



# Hazel Park School District

Focusing on the Future

*Amy Kruppe, Ed.D.*

*Superintendent*

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## Ford Administration

1620 E. Elza, Hazel Park, MI 48030 • Phone 248-658-5200 | Fax 248-544-5443

### MEMORANDUM

October 14, 2016

To: Paul Connors, Director, Office of School Reform & Fiscal Accountability

From: Dr. Amy Kruppe, Superintendent  
Daniel Romzek, Assistant Superintendent of Business & Operations

CC: Board of Education Members, School District of the City of Hazel Park

Subject: Quarterly Report on Financial Recovery Agreement

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We provide this quarterly update pursuant to Section 3 of the Financial Recovery Agreement (FRA) dated July 19, 2016. The FRA requires reporting by the School District to you on or before October 15, 2016, and quarterly thereafter during the duration of the FRA, on the ongoing financial recovery efforts and remedial measure in process with the School District of the City of Hazel Park.

#### **Pending Lawsuits or Other Legal Action**

We are not aware of any pending lawsuits in which the School District is a named party. Furthermore, there were no legal actions in which the School District was a party over the past three months.

#### **Cash Flows and Budget to Actual Financial Reports Attached**

We are submitting the monthly financial reports for the month ended September 30, 2016, in accordance with the monthly reporting requirements of the Financial Recovery Agreement. Included in this submission is the monthly cash flows report and monthly EDEP.

Further, we have included an amended June 2016 Budgetary Control Report. This report was amended to reflect final actual 2015/2016 General Fund revenue and expenditures for the year.

#### **Budget Update**

The School District is in the process of completing the first amendment to the 2016/2017 General Fund budget. An amendment is needed to update the operating budget for

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changes in enrollment from original estimates, adjust for final staffing cost estimates, updated grant program budgets, and other revenue and expenditure changes since the original budget was adopted in June 2016. Pursuant to the FRA, the proposed amended budget will be submitted to Treasury for review and approval before final approval by the Board of Education. We expect to submit the proposed budget amendment to Treasury in the coming weeks to allow for review and approval prior to Board adoption, which is expected to take place on November 21, 2016.

### **2016 Audit Report**

The School District has completed the 2016 audit process with Plante Moran and we are enclosing a copy of the 2016 audit report for your review. We are pleased to report that the School District reduced the deficit by \$2.056 million or 25.6% from \$8.018 million to \$5.962 million. These actual financial results exceeded the target of \$1.615 million in the final budget by \$441,445.

### **Student Enrollment Update**

The School District is in the process of finalizing the fall 2016 student count. Preliminarily, our fall student count is at 3,446.00 FTE, as shown on the attached Membership Report (Attachment A). This enrollment is 303.74 FTE higher than our projected fall enrollment of 3,142.26. Blended with the supplemental 2016 count of 3,144.95, the fall enrollment would result in a 2016/2017 blended enrollment of 3,415.90, which is 272.29 FTE more than 3,143.61 FTE budgeted. If this added enrollment holds, it will generate \$2.1 million more in state aid than what was originally budgeted. We are cautiously optimistic about this preliminary fall enrollment of 3,446.00 and the added revenue it will generate for the School District.

### **Sinking Fund Renewal Update**

The School District is requesting renewal and increase of its Sinking Fund millage, which is set to expire after the 2016/2017 year. We are seeking the passage of a ten-year, 2.0 mill Sinking Fund millage on the ballot of the November 8, 2016 general election. Dr. Kruppe and Board of Education President Rachel Noth have met with representatives from parent groups, community service groups, local government officials, and other community members to provide information about the millage request.

### **Capital Improvement Plan Update**

The School District continues to work on finalizing the capital improvement plan that was submitted to Treasury on August 15, 2016. The plan assumes passage of the Sinking Fund millage on November 8. If the millage renewal and increase pass the electorate in November, we will begin the implementation process of the plan. If the millage does not pass in November, we will need to revise the plan to fit within the limited funds available from the current millage.

The School District is also in the process of developing a capital improvement plan for renovations and expansion of the Edison MAX Special Education Center, and the related application for submission to Oakland Schools for their funding consideration. This facility is in dire need of renovation and expansion. We expect this application process to be complete before the December 15, 2016 due date outlined in the FRA.

Please contact me if you have any questions or concerns regarding this quarterly update.

