

**School District of the City of Muskegon Heights
Receivership Transition Advisory Board Agenda
Wednesday, August 15, 2018, 4:00 PM**

2603 Leahy St
Muskegon Heights, MI 49444

I. CALL TO ORDER

- A. Roll Call
- B. Approval of RTAB Meeting Minutes
 - i. July 18, 2017 (attachment #1)

II. NEW BUSINESS

- A. News and Updates
- B. Monthly Reports (attachment #2)
 - i. Liabilities report (attachment #3)
 - ii. Cash flow projections (attachment #4)
 - iii. Comparison of budgeted revenue and expenditure to actual
 - 1. FY 2018 (attachment #5)
 - 2. FY 2019 (attachment #6)
- C. Letter from System Board (attachment #7)

III. OLD BUSINESS

- A. Appoint System Board Member

IV. PUBLIC COMMENT

V. ADJOURNMENT

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

Wednesday, July 18, 2018
Conference Room
2603 Leahy St.
Muskegon Heights, MI 49444

MINUTES

I. Call to Order

Chair Michael Wrobel called the meeting to order at 4:01p.m.

A. Roll Call

Members Present – 5

Patrice Johnson (via phone)

Dale Nesbary

John Schrier

Clinton Todd

Michael Wrobel

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 Mr. Schrier to approve the draft minutes as presented. Motion moved and seconded by Dr. Nesbary. The RTAB approved the minutes.

II. Old Business

None

III. New Business

A. Monthly Reports

- i. Liabilities Report

Mr. Lewis reported an increase in interest for School Bond Loans. No other major changes in Liabilities occurred.

ii. Cash Flow Projections

Mr. Lewis provided an amended cash flow. The previous report sent included both debt and operating accounts. Mr. Lewis reported the amended cash flow only impacted beginning balances, with projected cash staying positive for the remainder of the year.

iii. Comparison of Budgeted Revenue and Expenditure to Actual

Mr. Lewis reported the district is preparing for its FY 2018 financial audit. Reported numbers are subject to change as final revenues are collected. The district has received notice of a \$53 thousand credit from the Unemployment Insurance Agency which may be possible to claim for the current year. This was not anticipated in the current budget and will have a positive impact.

B. Board Member Appointment

Chair Wrobel reported the District and System have failed to agree on appointing a member to serve for the System's Board of Directors. Summary of the District and System's method of selection was provided indicating the RTAB's role in appointing a member if the District and System are unable to agree on a candidate.

The District and System had also provided letters including their preferred candidates with the District providing a preference in the order of candidates. Two of these candidates overlapped. Discussion occurred with representatives of the District and System providing additional comment toward the candidates' qualifications. No consensus was determined with RTAB members requesting additional information.

IV. Public Comment

Joseph Warren, President of the Muskegon Heights Alumni Association, provided public comment.

V. Adjournment

There being no further business, the meeting adjourned at 4:31p.m.



Muskegon Heights Public Schools

2603 Leahy Street • Muskegon Heights, MI 49444 • Phone 231-830-3221 Fax 231-830-3560

Date: August 08, 2018

To: Receivership Transition Advisory Board (RTAB)
Muskegon Heights Public Schools Board of Education

From: John Lewis, Assistant Superintendent

Re: Board Meeting Packet for August 15, 2018

Attached, please find the Muskegon Heights Public Schools 2017/18 and 2018/19 Budget to Actual Revenue and Expenditure Report, Cash Flow Statement, and Liabilities Report for your review.

Budget to Actual Revenue and Expenditure Report

Attached you will find the budget to actual reports for 2017/18 and 2018/19 as of August 3, 2018.

As mentioned in the previous letter to the board, we are still in the process of collecting revenue for 2017/18, such as our charter authorizer fee and other outstanding receivables. Our revenues and expenditures can and will change over the next month. That being said, I am only expecting slight changes to expenditures and we will still have a positive fund balance by the end of the 2017/18 fiscal year.

I have also included the budget to actual report for 2018/19. As you can see, we are still very early in the year and there has not been much activity.

Cash Flow Statement

Cash continues to remain positive and stable for the next year. The largest outflow for this month will be to Middle Cities for property insurance. I am also expecting to see a fairly substantial inflow from property taxes that will be collected in August.

Liabilities Report

The liability report remains unchanged from the previous month. One item to note is that the district will be borrowing an additional \$1.3 million from the School Bond Loan Fund in April 2019 in order to meet its debt retirement obligations. This is for the debt service fund only and has no impact on the general fund.

