DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT
BOARD OF EDUCATION
RESOLUTION

ADOPTING THE SECOND AMENDMENT TO THE
FISCAL YEAR 2017-2018 DPSCD 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 October 10, 2017 a public hearing was held to discuss the fiscal year 2017-2018 budget amendment No. 1 for DPSCD; and

WHEREAS, on October 10, 2017, the Board voted affirmatively to approve the fiscal year 2017-2018 budget amendment No. 1 for DPSCD ("2017-2018 Budget"); and

WHEREAS, the 2017-2018 Budget Amendment No. 1 may be revised and/or amended to reflect the changes in revenues and/or expenditures; and

WHEREAS, the Board now amends the 2017-2018 Budget, for the second 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 Second Amendment to the Fiscal Year 2017-2018 DPSCD Budget as attached hereto.

RESOLVED this __th day of __________, 2018.

BOARD OF EDUCATION OF THE
DETROIT PUBLIC SCHOOLS
COMMUNITY DISTRICT

By: [Signature]
Iris A. Telford, 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 __th day of __________, 2018.

[Signature]
Misha Stallworth, Board Secretary
Detroit Public Schools Community District
Board of Education
<table>
<thead>
<tr>
<th></th>
<th>FY 2017 - Actual</th>
<th>FY 2018 - Budget Amendment # 1</th>
<th>FY 2018 - Budget Amendment # 2</th>
<th>FY 2018 - Budget Amendment # 1 Increase (Decrease) Over FY 2018 - Budget Amendment # 1</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue and Sources:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local sources</td>
<td>62,528,317</td>
<td>75,395,542</td>
<td>78,229,265</td>
<td>2,833,723</td>
</tr>
<tr>
<td>State sources</td>
<td>441,911,193</td>
<td>475,699,609</td>
<td>495,159,759</td>
<td>19,460,150</td>
</tr>
<tr>
<td>Federal sources</td>
<td>116,292,314</td>
<td>153,410,004</td>
<td>172,805,905</td>
<td>19,395,901</td>
</tr>
<tr>
<td>Proceeds from sale of capital assets</td>
<td>9,453,274</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Payments from Other School Districts</td>
<td>34,104,890</td>
<td>13,100,000</td>
<td>13,100,000</td>
<td>-</td>
</tr>
<tr>
<td>Transfers In</td>
<td>2,571,460</td>
<td>2,000,000</td>
<td>2,000,000</td>
<td>-</td>
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<tr>
<td><strong>Total Revenue and Sources</strong></td>
<td>666,861,448</td>
<td>719,605,155</td>
<td>761,294,929</td>
<td>41,689,774</td>
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<tr>
<td><strong>Expenditures and Uses:</strong></td>
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<td></td>
<td></td>
<td></td>
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<td>Personnel</td>
<td>417,935,642</td>
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<td>485,132,039</td>
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<td>16,058,709</td>
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<td>16,719,000</td>
<td>16,719,800</td>
<td>800</td>
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<td>Title I Restricted</td>
<td>-</td>
<td>6,118,839</td>
<td>4,728,506</td>
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<td>705,932,906</td>
<td>719,257,510</td>
<td>13,324,604</td>
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<tr>
<td><strong>Contingency Sources</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td>General Purpose Fund</td>
<td>-</td>
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<td>17,995,338</td>
<td>9,095,338</td>
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<td>State Transition Fund</td>
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<td>485,000</td>
<td>522,567</td>
<td>37,567</td>
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<td>Special Education Fund</td>
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<td>-</td>
<td>3,265,036</td>
<td>3,265,036</td>
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<td>ACT18</td>
<td>-</td>
<td>-</td>
<td>2,794,748</td>
<td>2,794,748</td>
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<td><strong>Total Sources (Uses)</strong></td>
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<td>24,577,689</td>
<td>15,192,689</td>
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<td><strong>Excess (deficiency) of Revenue and</strong></td>
<td>78,963,120</td>
<td>4,287,249</td>
<td>17,459,730</td>
<td>13,172,481</td>
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<td>Beginning Reserves</td>
<td>-</td>
<td>78,963,120</td>
<td>78,963,120</td>
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<tr>
<td>Ending Reserves</td>
<td>$ 78,963,120</td>
<td>$ 83,250,369</td>
<td>$ 96,422,850</td>
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<td>Restricted Reserves</td>
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<td>$ 19,742,900</td>
<td>$ 18,668,284</td>
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<td>Unrestricted Reserves</td>
<td>$ 58,772,588</td>
<td>$ 63,507,469</td>
<td>$ 77,754,566</td>
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## DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT
### GENERAL FUND
#### BUDGET AMENDMENT #2
##### YEAR ENDING JUNE 30, 2018

