



Ford Administration
1620 E. Elza, Hazel Park, MI 48030 | 248-658-5200 | F: 248-544-5223
www.hazelparkschools.org

Agenda

Budget Hearing

Ford Administration Building

1620 E Elza Avenue

Hazel Park, MI 48030

June 16, 2025

5:00 PM

LOCATION AND FORMAT: The meeting will be held at the Ford Administration Building, 1620 E Elza Hazel Park, Michigan. Members of the public wishing to speak during the public comment portion of the meeting may do so in-person.

CALL TO ORDER

ROLL CALL

APPROVAL OF THE AGENDA

PUBLIC COMMENT

NEW BUSINESS

A. Truth in Taxation (Informational Item)

1) Public Comment

B. Budget

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PUBLIC COMMENT

BOARD MEMBERS AND ADMINISTRATION COMMENTS

ADJOURNMENT

Any person with a disability who needs accommodation for participation in this meeting should contact the Superintendent's office at (248) 658-5220 at least five (5) days in advance of the meeting to request assistance.

All Official minutes of school board meetings are stored and available for inspection in the Ford Administration office at the above address.

This notice is given in compliance with Act No. 267 of the Public Acts Michigan, 1976



School District of the City of Hazel Park

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Final Budget 2025
Original Budget 2026

June 16, 2025

Monica Papasian
Assistant Superintendent of Business of Operations

Budget Summary: Revenues



- Revenue Summary:
 - Reviewed State Aid and Grant Allocations and have accounted for any final adjustments
 - Reviewed Center Program Budgets and updated interfund transfers allowed for Rent and Indirect, included estimated fund balance excess transfer to general fund.
 - Reviewed other miscellaneous revenue items in preparation of the year end close.

Budget Summary: Expenses



- Expense Summary:
 - Reviewed all employee positions in the District and took actual incurred costs to date and added in projected remaining costs (including fringes)
 - Reviewed current expenses and projections through the end of the year taking into account any known accruals that would need to be accounted for

Budget Summary: Significant Changes



- Significant Changes:

● 51c Special Ed State Aid Revenue	(\$1.1M)
● GSRP Revenue	(\$511k)
● 31a State Aid Revenue	(\$388k)
● Property Tax Revenue	(\$240k)
● Center Program Transfer to GF	\$385k
● Invest & MCA expense offset	<u>\$528k</u>
	(\$1.326M)

General Fund Budget Trends



	Original Budget 2024/25	2nd Amendment 2024/25	Proposed Changes 2024/25	Final Amendment 2024/25
Revenue	\$ 55,862,397	\$ 62,929,302	\$ (2,591,658)	\$ 60,337,644
Expenditures	56,392,202	62,489,131	(825,317)	61,663,814
Budget Surplus (Deficit)	(529,805)	440,171	(1,766,341)	(1,326,170)
Beg. Fund Balance (Deficit)	992,877	992,877		992,877
Est. Ending Fund Balance (Deficit)	\$ <u>463,072</u>	\$ <u>1,433,048</u>		\$ <u>(333,293)</u>

Other Revenue Fund Budgets



	Food Service 2024/25	Child Care 2024/25	Special Education 2024/25
Revenue	\$ 2,482,977	\$ 266,582	\$ 13,453,121
Expenditures	<u>3,310,481</u>	<u>349,842</u>	<u>16,118,011</u> 7
Budget Surplus (Deficit)	(827,504)	(83,260)	(2,664,890)
Beg. Fund Balance (Deficit)	<u>752,230</u>	<u>385,827</u>	<u>494,198</u>
Est. Ending Fund Balance (Deficit)	<u><u>\$ (75,274)</u></u>	<u><u>\$ 302,567</u></u>	<u><u>\$ (2,170,692)</u></u>

- Food Service expenditures include a portion of the cafeteria remodel; following an in depth review of the project and the fund activity, excess costs will be transferred to the sinking fund which will bring the fund balance out of deficit
- Special Education will not be unfavorable as shown; It is required that we budget the full approved expenses for the Center Programs which include a number of vacant positions

