



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

RICK SNYDER  
GOVERNOR

NICK A. KHOURI  
STATE TREASURER

June 26, 2018

Dr. Amy Kruppe, School Superintendent  
Laura Adkins, Board President  
School District of the City of Hazel Park  
50 W M-35  
Gwinn, MI 49841

Superintendent Kruppe and Board President Adkins,

Pursuant to MCL §380.1220(5), the Treasurer determined that because the School District of the City of Hazel Park was subject a deficit elimination plan exceeding 5 years it shall therefore submit for approval an enhanced deficit elimination plan (EDEP) to the Department of Treasury.

This letter serves as approval of the district's EDEP submitted April 26, 2018 (attachment #1). This letter of approval recognizes that the district shall do the following:

- Submit an enhanced monthly monitoring report in a form and manner prescribed by the Department of Treasury.
- Eliminate the district's general fund deficit by FY 2030 in accordance with the EDEP submitted April 23, 2018.

Please notify us if significant changes occur which would invalidate this plan as approved. If you have any questions, contact Michael Wrobel at (517)-335-3247 or [WrobelM@michigan.gov](mailto:WrobelM@michigan.gov).

Sincerely,

A handwritten signature in black ink that reads "Shelbi Frayer".

Shelbi Frayer, Director  
Financial Review Commission

cc: William Melching – Business Manager, School District of the City of Hazel Park

Hazel Park Schools EDEP  
26-Apr-18

General Fund Beginning Fund Balance

	FY 17/18 Bud	1 FY 18/19 Est	2 FY 19/20 Est	3 FY 20/21 Est	4 FY 21/22 Est	5 FY 22/23 Est	6 FY 23/24 Est	7 FY 24/25 Est	8 FY 25/26 Est	9 FY 26/27 Est	10 FY 27/28 Est	11 FY 28/29 Est	12 FY 29/30 Est	13 FY 29/30 Est
Foundation funding per pupil	\$ 7,834.00	\$ 7,954.00	\$ 8,057.40	\$ 8,162.15	\$ 8,268.26	\$ 8,375.74	\$ 8,484.63	\$ 8,594.93	\$ 8,706.66	\$ 8,819.85	\$ 8,934.51	\$ 9,050.66	\$ 9,168.31	\$ 9,287.50
Foundation funding increase as Percent	1.42%	1.53%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%
Student Count (excluding vendor programs)	2,915.00	2,815.00	2,835.00	2,855.00	2,875.00	2,895.00	2,915.00	2,935.00	2,955.00	2,975.00	2,995.00	3,015.00	3,035.00	3,055.00
Percent Change	-	-3.43%	0.71%	0.71%	0.70%	0.70%	0.69%	0.69%	0.68%	0.68%	0.67%	0.67%	0.66%	0.66%
Student Count Vendor Programs	544.00	544.00	544.00	544.00	544.00	544.00	544.00	544.00	544.00	544.00	544.00	544.00	544.00	544.00
Percentage Change Vendor Programs	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Student Count	3,459.00	3,359.00	3,379.00	3,399.00	3,419.00	3,439.00	3,459.00	3,479.00	3,499.00	3,519.00	3,539.00	3,559.00	3,579.00	3,599.00
Change in Total Student Count	-	(100.00)	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00
Percent Change	3.03%	-2.89%	0.60%	0.59%	0.59%	0.58%	0.58%	0.58%	0.57%	0.57%	0.57%	0.57%	0.56%	0.56%

