

**School District of the City of Muskegon Heights
Receivership Transition Advisory Board Agenda
Wednesday, May 19, 2021, 4:00 PM
Virtual Meeting via Microsoft Teams**

2. CALL TO ORDER

A. Roll Call

P. Johnson D. Nesbary J. Schrier J. Thomas C. Todd

3. APPROVAL OF MINUTES

A. Regular Meeting of April 21, 2021

4. COMMUNICATIONS

A. Supplemental Letter From Muskegon Heights Public Schools - Dated April 19, 2021

5. OLD BUSINESS

A. Presentation on RTAB Status and Dissolution Process

B. Presentation on District Financial Status

6. NEW BUSINESS

A. District Financial Update

1. April Financial Status Report

a. Budget to Actual Revenue and Expenditure Report

b. Cash Flow Statements

c. Liabilities Report

d. Debt Schedule

B. Comments from the Muskegon Height Public School Academy and the School

District of the City of Muskegon Heights

C. Board Discussion on RTAB Status and Dissolution Process

7. PUBLIC COMMENT

8. BOARD COMMENT

9. ADJOURNMENT

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

Wednesday, April 21, 2021

Virtual Meeting via Microsoft Teams

MINUTES

1. Call to Order

- a. Chair Jessica Thomas called the meeting to order at 4:03 p.m.
- b. In accordance with Public Act 228 of 2020, this meeting will be held by remote participation.

2. Roll Call

Members Present-3

Dr. Dale K. Nesbary – Muskegon, MI
John Schrier – Muskegon, MI
Jessica Thomas, Birmingham, MI

Members Absent –2

Dr. Patrice Johnson
Clinton Todd

A quorum was present.

3. Approval of RTAB Minutes

Motion made by Mr. Schrier and seconded by Dr. Nesbary to approve the draft minutes of the RTAB March 17, 2021 meeting. The RTAB members unanimously approved the meeting minutes as presented.

4. Communications

Chair Thomas informed the meeting that communication was received from Muskegon Heights Public Schools Board of Education after distribution of the meeting packets. She stated that the communication will be circulated to the board.

5. Old Business

- a. Chair Thomas stated that an item was posed previously regarding the dissolution of the RTAB board and reported that some items are needed specific to the conditions that must be met prior to the dissolution of a Receivership Transition Advisory Board. She further stated that it is her intention to make a request to the district to provide documentation showing that those conditions have been met.

Chair Thomas invited the members of the RTAB to provide additional comments regarding the status of the RTAB and recommendation memo.

Dr. Nesbary stated he would like to see the district's financial tracking that demonstrated positive outcomes for the past 24 months.

Mr. Schrier stated that there are 4 questions he would like legal counsel to advise on:

1. What are the statutory conditions for dissolution of the RTAB?
2. Have those conditions been met?
3. If the answer to question 2 is yes, what is the process for dissolution of the RTAB?
4. If the answer to question 2 is yes, he would like legal counsel's recommendation on any conditions that should be imposed as part of the proposed dissolution of the RTAB.

Chair Thomas noted that written documentation will be obtained from the district, including the requests of the RTAB Board member.

6. New Business

A. District Financial Update

a. Budget to Actual Revenue and Expenditure Report

Mr. Lewis reported that the district received its final tax disbursement from the City of Muskegon Heights for the current fiscal year and noted that the remainder of the disbursements will be received from Muskegon County in June 2021. He also reported that expenses were tracking as projected and there are no substantial changes since the budget amendment.

b. Cash Flow Statements

Mr. Lewis reported that cash flow continues to remain stable for the coming year.

c. Liabilities Report

Mr. Lewis reported that there are no changes from the prior report. He stated that payments on the debt service will be made on Friday and presented a question regarding future debt restructuring for the District.

Chair Thomas stated that she will do some research as it relates to the question to determine if it is possible and if there will be any financial implications.

d. Debt Schedule

Mr. Lewis reported that the debt schedule is for the qualified zone academy bonds and the last payment is expected to be made in December 2022. He further stated that when the payment is completed, there will be an increase in revenues in the amount of \$182,000 year after year.

7. Public Comment

Trinell Scott – Board President, Muskegon Heights Public School District

8. Board Comment

None

9. Adjournment

There being no further business, Chair Thomas adjourned the meeting at 4:22 pm.

