

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

Wednesday, November 15, 2017
Conference Room
2603 Leahy St.
Muskegon Heights, MI 49444

MINUTES

I. Call to Order

Chair Michael Wrobel called the meeting to order at 4:05p.m.

A. Roll Call

Members Present – 5

Patrice Johnson (via phone)

Dale Nesbary

Michael Wrobel

Members Absent – 2

John Schrier

Clinton Todd

One RTAB member participated via phone as provided in Article IV, Section 5 of Board Resolution 2016-2. A quorum was present.

B. Approval of Minutes

Motion by Dr. Nesbary to approve the draft minutes of the RTAB's October 18, 2017 meeting as presented. Motion moved and seconded by Ms. Johnson. The RTAB approved the minutes of the October 18, 2017 meeting as presented.

II. Old Business

Chair Wrobel opened discussion regarding the resolutions passed at the previous RTAB meeting. The resolutions included 3 restatements of the amortization schedules of previous emergency loans to more closely reflect the timing of district income. A 4th resolution authorized an additional emergency loan to cover outstanding ORS and UIA

liabilities to the state at a lower interest rate. Another resolution authorizing a Tax Anticipatory Note was rejected by the Michigan Department of Treasury.

III. New Business

A. News and Updates

Chair Wrobel reported the Emergency Loan Board (ELB) meeting has been rescheduled to January 2018. The members and structure of the ELB was explained.

B. Monthly Reports

i. Liabilities Report

Mr. Lewis reported an overall decrease in liabilities as result of scheduled debt payments. ORS and UIA liabilities increased. Responding to questions, Mr. Lewis reported an approximately 8% interest rate on the \$1.5 million ORS liability and roughly 12% interest rate on the \$953 thousand UIA liability.

ii. Cash Flow Projections

The date of the ELB meeting will result in some changes to the cash flow depending on when the emergency loan proceeds are received. The net impact of will be minimal as the proceeds and additional cash from the district will be used to cover remaining ORS and UIA liabilities at a lower interest rate.

iii. Comparison of Budgeted Revenue and Expenditure to Actual

No unexpected revenues or expenditures were reported. The District's winter levy is coming up and will appear across the next few months' financial reports.

IV. Public Comment

Gary Britton, the appointed attorney for the District, provided brief public comment.

V. Adjournment

There being no further business, Chair Wrobel adjourned the meeting at 4:14p.m.