Revenue

	FY 17/18 Bud	FY 18/19 Est	FY 19/20 Est	FY 20/21 Est	FY 21/22 Est	FY 22/23 Est	FY 23/24 Est	FY 24/25 Est	FY 25/26 Est	FY 26/27 Est	FY 27/28 Est	FY 28/29 Est	FY 29/30 Est	FY 29/30 Est
State Aid Funding	\$ 20,060,897	\$ 19,561,660	\$ 20,121,885	\$ 20,582,083	\$ 21,050,386	\$ 21,526,927	\$ 22,011,841	\$ 22,505,265	\$ 23,007,337	\$ 23,518,201	\$ 24,037,999	\$ 24,566,877	\$ 25,104,983	\$ 25,652,469
MPSERS UAAL Rate Stabilization 147(c1)	\$ 2,002,200	\$ 2,002,200	\$ 2,002,200	\$ 2,002,200	\$ 2,002,200	\$ 2,002,200	\$ 2,002,200	\$ 2,002,200	\$ 2,002,200	\$ 2,002,200	\$ 2,002,200	\$ 2,002,200	\$ 2,002,200	\$ 2,002,200
State Categorical	\$ 2,936,019	\$ 2,936,019	\$ 2,936,019	\$ 2,936,019	\$ 2,936,019	\$ 2,936,019	\$ 2,936,019	\$ 2,936,019	\$ 2,936,019	\$ 2,936,019	\$ 2,936,019	\$ 2,936,019	\$ 2,936,019	\$ 2,936,019
Vendor Program	\$ 4,208,059	\$ 4,326,976	\$ 4,383,227	\$ 4,440,209	\$ 4,497,931	\$ 4,556,404	\$ 4,615,638	\$ 4,675,641	\$ 4,736,424	\$ 4,797,998	\$ 4,860,372	\$ 4,923,557	\$ 4,987,563	\$ 5,052,401
Local funding from Property Tax	\$ 2,828,850	\$ 2,720,850	\$ 2,720,850	\$ 2,720,850	\$ 2,720,850	\$ 2,720,850	\$ 2,720,850	\$ 2,720,850	\$ 2,720,850	\$ 2,720,850	\$ 2,720,850	\$ 2,720,850	\$ 2,720,850	\$ 2,720,850
Other Local funding including rental income	\$ 484,825	\$ 484,825	\$ 484,825	\$ 484,825	\$ 484,825	\$ 484,825	\$ 484,825	\$ 484,825	\$ 484,825	\$ 484,825	\$ 484,825	\$ 484,825	\$ 484,825	\$ 484,825
Extraordinary (Insurance proceeds)	\$ 24,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County Ind PA-18 funding for Special Education programs	\$ 1,590,850	\$ 1,646,530	\$ 1,704,158	\$ 1,763,804	\$ 1,825,537	\$ 1,889,431	\$ 1,955,561	\$ 2,024,005	\$ 2,094,846	\$ 2,168,165	\$ 2,244,051	\$ 2,322,593	\$ 2,403,884	\$ 2,488,019
Federal funding	\$ 2,447,350	\$ 2,447,350	\$ 2,447,350	\$ 2,447,350	\$ 2,447,350	\$ 2,447,350	\$ 2,447,350	\$ 2,447,350	\$ 2,447,350	\$ 2,447,350	\$ 2,447,350	\$ 2,447,350	\$ 2,447,350	\$ 2,447,350
Other	\$ 1,149,100	\$ 1,149,100	\$ 558,700	\$ 558,700	\$ 558,700	\$ 558,700	\$ 558,700	\$ 558,700	\$ 558,700	\$ 558,700	\$ 558,700	\$ 558,700	\$ 558,700	\$ 558,700
<b>Total Revenue</b>	<b>\$ 37,732,350</b>	<b>\$ 37,275,510</b>	<b>\$ 37,359,214</b>	<b>\$ 37,936,040</b>	<b>\$ 38,523,799</b>	<b>\$ 39,122,707</b>	<b>\$ 39,732,984</b>	<b>\$ 40,354,855</b>	<b>\$ 40,988,551</b>	<b>\$ 41,634,308</b>	<b>\$ 42,292,365</b>	<b>\$ 42,962,970</b>	<b>\$ 43,646,374</b>	<b>\$ 44,342,834</b>
Total Revenue per pupil	\$ 10,908	\$ 11,097	\$ 11,056	\$ 11,161	\$ 11,268	\$ 11,376	\$ 11,487	\$ 11,600	\$ 11,714	\$ 11,831	\$ 11,950	\$ 12,072	\$ 12,195	\$ 12,321
State and Local Revenue per pupil	\$ 10,201	\$ 10,369	\$ 10,332	\$ 10,441	\$ 10,552	\$ 10,665	\$ 10,779	\$ 10,896	\$ 11,015	\$ 11,136	\$ 11,259	\$ 11,384	\$ 11,511	\$ 11,641