DRAFT



smithk@psgpartners.com
2801 Clark St., Detroit, MI 48203
Ph: 313.580.2096
Fax: 313.879.6969

April 19, 2021

Receivership Transition Advisory Board (“RTAB”)
Michigan Department of Treasury
430 W. Allegan St.
Lansing, MI 48922

Re: Supplemental Proposal for Muskegon Heights Public Schools Transition

Dear Honorable Board:

I’m writing on behalf of the School District of the City of Muskegon Heights (the “District”). At the last RTAB meeting the District sought clarification on the role and continued duration of the RTAB’s oversight over the District. You advised that you were awaiting legal advice from your counsel on issues we raised in the March 16th letter to Muskegon Heights Public School Academy System (“System”) counsel Joe Urban, that you were copied on. You suggested that RTAB counsel’s advice on those issues would also be key to any decisions the RTAB makes concerning its future oversight role.

Regardless of RTAB counsel’s advice on the issues you requested, the District has a plan to support a responsible transition from the current structure. The District proposes its plan to mitigate any concerns you may have that the District Board of Education (“Board”) wants to turnover System leadership immediately at the risk of disrupting educational services if and when the RTAB transitions.

To the contrary, the Board recognizes the importance of maintaining continuity for the children who attend school in the District. The Board also understands that successful transition depends on its preparedness to fulfill its oversight obligations under the Revised School Code (“Code”) responsibly. Most importantly, while System enrollment does not directly impact District tax revenues, the Board believes continuity of current System operations ensures there will be no negative impact to its own finances.

In developing its plan, the District considered the steps the Highland Park School District (“HP District”) took to maintain stability after assuming responsibility for its Highland Park Public School Academy System (the “HP System”). Highland Park’s transition has been successful for the following reasons:

1. **The HP District developed an Education/Strategic Plan for long term stability.** The Highland Park Board of Education (the “HP Board”) adopted a 5-year Education Strategic

Plan (“Strategic Plan”). Their plan defined the HP District’s vision, core values, performance expectations and the metrics by which the HP System would be evaluated under HP Board oversight. As part of its transition, the HP District hired an education/charter school compliance specialist (see item 2. below) to develop the Strategic Plan within the first 3 months of her engagement.

2. **The District hired a qualified Education/Charter Oversight officer.** Most of the existing challenges with board communication, inclusion or compliance result from the absence of a charter oversight officer, which is standard for other authorizers. Unlike the HP District, the District currently operates with an Assistant Superintendent of Business and an administrative assistant only. The District currently has no professional experience to support education oversight. Prior to its transition from receivership, the HP Board contracted for an education specialist with experience in public school academy oversight. That person was given the title of “Education and Compliance Officer” and reported directly to the HP Board. The Education and Compliance Officer led the development of the Strategic Plan with input from community stakeholders and the System. Like the HP District, the District’s education and compliance officer would: (a) serve as liaison between both boards with accountability to the Board; (b) be responsible for evaluating academic and System board performance based on recognized state standards; (c) ensure compliance and communication from the System; (d) be responsible for all other education oversight and related reporting requirements for MDE; and (e) coordinate ongoing authorizer and System board continuous education and training. Having a similar structure in place at the District would ensure future Board decisions concerning the System won’t be arbitrary or punitive. This person should be credentialed and have the same experience all other public school and university charter school oversight departments maintain.
3. **Continuous education and training.** The Board and System board must understand the nature and corresponding roles and legal responsibilities of the authorizing body and charter board. The HP District’s Education and Compliance Officer is responsible for scheduling regular training and continuing education opportunities with MASB, MDE, MAPSA, NCCSA and other providers on Code and charter requirements, board policies, appropriate governance and oversight practices, and PSA financial literacy. The continuous education of both boards in Highland Park has improved stability and effective communication and leadership on both sides.

The District’s Proposed Plan

The District’s plan borrows from the success of the Highland Park model to propose the following:

1. **Immediate hire of Education Specialist for charter oversight / liason.**
 - a. Responsible for developing a 5-year education improvement and strategic plan;
 - b. Oversee implementation of Strategic Plan through oversight of System performance;

- c. Serve as the liaison between System board and Board (with responsibility to attend and facilitate communication at both meetings);
- d. Responsible for System compliance and accountability with state, federal, MDE and charter requirements;
- e. Establish and review standardized procedures and protocols for communication, board member applications and future new school charter applications;
- f. Responsible for evaluation of performance of System board and System academic growth in accordance with Strategic Plan metrics; advise and make recommendation to the Board for corrective measures;
- g. All other routine responsibilities of charter school compliance offices.

2. Develop Strategic Education / Improvement Plan

- a. Education and Compliance Officer would lead and coordinate strategic plan development; facilitate community stakeholder and System engagement for development and completion of Strategic Plan.
- b. Plan shall establish evaluation criteria for System in accordance with standard authorizer practices for public school academies;
- c. Monitor and oversee continuous improvement in accordance with Strategic Plan;

3. Agreement not to prematurely remove remaining System board members prior to 1-year after transition.

- a. The Board proposes not to take any adverse action to prematurely remove or replace existing System board members prior to the expiration of their terms.
- b. In the event a System board member’s term expires, the Board will consider new System nominees, together with candidates recommended by other stakeholders to the Board.
- c. This allows for orderly transition of knowledge (as staggered terms expire, System members are renewed or replaced over time).
- d. Board members who’s terms expire prior to expiration of the 1-year “stay” period will be reconsidered or replaced in accordance with traditional charter procedures.

