

DPS FY 20 Budget Amendment No. 1

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

DPS FY 21 Proposed Budget

DPS FY 21 Proposed Budget

	FY 2019 Audited Actuals	FY 2020 Proposed Budget Amendment #1	FY 2021 Proposed Budget	Variance from Proposed FY20 Budget Amendment #1
Revenue:				
Local Sources	\$ 68,869,427	\$ 69,050,171	\$ 65,597,663	\$ (3,452,509)
State Sources	5,366,901	4,077,871	3,873,977	(203,894)
Total Revenue	74,236,328	73,128,042	69,471,640	(3,656,402)
Expenditures:				
Support Services				
Instruction				
Support Services	145,430	90,000	90,000	
Total Support Services	145,430	90,000	90,000	-
Debt Service				
Stabilization Bonds	46,298,766	37,303,182	37,216,450	(86,732)
MPSERS	2,000,000	6,000,000	6,000,000	-
Emergency Loan Debt Service	1,965,000	1,965,000	1,965,000	-
Supplemental MPSERS Payments	4,503,076	19,291,589	19,380,000	88,411
Total Debt Service	54,766,842	64,559,771	64,561,450	1,679
Total Expenditures	54,912,272	64,649,771	64,651,450	1,679
Total Expenditures and Other Sources/(Uses)	61,840,365	64,649,771	64,651,450	1,679
Excess (deficiency) of Revenue Over/ (Under) Expenditures and Other Uses	12,395,963	8,478,271	4,820,190	(3,658,081)
Beginning Fund Balance	5,049,270	17,445,233	25,923,504	
Ending Fund Balance	\$ 17,445,233	\$ 25,923,504	\$ 30,743,694	

DPS FY 21 General Fund Budget through the year ending June 30, 2021.

- ✓ Due to the COVID-19 Pandemic and resulting forecasted revenue reductions, DPS is projecting a 5% reduction in FY21 property tax collections. With this forecasted reduction, DPS still expects to be able to meet its debt obligations.
- ✓ Support Services include expenses for audit and staff expenses associated with administration of DPS.
- ✓ Debt service expense includes both interest and principal for the Stabilization Bonds, MPSERS and Emergency Loan repayment. Payments are based on established schedules.
- ✓ Additional operating debt payments will be made as funds are available to pay down outstanding MPSERS debt more rapidly.

DPSCD Budget Adoptions

- DPSCD FY 20 Budget Amendment #1 – Food Service Fund
- DPSCD FY 20 Student Activity Account Fund
- DPSCD FY 20 Budget Amendment #2 – General Fund
- DPSCD 3 Year Projection– General Fund
- DPSCD FY 21 – General Fund
- DPSCD FY 21 – Food Service Fund
- DPSCD FY 21 – Student Activity Account Fund

DPSCD FY 20 Budget Amendment No. 1 – Food Service Fund

FY 20 Budget Amendment No. 1 – Food Service Revenue and Expenditures

DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT
FOOD SERVICE FUND
FY 2020 PROPOSED BUDGET AMENDMENT #1

	FY 2019 Actuals	FY20 Adopted Budget	Proposed FY20 Budget Amendment #1	Variance from FY20 Adopted Budget
Revenue:				
Local sources	\$ 423,863	\$ 636,272	\$ 850,000	\$ 213,728
Total local sources	423,863	636,272	850,000	213,728
State sources	2,813,908	1,863,114	1,472,492	(390,622)
Federal sources	41,927,073	47,501,752	31,000,000	(16,501,752)
Total Revenue	45,164,844	50,001,138	33,322,492	(16,678,646)
Expenditures:				
Support Services				
Salaries Personnel	14,586,556	19,644,227	15,500,000	(4,144,227)
Purchased Services	686,703	1,071,239	3,717,500	2,646,261
Supplies	24,411,251	27,126,203	20,000,000	(7,126,203)
Equipment & Capital	1,630,816	12,147,515	3,500,000	(8,647,515)
Utilities	-	341,954	-	(341,954)
Total Expenditures	41,315,326	60,331,138	42,717,500	(17,613,638)
Excess (deficiency) of Revenue Over (Under) Expenditures	3,849,518	(10,330,000)	(9,395,008)	934,992
Other Sources (Uses):				
Transfers in	2,000	-	-	
Transfers out	(1,580,445)	(2,000,000)	(1,500,000)	500,000
Total Sources (Uses)	(1,578,445)	(2,000,000)	(1,500,000)	500,000
Total Other Financial Sources (Uses)	(1,578,445)	(2,000,000)	(1,500,000)	500,000
Beginning Fund Balance	22,120,635	26,120,635	24,391,708	(1,728,927)
Ending Fund Balance	\$ 24,391,708	\$ 13,790,635	\$ 13,496,700	\$ (293,935)

School Nutrition Budget Amendment No. 1

The District is proposing an amendment to the adopted Food Service Budget, largely driven by the current public health crisis.

