



Hazel Park School District

Focusing on the Future

Amy Kruppe, Ed.D.

Superintendent

Ford Administration

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MEMORANDUM

January 12, 2017

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

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. This report covers the October 1 through December 31, 2016 period.

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 have submitted the monthly financial reports for the month ended December 31, 2016, in accordance with the monthly reporting requirements of the Financial Recovery Agreement. Included in this submission was the monthly cash flows report and monthly EDEP Report.

Budget Update

The School District completed the first amendment to the 2016/2017 General Fund budget. The amendment was approved by Treasury on November 16, 2016 and subsequently approved by the Board of Education on November 21, 2016.



Sinking Fund & Capital Improvement Plan Update

The School District passed its Sinking Fund renewal and increase on November 8, 2016, passing a ten-year, 2.0 mill Sinking Fund millage request. The Board of Education approved a five-year facility improvement plan for these funds, based on the March 2016 facility assessment completed by the School District's auditors. In the coming months, the School District will be working on the development and implementation of the 2017 facility improvements. A copy of the five-year facility plan is attached.

Capital Needs Funding Request for Edison MAX Center Program

The School District submitted a Capital Needs Application to Oakland Schools for Edison MAX School on December 21, 2016, for the renovation and expansion of the Edison MAX Center. A copy of the funding application and proposed facility plan for Edison MAX was submitted to Treasury.

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