4. Agreement not to compel System removal of management (R. Garcia) prior to 2022 school year-end.

- a. Facilitates a full year evaluation by Education Compliance Officer of System academic growth performance in accordance with Education Plan expectations and metrics;
- b. Allows for board orderly solicitation and consideration of proposals from alternative ESPs or management options in Spring 2022 for Fall 2022 transition, if deemed necessary.

The Board is open to consider and discuss any modifications the RTAB may have for its proposal. The Board is confident that if given the opportunity, it is more than capable of preparing for responsible assumption of its oversight responsibilities for the System. We hope your honorable

board agrees with the Board's proposed plan in support of a recommendation to Governor Gretchen Whitmer for orderly transition of the RTAB from oversight of the District.

If you have any additional questions regarding the Board's proposal or this letter, please do not hesitate to contact me directly.

Sincerely,

A handwritten signature in blue ink that reads "Kevin A. Smith".

Kevin A. Smith, Esq.

Public Solutions Group, PLLC

cc: Muskegon Heights Board of Education
Mr. Leonard Wolfe, Counsel to RTAB
Ms. Joyce Parker, Deputy State Treasurer
Ms. Brandy Johnson, Office of the Governor of the State of Michigan
Mr. Mike Rice, State Superintendent of Public Instruction
Brianna T. Scott, Esq.
John Lewis, Assistant Superintendent



smithk@psgpartners.com
2801 Clark St., Detroit, MI 48203
Ph: 313.580.2096
Fax: 313.879.6969

May 14, 2021

Receivership Transition Advisory Board (“RTAB”)
c/o Jessica Thomas, Chair
Michigan Department of Treasury
430 W. Allegan St.
Lansing, MI 48922

Re: Response to RTAB Request for Information

Dear Board:

On behalf of the School District of the City of Muskegon Heights (“District”) I’m writing in response to your request for information in support of the District’s satisfaction of the following conditions outlined in Governor Snyder’s October 28, 2016 letter for removal from receivership: (1) implementation of financial best practices as adopted “by the financial official’ association;” and (2) completion of financial and managerial training by Board of Education members.

I. Satisfaction of Condition #1

Enclosed is a memorandum from the District’s Assistant Superintendent of Finance and Administration that outlines the financial practices, policies and procedures implemented since the appointment of the RTAB in 2016. The financial practices identified in the memorandum have been more fully documented and verified by independent audit firm, Brickley DeLong, P.C. (“Auditors”), to be consistent with generally accepted accounting principles (“GAAP”) in accordance with Governmental Accounting Standards Board (“GASB”) standards. The Auditors gave the District an unqualified opinion on its practices as part of the most recent Certified Auditor Report on Financial Statements for fiscal year ended June 30, 2020 (“2020 CAFR”). The District incorporates herein by reference its 2020 CAFR for additional information.

II. Satisfaction of Condition #2

On December 6, 2017, The Board of Education (“Board”) jointly participated with the Muskegon Heights Public School Academy System Board in training provided by the National Charter Schools Institute (Dr. James Goenner). The December 2017 agenda included training on board roles and responsibilities, authorizer and charter school finances and the Charter contract with the System.

Additionally, with newly elected Board members over the past 4 years, all but 1 Board of Education seat has turned over since the start of the financial emergency. The Board has therefore committed to a recurring training schedule going forward to ensure continuous professional development and training, including financial and managerial training.

In furtherance of that commitment:

1. The District has committed for June 2021, an expenditure for **Full Board In-District Training by MASB approved consultant**. Training will consist of governance best practices, fundamentals of school finance and financial management. (date to be provided after confirmation).
2. In addition to full-board training in June, the Board has registered to send three (3) or more Board members on a rotating basis to the following upcoming webinars and training sessions with MASB:
 - **MASB Tool-Specific Superintendent/Management Evaluation Training (May 17, 2021)**: Relevant for not only management evaluation at District level, but also transferable skills for understanding indicators of superintendent job performance and identifying possible artifacts and evidence at the System level using the MASB Superintendent Evaluation Tool. This Tool-Specific Training session fulfills state training requirements.
 - **MASB New Board Member Webinar Series (June 9, 2021)**: Board has at least one new member elected November 2020.
3. Lastly, although not directly requested as a pre-condition for release from receivership, the Board will authorize with the approval of its upcoming FY 2022 budget, expenditures necessary to establish the infrastructure for successful charter school oversight, development of a long-term education strategic plan, and effective financial management that were outlined in my April 19th letter to the RTAB. As part of those planned expenditures, the District will:
 - A. Effective July 1, 2021 hire an Education Compliance and Oversight contractor. Estimated FY 2022 budget expenditure not to exceed \$60,000 (recurring annually)**. Form of RFP for contractor services will be provided once approved at special May board meeting. Contractor will:
 - i. Oversee implementation of Strategic Plan through oversight of System performance;
 - ii. Serve as the liaison between System board and Board (with responsibility to attend and facilitate communication at both meetings);
 - iii. Responsible for System compliance and accountability with state, federal, MDE and charter requirements;