Revenue

- ✓ Federal revenue is projected to decrease by just over 30% as a result of reimbursements for fewer meals served due to school closures in response to the COVID-19 Pandemic and subsequent Executive orders.

Expenses

- ✓ While continuing to serve breakfast and lunch at 17 District sites throughout the Pandemic, expenses for food supplies will be lower than expected due to the types of food offerings provided.
- ✓ The District has continued with projects and expenditures consistent with the Food Surplus Spend Down plan approved by MDE.
- ✓ The fund balance is targeted to be 3 months of average expenditures, or between \$7M to \$10M.



DPSCD FY 20 Budget – School Activity Account

FY 20 School Activity Account Revenues and Expenditures Comparison

DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT STUDENT ACTIVITIES FUND

FY 2020 DRAFT BUDGET FOR THE YEAR ENDING JUNE 30, 2020

	FY 2020 Proposed Budget
Revenue:	
Local Sources	\$ 2,500,000
Total Revenue	<u>2,500,000</u>
Expenditures:	
Community Service	<u>2,500,000</u>
Total Support Services	<u>2,500,000</u>
Excess of Revenue over Expenditures	-
Beginning Fund Balance	1,666,433
Ending Fund Balance	<u>\$ 1,666,433</u>

School Activity Account Budget

Prior to FY20, Student Activity Funds were accounted for under fiduciary activity. The District was not required to adopt a budget.

In 2019, the Governmental Accounting Standards Board (GASB) established a new criteria for identifying fiduciary activity (Student Activity Accounts).

Due to the District's direct administrative involvement in Student Activity Accounts, funds must be classified as Special Revenue, reported in the Governmental Funds during the annual financial audit, and a budget must be adopted.

Revenue

- ✓ Revenue consist of school fundraisers, student activity fees, and donations of less than 10k.

Expenses

- ✓ Expenditures consist of field trips, student events, and fundraiser expenses.

DPSCD FY 20 Budget Amendment No. 2 – General Fund

FY 20 Budget Amendment No. 2 Summary

The COVID-19 pandemic and ensuing "Shelter in Place" Executive order has dramatically altered school operations and state revenue. Budget amendment no. 2 includes anticipated changes from the pandemic and is based on actual expenditures through April 30 and projected expenditures for May and June.

- ✓ State revenue (May 15 Revenue Estimating Conference) is projected to decrease resulting in a reduction in school funding by as much as \$700/student or \$35.2M.
- ✓ Federal revenue and corresponding expenditures were reduced by approximately \$15.6M to reflect anticipated expenditures through June 30, carryover funds will be spent in FY 21.
- ✓ The amendment includes ongoing salary and benefit payments to employees and payments to contracted vendors continuing to work through the end of the year. Funding for vacancies was removed.
- ✓ This projected surplus is after the District makes an anticipated Board approved transfer of \$25.3M to the Capital Projects Fund.
- ✓ Based on the anticipated changes, the amendment projects an end of year surplus of \$718K.
- ✓ This would leave the district with a \$140M fund balance, \$36M which is 10% reserve.

FY20 Budget Amendment No. 2 Revenues and Expenditures Comparison

DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT
GENERAL FUND
FY 2020 DRAFT BUDGET AMENDMENT #2
FOR THE YEAR ENDING JUNE 30, 2020

	FY 2019 Audited Actuals	FY 2020 BA #1	FY 2020 Proposed Budget Amendment #2	Variance from BA #1
Revenue:				
Local Sources	\$ 74,069,365	\$ 61,652,278	\$ 66,525,840	\$ 4,873,562
State Sources	519,494,195	533,137,291	501,450,433	(31,686,858)
Federal Sources	130,779,965	202,227,802	186,557,044	(15,670,758)
Total Revenue	724,343,525	797,017,371	754,533,316	(42,484,055)
Expenditures:				
Instruction	375,019,602	381,630,838	388,773,265	7,142,427
Support Services				
Pupil Services	67,821,786	87,322,459	81,159,431	(6,163,028)
Instructional Support Staff	41,530,227	59,126,546	45,993,513	(13,133,033)
General Administration	5,201,194	6,458,566	5,162,705	(1,295,861)
School Administration	47,157,627	49,743,457	47,449,137	(2,294,320)
Business Office	10,999,653	11,737,348	14,843,994	3,106,646
Operations & Maintenance	94,293,371	100,955,153	76,185,840	(24,769,313)
Transportation	35,358,139	39,994,927	28,161,733	(11,833,194)
Central Support Service	34,519,996	45,703,559	40,794,207	(4,909,352)
Other Support Service	2,928,297	2,522,069	1,236,299	(1,285,770)
Total Support Services	339,810,290	403,564,084	340,986,859	(62,577,225)
Community Service	3,395,888	7,237,328	3,126,006	(4,111,322)
Total Support Services	718,225,780	792,432,250	732,886,130	(59,546,120)

