

DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT

BOARD OF EDUCATION Budget Hearing

June 13, 2017 - 5:30pm

Renaissance High School
6565 W. Outer Drive, Detroit, MI 48235

MINUTES

Call to Order

The Budget Hearing for the Detroit Public Schools Community District was called to order by President and Chair Dr. Iris Taylor at 5:37pm.

Roll Call

Secretary to the Board, Karen Morgan called the roll:

Present: Deborah Hunter-Harvill, Georgia Lemmons, LaMar Lemmons, Sonya Mays, *Angelique Peterson-Mayberry, Misha Stallworth, and Iris Taylor

*via Facetime

There being a quorum present, the meeting was declared in session.

Meeting Norms

Meeting Norms were read by Chair

Moment of Silence

Chair called for a Moment of Silence

Approval of the Agenda

Treasurer Mays motion to approve the agenda

Member L. Lemmons seconded

Roll

Deborah Hunter-Harvill Yes

Georgia Lemmons Yes

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LaMar Lemmons	Yes
Sonya Mays	Yes
Angelique Peterson-Mayberry	Yes
Misha Stallworth	Yes
Iris Taylor	Yes
Motion carried without objection	

Budget Presentation

The Detroit Public Schools Community District Budget Hearing was presented by Marios Demetriou, Deputy Superintendent, Finance and Operations.

DPS Budget

Mr. Demetriou begin the presentation with the Detroit Public Schools (DPS) Budget. The DPS Budget is mainly to payoff District debt. The budget is expected to collect 18 mills in local taxes from non-homestead properties and funding from the State for the Renaissance Zone and 13 mills in non-property.

There was \$48.4 million transferred to DPSCD during 2016/2017 fiscal year. In accordance with legislation Food Service funds of \$4.5 million were transferred from DPS to DPSCD. The funds were transferred to DPSCD Food Service.

A total transfer of \$13.1 million will be transferred to DPSCD. It is expected that the District will receive \$58.6 million in revenue from property taxes and \$4.3 million from the Renaissance Zone.

There will be approximately \$41 million to pay bonds.

Member L. Lemmons requested specificity on the Bonds.

Mr. Demetriou stated in 2011 and 2012 there were operating bonds issued by DPS. The Bonds were refinanced last September for \$227 million. The bonds will be expiring in 2023 so there will be a payment schedule at that time. The District refinanced because they were backed by State Aid but as of July 1, 2016 the District will not be receiving State Aid but will be receiving taxes so the bonds must be refinanced to be backed by taxes and not state aid.

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Member L. Lemmons asked Mr. Demetriou if he agreed that the taxpayers of the City of Detroit will be paying for a bond that occurred under operation of State and passed onto taxpayers.

Mr. Demetriou agreed and further stated it is correct that the \$18 mills are dedicated to pay off the debt. The District asked voters for the 18 mills which expire in 2022.

DPSCD Budget

Mr. Demetriou stated the DPSCD Budget was put together to meet the District's financial obligations and for the first time in a long time the District will not have to borrow money.

An increase in enrollment is expected partly due to the return of Education Achievement Authority (EAA) schools returning to the District.

The two primary sources of local revenue are Special Education Reimbursement and the Enhancement Millage. The District's biggest source comes from the State which is \$476 million. The District receives approximately \$144 million in Federal funding and others such as the transfer of \$13.1 million from DPS to DPSCD and a \$2 million transfer from Food Service totaling \$15.1 million.

The District's expenditures are \$526 million in instruction and student support, \$130 million in maintenance and operations, and \$49.4 for other services. There is some additional spending with collectively bargaining agreements.

Public Comment


There were several participants for public comment.

Adjournment

Chair motioned for adjournment

Meeting adjourned at 6:07 p.m.

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Certified:
Karen Morgan, B.S.B.M
Secretary to the Board