- iv. Establish and review standardized procedures and protocols for communication, board member applications and future new school charter applications;
- v. Responsible for evaluation of performance of System board and System academic growth in accordance with Strategic Plan metrics; advise and make recommendation to the Board for corrective measures;
- vi. All other routine responsibilities of charter school compliance offices.

B. Develop Strategic Education / Improvement Plan. Estimated FY 2022 budget expenditure not to exceed \$12,000.

- i. Contractor would lead and coordinate strategic plan development; facilitate community stakeholder and System engagement for development and completion of Strategic Plan.
- ii. Plan shall establish evaluation criteria for System in accordance with standard authorizer practices for public school academies;
- iii. Monitor and oversee continuous improvement in accordance with Strategic Plan;

C. Agree not to prematurely remove remaining System board members prior to 1-year after transition.

- i. The Board proposes not to take any adverse action to prematurely remove or replace existing System board members prior to the expiration of their terms.
- ii. In the event a System board member's term expires, the Board will consider new System nominees, together with candidates recommended by other stakeholders to the Board.
- iii. This allows for orderly transition of knowledge (as staggered terms expire, System members are renewed or replaced over time).
- iv. Board members who's terms expire prior to expiration of the 1-year "stay" period will be reconsidered or replaced in accordance with traditional charter procedures.

D. Agree not to compel System removal of management (R. Garcia) prior to 2022 school year-end.

- i. Facilitates a full year evaluation by Education Compliance Officer of System academic growth performance in accordance with Education Plan expectations and metrics;
- ii. Allows for board orderly solicitation and consideration of proposals from alternative ESPs or management options in Spring 2022 for Fall 2022 transition, if deemed necessary.

The Board is open to consider and discuss any modifications the RTAB may have for its proposals. To the extent the RTAB has any additional requests for information, please do not hesitate to contact me directly.

Sincerely,

A handwritten signature in blue ink that reads "Kevin A. Smith". The signature is fluid and cursive, with the first name "Kevin" being the most prominent.

Kevin A. Smith, Esq.

Public Solutions Group, PLLC

cc: Muskegon Heights Board of Education
Mr. Leonard Wolfe, Counsel to RTAB
Ms. Joyce Parker, Deputy State Treasurer
Ms. Brandy Johnson, Office of the Governor of the State of Michigan
Mr. Mike Rice, State Superintendent of Public Instruction
Brianna T. Scott, Esq.
John Lewis, Assistant Superintendent

Muskegon Heights Public Schools
 Revenues, Expenditures, and Fund Balance
 GENERAL FUND
 2020-21
 5/11/2021

	Budget 2020-21	Actuals to Date	Under/(Over) to Date	% of Budget Used
Estimated Beginning Fund Balance	\$ 653,744	\$ 653,744		
Revenue				
Property taxes	\$ 1,188,920	\$ 936,650	\$ 252,270	78.8%
State Sources	\$ 6,740	\$ -	\$ 6,740	0.0%
Oversight fees	\$ 148,620	\$ 94,152	\$ 54,468	63.4%
Transfers and Other	\$ 176,570	\$ 183,077	\$ (6,507)	103.7%
Total Revenue	\$ 1,520,850	\$ 1,213,879		
Expenditures				
Data Technology	\$ 8,650	\$ 477	\$ 8,173	5.5%
Board of Education	\$ 55,500	\$ 29,656	\$ 25,844	53.4%
Executive Administration	\$ 69,100	\$ 46,852	\$ 22,248	67.8%
Business Services	\$ 106,060	\$ 88,663	\$ 17,397	83.6%
Interest and Fees Expense	\$ 6,360	\$ 3,711	\$ 2,649	58.3%
Unpaid Auction and Delinquent Tax Fees	\$ 50,000	\$ -	\$ 50,000	0.0%
Building Services	\$ 291,380	\$ 274,222	\$ 17,158	94.1%
District Technology	\$ 880	\$ 703	\$ 177	79.9%
Emergency Loan Payments	\$ 587,280	\$ 174,376	\$ 412,905	29.7%
Transfers and Other	\$ 302,420	\$ 283,776	\$ 18,644	93.8%
Total Expenditures	\$ 1,477,630	\$ 902,435		
Revenues Less Expenditures	\$ 43,220	\$ 311,444		
Projected Ending Fund Balance	\$ 696,964	\$ 965,188		

