

Detroit Public Schools Historical Budget Trends

**Bethany Wicksall, Associate Director
House Fiscal Agency**

**House Appropriations Committee
February 24, 2016**

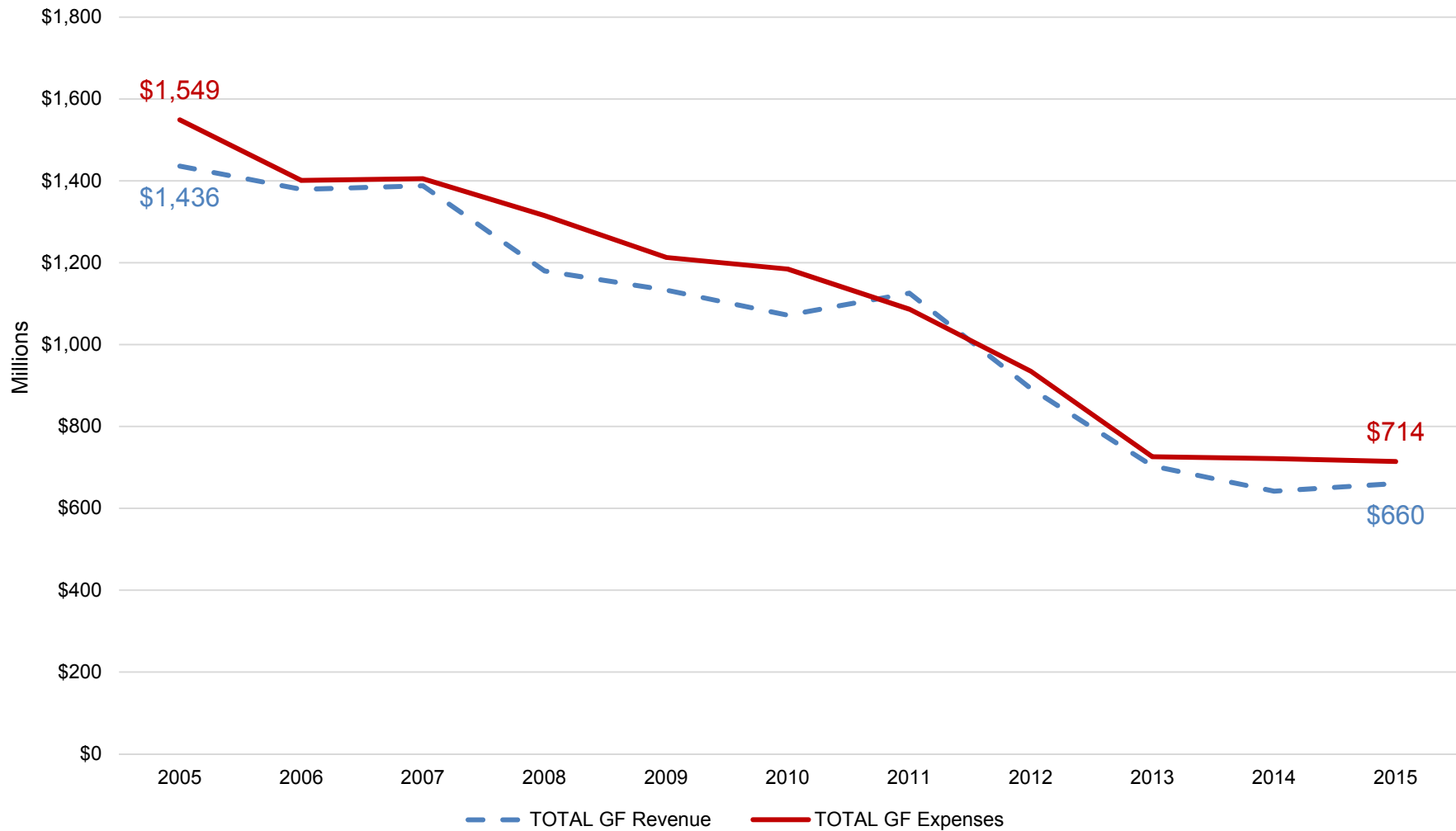


DPS Governance Timeline

- 1999 – PA 10 of 1999 replaced the DPS 11-member school board with a 7-member appointed board, referred to as the reform board. 6 members were appointed by the mayor of Detroit and 1 member was appointed by the State Superintendent.
- 2004 – Voters were allowed to vote whether or not to keep the reform board or return to an elected board. They chose an elected board.
- 2006 – Newly elected board members take office.