FY20 Budget Amendment No. 2 Revenues and Expenditures Comparison

DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT
GENERAL FUND
FY 2020 DRAFT BUDGET AMENDMENT #2
FOR THE YEAR ENDING JUNE 30, 2020

	FY 2019 Audited Actuals	FY 2020 BA #1	FY 2020 Proposed Budget Amendment #2	Variance from BA #1
Excess of Revenue over Expenditures	6,117,745	4,585,121	21,647,186	17,062,065
Other Financial Sources/(Uses)				
Proceeds from sale of capital assets	1,445,670	2,100,000	2,886,251	786,251
Transfers in	1,580,445	2,000,000	1,500,000	(500,000)
Transfers out	(17,621,381)	-	(25,315,000)	(25,315,000)
Total Other Financial Sources/(Uses)	(14,595,266)	4,100,000	(20,928,749)	(25,028,749)
Special Items - Payment from DPS	6,941,837	-		
Net Change in Fund Balance	(1,535,684)	8,685,121	718,437	(7,966,684)
Beginning Fund Balance	141,035,229	139,499,545	139,499,545	
Ending Fund Balance	\$ 139,499,545	\$ 148,184,666	\$ 140,217,982	

DPSCD FY 21 Proposed Budget – General Fund

State Budget Updates

The COVID-19 pandemic and resulting Shelter in Place orders have resulted in a significant economic downturn for Michigan. In a May report, the State is estimating a \$1.3 billion budget shortfall in the School Aid Fund for FY 21 and FY 22 when compared to FY 19 funding.

This forecast in revenue reduction will translate into budget cuts for K-12 schools, as schools are funded through a combination of sales tax, income tax, property tax and other collections including the lottery.

- FY 20: The Treasurer is projecting a cut to current year funding of \$700/student (\$35.2M). This reduction is included in FY 20 Budget Amendment #2.
- FY 21: The legislature indicated a reduction of up to 25% from the current funding of \$8,142/student. The Treasury is projecting a 10% reduction or \$814/student (\$41.0M). This is in line with the District's proposed budget.
- FY 22: School funding is expected to remain 10% (\$41.0M) below pre-COVID-19 levels, with a return to pre-pandemic funding levels in FY 23.

The budget projections are based on some key assumptions:

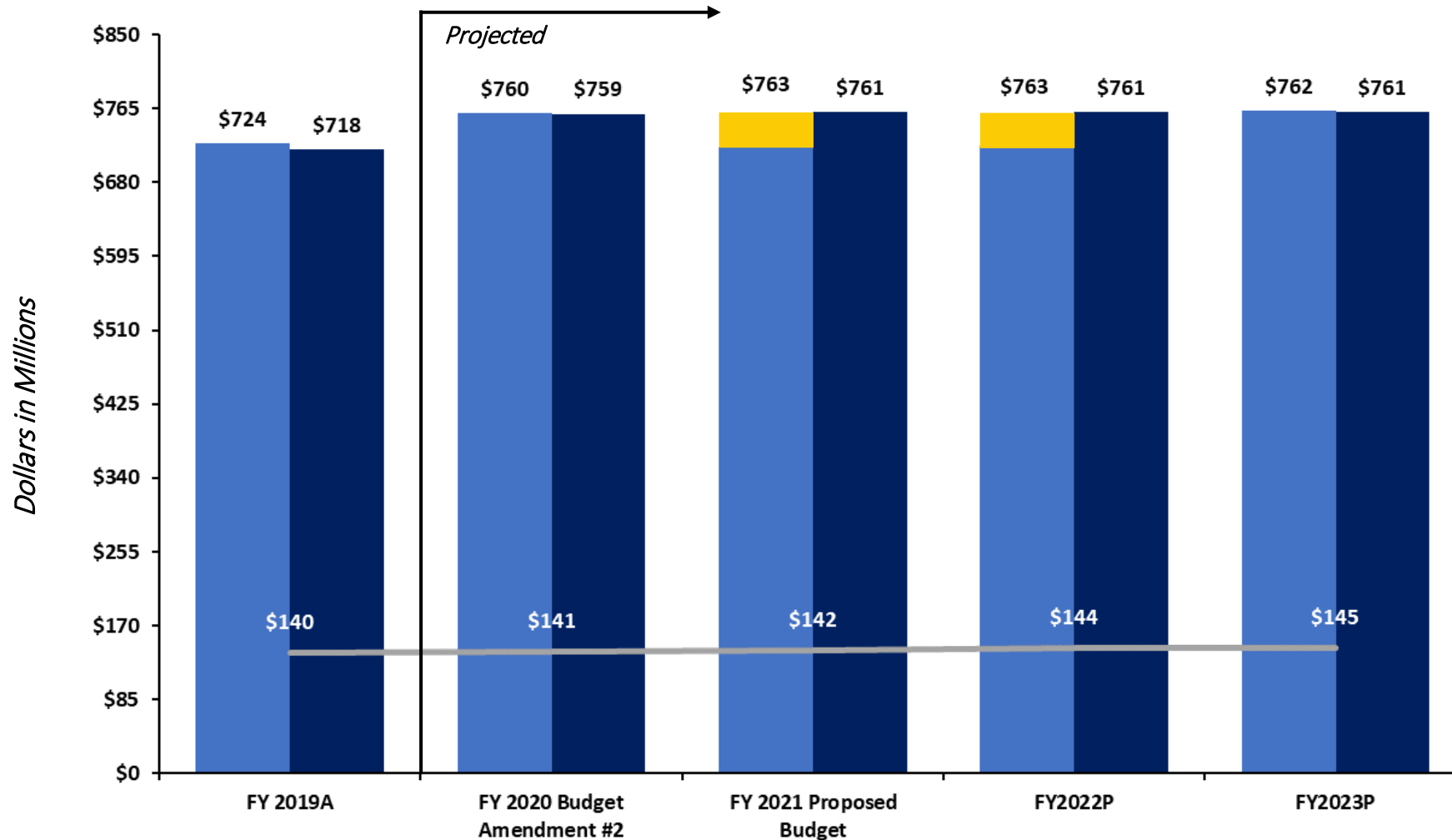
- The "Shelter in Place" order is lifted, students return in the fall for in-person instruction and there are no further significant disruptions to the economy or enrollment. (Downside)
- There is no federal stimulus funding which backfills the state's revenue shortfall. (Upside)