Budget Summary: 2026



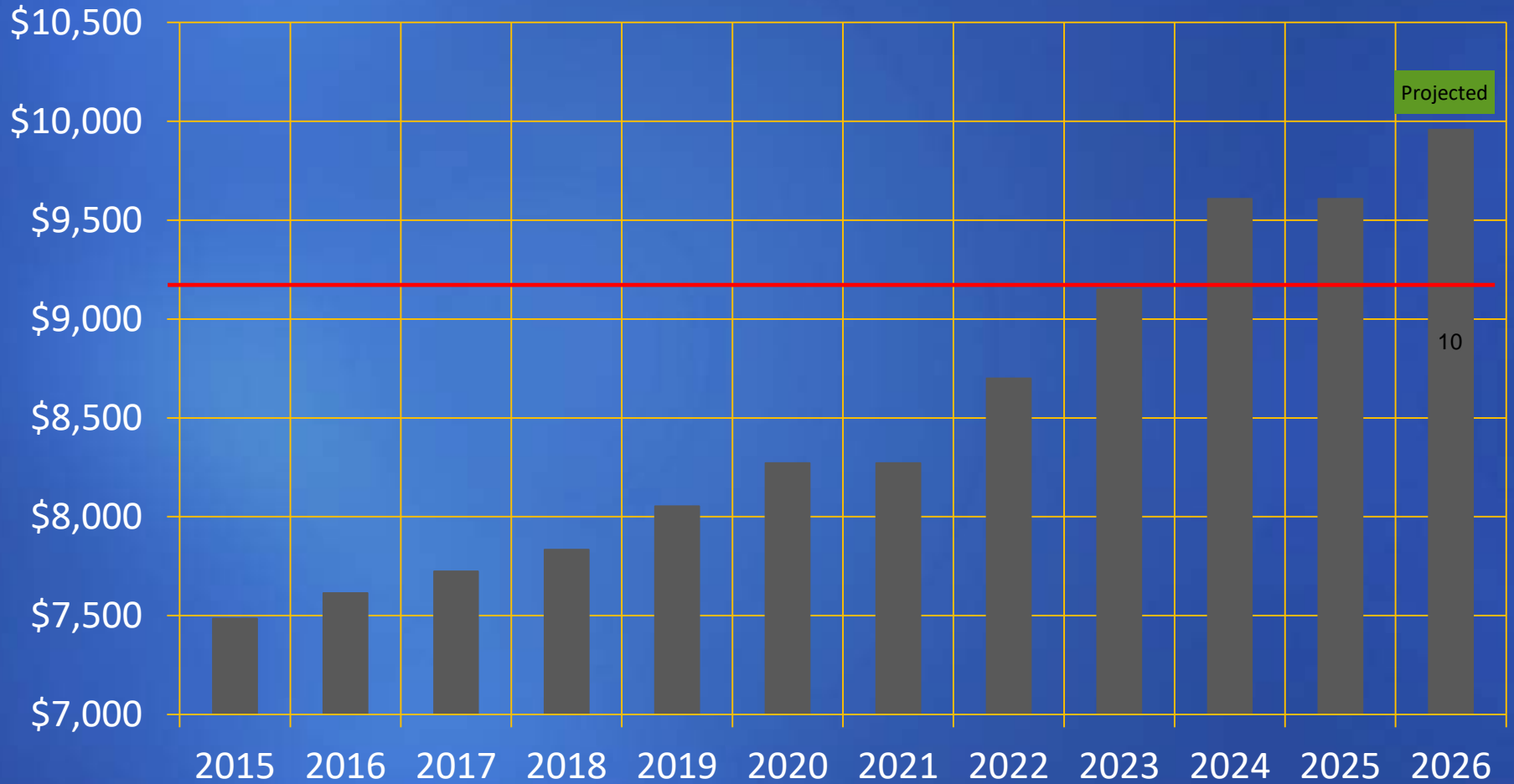
- The initial budget is not a zero based budget. The final 24/25 budget was rolled forward with known changes made (as listed below)
- ASSUMPTIONS
 - Projected a \$350 per pupil Increase **\$2.25M**
 - General Fund \$1.7M
 - Special Ed Center Fund \$540k
 - Projected Federal and State Funding to remain flat
 - Projected enrollment to remain flat
 - We were conservative with estimates and adjustments
- Accounted for known changes in revenues and expenses **(\$1.6M)**
 - Staffing Steps **(\$918k)**
 - Excludes change for administrative, non-union, and secretaries
 - Represented as 3% increase of pay & benefits
 - Grant carryover and prior year state aid revenue removed **(\$2.4M)**
 - State Aid revenue per pupil increase **\$1.7M**