- 2009 – Governor appoints the district's first Emergency Financial Manager (EFM), Robert Bobb, under PA 72 of 1990.
- 2011 – PA 4 of 2011 gives EFM expanded powers, and Governor appoints Roy Roberts as the new EFM.
- 2012 – PA 4 of 2011 is repealed in statewide referendum, and is subsequently replaced by PA 436 of 2012, which instead provides for Emergency Managers (EM).
- 2015 – Governor appoints Darnell Earley as EM.

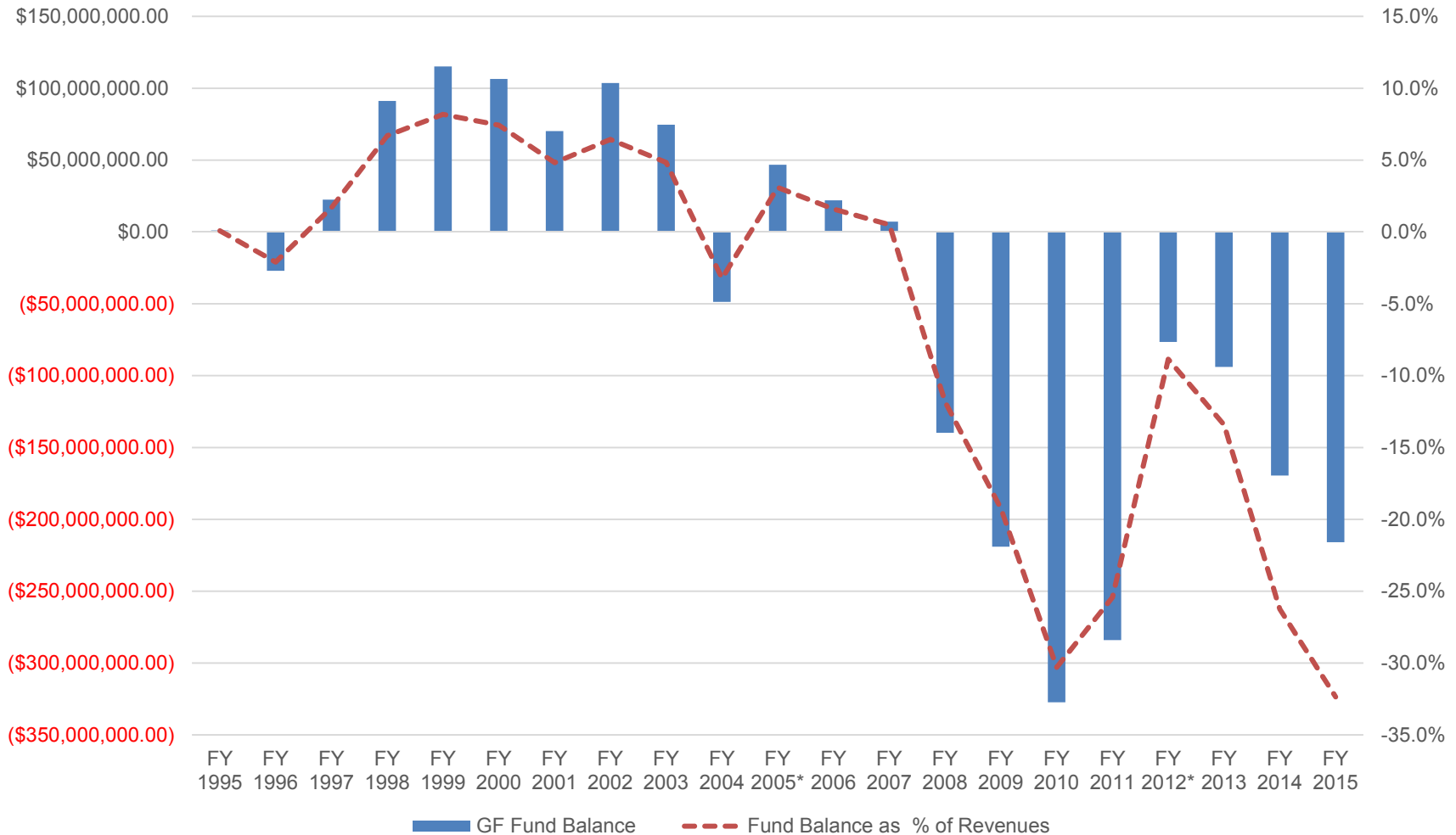
DPS General Fund (GF) Revenues vs. Expenditures

While revenues declined 54.0% over 10 years, expenditures were reduced by 53.9%. The annual difference equals the operating deficit.