3 Year Budget Projection Assumptions

Assumption	Projection methodology
Revenues:	
Enrollment (FTE)	<ul style="list-style-type: none"> Proposed FY 2020 enrollment is held constant at current Fall and Spring 2020 Counts.
Foundation allowance (State Aid)	<ul style="list-style-type: none"> The District is projecting a cut in per-pupil funding of \$700/student in FY 2020 (~\$35.2M) and a cut of \$814/student in FY 2021 and FY 2022 (~\$41M). Funding returns to pre-cut levels in FY 2023.
Enhancement millage	<ul style="list-style-type: none"> Enhancement millage (\$372 / pupil) is reduced by 5% in FY 21 and then held constant through FY 2022 (last year authorized). Enhancement millage is reduced by \$90 / pupil in FY 2023 to account for revenue shared with Charter Schools. ~4.5M
All other revenue	<ul style="list-style-type: none"> State and federal revenues are held constant. CARES Act funding is split over FY 21 (\$43M) and FY 22 (\$42M).
Expenditures:	
Personnel (FTE)	<ul style="list-style-type: none"> Budget continues to fully fund school staffing model and all central office positions.
Wages	<ul style="list-style-type: none"> Budget includes increase in teacher salaries to \$51K. All other position salaries are held constant at FY 20 levels through FY 23. Any increases would be one-time bonuses, recognition in the future would be based on 1) enrollment at or above 19-20 fall level 2) passage of Nov enhancement millage 3) reestablishing 19-20 per pupil amount by state pre-COVID
Benefits	<ul style="list-style-type: none"> HDLV benefits are projected to increase ~10% in FY 21 and then consistent with estimated industry growth expectations. All other benefits (pension, payroll taxes and workers comp.) are maintained at current levels, as a percentage of payroll.
Non-personnel costs	<ul style="list-style-type: none"> Non-personnel costs include Facilities, IT, Supplies and Services, and other discretionary expenditures Costs are assumed to grow at the rate of enrollment, plus an inflation factor (1 - 2% / year).

DPSCD Preliminary 3 Year Projected Budget

Based on preliminary assumptions and estimates from the State's Revenue Estimating Conference in mid-May, DPSCD is projecting a balanced budget through FY 2023. The model assumes the Enhancement Millage is renewed in FY 2023, and the per pupil funding is expected to return to pre-COVID-19 levels in FY 2023.



FY 21 Proposed Budget Summary

The FY 21 proposed budget is balanced while protecting core school-based programming. The proposed budget:

- ✓ Anticipates a 10% reduction (\$43M) in overall state funding while assuming enrollment remains steady for Fall 2020;
- ✓ Includes a projected \$3M contingency, maintains the 10% reserve and projects a \$140M fund balance;
- ✓ Maintains all school-based positions and programs;
- ✓ Does not include any position reductions, salary reductions ,or furloughs;
- ✓ Includes an anticipated 10% increase in healthcare costs;
- ✓ Includes \$43M in CARES Act funding, with an additional \$42M available to address continued budget deficits in FY 22.

