



# Hazel Park School District

Focusing on the Future

*Amy Kruppe, Ed.D.*

*Superintendent*

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## Ford Administration

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### MEMORANDUM

January 12, 2017

To: Mr. Paul Connors, Director, School Fiscal Accountability Division, Michigan Department of Treasury

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 measures in process with the School District of the City of Hazel Park. This report covers the January 1 through March 31, 2017 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 March 31, 2017, 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 second amendment to the 2016/2017 General Fund budget. The amendment was approved by Treasury on March 23, 2017 and subsequently approved by the Board of Education on March 27, 2017, in accordance with Section 4 of the FRA. Following approval by the Board of Education, the School District submitted the approved budget to Treasury, pursuant to Section 4.e.

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[www.hazelparkschools.org](http://www.hazelparkschools.org)



### **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, and the Board of Education approved a five-year facility improvement plan for these funds in December 2016, based on the March 2016 facility assessment completed by the School District's architects. During quarter ending March 31, 2017, the School District has been working on developing the construction documents associated with the 2017 facility improvements in collaboration with its architectural consultants, and will be bidding projects out in the spring of 2017. A copy of the five-year facility plan was provided to Treasury in a previous quarterly update.

### **Capital Needs Funding Request for Edison MAX Center Program Update**

The School District submitted a Capital Needs Application to Oakland Schools for Edison MAX School in December 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. The application is still in process of consideration by the Oakland Schools for funding from set-aside capital improvement funds for special education facilities, and is being considered for funding; following the established protocols for special education capital needs requests.

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