DPS Fund Balance: Total and Percent of Revenues

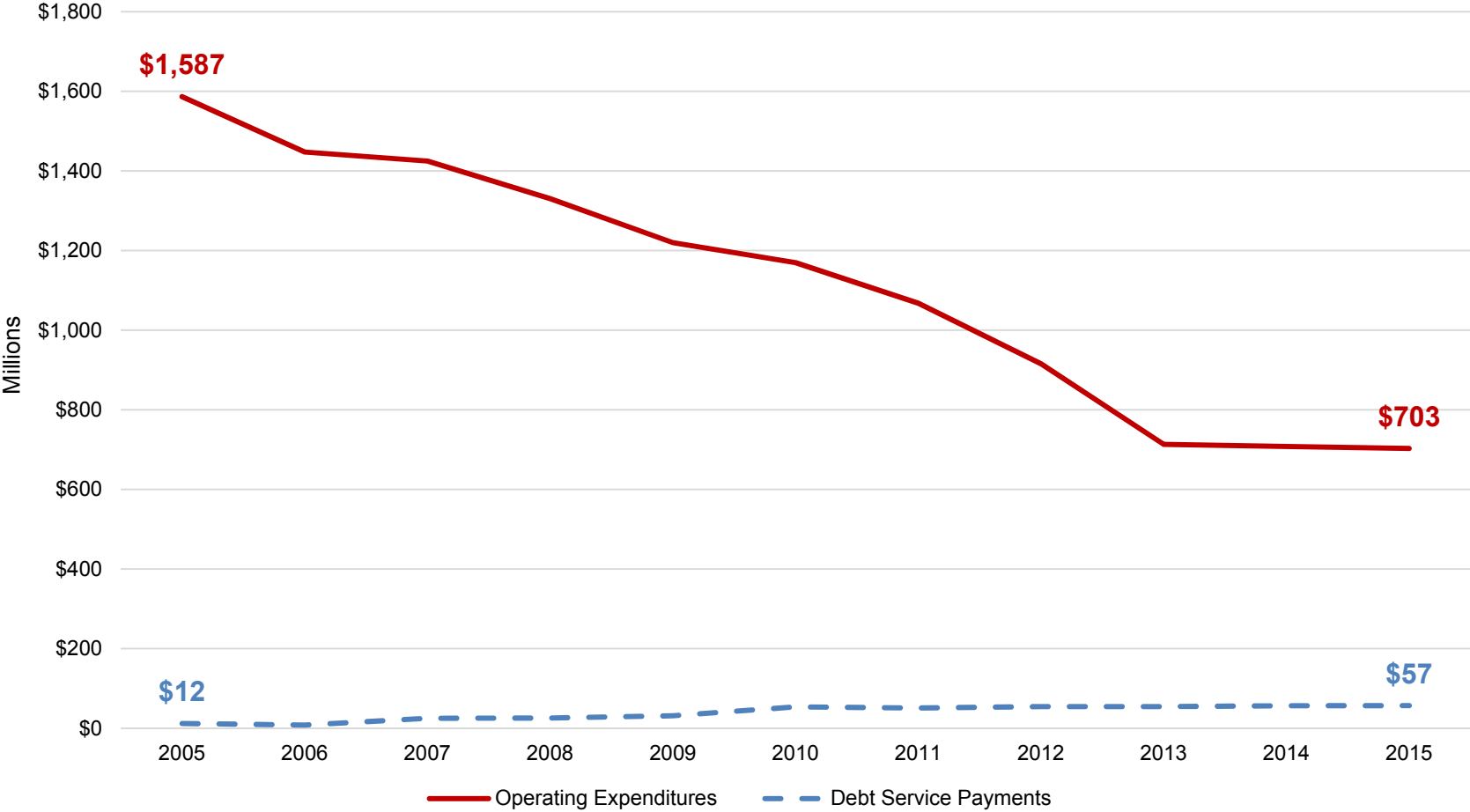
The DPS fund balance at the end of FY 2014-15 was negative \$215.9 million, and expected to get worse under their FY 2015-16 budget.