<table>
<thead>
<tr>
<th>Revenue:</th>
<th>FY 2017 - Actual</th>
<th>FY 2018 - Budget Amendment #1</th>
<th>FY 2018 - Budget Amendment #2</th>
<th>FY 2018 - Budget Amendment #1 Increase (Decrease) Over FY 2018 - Budget Amendment #2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local sources</td>
<td>$35,126,096</td>
<td>$43,151,615</td>
<td>$45,155,735</td>
<td>$2,004,120</td>
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<tr>
<td>Special education millage</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>Revenue enhancement millage</td>
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<td>$17,740,760</td>
<td>$18,528,860</td>
<td>$788,100</td>
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<tr>
<td>Payments from the EAA</td>
<td>$3,699,998</td>
<td>$2,546,317</td>
<td>$2,546,317</td>
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<td>Other</td>
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<td>$11,956,850</td>
<td>$11,998,353</td>
<td>41,503</td>
</tr>
<tr>
<td>Total local sources</td>
<td>$62,528,317</td>
<td>$75,395,542</td>
<td>$78,229,265</td>
<td>2,833,723</td>
</tr>
<tr>
<td>State sources</td>
<td>$441,911,193</td>
<td>$475,699,609</td>
<td>$495,159,759</td>
<td>19,460,150</td>
</tr>
<tr>
<td>Federal sources</td>
<td>$116,292,314</td>
<td>$153,410,004</td>
<td>$172,805,905</td>
<td>19,395,901</td>
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<tr>
<td>Total Revenue</td>
<td>$620,731,824</td>
<td>$704,505,155</td>
<td>$746,194,929</td>
<td>$41,689,774</td>
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<table>
<thead>
<tr>
<th>Expenditures:</th>
<th>FY 2017 - Actual</th>
<th>FY 2018 - Budget Amendment #1</th>
<th>FY 2018 - Budget Amendment #2</th>
<th>FY 2018 - Budget Amendment #1 Increase (Decrease) Over FY 2018 - Budget Amendment #2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instruction</td>
<td>$300,767,174</td>
<td>$362,773,869</td>
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<td>$12,279,294</td>
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<tr>
<td>Support services</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>Pupil services</td>
<td>$50,446,214</td>
<td>$63,366,955</td>
<td>$63,937,068</td>
<td>30,113</td>
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<td>Instructional staff support</td>
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<td>$52,253,390</td>
<td>$52,916,533</td>
<td>6,663,141</td>
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<tr>
<td>General administration</td>
<td>$3,408,368</td>
<td>$5,342,036</td>
<td>$5,225,977</td>
<td>(116,069)</td>
</tr>
<tr>
<td>School administration</td>
<td>$32,685,915</td>
<td>$40,105,434</td>
<td>$41,155,553</td>
<td>1,050,119</td>
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<tr>
<td>Business office</td>
<td>$9,950,639</td>
<td>$10,511,024</td>
<td>$10,051,024</td>
<td>490,000</td>
</tr>
<tr>
<td>Operations &amp; maintenance</td>
<td>$80,857,617</td>
<td>$95,957,617</td>
<td>$97,563,360</td>
<td>1,605,743</td>
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<td>Transportation</td>
<td>$33,519,120</td>
<td>$38,096,982</td>
<td>$38,672,144</td>
<td>575,162</td>
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<tr>
<td>Central support service</td>
<td>$24,852,688</td>
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<td>$33,947,578</td>
<td>1,008,164</td>
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<tr>
<td>Other support service</td>
<td>$1,764,382</td>
<td>$1,561,965</td>
<td>$2,459,804</td>
<td>897,839</td>
</tr>
<tr>
<td>Total support services</td>
<td>$283,432,559</td>
<td>$338,834,828</td>
<td>$344,989,329</td>
<td>6,154,501</td>
</tr>
<tr>
<td>Community service</td>
<td>$3,698,595</td>
<td>$4,809,206</td>
<td>$5,797,369</td>
<td>988,163</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>$587,898,328</td>
<td>$706,417,903</td>
<td>$725,839,861</td>
<td>19,421,958</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Other Financial Sources (Uses)</th>
<th>Sources</th>
<th>FY 2017 - Actual</th>
<th>FY 2018 - Budget Amendment #1</th>
<th>FY 2018 - Budget Amendment #2</th>
<th>FY 2018 - Budget Amendment #1 Increase (Decrease) Over FY 2018 - Budget Amendment #2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds from sale of capital assets</td>
<td>$9,453,274</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Payments From Detroit Public Schools</td>
<td>$34,104,890</td>
<td>$13,100,000</td>
<td>$13,100,000</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Transfer from Food Service Fund</td>
<td>$2,571,460</td>
<td>$2,000,000</td>
<td>$2,000,000</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Total Sources</td>
<td>$46,129,624</td>
<td>$15,100,000</td>
<td>$15,100,000</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Uses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contingency</td>
<td>-</td>
<td>(8,900,000)</td>
<td>(17,995,338)</td>
<td>9,095,338</td>
<td></td>
</tr>
<tr>
<td>Total Uses</td>
<td>-</td>
<td>(8,900,000)</td>
<td>(17,995,338)</td>
<td>9,095,338</td>
<td></td>
</tr>
<tr>
<td>Total Other Financial Sources (Uses)</td>
<td>$46,129,624</td>
<td>$6,200,000</td>
<td>(2,895,338)</td>
<td>(9,095,338)</td>
<td></td>
</tr>
</tbody>
</table>

