

School District of the City of Muskegon Heights
Receivership Transition Advisory Board Meeting

Wednesday, January 15, 2020
Conference Room
2603 Leahy St.
Muskegon Heights, MI 49444

MINUTES

I. Call to Order

Chair Jessica Thomas called the meeting to order at 4:03 p.m.

A. Roll Call

Members Present – 4

Dale Nesbary
Clinton Todd
Jessica Thomas
John Schrier

Members Absent – 1

Patrice Johnson

A quorum was present.

B. Approval of RTAB Minutes

Motion by Mr. Schrier to approve the draft minutes as presented. Motion moved and seconded by Mr. Todd. The RTAB approved the December 18, 2019 meeting minutes.

II. Old Business

None. Chair Thomas noted that the budgeted revenue and expenditure to actual now shows percentage to date on the general fund budget.

III. New Business

A. District Updates

Mr. Lewis reported that he is available to speak about the financial reports submitted January 2020. Mr. Lewis provided the RTAB Board with a brief overview, stating that things are going in a positive direction. Mr. Lewis stated that the loss of 42 students at Muskegon Heights Public School Academy is a concern.

B. January 15, 2020 Monthly Reports

i. Liabilities Report

Mr. Lewis reported slight changes from the prior report. Interest payments were made on the emergency loans. The total amount of liabilities owed is \$44,945,518.

ii. Cash Flow Projections

Mr. Lewis reported that there are two notable changes to the cash flow. One being the change in authorizer fee revenue due to the academy's enrollment loss. The second change is due to the small one-time revenue boost of \$56,000 from Muskegon Area Intermediate School District (MAISD).

iii. Comparison of Budgeted Revenue and Expenditure to Actual

Mr. Lewis stated that he has added a percentage to date column to help the RTAB Board understand the current financial status. Chair Thomas asked for more details regarding three line items: Transfers on Revenue, Data Technology and Transfers on Expenditure. Mr. Lewis reported that Transfers on Revenue occur because of renting a room for Adult Education. Data Technology is typically a flat fee to Muskegon Area ISD for software. Transfers on Expenditures include the QZAB Bond and the technology millage from the ISD.

IV. Public Comment

None

V. Board Comment

Dr. Nesbary discussed enrollment trends for the State of Michigan and how enrollment decline is foreseen in the next four years. Dr. Nesbary would like to find ways to support the system and even early college programs. Chair Thomas also mentioned how birth rates are significantly down, causing declining enrollment trends. Dr. Nesbary and Mr. Schrier spoke about the system and the impact of demographics.

Chair Thomas provided an update from the last board meeting on the discussion for the contract between the district and academy. Chair Thomas has begun the process and would also like to provide some structure and more defined roles and responsibilities to the RTAB.

Chair Thomas asked the RTAB Board and Mr. Lewis about developing a briefing on the academy to present at these meetings. Mr. Lewis is open to the idea of providing an enrollment update, current revenue to expenditure and budget to actual. Chair Thomas recommended Mr. Lewis to work with Treasury Support Staff to accomplish this. Mr. Lewis also talked about developing a better relationship with the academy. Chair Thomas would like to make this a priority and is open to having conversations with the academy to understand their position as it relates to the RTAB.

VI. Adjournment

Motion made to adjourn by Mr. Todd. Motion moved and seconded by Mr. Schrier. The Board approved the motion to adjourn.

There being no further business, the meeting adjourned at 4:22 p.m.