*While GF fund balances improved in FY 2005 and 2012, this was the result of operating debt being refinanced into long term debt (\$210 million in FY 2005 and \$231 million in FY 2012).

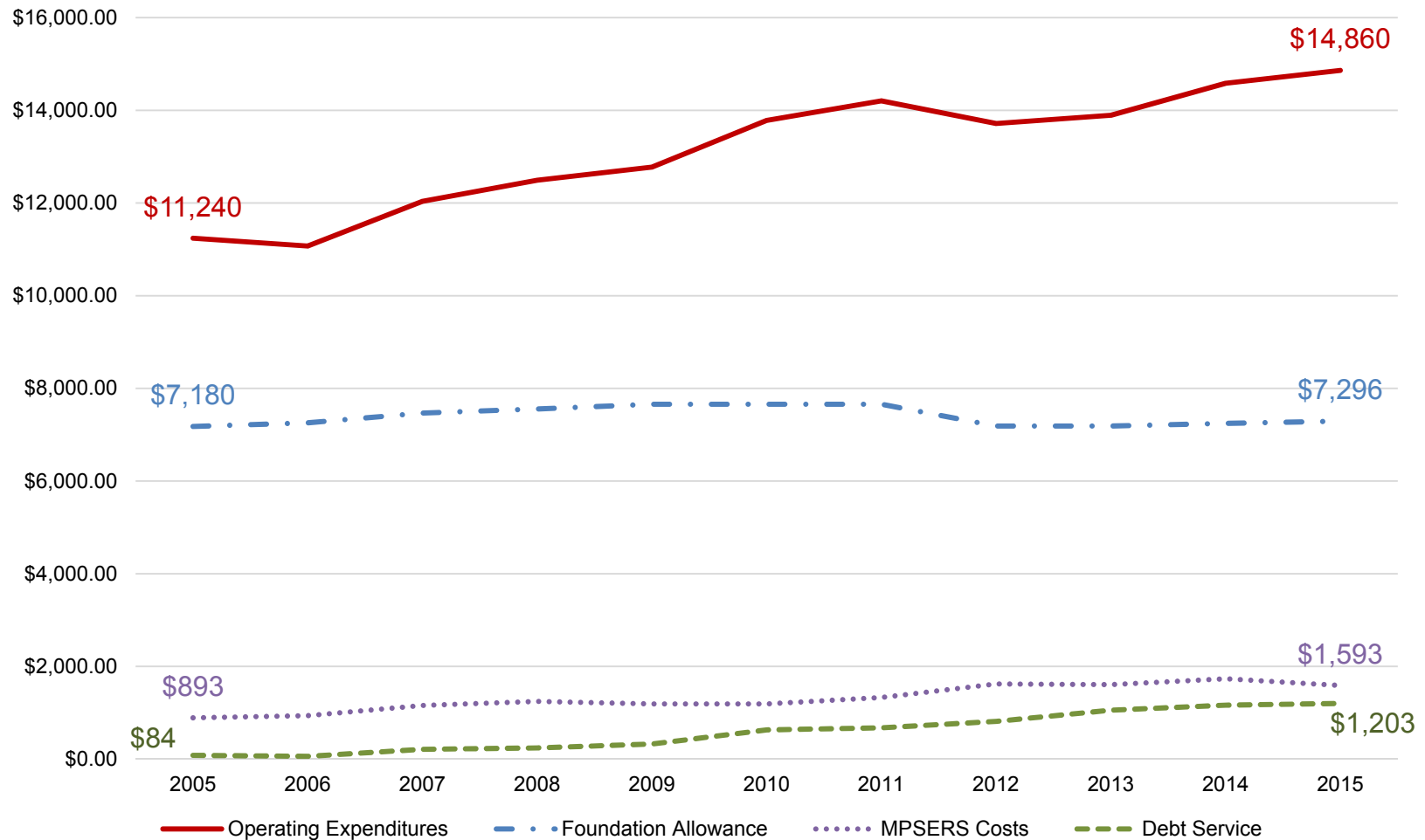
DPS GF Expenditures vs GF Debt Service Payments

General fund debt service (non-capital) payments have grown to 8% of all GF expenditures.



