget Amendment # 5

DATE: June 1, 2017

CC: Dr. Nikolai Vitti, General Superintendent

Delores Brown, Executive Director, Finance

Michael Bridges, Deputy Executive Director, Finance

Marc Ingram, Deputy Executive Director, Finance

The Fiscal Year 2016-2017 (FY 2017) budget amendment No. 5 is based on a comprehensive review of actual and projected financial data and analysis. The following is a summary of some of the notable changes since budget amendment No. 4.

Payroll Expenses – Based on payroll expenses through April, the Detroit Public Schools Community District (DPSCD) reduced the budgeted payroll expenditures to be more in agreement with the anticipated costs. This primarily impacts Instruction and School Administration.

Title IIA – Budget amendment No. 5 reflects the \$7.7 million Title IIA Carryover. This budget is funding additional teachers (Instruction), Instructional Specialists (Instructional Staff Support) and purchased services (Community Service).

Special Education Transportation Cost Reimbursement – The \$3.2 million Wayne RESA reimbursement for Special Education Costs incurred during Fiscal Year 2015-2016 was reclassified from Other Local Sources to Special Education Millage.

Cass Technical Artificial Turf – An anticipated \$1.5 million expenditure for the installation of artificial turf at Cass Technical High School was moved from FY 2017 to Fiscal Year 2017-2018. This change is reflected in Operations and Maintenance.

The Detroit Public Schools Community District expects the FY 2017 surplus to increase to \$75,718,774.

DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT GENERAL FUND BUDGET AMENDMENT # 5 YEAR ENDING JUNE 30, 2017

	FY 2017 - Budget Amendment # 1	FY 2017 - Budget Amendment # 2	FY 2017 - Budget Amendment # 3	FY 2017 - Budget Amendment # 4	FY 2017 - Budget Amendment # 5	FY 2017 - Budget Amendment # 5 Increase (Decrease) Over FY 2017 - Budget Amendment # 4
Revenue:						
Local sources						
Special education millage	\$ 38,826,853	\$ 38,826,853	\$ 37,784,426	\$ 39,978,739	\$ 43,262,078	\$ 3,283,339
Revenue enhancement millage	-	-	16,482,670	16,482,670	16,482,670	-
Payments from the EAA	-	2,000,000	2,449,999	2,449,999	2,449,999	-
Other	12,228,981	12,228,981	12,216,928	15,618,447	12,455,584	(3,162,863)
Total local sources	51,055,834	53,055,834	68,934,023	74,529,855	74,650,331	120,476
State sources	445,820,225	441,320,225	441,694,928	439,594,318	439,541,179	(53,139)
Federal sources	142,198,114	142,198,114	146,159,505	151,523,011	159,145,678	7,622,667
Total Revenue	639,074,173	636,574,173	656,788,456	665,647,184	673,337,188	7,690,004
Expenditures:						
Instruction						
	334,818,295	341,551,248	334,685,823	333,286,682	330,065,300	(3,221,382)
Support services						
Pupil services	60,851,687	62,033,509	59,110,094	57,303,208	57,005,607	(297,601)
Instructional staff support	53,634,411	53,967,452	54,084,423	51,958,975	55,883,400	3,924,425
General administration	3,836,974	3,836,974	3,868,412	3,597,300	3,609,034	11,734
School administration	38,454,265	38,487,534	38,867,075	37,569,649	35,588,016	(1,981,633)
Business office	9,481,223	9,481,223	9,203,315	11,515,247	11,162,082	(353,165)
Operations & maintenance	84,854,606	84,854,606	87,255,722	86,585,186	85,161,107	(1,424,079)
Transportation	35,031,312	35,031,312	35,834,665	35,709,996	35,689,754	(20,242)
Central support service	28,331,822	28,339,379	29,407,090	28,689,993	27,785,246	(904,747)
Other support service	842,576	842,576	1,838,525	1,840,454	1,929,552	89,098
Total support services	315,318,876	316,874,565	319,469,321	314,770,008	313,813,798	(956,210)
Community service	4,242,729	4,257,403	5,350,764	5,403,670	6,050,153	646,483
Facilities acquisitions and improvement	606,809	606,809	606,809	95,093	95,093	-
Total Expenditures	654,986,709	663,290,025	660,112,717	653,555,453	650,024,344	(3,531,109)
Other Financial Sources (Uses)						
Sources						
Proceeds from sale of capital assets	6,000,000	9,000,000	9,000,000	9,453,597	9,453,597	-
Payments From Detroit Public Schools	25,000,000	42,300,000	40,269,308	40,696,275	40,696,275	-
Transfer from Food Service Fund	2,256,058	2,256,058	2,256,058	2,256,058	2,256,058	-
Total Sources	33,256,058	53,556,058	51,525,366	52,405,930	52,405,930	-
Total Other Financial Sources (Uses)	33,256,058	53,556,058	51,525,366	52,405,930	52,405,930	-
Excess (deficiency) of Revenue and Other Sources Over (Under) Expenditures and Other Uses						
	17,343,522	26,840,206	48,201,105	64,497,661	75,718,774	11,221,113
Beginning Reserves						
	-	-	-	-	-	-
Ending Reserves						
	\$ 17,343,522	\$ 26,840,206	\$ 48,201,105	\$ 64,497,661	\$ 75,718,774	\$ 75,718,774
Restricted Reserves						
			\$ 32,750,000	\$ 32,750,000	\$ 32,750,000	
Unrestricted Reserves						
			\$ 15,451,105	\$ 31,747,661	\$ 42,968,774	




DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

FOOD SERVICE FUND

Detroit Public Schools (DPS) transferred the remaining \$4.5 million Food Service Fund surplus to DPSCD.

Budget amendment no. 5 includes \$285,000 received from the National School Lunch Program Equipment Assistance grant.

The FY 2017 budget anticipates having a \$4,458,220 surplus.

DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT FOOD SERVICE FUND BUDGET AMENDMENT # 5 YEAR ENDING JUNE 30, 2017

	FY 2017 - Budget Amendment # 1	FY 2017 - Budget Amendment # 2	FY 2017 - Budget Amendment # 3	FY 2017 - Budget Amendment # 4	FY 2017 - Budget Amendment # 5	FY 2017 - Budget Amendment # 5 Increase (Decrease) Over FY 2017 - Budget Amendment # 4
Revenue:						
Local sources						
Other	\$ 980,500	\$ 980,500	\$ 980,500	\$ 980,500	\$ 980,500	\$ -
Total local sources	980,500	980,500	980,500	980,500	980,500	-
State sources	1,283,000	1,283,000	1,380,117	1,380,117	1,665,117	285,000
Federal sources	47,340,473	47,340,473	47,340,473	47,340,473	47,340,473	-
Total Revenue	49,603,973	49,603,973	49,701,090	49,701,090	49,986,090	285,000
Expenditures:						
Support services						
Personnel	15,190,201	15,190,201	15,976,168	15,979,630	15,979,630	-
Purchased Services	2,644,775	2,644,775	2,290,859	2,320,859	2,320,859	-
Supplies	28,412,939	28,412,939	28,045,643	28,012,181	28,012,181	-
Equipment & Capital	1,100,000	1,100,000	1,132,362	1,132,362	1,417,362	285,000
Total support services	47,347,915	47,347,915	47,445,032	47,445,032	47,730,032	285,000
Total Expenditures	47,347,915	47,347,915	47,445,032	47,445,032	47,730,032	285,000
Other Financial Sources (Uses)						
Sources						
Payments From Detroit Public Schools	-	-	-	-	4,458,220	4,458,220
Total Sources	-	-	-	-	4,458,220	4,458,220
Uses						
Transfers Out	(2,256,058)	(2,256,058)	(2,256,058)	(2,256,058)	(2,256,058)	-
Total Uses	(2,256,058)	(2,256,058)	(2,256,058)	(2,256,058)	(2,256,058)	-
Total Other Financial Sources (Uses)	(2,256,058)	(2,256,058)	(2,256,058)	(2,256,058)	2,202,162	4,458,220
Excess (deficiency) of Revenue Over (Under) Expenditures	-	-	-	-	4,458,220	-
Beginning Fund Balance	-	-	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 4,458,220	-