In order to address the projected reduction in funding, the following cuts are proposed:

- ✓ No recurring salary increases, negotiated one-time bonuses only; recognized in the future if 1) enrollment maintains at 19-20 levels 2) November enhancement millage passes 3) state per pupil restored to 19-20 pre-COVID level;
- ✓ A ten (10) percent reduction in central office discretionary spending;
- ✓ Reductions for District Office funding for in-person training, staff travel, conferences, and student field trips;
- ✓ Reductions to Central Office positions;
- ✓ Strategically shift Operations (facilities and maintenance) reoccurring expenses to one-time projects based on need.

CARES Act Funding

The Federal Government allocated the District an additional \$85M in one-time funding (CARES Act) to respond to the COVID-19 pandemic. The funds may be used to support eligible programs, respond to the COVID-19 pandemic and maintain operations.

In response to projected state cuts in school funding in FY 21 and FY 22, the District will include \$43M in CARES Act funding in the FY 21 budget and reserve \$42M for the FY 22 budget.

The FY 21 CARES Act funding will:

- ✓ Procure Personal Protective Equipment (PPE), body temperature testing equipment, and cover costs associated with additional deep cleaning;
- ✓ Expansion of student technology and cover costs for student internet connectivity;
- ✓ Expand District capacity to provide remote learning through Learning Management Systems additional curriculum, and training to staff to implement new systems;
- ✓ Fund Wrap Around Services (Social Workers and Counselors) to provide social and emotional support to students and families during this time;
- ✓ Fund the hiring of additional literacy and math teachers to reduce class sizes beyond school allocation.

School Staff Allocations

Position	Allocation
Assistant Principal*	Minimum of 1 per school
Dean of Culture	<ul style="list-style-type: none"> All Partnership schools: 1 Schools with enrollment >350: 1
Master Teacher	<ul style="list-style-type: none"> Elementary, Middle, K8s <350 students: 2 K8s >350 students: 4 High Schools: 2
Core Teachers*	K-3: 1:25 4-5: 1:30 6-12: 1:35
Prep Teachers	1 Prep Teacher per 5 classrooms (All Schools)
Guidance Counselor	K8s: 1 per 500 students HS: 1 per 400 students
College Transition Advisors	HS: 1 per school
Attendance Agent & School Culture Facilitator	1 per school
Academic Interventionist	Grades 2 – 8: 1 per 150 students Grades 9-12: 1 per 400 students
ParaEducators	Grades K-1: 1 per 2 teachers
Clerical*	Minimum of 2 per school

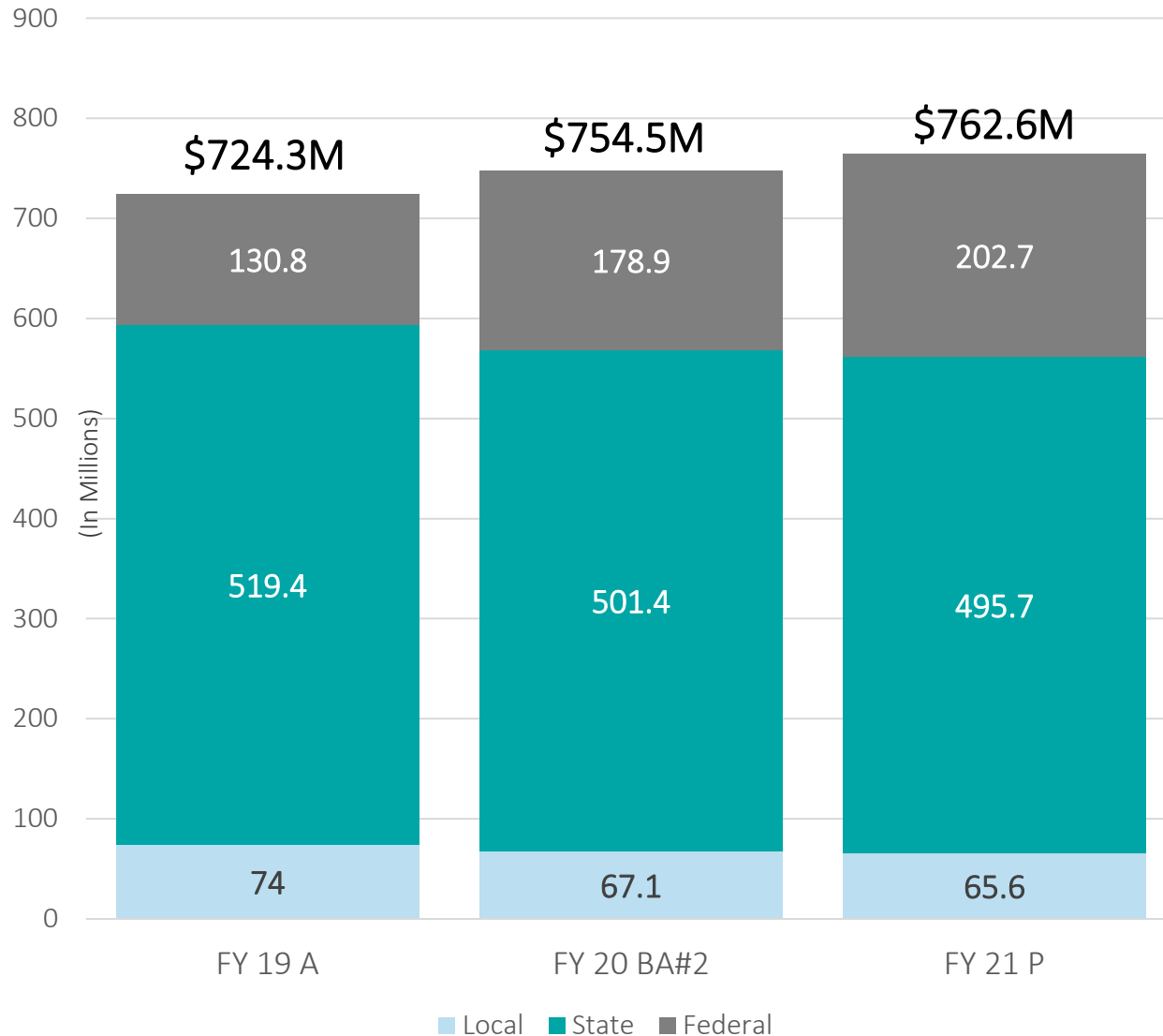
No significant changes to the staff model