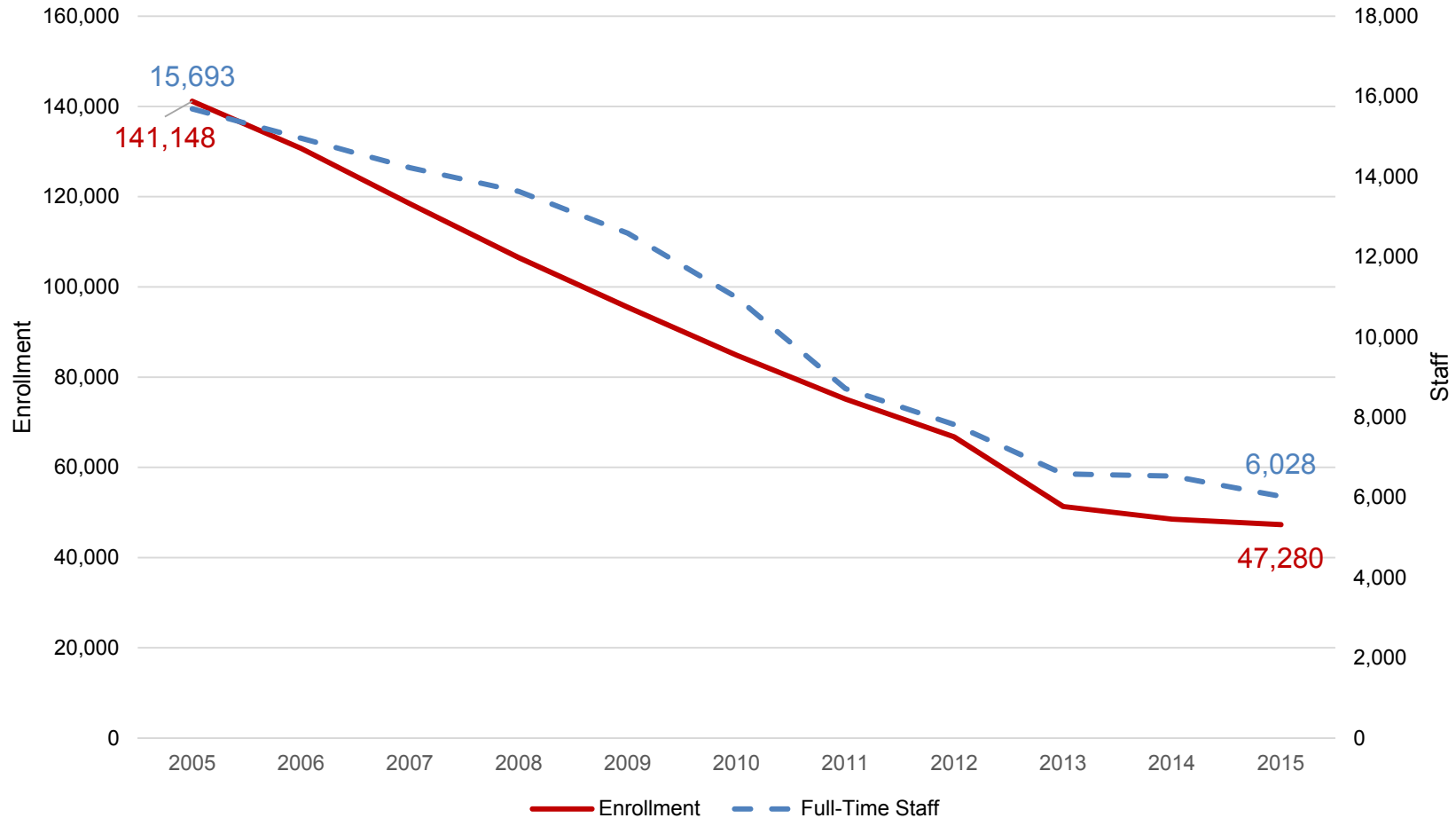
DPS Per Pupil Expenditures

Operating Expenditures per pupil have increased by \$3,620 over ten years. During that period, the DPS foundation allowance has increased by \$116 per pupil while MPSERS and debt service payments increased by approximately \$2,800 per pupil.