**63130 Hazel Park School District**

Official Membership Report (CA-15)  
**Desk Audit Worksheet Pupils Only**

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Count Date: **10/05/2016**

Page 1 of 2

Grade	00	01	02	03	04	05	06	07	08	09	10	11	12	14	20	30	Total
01603 - ACA - GENED FTE										12.00	31.98	23.00	10.00				76.98
01603 - ACA SPED FTE										-	0.02	-	-				0.02
<b>01603 - Access Alternative School TOTAL</b>	-	-	-	-	-	-	-	-	-	<b>12.00</b>	<b>32.00</b>	<b>23.00</b>	<b>10.00</b>	-	-	-	<b>77.00</b>
01611 - INV - GENED FTE										83.00	42.00	32.00	60.00				217.00
01611 - INV SPED FTE										-	-	-	-				0.00
<b>01611 - Invest Roosevelt Alt High School TOTAL</b>	-	-	-	-	-	-	-	-	-	<b>83.00</b>	<b>42.00</b>	<b>32.00</b>	<b>60.00</b>	-	-	-	<b>217.00</b>
01616 - T - GENED FTE										228.50	240.81	244.00	190.58				903.89
01616 - T SPED FTE										2.50	1.19	5.00	3.42				12.11
<b>01616 - Hazel Park High School TOTAL</b>	-	-	-	-	-	-	-	-	-	<b>231.00</b>	<b>242.00</b>	<b>249.00</b>	<b>194.00</b>	-	-	-	<b>916.00</b>
01620 - SER - GENED FTE										3.00	21.00	10.00	6.00				40.00
01620 - SER SPED FTE										-	-	-	-				0.00
<b>01620 - Hazel Park Ser Metro Learning Ac TOTAL</b>	-	-	-	-	-	-	-	-	-	<b>3.00</b>	<b>21.00</b>	<b>10.00</b>	<b>6.00</b>	-	-	-	<b>40.00</b>
01753 - T - GENED FTE	54.00	54.97	72.97	53.98	57.94	64.69											358.55
01753 - T SPED FTE	1.00	0.03	0.03	0.02	0.06	0.31											1.45
<b>01753 - Hoover Elementary TOTAL</b>	<b>55.00</b>	<b>55.00</b>	<b>73.00</b>	<b>54.00</b>	<b>58.00</b>	<b>65.00</b>	-	-	-	-	-	-	-	-	-	-	<b>360.00</b>
02176 - OAE - GENED FTE										13.00	54.00	38.00	20.00				125.00
02176 - OAE SPED FTE										-	-	-	-				0.00
<b>02176 - MICHIGAN CYBER ACADEMY TOTAL</b>	-	-	-	-	-	-	-	-	-	<b>13.00</b>	<b>54.00</b>	<b>38.00</b>	<b>20.00</b>	-	-	-	<b>125.00</b>
02399 - T - GENED FTE														3.00			3.00
02399 - T SPED FTE														85.00			85.00
02399 - SP - GENED FTE														-			0.00
02399 - SP SPED FTE													1.00	4.00			5.00
<b>02399 - Jardon School TOTAL</b>	-	-	-	-	-	-	-	-	-	-	-	-	<b>1.00</b>	<b>92.00</b>	-	-	<b>93.00</b>
02836 - DBA - GENED FTE																	0.00
02836 - DBA SPED FTE																	0.00
02836 - DBP - GENED FTE										1.00	2.00						3.00
02836 - DBP SPED FTE										-	-						0.00