- ✓ Allocations are based on school type, grade levels and enrollment
- ✓ School enrollment is based on Spring Count data
- ✓ Title I funding is based on eligible student counts
- ✓ Includes allocation adjustments for school program changes and moves (King, Southeastern, DIA, etc.)

Teacher Allocation

- ✓ Maintains student – teacher allocations – with supplemental CARES funding to reduce class size
- ✓ Maintains Art, Music & Gym teachers at all schools

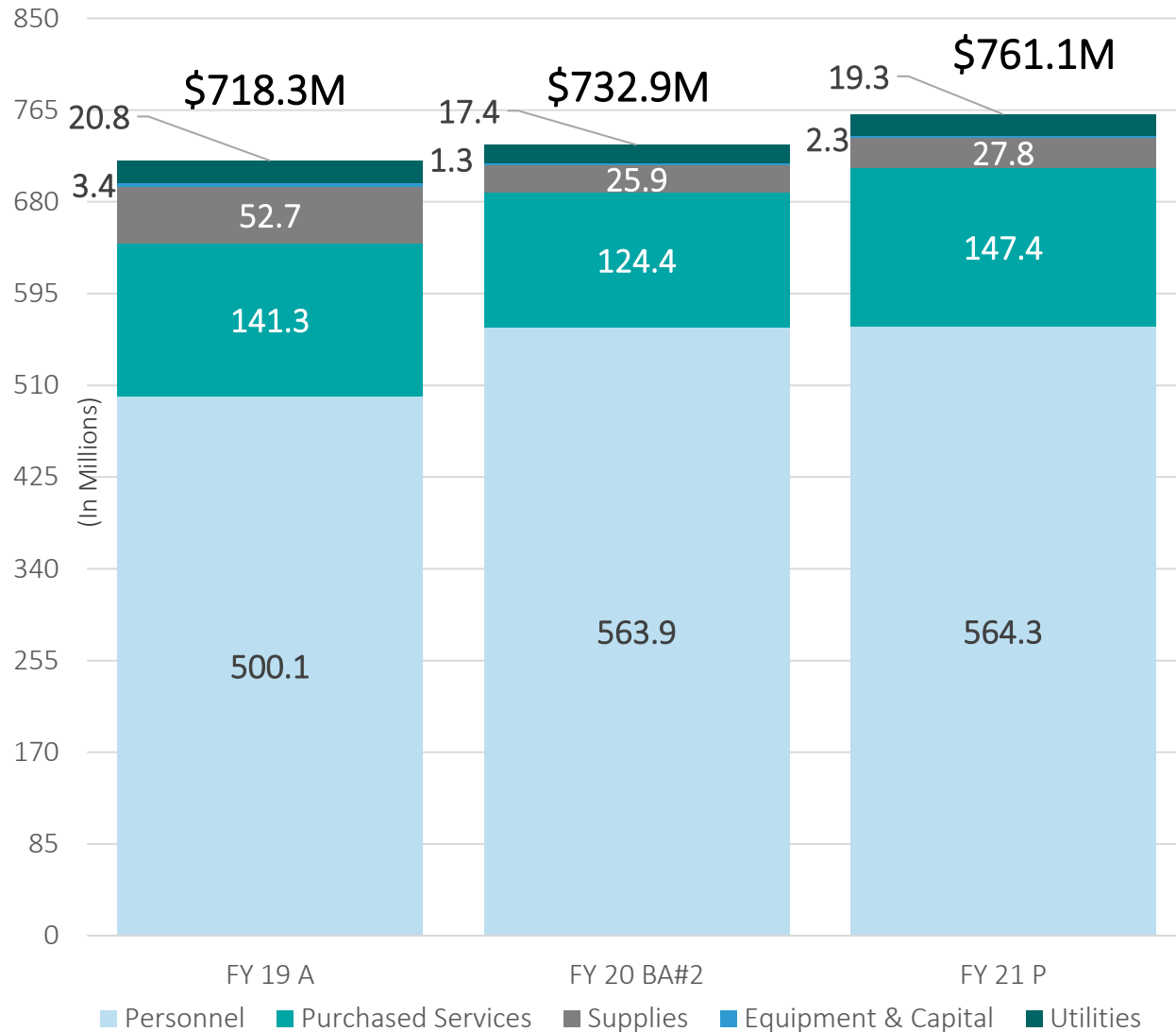
FY 21 Revenue



The state is projecting a 10 – 25% decrease in funding. The proposed budget includes a ~10% decrease in general fund revenue.

- \$814 reduction in the per student Foundation Allowance ~ (\$41M)
- A projected 5% reduction in the Wayne County Enhancement Millage tax collections ~(\$1M)
- No change in Act 18 funding (District Center-Based programs)
- Student enrollment remains constant
- Federal sources includes ~\$43M in CARES funding allocated to FY 21

FY 21 Expenses



The budget protects funding for staffing, student services and expanding services to protect students and staff from COVID-19.

Personnel:

- No reduction in filled positions, employee salaries or furloughs
- Central Office positions are strategically removed

Purchased Services: A 10% reduction in Central Office discretionary spending, reduction in staff travel, conferences and student field trips. An increase in services related to distance learning funded through CARES.

Supplies: Include both reductions in general spending and additions for purchase of PPE through Cares Act funding

Utilities: Expenses are projected to remain constant

Further Budget Modifications Timeline

The District is required by state law to adopt an FY 21 budget by June 30. The Board can amend that budget throughout the year as additional information is available.

- ✓ The state's fiscal year begins on October 1. Therefore, the legislature and Governor can delay until September 30 to approve budget.
- ✓ Fall Count Window begins on October 7th and final audited numbers are not available until November.
- ✓ The District will monitor Governor and Legislature budget proposals and prepare a budget amendment for early fall if there are additional reductions.