Budget Summary: 2026



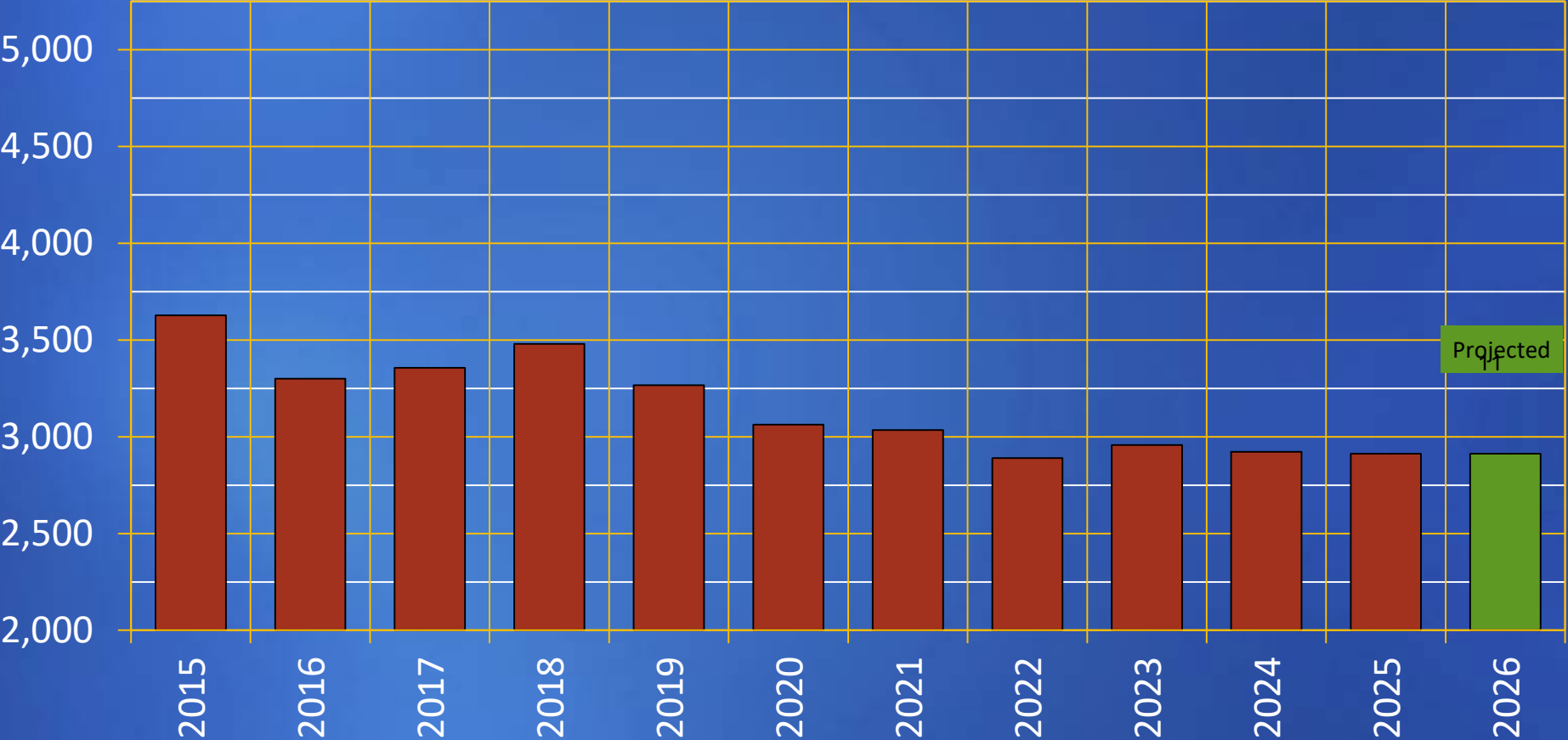
- Reductions/Changes in Place \$1.34M
 - Interest expense reduced \$220k
 - Audit Fees reduced \$60k
 - Attorney Fees reduced \$56k
 - Professional Development reduced \$75k
 - Interim Staff Removed (Superintendent, Business Office) \$160k
 - Battelle for Kids – Portrait of a Learner expense removed \$38k
 - Ukeru Trainer reduction \$10k
 - Powerschools expense reduction \$32k
 - Staffing changes - expenses reduced \$692k
 - Varsity assistant coaches \$10k
 - Combination of communication and athletic department \$100k
 - Reduce/Eliminate open positions \$582k
 - K12 supervisor eliminated; Assistant Superintendent Secretary eliminated; 2 office paras eliminated; 1 PE teacher eliminated, secondary instructional coach eliminated, Advantage elementary position eliminated; VVA at high school change teacher to para