| Excess (deficiency) of Revenue and Other Sources Over (Under) Expenditures and Other Uses | $78,963,120 | $4,287,252 | $17,459,730 | $13,172,478 |

| Excess (deficiency) of Revenue and Other Sources Over (Under) Expenditures and Other Uses | $78,963,120 | $4,287,252 | $17,459,730 | $13,172,478 |

| Beginning Reserves | - | $78,963,120 | $78,963,120 | - |
| Ending Reserves | $78,963,120 | $84,305,156 | $84,189,097 | - |
| Restricted Reserves | $20,190,532 | $19,742,900 | $18,668,284 | - |
| Unrestricted Reserves | $58,772,588 | $64,562,256 | $65,520,813 | - |
## DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT
### FOOD SERVICE FUND
#### BUDGET AMENDMENT # 2
##### YEAR ENDING JUNE 30, 2018

### Revenue:

<table>
<thead>
<tr>
<th></th>
<th>FY 2017 - Actual</th>
<th>FY 2018 - Budget Amendment # 1</th>
<th>FY 2018 - Budget Amendment # 2</th>
<th>FY 2018 - Budget Amendment # 1 Increase (Decrease) Over FY 2018 - Budget Amendment # 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local sources</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>$ 527,397</td>
<td>$ 980,500</td>
<td>$ 980,500</td>
<td>$ -</td>
</tr>
<tr>
<td>Total local sources</td>
<td>527,397</td>
<td>980,500</td>
<td>980,500</td>
<td>-</td>
</tr>
<tr>
<td>State sources</td>
<td>1,701,715</td>
<td>1,283,000</td>
<td>1,568,000</td>
<td>285,000</td>
</tr>
<tr>
<td>Federal sources</td>
<td>47,247,599</td>
<td>45,815,884</td>
<td>45,815,884</td>
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</tr>
<tr>
<td>Total Revenue</td>
<td>49,476,711</td>
<td>48,079,384</td>
<td>48,364,384</td>
<td>285,000</td>
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</tbody>
</table>