Expenditures

	FY 17/18 Bud	FY 18/19 Est	FY 19/20 Est	FY 20/21 Est	FY 21/22 Est	FY 22/23 Est	FY 23/24 Est	FY 24/25 Est	FY 25/26 Est	FY 26/27 Est	FY 27/28 Est	FY 28/29 Est	FY 29/30 Est	FY 29/30 Est
Classroom Instruction-Basic needs-excluding center program	\$ 15,803,180	\$ 12,946,899	\$ 13,026,899	\$ 13,106,899	\$ 13,186,899	\$ 13,266,899	\$ 13,346,899	\$ 13,426,899	\$ 13,506,899	\$ 13,586,899	\$ 13,666,899	\$ 13,746,899	\$ 13,826,899	\$ 13,906,899
Vendor Programs	\$ 3,343,885	\$ 3,404,032	\$ 3,448,284	\$ 3,493,112	\$ 3,538,523	\$ 3,584,523	\$ 3,631,122	\$ 3,678,327	\$ 3,726,145	\$ 3,774,585	\$ 3,823,655	\$ 3,873,276	\$ 3,923,716	\$ 3,974,724
Added Needs	\$ 5,834,210	\$ 5,994,210	\$ 5,994,210	\$ 5,994,210	\$ 5,994,210	\$ 5,994,210	\$ 5,994,210	\$ 5,994,210	\$ 5,994,210	\$ 5,994,210	\$ 5,994,210	\$ 5,994,210	\$ 5,994,210	\$ 5,994,210
Adult Education	\$ 280,550	\$ 101,499	\$ 101,499	\$ 101,499	\$ 101,499	\$ 101,499	\$ 101,499	\$ 101,499	\$ 101,499	\$ 101,499	\$ 101,499	\$ 101,499	\$ 101,499	\$ 101,499
Pupil services	\$ 2,449,000	\$ 2,419,339	\$ 2,419,339	\$ 2,419,339	\$ 2,419,339	\$ 2,419,339	\$ 2,419,339	\$ 2,419,339	\$ 2,419,339	\$ 2,419,339	\$ 2,419,339	\$ 2,419,339	\$ 2,419,339	\$ 2,419,339
Inst. Staff Support	\$ 1,421,725	\$ 1,366,725	\$ 1,366,725	\$ 1,366,725	\$ 1,366,725	\$ 1,366,725	\$ 1,366,725	\$ 1,366,725	\$ 1,366,725	\$ 1,366,725	\$ 1,366,725	\$ 1,366,725	\$ 1,366,725	\$ 1,366,725
General Administration	\$ 581,800	\$ 581,800	\$ 581,800	\$ 581,800	\$ 581,800	\$ 581,800	\$ 581,800	\$ 581,800	\$ 581,800	\$ 581,800	\$ 581,800	\$ 581,800	\$ 581,800	\$ 581,800
School Administration	\$ 1,720,975	\$ 1,720,975	\$ 1,720,975	\$ 1,720,975	\$ 1,720,975	\$ 1,720,975	\$ 1,720,975	\$ 1,720,975	\$ 1,720,975	\$ 1,720,975	\$ 1,720,975	\$ 1,720,975	\$ 1,720,975	\$ 1,720,975
Business	\$ 622,850	\$ 622,850	\$ 625,964	\$ 629,094	\$ 632,240	\$ 635,401	\$ 638,578	\$ 641,771	\$ 644,979	\$ 648,204	\$ 651,445	\$ 654,703	\$ 657,976	\$ 661,266
Other Business (interest/insurance)	\$ 322,825	\$ 322,825	\$ 320,000	\$ 315,000	\$ 310,000	\$ 305,000	\$ 300,000	\$ 295,000	\$ 290,000	\$ 285,000	\$ 280,000	\$ 275,000	\$ 270,000	\$ 265,000
Cost Savings - Retiring staff compared to new staff	\$ -	\$ -	\$ (90,000)	\$ (90,000)	\$ (90,000)	\$ (90,000)	\$ (90,000)	\$ (90,000)	\$ (90,000)	\$ (90,000)	\$ (90,000)	\$ (90,000)	\$ (90,000)	\$ (90,000)
Severance Payouts	\$ -	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
ORS Annual Increase	\$ -	\$ 204,983	\$ 306,008	\$ 407,538	\$ 509,576	\$ 612,124	\$ 715,184	\$ 818,760	\$ 922,854	\$ 1,027,468	\$ 1,132,605	\$ 1,238,268	\$ 1,344,460	\$ 1,451,182
Operation and Maintenance	\$ 2,353,194	\$ 2,368,330	\$ 2,392,013	\$ 2,415,933	\$ 2,440,093	\$ 2,464,494	\$ 2,489,139	\$ 2,514,030	\$ 2,539,170	\$ 2,564,562	\$ 2,590,208	\$ 2,616,110	\$ 2,642,271	\$ 2,668,693