Attachment #3

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	8/1/2018
GF	2.45%	Restructured Emergency Loan #1 - 2018	5/23/2018	\$ 6,990,000	Long	\$ 6,990,000	\$ 2,436,301	\$ 9,426,301	6/15/2042	8/1/2018
GF	2.35%	Restructured Emergency Loan #2 - 2018	5/23/2018	\$ 3,165,000	Long	\$ 3,165,000	\$ 1,164,132	\$ 4,329,132	6/15/2042	8/1/2018
GF	3.45%	Restructured Emergency Loan #3 - 2018	5/23/2018	\$ 1,400,000	Long	\$ 1,400,000	\$ 635,824	\$ 2,035,824	6/15/2043	8/1/2018
GF	2.70%	2017/18 Emergency Loan #4 - 2018	5/23/2018	\$ 2,449,000	Long	\$ 2,449,000	\$ 1,785,617	\$ 4,234,617	6/15/2047	8/1/2018
GF	NA	2007 Energy Conservation Improvement Bonds	12/19/2007		Long	\$ 3,149,000	\$ -	\$ 3,149,000	12/19/2022	8/1/2018
DF	5.00%	2016 Refunding Bonds, Series A	3/29/2016		Long	\$ 12,845,000	\$ 3,953,172	\$ 16,798,172	5/1/2029	8/1/2018
DF	1.74%-2.61%	2016 Refunding Bonds, Series B	3/26/2016		Long	\$ 4,225,000	\$ 94,709	\$ 4,319,709	5/1/2021	8/1/2018
DF	3.41%	School Bond Loan Fund	Annual		Long	\$ 2,212	\$ 163	\$ 2,375	5/1/2035*	8/1/2018
DF	3.41%	School Loan Revolving Fund	Annual		Long	\$ 2,048,249	\$ 42,681	\$ 2,090,930	5/1/2035*	8/1/2018
				\$ 14,004,000		\$ 36,273,461	\$ 10,112,600	\$ 46,757,496		

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

*Indicates Mandatory Repayment Date

Liability

Usage Explanation:

- EL #1 Majority of proceeds used to retire SAN received in August 2011. Remainder used for final payrolls and other prior year expenses
 - EL #2 Legacy costs
 - EL #3 Legacy costs
 - EL #4 Proceeds used to retire ORS and UIA debt
- Total Emergency Loans issued: \$14,004,000

Projected Monthly Cash Flow - One Year Projection

Date
8/3/2018

Attachment #4

School District
Muskegon Heights Public Schools

	August 18	September 18	October 18	November 18	December 18	January 19	February 19	March 19	April 19	May 19	June 19	July 19
Beginning Balance	\$ 581,703	\$ 763,130	\$ 785,480	\$ 823,330	\$ 816,491	\$ 425,390	\$ 603,340	\$ 687,490	\$ 863,450	\$ 861,427	\$ 1,076,867	\$ 704,569
Estimated Receipts												
Taxes	\$ 240,000	\$ 40,000	\$ 40,000			\$ 180,000	\$ 87,000	\$ 180,000		\$ 223,892		
Taxes - Tech Millage	\$ 15,000	\$ 15,000	\$ 15,000				\$ 27,000	\$ 25,000			\$ 21,187	
Authorizer Fees	\$ 15,400	\$ -	\$ 15,500	\$ 15,500	\$ 15,500	\$ 15,500	\$ 15,500	\$ 15,500	\$ 15,500	\$ 15,500	\$ 15,400	\$ 15,400
ELN Proceeds												
Other Revenue	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,527	\$ 1,527	\$ 1,527	\$ 1,527	\$ 1,527
Total Available Funds	\$ 838,103	\$ 819,130	\$ 856,980	\$ 839,830	\$ 832,991	\$ 621,890	\$ 733,840	\$ 909,517	\$ 880,477	\$ 1,102,346	\$ 1,114,981	\$ 721,496
Less Estimated Expenditures:												
Payrolls	\$ 15,579	\$ 14,070	\$ 14,070	\$ 18,658	\$ 14,070	\$ 14,070	\$ 14,070	\$ 15,579	\$ 14,070	\$ 18,658	\$ 14,070	\$ 14,070
Other Expenditures	\$ 59,394	\$ 4,580	\$ 4,580	\$ 4,680	\$ 8,230	\$ 4,480	\$ 5,280	\$ 5,488	\$ 4,980	\$ 6,820	\$ 7,620	\$ 57,426
Emergency Loan Payment	\$ -	\$ -	\$ -	\$ -	\$ 203,209	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 367,535	\$ -
Tech Millage to PSA	\$ -	\$ 15,000	\$ 15,000	\$ -	\$ -	\$ -	\$ 27,000	\$ 25,000	\$ -	\$ -	\$ 21,187	\$ -
Other Liens/Loans (Totals)	\$ -	\$ -	\$ -	\$ -	\$ 182,092	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated Ending Balance	\$ 763,130	\$ 785,480	\$ 823,330	\$ 816,491	\$ 425,390	\$ 603,340	\$ 687,490	\$ 863,450	\$ 861,427	\$ 1,076,867	\$ 704,569	\$ 650,000

