



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

DETROIT FINANCIAL REVIEW COMMISSION

SCHOOL DISTRICT RESOLUTION 2019-14

**APPROVING THE DETROIT PUBLIC SCHOOLS COMMUNITY
DISTRICT'S FOOD SERVICE BUDGET FOR FISCAL YEAR 2020**

WHEREAS, Public Act 181 of 2014, the Michigan Financial Review Commission Act (the "Act"), allows for the creation of the Detroit Financial Review Commission (the "Commission") within the Michigan Department of Treasury; and

WHEREAS, Section 6(1) of the Act empowers the Commission to provide oversight for the Detroit Public Schools Community District (the "Community District") beginning on June 21, 2016; and

WHEREAS, Section 7(c) of the Act provides that during the period of oversight, the Commission review, modify, and approve the Community District's proposed and amended operational budgets and that a proposed budget or budget amendment does not take effect unless approved by the Commission; and

WHEREAS, the Community District presented its Food Service budget for the fiscal year ending June 30, 2020 ("fiscal year 2020") to the Commission at its meeting on June 24, 2019 for the Commission's review and consideration.

NOW THEREFORE, be it resolved by the Detroit Financial Review Commission as follows:

1. That the Community District's food service budget for fiscal year 2020 (the Food Service "Budget"), as presented to the Commission on June 24, 2019, is hereby approved.
2. That the minutes of the Detroit Financial Review Commission meeting at which this Resolution is adopted take notice of the adoption of this Resolution.
3. This Resolution shall have immediate effect.

FY 20 Food Service Budget Revenues and Expenditures Comparison

DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT
FOOD SERVICE FUND
FY 2020 DRAFT BUDGET YEAR ENDING JUNE 30, 2020

	FY 2018 - Actuals	FY 2019 - Adopted	FY 2020 - Draft Budget	FY 2020 - Increase (Decrease) Over FY 2019
Revenue:				
Local Sources				
Other	\$ 519,392	\$ 629,972	\$ 636,272	\$ 6,300
Total local sources	519,392	629,972	636,272	6,300
State Sources	1,198,692	1,844,667	1,863,114	18,447
Federal Sources	40,630,342	47,031,438	47,501,752	470,314
Total Revenue	42,348,426	49,506,077	50,001,138	495,061
Expenditures:				
Support Services				
Personnel	13,337,787	19,103,195	19,644,227	541,032
Purchased Services	479,786	1,060,633	1,071,239	10,606
Supplies	20,640,613	26,857,627	27,126,203	268,576
Equipment & Capital	511,735	146,054	12,147,515	12,001,461
Utilities	250,000	338,568	341,954	3,386
Total support services	35,219,921	47,506,077	60,331,138	12,825,061
Total Expenditures	35,219,921	47,506,077	60,331,138	12,825,061
Other Financial Sources (Uses)				
Uses				
Transfers In	1,855,428	-	-	-
Transfers Out	(1,779,586)	(2,000,000)	(2,000,000)	-
Total Uses	75,842	(2,000,000)	(2,000,000)	-
Total Other Financial Sources (Uses)	75,842	(2,000,000)	(2,000,000)	-
Excess (deficiency) of Revenue Over (Under)				
Expenditures	7,204,347	4,000,000	(8,330,000)	(12,330,000)
Beginning Fund Balance	14,916,288	22,120,635	26,120,635	4,000,000
Ending Fund Balance	\$ 22,120,635	\$ 26,120,635	\$ 17,790,635	\$ (8,330,000)

FY 20 Budget Takeaways

Revenue

- ✓ Revenue increase is based on a projected 1% increase in student enrollment.

Expenses

- ✓ Personnel expenses are increased to match projected salary increases.
- ✓ Expenditures were increased to accommodate the projected increase in student enrollment.
- ✓ One-time expenditures for purchase and installation of Equipment & Capital are included, and approved by MDE as part of the District's plan to spend the fund balance.