### Expenditures:

<table>
<thead>
<tr>
<th></th>
<th>FY 2017 - Actual</th>
<th>FY 2018 - Budget Amendment # 1</th>
<th>FY 2018 - Budget Amendment # 2</th>
<th>FY 2018 - Budget Amendment # 1 Increase (Decrease) Over FY 2018 - Budget Amendment # 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel</td>
<td>13,350,968</td>
<td>18,124,974</td>
<td>18,343,454</td>
<td>218,480</td>
</tr>
<tr>
<td>Purchased Services</td>
<td>1,511,583</td>
<td>1,924,400</td>
<td>1,924,400</td>
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</tr>
<tr>
<td>Supplies</td>
<td>25,782,470</td>
<td>24,850,010</td>
<td>24,850,010</td>
<td>-</td>
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<tr>
<td>Equipment &amp; Capital</td>
<td>35,365</td>
<td>930,000</td>
<td>996,520</td>
<td>66,520</td>
</tr>
<tr>
<td>Utilities</td>
<td>-</td>
<td>250,000</td>
<td>250,000</td>
<td>-</td>
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<tr>
<td>Total support services</td>
<td>40,680,386</td>
<td>46,079,384</td>
<td>46,364,384</td>
<td>285,000</td>
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</table>

### Other Financial Sources (Uses):

<table>
<thead>
<tr>
<th></th>
<th>FY 2017 - Actual</th>
<th>FY 2018 - Budget Amendment # 1</th>
<th>FY 2018 - Budget Amendment # 2</th>
<th>FY 2018 - Budget Amendment # 1 Increase (Decrease) Over FY 2018 - Budget Amendment # 1</th>
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</thead>
<tbody>
<tr>
<td>Sources</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from sale of capital assets</td>
<td>8,691,423</td>
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<tr>
<td>Total Sources</td>
<td>8,691,423</td>
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<td>-</td>
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<tr>
<td>Uses</td>
<td>(2,571,460)</td>
<td>(2,000,000)</td>
<td>(2,000,000)</td>
<td>-</td>
</tr>
<tr>
<td>Total Uses</td>
<td>(2,571,460)</td>
<td>(2,000,000)</td>
<td>(2,000,000)</td>
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<td>Total Other Financial Sources (Uses)</td>
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<td>(2,000,000)</td>
<td>(2,000,000)</td>
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</table>

### Excess (deficiency) of Revenue Over (Under) Expenditures

<table>
<thead>
<tr>
<th></th>
<th>FY 2017 - Actual</th>
<th>FY 2018 - Budget Amendment # 1</th>
<th>FY 2018 - Budget Amendment # 2</th>
<th>FY 2018 - Budget Amendment # 1 Increase (Decrease) Over FY 2018 - Budget Amendment # 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excess (deficiency)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>of Revenue Over (Under) Expenditures</td>
<td>14,916,288</td>
<td>-</td>
<td>-</td>
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</table>

### Beginning Fund Balance

<table>
<thead>
<tr>
<th></th>
<th>FY 2017 - Actual</th>
<th>FY 2018 - Budget Amendment # 1</th>
<th>FY 2018 - Budget Amendment # 2</th>
<th>FY 2018 - Budget Amendment # 1 Increase (Decrease) Over FY 2018 - Budget Amendment # 1</th>
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</thead>
<tbody>
<tr>
<td>Beginning Fund Balance</td>
<td>-</td>
<td>14,916,288</td>
<td>14,916,288</td>
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### Ending Fund Balance

<table>
<thead>
<tr>
<th></th>
<th>FY 2017 - Actual</th>
<th>FY 2018 - Budget Amendment # 1</th>
<th>FY 2018 - Budget Amendment # 2</th>
<th>FY 2018 - Budget Amendment # 1 Increase (Decrease) Over FY 2018 - Budget Amendment # 1</th>
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<tbody>
<tr>
<td>Ending Fund Balance</td>
<td>$ 14,916,288</td>
<td>$ 14,916,288</td>
<td>$ 14,916,288</td>
<td>$ -</td>
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