State Aid Per Student Summary



Projected foundation allowance based on Gov Witmer's Budget proposal

Enrollment Trend

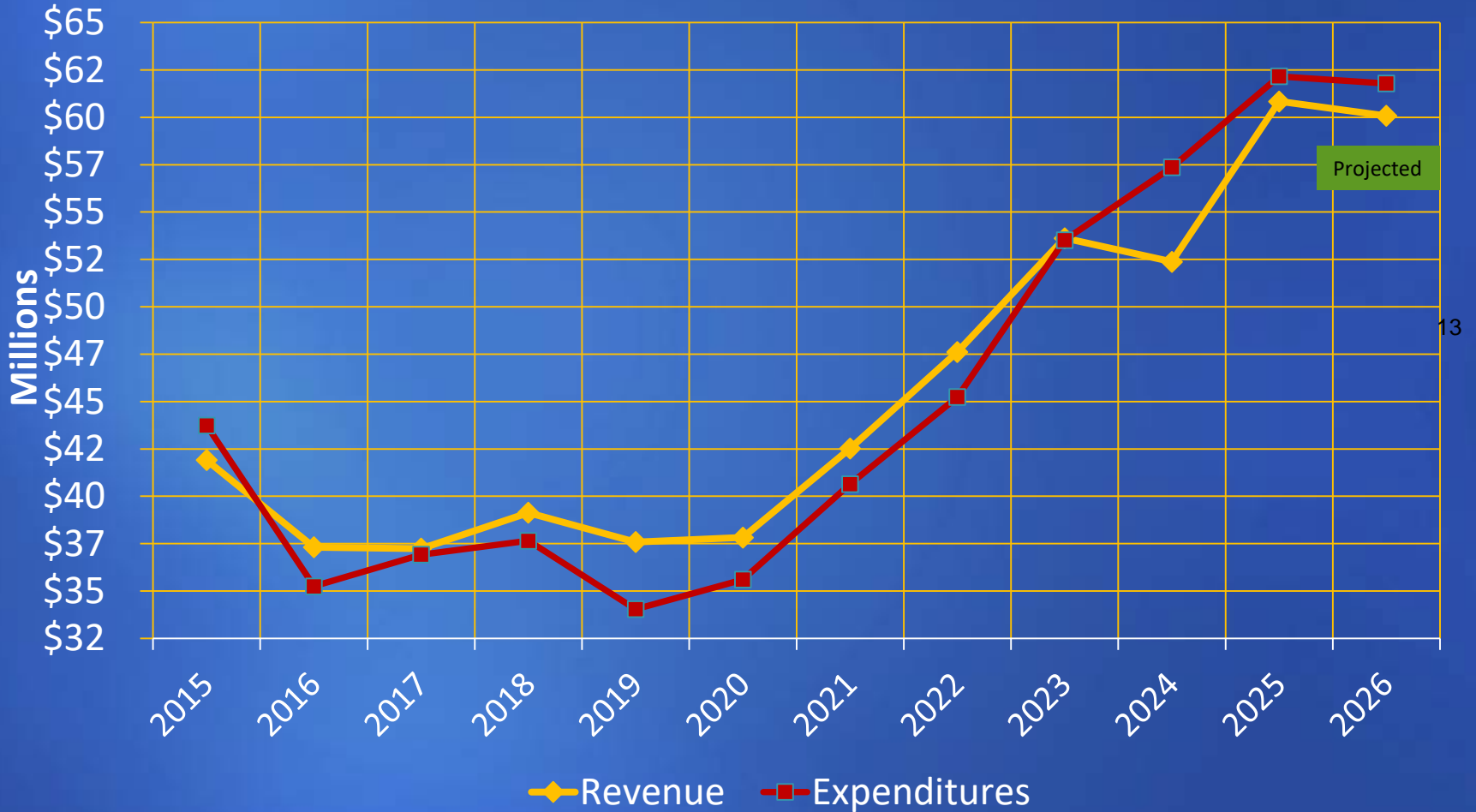


General Fund Budget Trends



	Original Budget 2025/26
Revenue	\$ 59,579,755
Expenditures	<u>61,288,465</u>
Budget Surplus (Deficit)	(1,708,710)
Beg. Fund Balance (Deficit)	<u>(333,293)</u>
Est. Ending Fund Balance (Deficit)	<u><u>\$ (2,042,003)</u></u>

General Fund Revenue & Expenditures



Other Revenue Fund Budgets



	Food Service 2025/26	Child Care 2025/26	Special Education 2025/26
Revenue	\$ 2,453,111	\$ 266,582	\$ 13,693,997
Expenditures	<u>2,644,872</u>	<u>349,842</u>	<u>13,932,588¹⁴</u>
Budget Surplus (Deficit)	(191,761)	(83,260)	(238,591)
Beg. Fund Balance (Deficit)	<u>(75,274)</u>	<u>302,567</u>	<u>(2,170,692)</u>
Est. Ending Fund Balance (Deficit)	<u><u>\$ (267,035)</u></u>	<u><u>\$ 219,307</u></u>	<u><u>\$ (2,409,283)</u></u>

Budget: Next Steps



- Work throughout summer to get actual enrollment
- Wait for State Budget adoption
- Close the books and prepare for the audit
- Business office and Board collaboration for budget changes
 - July 21st and 22nd
- Budget updates to the Board in August and October
- First budget amendment in December
- Monitor Grant expenditures
- Go line by line and review the budget

Final Thoughts



- School District must maintain continued focus on balancing the budget
 - Look closely at vacated positions for reassignment of duties and opportunities through attrition
- We are being conservative and planning for worst case scenario with the many unknowns for closing out the budget and working on next years budget
- Working with Treasury for a reimbursement grant available for districts under early warning monitoring
- There are MANY variables that can and will change requiring continued oversight and diligence



Thank You

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Questions? & Discussion