In the event of further reductions (up to 25%) in state funding and no supplemental federal funding to offset the reductions the District will consider the following reductions:

- ✓ One-time transfer from the Fund Balance;
- ✓ Utilize the FY 22 CARES Act funding in FY 21;
- ✓ Up to a 50% reduction in school discretionary funding and an additional 30% reduction in central office discretionary spending;
- ✓ Reduce school and district level positions;
- ✓ Staff layoffs, furloughs or potential salary reductions.

FY 2021 Revenues and Expenditures Comparison

DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT
GENERAL FUND
FY 2021 DRAFT BUDGET FOR THE YEAR ENDING JUNE 30, 2021

	FY 2019 Audited Actuals	FY 2020 Proposed Budget Amendment #2	FY 2021 Proposed Budget	Variance from FY 20 BA #2
Revenue:				
Local Sources	\$ 74,069,365	\$ 66,525,840	\$ 64,066,612	\$ (2,459,228)
State Sources	519,494,195	501,450,433	495,741,786	(5,708,646)
Federal Sources	130,779,965	186,557,044	202,760,866	16,203,822
Total Revenue	724,343,525	754,533,316	762,569,264	8,035,948
Expenditures:				
Instruction	375,019,602	388,773,265	389,690,235	916,970
Support Services				
Pupil Services	67,821,786	81,159,431	83,135,226	1,975,795
Instructional Staff Support	41,530,227	45,993,513	49,942,682	3,949,169
General Administration	5,201,194	5,162,705	7,882,355	2,719,650
School Administration	47,157,627	47,449,137	47,749,371	300,234
Business Office	10,999,653	14,843,994	12,682,677	(2,161,317)
Operations & Maintenance	94,293,371	76,185,840	90,446,807	14,260,967
Transportation	35,358,139	28,161,733	37,336,081	9,174,348
Central Support Service	34,519,996	40,794,207	35,898,976	(4,895,231)
Other Support Service	2,928,297	1,236,299	3,064,455	1,828,156
Total Support Services	339,810,290	340,986,859	368,138,630	27,151,771
Community Service	3,395,888	3,126,006	3,232,277	106,271
Total Support Services	718,225,780	732,886,130	761,061,142	28,175,012

FY 2021 Revenues and Expenditures Comparison

DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT
GENERAL FUND
FY 2021 DRAFT BUDGET FOR THE YEAR ENDING JUNE 30, 2021

