



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING

RICK SNYDER
GOVERNOR

BRIAN J. WHISTON
STATE SUPERINTENDENT

July 27, 2016

Derek Fisher, Superintendent
Darlene Jablonowski, Board President
Garden City School District
1333 Radcliff Street
Garden City, MI 48135-1126

Dear Superintendent Fischer and Board President Jablonowski:

Thank you for the submission of your district's revised Deficit Elimination Plan (DEP) as developed by the district and approved by the local board of education. The Michigan Department of Education (MDE) has approved this plan based on contingencies, which are listed below. Attached is a one page summary of the DEP from your electronic submission.

The DEP developed by the district is largely dependent on staff reductions. The MDE expects that the projected staff reductions will take place according to the schedule detailed in the DEP. Further, MDE expects that if the district is unable to realize its own planned reductions as outlined in the Plan, it will immediately institute other expenditure reductions in order to maintain the schedule of deficit elimination detailed in the DEP.

Additionally, this Plan assumes that the MPSERS cost offset given to districts will continue. MDE expects that if the offset is not offered, the district will immediately institute expenditure reductions in order to maintain the schedule detailed in the DEP.

Finally, this plan assumes that the per pupil foundation will increase in fiscal year 2018. If the foundation increase does not occur as detailed in the DEP, the MDE expects that the district will institute expenditure reductions in order to meet the fund balance targets in the plan.

The district is required to meet the fund balance targets in this DEP. Failure to meet these deficit reduction targets will invalidate the plan. Department approval is granted based on the following contingencies:

- The district is required to reduce projected expenditures to the levels detailed in this Plan. If the district is unable to achieve its planned staff reductions, it will be expected to immediately reduce expenditures in other categories in order to meet the fund balance targets in its Plan.
- The district is required to reduce projected expenditures in any year where the district's actual foundation is below the levels assumed in this plan.

STATE BOARD OF EDUCATION

JOHN C. AUSTIN – PRESIDENT • CASANDRA E. ULBRICH – VICE PRESIDENT
MICHELLE FECTEAU – SECRETARY • PAMELA PUGH – TREASURER
LUPE RAMOS-MONTIGNY – NASBE DELEGATE • KATHLEEN N. STRAUS
EILEEN LAPPIN WEISER • RICHARD ZEILE

608 WEST ALLEGAN STREET • P.O. BOX 30008 • LANSING, MICHIGAN 48909
www.michigan.gov/mde • 517-373-3324

Derek Fisher
Darlene Jablonowski
Page 2
July 27, 2016

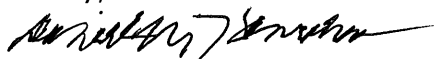
- The district is required to immediately reduce projected expenditures if the district does not receive the MPSERS cost offset assumed in this Plan. Failure to meet targeted deficit reduction in any year of this DEP will invalidate this Plan.
- If the district is unable to achieve its enrollment projections, it will be expected to reduce expenditures in order to meet the fund balance targets in the DEP.
- The district is required to post a link to this approved DEP on its website within 30 days of this approval letter. The link should be posted on the budget transparency page, in the form and manner found in the transparency guidance.
- The district is required to submit any revisions made to the current year budget along with the corresponding board resolution adopting the revised budget. If the budget revision impacts the DEP, the DEP should be revised and submitted as well. Revisions must be submitted no later than one week after they are adopted by the board.
- The district is required to submit Monthly Budgetary Control Reports to the Department. Please use the tab labeled "Month1Summary2017" of the electronic DEP form used to prepare your DEP for this purpose.
- If a deficit continues to exist at fiscal year end 2016-17, the district will be required to submit an updated DEP by July 31, 2017, or 30 days after the state school aid budget is passed, whichever comes later.
- The district is required to submit its pupil count information no later than one week after the 2016-17 fall count.

Please notify us if significant changes occur which would invalidate this plan as approved.

Please contact Jeff Kolb at (517) 373-1908 or kolbj2@michigan.gov, or Chad Urchike at (517) 335-1261 or urchikec1@michigan.gov, if you have any questions.

I look forward to your submissions and continued cooperation.

