



STATE OF MICHIGAN  
DEPARTMENT OF EDUCATION  
LANSING

RICK SNYDER  
GOVERNOR

MICHAEL P. FLANAGAN  
STATE SUPERINTENDENT

January 16, 2013

Ron Stoneman, Superintendent  
Mark Wiermaa, School Board President  
Redford Union Schools  
18499 Beech Daly Road  
Redford, MI 48240-1827

Dear Superintendent Stoneman and Board President Wiermaa:

Thank you for the submission of your district's Deficit Elimination Plan (DEP) as developed by the district and approved by the local board of education. Attached is a one page summary of the DEP from your electronic submission.

According to this revised DEP, the district did not meet the terms of the previous DEP approved by the MDE on November 2, 2011. The Michigan Department of Education (MDE) is concerned that the district did not appear to make significant changes in its operations to mitigate the increase in the deficit. Therefore, it is extremely important that the district implement the strategies included in this DEP in order to eliminate the deficit.

The DEP your district developed assumes that financial incentives given to districts meeting certain criteria continue each year. The MDE expects that if the incentives are not offered, the district will institute expenditure reductions in order to maintain the schedule detailed in the DEP.

The MDE is granting contingent approval of your DEP. The contingencies are as follows:

- The district is required to reduce projected expenditures in any year where the district does not receive financial incentives assumed in this plan. Failure to meet targeted deficit reduction in any year of this plan will invalidate the plan.
- The district is required to post on its website a link to this approved DEP within 30 days of this approval letter. The link should be posted along with the standard required transparency information.
- 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 MDE. Please use the tab labeled "Month1Summary2013" of the electronic DEP form used to prepare your DEP for this purpose.

STATE BOARD OF EDUCATION

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Ron Stoneman  
Mark Wiermaa  
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- If a deficit continues to exist at fiscal year end 2012-13, the district will be required to submit an updated DEP by July 31, 2013, or 30 days after the state school aid budget is passed, whichever comes later.
- If a deficit continues to exist at fiscal year end 2012-13, the district will be required to submit its pupil count information no later than one week after the fall count.

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

The district requested an additional year to eliminate the deficit bringing the total years in deficit to five. Districts that require additional time to eliminate the deficit are subject to strict monitoring of their adherence to the plan. It is important, therefore, that the district implements the strategies included in the plan and submits monthly budgetary control reports on time. The approval of this plan should also be considered approval of your request for an extension of time to eliminate the deficit. This extension of time shall be considered a one-time approval. The MDE will not consider a further extension of time to eliminate this deficit.

If you have any questions, please contact Jeff Kolb, Office of State Aid and School Finance, at (517) 373-1908 or kolbj2@michigan.gov.

I look forward to your submissions and continued cooperation.

Sincerely,



Dan Hanrahan, Director  
Office of State Aid and School Finance

cc: Greg McIntyre, Assistant Superintendent of Business, Redford Union Schools  
Lisa Gubachy, Vice President, School District Board of Education  
Patricia Isabell, Secretary, School District Board of Education  
Sherri Caloia, Treasurer, School District Board of Education  
Benjamin Billett, Trustee, School District Board of Education  
Terri Graham, Trustee, School District Board of Education  
Evelyn Pridemore, Trustee, School District Board of Education  
Christopher Wigent, Superintendent, Wayne RESA  
Steven Ezikian, Associate Superintendent, Business Services, Wayne RESA  
Jeff Kolb, MDE, Office of State Aid and School Finance  
Local Audits Unit