	FY 2019 Audited Actuals	FY 2020 Proposed Budget Amendment #2	FY 2021 Proposed Budget	Variance from FY 20 BA #2
Excess of Revenue over Expenditures	6,117,745	21,647,186	1,508,122	
Other Financial Sources/(Uses)				
Proceeds from sale of capital assets	1,445,670	2,886,251	-	
Transfers in	1,580,445	1,500,000	1,500,000	-
Transfers out	(17,621,381)	(25,315,000)	-	25,315,000
Total Other Financial Sources/(Uses)	(14,595,266)	(20,928,749)	1,500,000	25,315,000
Special Items - Payment from DPS	6,941,837			
Net Change in Fund Balance	(1,535,684)	718,437	3,008,122	2,289,685
Beginning Fund Balance	141,035,229	141,035,229	141,753,666	
Ending Fund Balance	\$ 139,499,545	\$ 141,753,666	\$ 144,761,788	

DPSCD FY 21 Proposed Budget – Food Service Fund

FY 21 Food Service Budget Revenues and Expenditures Comparison

DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT
FOOD SERVICE FUND
FY 2021 PROPOSED BUDGET

	FY 2019 Actuals	Proposed FY20 Budget Amendment #1	Proposed FY21 Budget	Variance from FY20 BA #1
Revenue:				
Local sources	\$ 423,863	\$ 850,000	\$ 830,000	\$ (20,000)
Total local sources	423,863	850,000	830,000	(20,000)
State sources	2,813,908	1,472,492	1,295,000	(177,492)
Federal sources	41,927,073	31,000,000	44,921,670	13,921,670
Total Revenue	45,164,844	33,322,492	47,046,670	13,724,178
Expenditures				
Support Services				
Salaries Personnel	14,586,556	15,500,000	16,338,656	838,656
Purchased Services	686,703	3,717,500	3,760,742	43,242
Supplies	24,411,251	20,000,000	27,992,500	7,992,500
Equipment & Capital	1,630,816	3,500,000	1,503,000	(1,997,000)
Total Expenditures	41,315,326	42,717,500	49,594,898	6,877,398
Excess (deficiency) of Revenue Over (Under) Expenditures	3,849,518.00	(9,395,008)	(2,548,228)	6,846,780
Other Sources (Uses)				
Transfers in	2,000.00	-	-	
Transfers out	(1,580,445)	(1,500,000)	(1,500,000)	-
Total Sources (Uses)	(1,578,445)	(1,500,000)	(1,500,000)	-
Total Other Financial Sources (Uses)	(1,578,445)	(1,500,000)	(1,500,000)	-
Beginning Fund Balance	22,120,635	24,391,708	13,496,700	(10,895,008)
Ending Fund Balance	\$ 24,391,708	\$ 13,496,700	\$ 9,448,472	\$ (4,048,228)

FY 21 Budget Takeaways

Revenue

- ✓ Revenue is expected to increase to pre COVID-19 levels based on a resumption of in-person instruction at District campuses.

Expenses

- ✓ Student enrollment is expected to remain constant from FY20 levels.
- ✓ Personnel expenses are expected to increased based on the addition of more resources to serve students to maintain and adhere to social distancing requirements.
- ✓ The District will continue to make one-time purchases for the purchase and installation of Equipment & Capital consistent with continued implementation of the Food Surplus Spend Down plan approved by MDE.
- ✓ The fund balance is targeted to be 3 months of average expenditures, or between \$7M to \$10M.

DPSCD FY 21 Proposed Budget – School Activity Account Fund

FY 21 School Activity Account Revenues and Expenditures Comparison

DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT
STUDENT ACTIVITIES FUND
FY 2021 DRAFT BUDGET FOR THE YEAR ENDING JUNE 30, 2021

	<u>FY 2020 Proposed Budget</u>	<u>FY 2021 Proposed Budget</u>	<u>Variance from FY 20</u>
Revenue:			
Local Sources	\$ 2,500,000	\$ 3,000,000	\$ 500,000
Total Revenue	<u>2,500,000</u>	<u>3,000,000</u>	<u>500,000</u>
Expenditures:			
Community Service	2,500,000	3,000,000	500,000
Total Support Services	<u>2,500,000</u>	<u>3,000,000</u>	<u>500,000</u>
Excess of Revenue over Expenditures	-	-	
Beginning Fund Balance	1,666,433	1,666,433	
Ending Fund Balance	<u><u>\$ 1,666,433</u></u>	<u><u>\$ 1,666,433</u></u>	

FY 21 Budget Takeaways

Revenue

- ✓ Revenue consist of school fundraisers, student activity fees, and donations less than 10k.
- ✓ Revenue decrease expected due to assumption of continued social distancing and less fundraising receipts

Expenses

- ✓ Expenditures consist of field trips, student events, and fundraiser expenses.
- ✓ Expense decrease expected due to assumption of continued social distancing and less field trips and other school events