Expenses by Month

	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19	Totals
Payrolls (including contracted staff)	\$ 15,579	\$ 14,070	\$ 14,070	\$ 18,658	\$ 14,070	\$ 14,070	\$ 14,070	\$ 15,579	\$ 14,070	\$ 18,658	\$ 14,070	\$ 14,070	\$ 181,036
Consumers - electric	\$ 800	\$ 800	\$ 800	\$ 700	\$ 500	\$ 500	\$ 500	\$ 510	\$ 500	\$ 800	\$ 800	\$ 800	\$ 8,010
DTE - natural gas	\$ 800	\$ 800	\$ 800	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,800	\$ 1,998	\$ 1,500	\$ 1,200	\$ 1,000	\$ 500	\$ 13,398
Waste & Water utility	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 2,640
Audit Fees													\$ -
Legal Fees	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 3,000	\$ 4,000	\$ 2,000	\$ 19,440
Property Insurance	\$ 54,814											\$ 52,306	\$ 107,120
MAISD Tech Fee					\$ 3,750								\$ 3,750
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					\$203,209						\$367,535		\$ 570,744
Tech Millage Flowthrough	\$ -	\$ 15,000	\$ 15,000	\$ -	\$ -	\$ -	\$ 27,000	\$ 25,000	\$ -	\$ -	\$ 21,187	\$ -	\$ 103,187
QZAB Energy Bonds					\$182,092								\$ 182,092
Totals	\$ 74,973	\$ 33,650	\$ 33,650	\$ 23,338	\$ 407,602	\$ 18,550	\$ 46,350	\$ 46,067	\$ 19,050	\$ 25,478	\$ 410,412	\$ 71,496	\$ 1,210,617

Muskegon Heights Public Schools
 Revenues, Expenditures, and Fund Balance
 GENERAL FUND
 2017-18
 As of 8/3/18

	Amended Budget 2017-18	Actuals to Date	Under/(Over) to Date
Beginning Fund Balance	\$ (2,430,766)	\$ (2,430,766)	
Revenue			
Property taxes	\$ 1,313,930	\$ 1,326,521	\$ (12,591)
Oversight fees	\$ 171,150	\$ 139,812	\$ 31,338
Transfers and Other	\$ 2,471,730	\$ 2,469,999	\$ 1,731
Total Revenue	\$ 3,956,810	\$ 3,936,332	
Expenditures			
Data Technology	\$ 4,520	\$ 4,557	\$ (37)
Board of Education	\$ 30,170	\$ 28,863	\$ 1,307
Executive Administration	\$ 65,480	\$ 65,473	\$ 7
Business Services	\$ 100,710	\$ 100,107	\$ 603
Interest and Fees Expense	\$ 186,850	\$ 194,309	\$ (7,459)
Unpaid Auction and Delinquent Tax Fees	\$ 50,670	\$ 50,664	\$ 6
Building Services	\$ 98,170	\$ 92,501	\$ 5,669
District Technology	\$ 920	\$ 1,692	\$ (772)
Emergency Loan Payments	\$ 524,320	\$ 524,319	\$ 1
Transfers and Other	\$ 305,730	\$ 305,498	\$ 232
Total Expenditures	\$ 1,367,540	\$ 1,367,983	
Revenues Less Expenditures	\$ 2,589,270	\$ 2,568,349	
Projected Ending Fund Balance	\$ 158,504	\$ 137,583	