REVENUES

11-0111-0000-000-0000-000000-000000-	PROPERTY TAXES CURRENT	-823,982.34
11-0111-0000-100-0000-000000-000000-	OTHER TAXES	0.00
11-0121-0000-000-0000-000000-000000-	TECH MILLAGE FLOWTHROUGH	-112,667.28
11-0124-0000-000-0000-000000-000000-	PENALTY & INT ON DEL TAXES	0.00
11-0151-0000-000-0000-000000-000000-	EARNINGS ON INVEST & DEPOSITS	0.00
11-0191-0000-000-0000-000000-000000-	RENTALS	-2,550.00
11-0199-0000-000-0000-000000-000000-	MISCELLANEOUS	-180,527.35
11-0321-0000-000-0000-000000-000000-	PPT REIMBURSEMENT	0.00
11-0519-0000-001-0000-000000-000000-	3% AUTHORIZER FEE - MHPSA	-94,152.03
11-0519-0000-100-0000-000000-000000-	SHARED BUSINESS SVCS	0.00
11-0591-0000-000-0000-000000-000000-	PROCEEDS FROM ISSUANCE OF BOND	0.00
		-1,213,879.00

EXPENDITURES

11-1-225-7410-840-0000-00000-000000-	LICENSING FEES & RENEWALS	147.60		
11-1-226-4220-899-0000-00000-000000-	COPY MACHINE	329.60	\$	477.20
11-1-231-3170-000-0000-00000-000000-	LEGAL SERVICES	18,306.25		
11-1-231-3180-000-0000-00000-000000-	AUDIT SERVICES	11,350.00		
11-1-231-3220-007-0000-00000-000000-	TRAVEL - TRINELL SCOTT	0.00		
11-1-231-7410-000-0000-00000-000000-	DUES & FEES	0.00	\$	29,656.25
11-1-232-3150-000-0000-00000-000000-	CONTRACTED SERVICES	46,851.60		
11-1-232-3210-000-0000-00000-000000-	COST OF TRAVEL (MILEAGE)	0.00		
11-1-232-3430-000-0000-00000-000000-	MAILING	0.00		
11-1-232-7910-000-0000-00000-000000-	MISCELLANEOUS	0.00	\$	46,851.60
11-1-252-1620-033-0000-00000-000000-	ACCOUNTING SPECIALIST	50,769.18		
11-1-252-2130-000-0000-00000-000000-	HOSPITALIZATION	17,933.92		
11-1-252-2820-033-0000-00000-000000-	CONTRIB TO ST&LOC RETIRE FUNDS	14,223.66		
11-1-252-2830-033-0000-00000-000000-	EMPLOYER SOCIAL SECURITY	3,883.88		
11-1-252-2840-033-0000-00000-000000-	WORKMAN'S COMPENSATION	1.54		
11-1-252-3150-030-0000-00000-000000-	CONTRACTED SERVICES	0.00		
11-1-252-3220-030-0000-00000-000000-	TRAVEL & CONFERENCE	0.00		
11-1-252-5910-030-0000-00000-000000-	OFFICE SUPPLIES	1,851.01	\$	88,663.19
11-1-252-7410-000-0000-00000-000000-	INTEREST & FEES EXPENSE	3,711.00	\$	3,711.00
11-1-259-7610-000-0000-00000-000000-	TAXES ABATED & WRITTEN OFF	0.00	\$	-
11-1-261-3190-100-0000-00000-000000-	CONTRACTED SERVICES	198,036.16		
11-1-261-3410-000-0000-00000-000000-	TELEPHONE CHARGES	0.00		
11-1-261-3830-000-0000-00000-000000-	WATER & SEWAGE	2,318.27		
11-1-261-3840-000-0000-00000-000000-	WASTE & TRASH DISPOSAL	0.00		
11-1-261-3910-000-0000-00000-000000-	INSURANCE	56,983.86		
11-1-261-4110-000-0000-00000-000000-	LAND AND BLDGS-REPAIRS & MAINT	0.00		
11-1-261-5510-000-0000-00000-000000-	HEATING FUEL	11,740.46		
11-1-261-5520-000-0000-00000-000000-	ELECTRICITY	5,142.93	\$	274,221.68
11-1-284-3410-000-0000-00000-000000-	CELL PHONE CHARGES	703.06	\$	703.06
11-1-411-8910-000-0000-00000-000000-	TRANSFERS TO MHPSA	101,683.34		
11-1-511-7110-994-0000-00000-000000-	PRINCIPAL PMT - EMERGENCY LOAN	0.00		
11-1-511-7230-994-0000-00000-000000-	INTEREST PMT - EMERGENCY LOANS	174,375.50	\$	174,375.50
11-1-634-8110-000-0000-00000-000000-	QZAB TRANSFER - DEBT RETIREMEN	182,092.42	\$	283,775.76