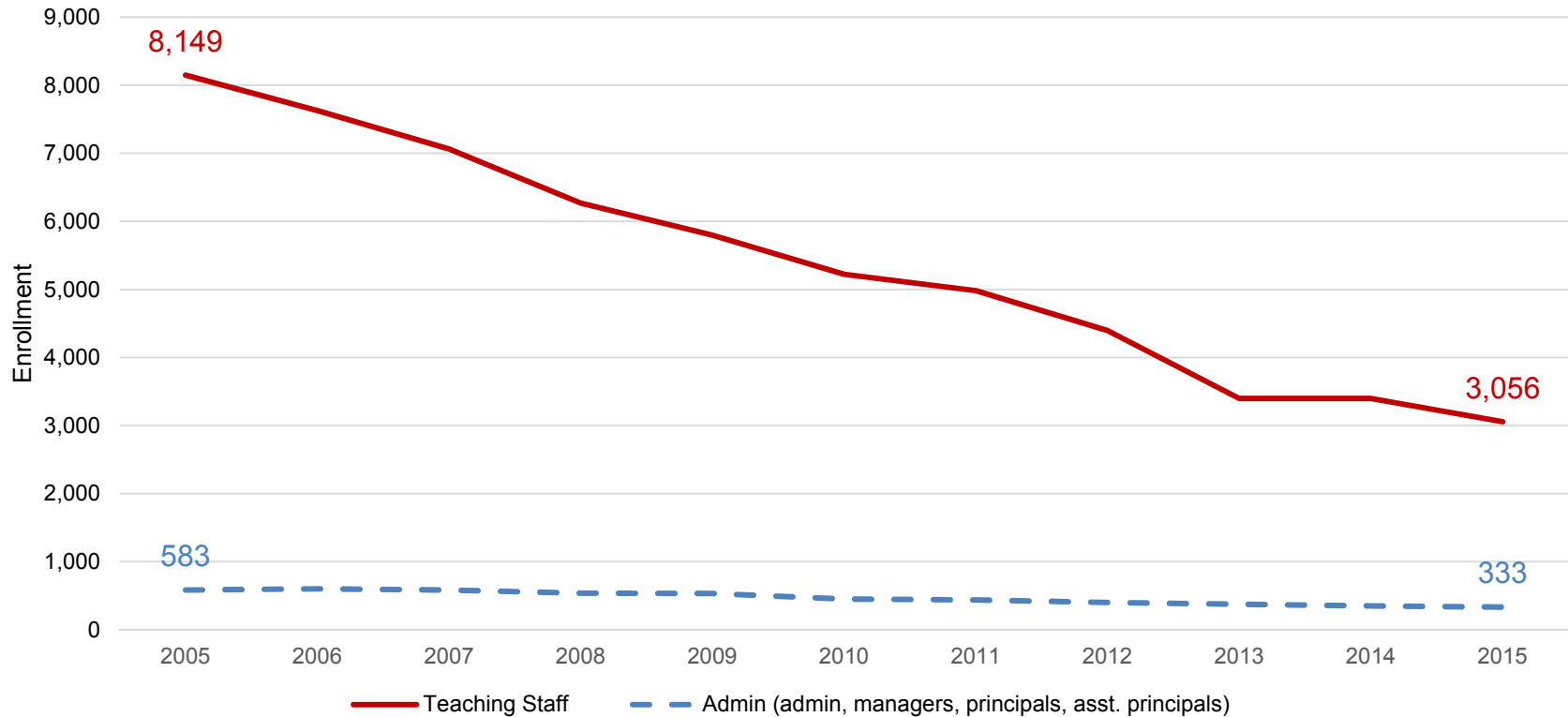
DPS Enrollment vs. Staff Levels

Over 10 years, enrollment has declined by 66.5%, and staff levels have been reduced by 61.6%. During that time, the number of school buildings was reduced from 232 to 90, or by 61.2%.