Sincerely,



Daniel M. Hanrahan, Director
Office of State Aid and School Finance

cc: Andrew McMechan, Chief Financial Officer, Garden City School District
Sarah Roffi, Vice President, School District Board of Education
Patrick McNally, Secretary, School District Board of Education
John Thackaberry, Treasurer, School District Board of Education
Lynette Childress, Trustee, School District Board of Education
Linda Williams, Trustee, School District Board of Education
Jen VanDeWater, Trustee, School District Board of Education
Randy Liepa, Superintendent, Wayne RESA
Kyle Guerrant, Deputy Superintendent, Michigan Department of Education
Jeff Kolb, Financial Specialist, Office of State Aid and School Finance
Local Audits Unit, Michigan Department of Treasury

Garden City Public Schools

Account	Preliminary Actual 2015-16	Budgeted 2016-17	Yearly Increase (Decrease)	% Increase (Decrease)	Estimated 2017-18	Yearly Increase (Decrease)	% Increase (Decrease)
Beginning Fund Equity:	(\$3,160,513)	(\$1,256,700)					
Add: Revenues							
11x Local Sources	\$4,299,872	\$4,050,043	(\$249,829)	-5.81%	\$4,050,043	\$0	0.00%
51x Local Rec'd Thru Another Public Sch.	\$681,000	\$681,000	\$0	0.00%	\$681,000	\$0	0.00%
2xx Other Political Sub.	\$0	\$0	\$0	0.00%	\$0	\$0	0.00%
3xx State Sources	\$36,286,474	\$35,164,724	(\$1,121,749)	-3.09%	\$34,003,281	(\$1,161,443)	-3.30%
4xx Federal Sources	\$2,102,148	\$2,102,148	\$0	0.00%	\$2,102,148	\$0	0.00%
52x-6xx Incoming Transfers & Other	\$1,998,580	\$1,500,000	(\$498,580)	-24.95%	\$1,500,000	\$0	0.00%
TOTAL REVENUES, ETC.	\$45,368,073	\$43,497,915	(\$1,870,158)	-4.12%	\$42,336,472	(\$1,161,443)	-2.67%
TOTAL RESOURCES AVAILABLE	\$42,207,560	\$42,241,215	\$33,655	0.08%	\$41,932,190	(\$309,025)	-0.73%
Less: Expenditures							
1xx Classroom Inst.	\$21,578,935	\$20,915,993	(\$662,942)	-3.07%	\$20,484,119	(\$431,874)	-2.06%
Support Services:							
21x Pupil	\$2,934,264	\$2,926,265	(\$7,999)	-0.27%	\$2,912,773	(\$13,493)	-0.46%
22x Inst. Staff	\$1,880,672	\$1,795,249	(\$85,424)	-4.54%	\$1,756,428	(\$38,821)	-2.16%
23x Gen. Adm.	\$518,627	\$514,070	(\$4,557)	-0.88%	\$511,340	(\$2,729)	-0.53%
24x Sch. Adm.	\$2,521,882	\$2,501,406	(\$20,476)	-0.81%	\$2,486,996	(\$14,410)	-0.58%
25x Business	\$1,017,517	\$1,112,895	\$95,377	9.37%	\$1,109,007	(\$3,887)	-0.35%
26x Operation & Maintenance	\$3,387,701	\$3,496,214	\$108,512	3.20%	\$3,494,068	(\$2,145)	-0.06%
27x Transportation	\$1,859,865	\$1,443,202	(\$416,663)	-22.40%	\$1,442,294	(\$908)	-0.06%
28x Central	\$1,382,263	\$1,684,769	\$302,506	21.88%	\$1,429,696	(\$255,073)	-15.14%
29x Other	\$463,392	\$442,070	(\$21,323)	-4.60%	\$440,475	(\$1,595)	-0.36%
3xx Community Services	\$514,163	\$508,387	(\$5,776)	-1.12%	\$505,103	(\$3,285)	-0.65%
41,42,43 Outgoing Transfers	\$76,000	\$76,000	\$0	0.00%	\$76,000	\$0	0.00%
45x Facilities Acq	\$108,978	\$108,978	\$0	0.00%	\$108,978	\$0	0.00%
51x Debt Service	\$120,000	\$120,000	\$0	0.00%	\$120,000	\$0	0.00%
6xx Fund Modifications	\$5,100,000	\$5,000,000	(\$100,000)	-1.96%	\$5,000,000	\$0	0.00%
TOTAL EXP. & OUTGOING TRANSFERS	\$43,464,260	\$42,645,496	(\$818,764)	-1.88%	\$41,877,275	(\$768,222)	-1.80%
ENDING FUND BALANCE	(\$1,256,700)	(\$404,281)	\$852,419	-67.83%	\$54,915	\$459,197	-113.58%