Muskegon Heights Public Schools
 Revenues, Expenditures, and Fund Balance
 DEBT SERVICE - 2016 REFUNDING BONDS
 2020-21
 5/11/2021

	Actuals to Date
Estimated Beginning Fund Balance	\$ 290,713
Revenue	
Tax Revenues	\$ 1,004,628
SBLF/SLRF (State Bond Loan Programs)	\$ 1,611,379
Total Revenue	\$ 2,616,007
Expenditures	
Tax Chargebacks & Auction Property	\$ -
Principal Payments	\$ 2,070,000
Interest Payments	\$ 603,843
Total Expenditures	\$ 2,673,843
Revenues Less Expenditures	\$ (57,836)
Projected Ending Fund Balance	\$ 232,877

Account	Description	
32-0111-0000-000-0000-000000-000000-	PROPERTY TAX LEVY	-1,004,577.24
32-0111-0000-100-0000-000000-000000-	OTHER TAXES-HSBF	0.00
32-0124-0000-000-0000-000000-000000-	PENALTY & INT ON DEL TAXES	0.00
32-0151-0000-000-0000-000000-000000-	EARNINGS ON INVESTMENTS-HSBF	-51.24
32-0321-0000-000-0000-000000-000000-	PPT REIMBURSEMENT	0.00
32-0591-0000-000-0000-000000-000000-	BOND PROCEEDS	0.00
32-0595-0000-000-0000-000000-000000-	STATE LOAN PROGRAM-HSBF	-1,611,379.00
32-0596-0000-000-0000-000000-000000-	PROCEEDS FROM REFINANCING DEBT	0.00
32-0596-0000-001-0000-000000-000000-	PREMIUM ON REFUNDING BONDS	0.00
32-0599-9000-000-0000-000000-000000-	DUE TO/FROM	0.00
32-0631-0000-000-0000-000000-000000-	TRANSFER IN	0.00
		-2,616,007.48

Account	Description	
32-1-252-3180-000-0000-000000-000000-	AUDIT SERVICES	0.00
32-1-252-7410-000-0000-000000-000000-	PAYING AGENT FEES	0.00
32-1-259-3610-000-0000-000000-000000-	PRINTING	0.00
32-1-259-7610-000-0000-000000-000000-	TAXES ABATED & WRITTEN OFF	0.00
32-1-511-7110-000-0000-000000-000000-	PRINCIPAL - 2006 REF BDS	2,070,000.00
32-1-511-7230-000-0000-000000-000000-	INTEREST-HSBF	603,843.00
32-1-511-7310-000-0000-000000-000000-	OTHER BOND ISSUANCE COSTS	0.00
32-1-511-7330-000-0000-000000-000000-	BOND DISCOUNT	0.00
32-1-511-7410-000-0000-000000-000000-	PAYING AGENT FEES-HSBF	0.00
32-1-512-7320-000-0000-000000-000000-	PAYMENTS TO BOND ESCROW AGENT	0.00

Muskegon Heights Public Schools
 Revenues, Expenditures, and Fund Balance
 QZAB Fund
 2020-21
 5/11/2021

	Actuals to Date
Estimated Beginning Fund Balance	\$ 2,443,399
Revenue	
Earnings on Investment	\$ 35,868
Transfers In	\$ 182,092
Total Revenue	\$ 217,960
Expenditures	\$ -
Total Expenditures	\$ -
Revenues Less Expenditures	\$ 217,960
Projected Ending Fund Balance	\$ 2,661,359

Account	Description	
34-0151-0000-000-0000-000000-	EARNINGS ON INVESTMENTS	-35,867.63
34-0611-0000-000-0000-000000-	QZAB TRANSFER	-182,092.42

Beginning Cash Worksheet

BONY Accounts

Amount in EL Proceeds acct.		\$ -	
Amount in Tax Rev Account		\$1,390,877.07	Balance as of 5/1/21
Less Amounts Belonging to Other Funds			
Debt Service	\$ -		
Less amount due to city for overpayment of taxes (estimated)			
Less Amounts Due for Debt Service of EL Loan			
Total Usable BONY Funds		<u>\$1,390,877.07</u>	