DPS Staff: Teachers and Administrators

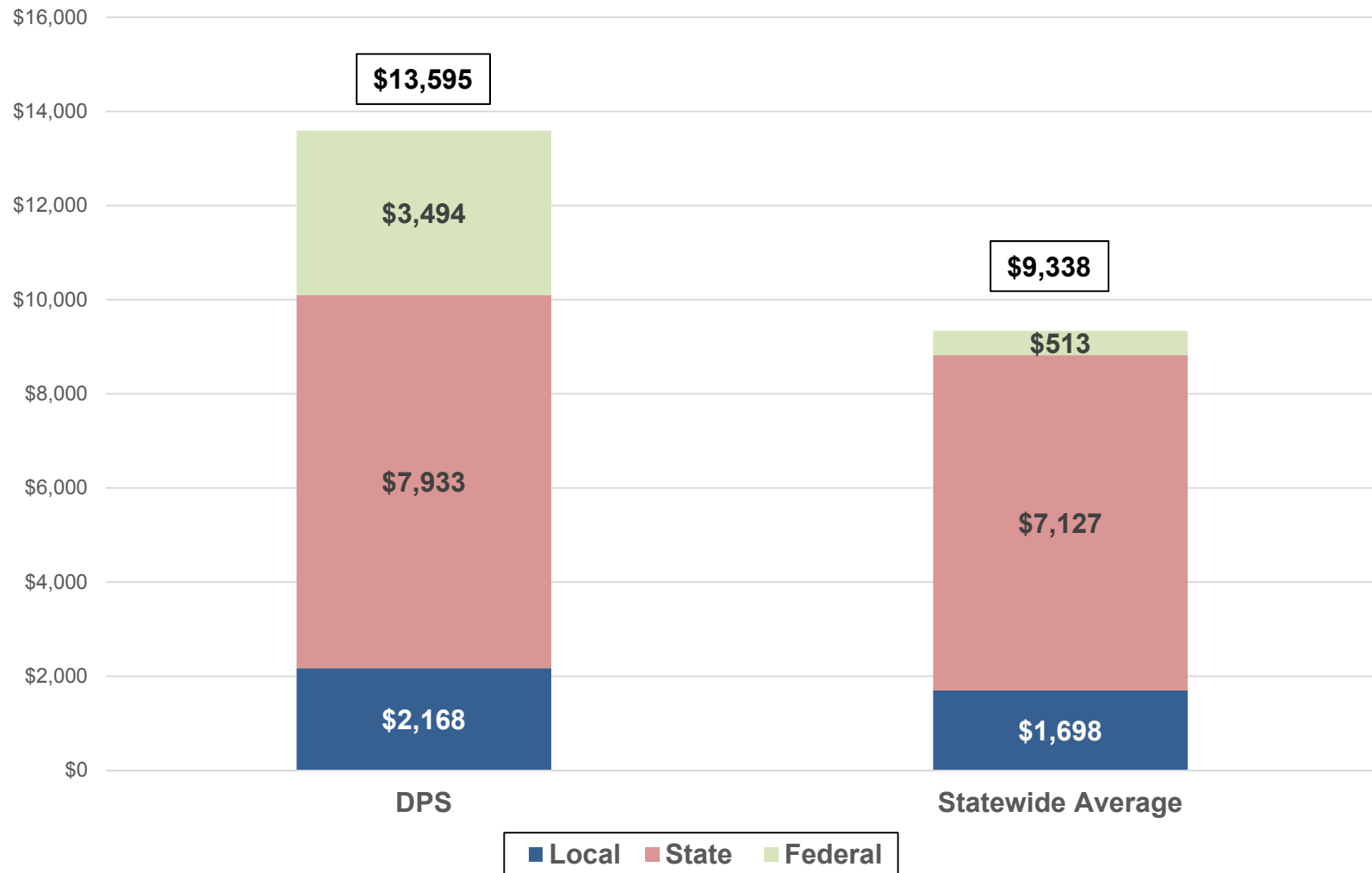
Over 10 years, the number of teachers has been reduced by 62.5%, while the number of administrators has been reduced by 42.9%.