Utilities	\$ 1,174,650	\$ 1,174,650	\$ 1,198,143	\$ 1,222,106	\$ 1,246,548	\$ 1,271,479	\$ 1,296,909	\$ 1,322,847	\$ 1,349,304	\$ 1,376,290	\$ 1,403,815	\$ 1,431,892	\$ 1,460,530	\$ 1,489,740
Insurance Property, G/L and E&O	\$ 143,206	\$ 146,070	\$ 148,991	\$ 151,971	\$ 155,011	\$ 158,111	\$ 161,273	\$ 164,499	\$ 167,789	\$ 171,144	\$ 174,567	\$ 178,059	\$ 181,620	\$ 185,252
Transportation	\$ 408,800	\$ 408,800	\$ 412,888	\$ 417,017	\$ 421,187	\$ 425,399	\$ 429,653	\$ 433,949	\$ 438,289	\$ 442,672	\$ 447,099	\$ 451,570	\$ 456,085	\$ 460,646
Central	\$ 956,350	\$ 886,350	\$ 886,350	\$ 886,350	\$ 886,350	\$ 886,350	\$ 886,350	\$ 886,350	\$ 886,350	\$ 886,350	\$ 886,350	\$ 886,350	\$ 886,350	\$ 886,350
Other-Athletics	\$ 591,300	\$ 591,300	\$ 591,300	\$ 591,300	\$ 591,300	\$ 591,300	\$ 591,300	\$ 591,300	\$ 591,300	\$ 591,300	\$ 591,300	\$ 591,300	\$ 591,300	\$ 591,300
Community services	\$ 120,250	\$ 120,250	\$ 120,250	\$ 120,250	\$ 120,250	\$ 120,250	\$ 120,250	\$ 120,250	\$ 120,250	\$ 120,250	\$ 120,250	\$ 120,250	\$ 120,250	\$ 120,250
Capital Outlay	\$ 30,000	\$ 155,000	\$ 244,000	\$ 244,000	\$ 244,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
Police Liason - 10 Year Agreement	\$ 33,000	\$ 33,000	\$ 33,000	\$ 33,000	\$ 33,000	\$ 33,000	\$ 33,000	\$ 33,000	\$ 33,000	\$ 33,000	\$ 33,000	\$ 33,000	\$ 33,000	\$ 33,000
Transfers out for QZAB only	\$ 540,450	\$ 441,050	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Energy bond payments	\$ 333,500	\$ 330,788	\$ 294,000	\$ 290,713	\$ 292,088	\$ 293,088	\$ 293,088	\$ 292,688	\$ 291,550	\$ -	\$ -	\$ -	\$ -	\$ -
Prior Period Adjustment (ORS 3% FICA)	\$ 120,550	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unemployment	\$ -	\$ 54,300	\$ 54,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Allowance for Health Care Cost Increases	\$ -	\$ 71,400	\$ 168,000	\$ 252,000	\$ 336,000	\$ 420,000	\$ 504,000	\$ 588,000	\$ 672,000	\$ 756,000	\$ 840,000	\$ 924,000	\$ 1,008,000	\$ 1,108,800
Allowance for salary and wage increases	\$ -	\$ -	\$ 221,559	\$ 443,118	\$ 664,677	\$ 886,236	\$ 1,107,795	\$ 1,329,354	\$ 1,550,913	\$ 1,772,472	\$ 1,994,031	\$ 2,215,590	\$ 2,437,149	\$ 2,658,708
<b>Total Expenditures</b>	<b>\$ 39,186,250</b>	<b>\$ 36,767,425</b>	<b>\$ 36,886,498</b>	<b>\$ 37,413,950</b>	<b>\$ 38,002,288</b>	<b>\$ 38,648,201</b>	<b>\$ 39,239,087</b>	<b>\$ 39,798,571</b>	<b>\$ 40,392,340</b>	<b>\$ 40,617,744</b>	<b>\$ 41,221,772</b>	<b>\$ 42,247,900</b>	<b>\$ 42,856,153</b>	<b>\$ 43,403,359</b>

Informational

	FY 17/18 Bud	FY 18/19 Est	FY 19/20 Est	FY 20/21 Est	FY 21/22 Est	FY 22/23 Est	FY 23/24 Est	FY 24/25 Est	FY 25/26 Est	FY 26/27 Est	FY 27/28 Est	FY 28/29 Est	FY 29/30 Est	FY 29/30 Est
Contribution to deficit	\$ (1,453,900)	\$ 508,085	\$ 472,715	\$ 522,090	\$ 521,511	\$ 474,506	\$ 493,896	\$ 556,284	\$ 596,212	\$ 1,016,564	\$ 1,070,593	\$ 715,070	\$ 790,221	