Cash Currently in GF Checking Account		\$ 343,152.96	Balance as of 5/1/21
Less Amounts Belonging to Other Funds			
Debt Service	\$ (280,429.63)		
ORS Healthcare Refund			
Tech Millage due to MHPSA	\$ (10,983.94)		
Funds Held for Special Projects			
Unknown from SOM			
Less Outstanding Checks			
Total Usable GF Cash		<u>\$ 51,739.39</u>	

Total Funds Available For GF Purposes \$1,442,616.46

Projected Monthly Cash Flow - One Year Projection

Date
5/11/2021

School District
Muskegon Heights Public Schools

	May 21	June 21	July 21	August 21	September 21	October 21	November 21	December 21	January 22	February 22	March 22	April 22
Beginning Balance	\$ 1,442,616	\$ 1,417,253	\$ 1,354,941	\$ 1,382,317	\$ 1,512,174	\$ 1,536,164	\$ 1,537,414	\$ 1,523,580	\$ 1,237,768	\$ 1,314,703	\$ 1,395,304	\$ 1,620,012
Estimated Receipts												
Taxes		\$ 360,948	\$ 32,000	\$ 150,000	\$ 50,000	\$ 17,281	\$ 5,565	\$ 72,322	\$ 81,333	\$ 100,000	\$ 230,551	
Taxes - Tech Millage	\$ -	\$ 21,187		\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,507	\$ 27,000	\$ 27,000	\$ 27,000	\$ -
Authorizer Fees	\$ 13,567	\$ 13,567	\$ 13,567	\$ 13,567		\$ 13,567	\$ 13,567	\$ 13,567	\$ 13,567	\$ 13,567	\$ 13,567	\$ 13,567
ELN Proceeds												
Other Revenue	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Special Projects												
Total Available Funds	\$ 1,457,183	\$ 1,813,955	\$ 1,401,508	\$ 1,546,884	\$ 1,578,174	\$ 1,583,012	\$ 1,572,546	\$ 1,625,977	\$ 1,333,668	\$ 1,456,270	\$ 1,667,422	\$ 1,634,579
Less Estimated Expenditures:												
Payrolls	\$ 14,070	\$ 14,070	\$ 14,070	\$ 14,070	\$ 14,070	\$ 18,658	\$ 14,070	\$ 14,070	\$ 14,070	\$ 14,070	\$ 14,070	\$ 18,658
Other Expenditures	\$ 25,860	\$ 10,860	\$ 5,120	\$ 20,640	\$ 12,940	\$ 11,940	\$ 19,895	\$ 4,895	\$ 4,895	\$ 19,895	\$ 6,340	\$ 6,840
Emergency Loan Payment	\$ -	\$ 412,898	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 171,644	\$ -	\$ -	\$ -	\$ -
Tech Millage to PSA	\$ -	\$ 21,187	\$ -	\$ -	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,507	\$ -	\$ 27,000	\$ 27,000	\$ -
Other Liens/Loans (Totals)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 182,092	\$ -	\$ -	\$ -	\$ -
Special Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated Ending Balance	\$ 1,417,253	\$ 1,354,941	\$ 1,382,317	\$ 1,512,174	\$ 1,536,164	\$ 1,537,414	\$ 1,523,580	\$ 1,237,768	\$ 1,314,703	\$ 1,395,304	\$ 1,620,012	\$ 1,609,081

Expenses by Month

	May 21	Jun 21	Jul 21	Aug 21	Sep 21	Oct 21	Nov 21	Dec 21	Jan 22	Feb 22	Mar 22	Apr 22	Totals
Payrolls (including contracted staff)	\$ 14,070	\$ 14,070	\$ 14,070	\$ 14,070	\$ 14,070	\$ 18,658	\$ 14,070	\$ 14,070	\$ 14,070	\$ 14,070	\$ 14,070	\$ 18,658	\$ 178,018
Consumers - electric	\$ 500	\$ 500	\$ 800	\$ 800	\$ 800	\$ 800	\$ 372	\$ 372	\$ 372	\$ 372	\$ 500	\$ 500	\$ 6,689
DTE - natural gas	\$ 2,000	\$ 2,000	\$ 500	\$ 500	\$ 800	\$ 800	\$ 264	\$ 264	\$ 264	\$ 264	\$ 1,500	\$ 2,000	\$ 11,156
Waste & Water utility	\$ 400	\$ 400	\$ 220	\$ 220	\$ 220	\$ 220	\$ 139	\$ 139	\$ 139	\$ 139	\$ 220	\$ 220	\$ 2,676
Audit Fees					\$ 7,000	\$ 6,000							\$ 13,000
Legal Fees	\$ 5,000	\$ 5,000	\$ 2,000	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 22,440
Property Insurance	\$ 16,360	\$ 1,360	\$ -	\$ 16,360	\$ 1,360	\$ 1,360	\$ 16,360	\$ 1,360	\$ 1,360	\$ 16,360	\$ 1,360	\$ 1,360	\$ 74,960
MAISD Tech Fee													\$ -
Epicenter													\$ -
Bank Fees	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 7,200
Misc.	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 12,000
EL Loan Payments		\$ 412,898						\$ 171,644					\$ 584,542
Tech Millage Flowthrough	\$ -	\$ 21,187	\$ -	\$ -	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,507	\$ -	\$ 27,000	\$ 27,000	\$ -	\$ 135,694
QZAB Energy Bonds								\$ 182,092					\$ 182,092
Special Projects													
Totals	\$ 39,930	\$ 459,015	\$ 19,190	\$ 34,710	\$ 42,010	\$ 45,598	\$ 48,965	\$ 388,209	\$ 18,965	\$ 60,965	\$ 47,410	\$ 25,498	\$ 1,230,467