Pupil:Teacher Ratio	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
DPS	27	28	26	27	26	29	24	25	32	28	31
Statewide Average	22	23	23	23	22	23	23	23	23	23	23

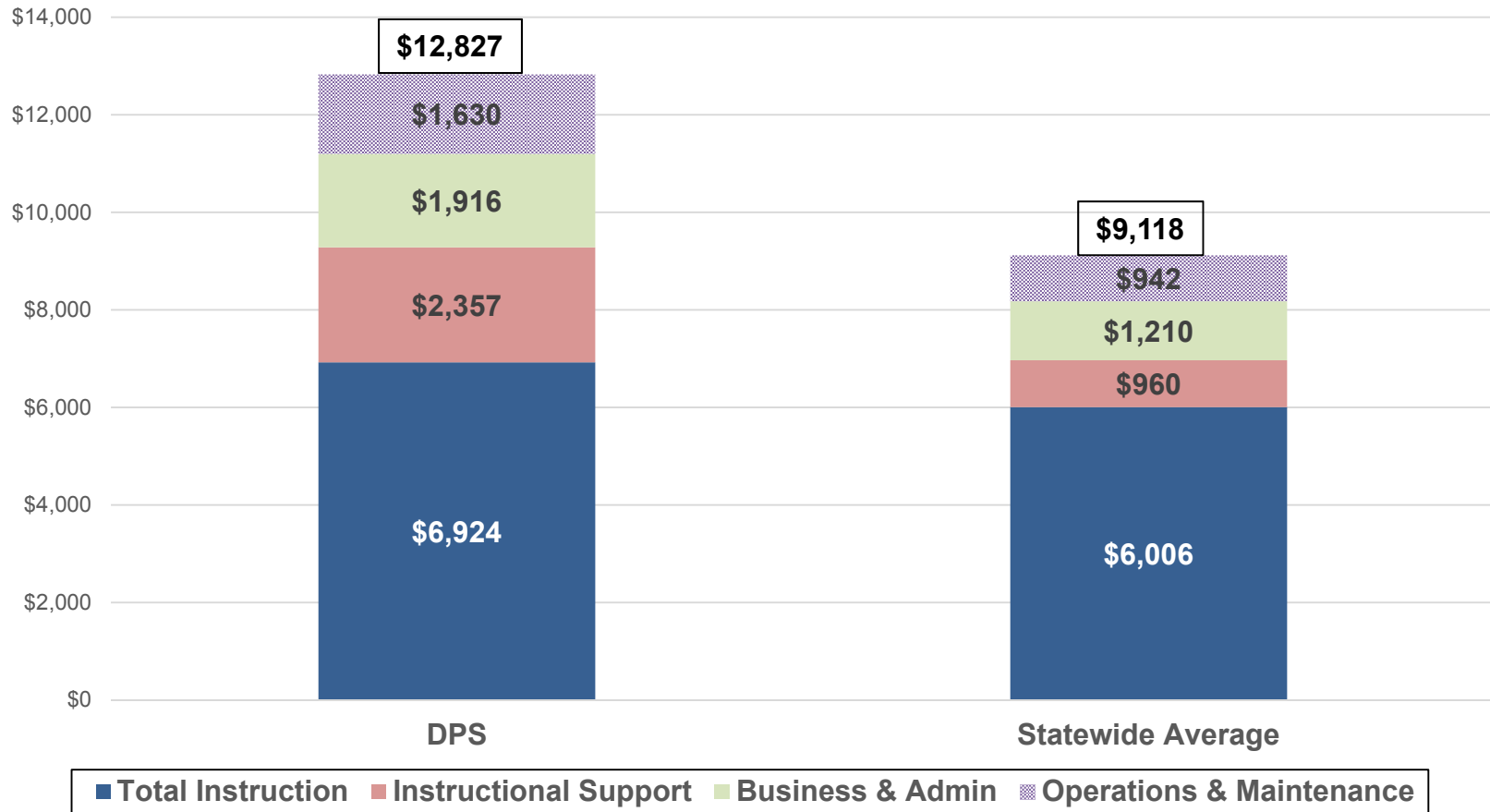
FY 2014-15 Per Pupil Revenues: DPS vs. Statewide

For FY 2014-15, over 2/3 of the difference in total funding between DPS and the statewide average is due to a significantly higher number of federal dollars.



FY 2014-15 Per Pupil Expenditures: DPS vs. Statewide

While DPS spent more on instruction and instructional support, it also spent 58% more on administration and 73% more on operations/maintenance compared to the statewide average.



	Statewide	DPS
Average Teacher Salary	\$61,978	\$63,716
Percent Free Lunch	41%	76%



www.house.mi.gov/hfa