Redford Union School District #1

Account	Preliminary Actual 2011-12 (\$1,757,020)	Board Adopted Budget 2012-13 (\$4,114,455)	Yearly Increase (Decrease)	% Increase (Decrease)	Target Budget 2013-14 (\$3,296,437)	Yearly Increase (Decrease)	% Increase (Decrease)	Target Budget 2014-15 (\$1,180,678)	Yearly Increase (Decrease)	% Increase (Decrease)
Beginning Fund Equity:										
Add: Revenues										
11x Local Sources	\$3,140,501	\$4,119,680	\$979,179	31.18%	\$3,145,259	(\$974,421)	-23.65%	\$3,147,476	\$2,217	0.07%
51x Local Rec'd Thru Another Public Sch.	\$311,259	\$442,826	\$131,567	42.27%	\$442,826	\$0	0.00%	\$442,826	\$0	0.00%
2xx Other Political Sub.	\$0	\$0	\$0	0.00%	\$0	\$0	0.00%	\$0	\$0	0.00%
3xx State Sources	\$18,636,907	\$19,242,304	\$605,397	3.25%	\$19,406,129	\$163,824	0.85%	\$19,777,790	\$371,662	1.92%
4xx Federal Sources	\$2,287,853	\$2,024,841	(\$263,012)	-11.50%	\$2,024,841	\$0	0.00%	\$2,127,811	\$102,970	5.09%
52x-6xx Incoming Transfers & Other	\$1,195,129	\$1,185,492	(\$9,637)	-0.81%	\$1,185,492	\$0	0.00%	\$1,185,492	\$0	0.00%
TOTAL REVENUES, ETC.	\$25,571,649	\$27,015,143	\$1,443,494	5.64%	\$26,204,547	(\$810,596)	-3.00%	\$26,681,396	\$476,849	1.82%
TOTAL RESOURCES AVAILABLE	\$23,814,529	\$22,900,688	(\$913,841)	-3.84%	\$22,908,110	\$7,422	0.03%	\$25,500,717	\$2,592,608	11.32%
Less: Expenditures										
1xx Classroom Inst.	\$16,055,310	\$15,656,070	(\$399,240)	-2.49%	\$14,200,934	(\$1,455,136)	-9.29%	\$14,200,934	\$0	0.00%
Support Services:										
21x Pupil	\$2,086,505	\$2,289,390	\$252,885	12.42%	\$2,289,390	\$0	0.00%	\$2,289,390	\$0	0.00%
22x Inst. Staff	\$355,000	\$330,581	(\$24,419)	-6.88%	\$330,581	\$0	0.00%	\$330,581	\$0	0.00%
23x Gen. Adm.	\$408,150	\$461,702	\$53,552	13.12%	\$457,702	(\$4,000)	-0.87%	\$457,702	\$0	0.00%
24x Sch. Adm.	\$1,606,865	\$1,370,119	(\$236,746)	-14.73%	\$1,322,505	(\$47,614)	-3.48%	\$1,322,505	\$0	0.00%
25x Business	\$885,975	\$824,847	(\$61,128)	-6.90%	\$821,847	(\$3,000)	-0.36%	\$821,847	\$0	0.00%
26x Operation & Maintenance	\$3,659,215	\$2,690,983	(\$968,232)	-26.34%	\$2,690,983	\$0	0.00%	\$2,690,983	\$0	0.00%
27x Transportation	\$1,490,126	\$1,260,689	(\$229,437)	-15.40%	\$1,283,108	\$22,419	1.78%	\$1,306,198	\$23,090	1.80%
28x Central	\$575,460	\$750,492	\$175,032	30.42%	\$725,858	(\$24,634)	-3.28%	\$725,858	\$0	0.00%
29x Other	\$294,327	\$316,801	\$21,974	7.45%	\$316,801	\$0	0.00%	\$316,801	\$0	0.00%
3xx Community Services	\$363,402	\$88,277	(\$275,125)	-75.71%	\$88,277	\$0	0.00%	\$88,277	\$0	0.00%
41, 42, 43 Outgoing Transfers	\$2,046	\$2,046	\$0	0.00%	\$2,046	\$0	0.00%	\$2,046	\$0	0.00%
45x Facilities Acq	\$0	\$0	\$0	0.00%	\$0	\$0	0.00%	\$0	\$0	0.00%
51x Debt Service	\$117,749	\$104,962	(\$12,787)	-10.86%	\$77,813	(\$27,149)	-25.87%	\$74,713	(\$3,100)	-3.98%
6xx Fund Modifications	\$84,455	\$50,166	(\$34,289)	-40.60%	(\$519,057)	(\$569,223)	-1134.68%	\$150,166	\$669,223	-128.93%
TOTAL EXP. & OUTGOING TRANSFERS	\$27,929,084	\$26,197,125	(\$1,731,959)	-6.20%	\$24,088,788	(\$2,108,337)	-8.05%	\$24,778,001	\$689,213	2.86%
ENDING FUND BALANCE	(\$4,114,455)	(\$3,296,437)	\$818,018	-19.88%	(\$1,180,678)	\$2,115,759	-64.18%	\$722,716	\$1,903,395	-161.21%