<b>02836 - Hazel Park Training Facility TOTAL</b>	-	-	-	-	-	-	-	-	-	-	1.00	2.00	-	-	-	-	-	3.00
02837 - DPA - GENED FTE																	2.00	2.00
02837 - DPA SPED FTE																	-	0.00
02837 - KDA - GENED FTE																	-	0.00
02837 - KDA SPED FTE																	-	0.00
<b>02837 - Hazel Park Training Facility II TOTAL</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.00	2.00
02840 - HC - GENED FTE																	-	0.00
02840 - HC SPED FTE																	-	0.00
<b>02840 - Hazel Park ESL - 9 MILE TOTAL</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00
02954 - VVA - GENED FTE											3.00	5.00	3.00	3.00				14.00
02954 - VVA SPED FTE											-	-	-	-				0.00
<b>02954 - Viking Virtual Academy TOTAL</b>	-	-	-	-	-	-	-	-	-	-	3.00	5.00	3.00	3.00	-	-	-	14.00
04159 - H - GENED FTE											0.42	0.16	0.78	-				1.36
04159 - H SPED FTE											6.58	8.84	2.22	2.00				19.64
04159 - J - GENED FTE											-	0.77	2.00					2.77
04159 - J SPED FTE											3.00	8.23	9.00					20.23
04159 - E - GENED FTE																		0.00
04159 - E SPED FTE																	3.00	8.00
<b>04159 - Edison MAX TOTAL</b>	-	-	-	3.00	4.00	1.00	3.00	9.00	11.00	7.00	9.00	3.00	2.00	-	-	-	-	52.00
04259 - T - GENED FTE	63.00	60.96	50.98	80.93	65.90	63.96												385.73
04259 - T SPED FTE	-	0.04	0.02	0.07	0.10	0.04												0.27
<b>04259 - United Oaks Elementary TOTAL</b>	<b>63.00</b>	<b>61.00</b>	<b>51.00</b>	<b>81.00</b>	<b>66.00</b>	<b>64.00</b>	-	-	-	-	-	-	-	-	-	-	-	<b>386.00</b>
04422 - T - GENED FTE																	2.00	2.00
04422 - T SPED FTE																	-	0.00
<b>04422 - Webster Elementary TOTAL</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.00	2.00
07680 - AE - GENED FTE																	1.00	1.00
07680 - AE SPED FTE																	-	0.00
<b>07680 - Adult Education TOTAL</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.00	1.00
07829 - T - GENED FTE											18.98	54.00	21.00	95.98				189.96
07829 - T SPED FTE											0.02	-	-	0.02				0.04
<b>07829 - Hazel Park Alternative High Scho TOTAL</b>	-	-	-	-	-	-	-	-	-	-	19.00	54.00	21.00	96.00	-	-	-	190.00
09362 - E - GENED FTE																	3.99	19.95

09362 - E SPED FTE			0.01	-	0.02	0.02												0.05	
09362 - M - GENED FTE							1.00	4.98	4.00									9.98	
09362 - M SPED FTE							-	0.02	-									0.02	
<b>09362 - Advantage TOTAL</b>	-	-	<b>4.00</b>	<b>7.00</b>	<b>5.00</b>	<b>4.00</b>	<b>1.00</b>	<b>5.00</b>	<b>4.00</b>	-	-	-	-	-	-	-	-	<b>30.00</b>	
09372 - T - GENED FTE							191.03	188.57	204.24									583.84	
09372 - T SPED FTE							2.97	2.43	1.76									7.16	
<b>09372 - Hazel Park Junior High School TOTAL</b>	-	-	-	-	-	-	<b>194.00</b>	<b>191.00</b>	<b>206.00</b>	-	-	-	-	-	-	-	-	<b>591.00</b>	
09429 - T - GENED FTE	38.03	45.01	61.55	47.98	51.25	52.48												1.53	297.83
09429 - T SPED FTE	1.97	4.99	4.45	0.02	1.75	3.52												10.47	27.17
09429 - SP - GENED FTE	-			-	-	-	-		-		-		-					4.71	4.71
09429 - SP SPED FTE	1.00			2.00	1.00	1.00	3.00		1.00		4.00		1.00					3.29	17.29
<b>09429 - Webb Elementary TOTAL</b>	<b>41.00</b>	<b>50.00</b>	<b>66.00</b>	<b>50.00</b>	<b>54.00</b>	<b>57.00</b>	<b>3.00</b>	-	<b>1.00</b>	-	<b>4.00</b>	-	<b>1.00</b>	-	-	-	-	<b>20.00</b>	<b>347.00</b>
*TOTAL GENED FTE	155.03	160.94	189.49	189.89	180.07	185.11	192.03	194.32	210.24	362.90	450.95	371.78	385.56	3.00	3.00	8.24		3242.55	
+TOTAL SPED FTE	3.97	5.06	4.51	5.11	6.93	5.89	8.97	10.68	11.76	9.10	14.05	7.22	7.44	89.00	0.00	13.76		203.45	
<b>GRAND TOTAL</b>	<b>159.00</b>	<b>166.00</b>	<b>194.00</b>	<b>195.00</b>	<b>187.00</b>	<b>191.00</b>	<b>201.00</b>	<b>205.00</b>	<b>222.00</b>	<b>372.00</b>	<b>465.00</b>	<b>379.00</b>	<b>393.00</b>	<b>92.00</b>	<b>3.00</b>	<b>22.00</b>		<b>3446.00</b>	