Employee Table

Position	Type	Gross Pay	Retirement	FICA	Per Pay		Notes
					Total	Frequency	
Fiscal Control Manager	Employee	\$ 2,308	\$ 595	\$ 177	\$ 3,079	Bi-Weekly	
Administrative Assistant	Contracted	\$ 1,309			\$ 1,309	Weekly	
Grounds and Maintenance	Contracted	\$ 200			\$ 200	Weekly	

Pays per month by Frequency

	May 21	Jun 21	Jul 21	Aug 21	Sep 21	Oct 21	Nov 21	Dec 21	Jan 22	Feb 22	Mar 22	Apr 22
Weekly	4	4	4	4	4	5	4	4	4	4	4	5
Bi-Weekly	2	2	2	2	2	3	2	2	2	2	2	3
Monthly												
Totals by Month	\$ 12,195.10	\$ 12,195.10	\$ 12,195.10	\$ 12,195.10	\$ 12,195.10	\$ 16,783.45	\$ 12,195.10	\$ 12,195.10	\$ 12,195.10	\$ 12,195.10	\$ 12,195.10	\$ 16,783.45
	May 22	Jun 22	Jul 22	Aug 22	Sep 22	Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23
Weekly												
Bi-Weekly												
Monthly												
Totals by Month	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Fund	Rate	Description	Issuance Date	Original Amount	Term Length	Principal	Interest	Total Amount	Projected Maturity Date	As of Date
GF		Payable to MDE - At-Risk Payback			Short			\$ 371,436	N/A	5/1/2021
GF	2.45%	Restructured Emergency Loan #1 - 2018	5/23/2018	\$ 6,990,000	Long	\$ 6,679,000	\$ 2,004,333	\$ 8,683,333	6/15/2042	5/1/2021
GF	2.35%	Restructured Emergency Loan #2 - 2018	5/23/2018	\$ 3,165,000	Long	\$ 3,155,000	\$ 973,635	\$ 4,128,635	6/15/2042	5/1/2021
GF	3.45%	Restructured Emergency Loan #3 - 2018	5/23/2018	\$ 1,400,000	Long	\$ 1,300,000	\$ 515,244	\$ 1,815,244	6/15/2043	5/1/2021
GF	2.70%	2017/18 Emergency Loan #4 - 2018	5/23/2018	\$ 2,449,000	Long	\$ 2,449,000	\$ 1,616,053	\$ 4,065,053	6/15/2047	5/1/2021
GF	NA	2007 Energy Conservation Improvement Bonds	12/19/2007		Long	\$ 3,149,000	\$ -	\$ 3,149,000	12/19/2022	5/1/2021
DF	5.00%	2016 Refunding Bonds, Series A	3/29/2016		Long	\$ 9,990,000	\$ 2,381,500	\$ 12,371,500	5/1/2029	5/1/2021
DF	1.74%-2.61%	2016 Refunding Bonds, Series B	3/26/2016		Long	\$ 1,090,000	\$ 28,449	\$ 1,118,449	5/1/2021	5/1/2021
DF	3.41%	School Bond Loan Fund	Annual		Long	\$ 2,212	\$ 320	\$ 2,532	5/1/2035*	5/1/2021
DF	3.41%	School Loan Revolving Fund	Annual		Long	\$ 6,529,810	\$ 247,354	\$ 6,777,164	5/1/2035*	5/1/2021
				\$ 14,004,000		\$ 34,344,022	\$ 7,766,889	\$ 42,482,346		

Note: GF - General Fund (18 mill levy); DF - Debt Service Fund (13 mill levy)

*Indicates Mandatory Repayment Date