REVENUES	DESCRIPTION	AMOUNT
11-0111-0000-000-0000-000000-000000-	PROPERTY TAXES CURRENT	-1,182,575.38
11-0111-0000-100-0000-000000-000000-	OTHER TAXES	-7,306.20
11-0121-0000-000-0000-000000-000000-	TECH MILLAGE FLOWTHROUGH	-123,405.57
11-0124-0000-000-0000-000000-000000-	PENALTY & INT ON DEL TAXES	-5,497.97
11-0151-0000-000-0000-000000-000000-	EARNINGS ON INVEST & DEPOSITS	0.00
11-0191-0000-000-0000-000000-000000-	RENTALS	-6,800.00
11-0199-0000-000-0000-000000-000000-	MISCELLANEOUS	-61.00
11-0321-0000-000-0000-000000-000000-	PPT REIMBURSEMENT	-7,735.80
11-0519-0000-001-0000-000000-000000-	3% AUTHORIZER FEE - MHPSA	-139,812.06
11-0519-0000-100-0000-000000-000000-	SHARED BUSINESS SVCS	-14,137.86
11-0591-0000-000-0000-000000-000000-	PROCEEDS FROM ISSUANCE OF BOND	-2,449,000.00
		-3,936,331.84

EXPENDITURES	DESCRIPTION	AMOUNT	SUMS
11-1-225-7410-840-0000-00000-000000-	LICENSING FEES & RENEWALS	4,062.63	
11-1-226-4220-899-0000-00000-000000-	COPY MACHINE	494.40	\$ 4,557.03
11-1-231-3170-000-0000-00000-000000-	LEGAL SERVICES	14,302.66	
11-1-231-3180-000-0000-00000-000000-	AUDIT SERVICES	13,610.00	
11-1-231-7410-000-0000-00000-000000-	DUES & FEES	950.00	\$ 28,862.66
11-1-232-3150-000-0000-00000-000000-	CONTRACTED SERVICES	65,473.20	
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	\$ 65,473.20
11-1-252-1620-033-0000-00000-000000-	ACCOUNTING SPECIALIST	59,999.94	
11-1-252-2130-000-0000-00000-000000-	HOSPITALIZATION	18,846.30	
11-1-252-2820-033-0000-00000-000000-	CONTRIB TO ST&LOC RETIRE FUNDS	15,250.24	
11-1-252-2830-033-0000-00000-000000-	EMPLOYER SOCIAL SECURITY	4,590.04	
11-1-252-2840-033-0000-00000-000000-	WORKMAN'S COMPENSATION	1.82	
11-1-252-3150-030-0000-00000-000000-	CONTRACTED SERVICES	0.00	
11-1-252-3220-030-0000-00000-000000-	TRAVEL & CONFERENCE	343.36	
11-1-252-5910-030-0000-00000-000000-	OFFICE SUPPLIES	1,075.48	\$ 100,107.18
11-1-252-7410-000-0000-00000-000000-	INTEREST & FEES EXPENSE	194,309.10	\$ 194,309.10
11-1-259-7610-000-0000-00000-000000-	TAXES ABATED & WRITTEN OFF	50,663.65	\$ 50,663.65
11-1-261-3190-100-0000-00000-000000-	CONTRACTED SERVICES	17,884.79	
11-1-261-3410-000-0000-00000-000000-	TELEPHONE CHARGES	0.00	
11-1-261-3830-000-0000-00000-000000-	WATER & SEWAGE	1,531.41	
11-1-261-3840-000-0000-00000-000000-	WASTE & TRASH DISPOSAL	840.00	
11-1-261-3910-000-0000-00000-000000-	INSURANCE	53,206.00	
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	11,756.13	
11-1-261-5520-000-0000-00000-000000-	ELECTRICITY	7,282.97	\$ 92,501.30
11-1-284-3410-000-0000-00000-000000-	CELL PHONE CHARGES	1,691.62	\$ 1,691.62
11-1-411-8910-000-0000-00000-000000-	TRANSFERS TO MHPSA	123,405.57	
11-1-511-7110-994-0000-00000-000000-	PRINCIPAL PMT - EMERGENCY LOAN	210,000.00	
11-1-511-7230-994-0000-00000-000000-	INTEREST PMT - EMERGENCY LOANS	314,318.81	\$ 524,318.81
11-1-634-8110-000-0000-00000-000000-	QZAB TRANSFER - DEBT RETIREMEN	182,092.42	\$ 305,497.99
		\$ 1,367,982.54	\$ 1,367,982.54

Muskegon Heights Public Schools
 Revenues, Expenditures, and Fund Balance
 DEBT SERVICE - 2016 REFUNDING BONDS
 2017-18
 As of 8/3/18

	Actuals to Date
Beginning Fund Balance	\$ 236,108
Revenue	
Tax Revenues	\$ 1,373,858
SBLF/SLRF (State Bond Loan Programs)	\$ 1,347,237
Total Revenue	\$ 2,721,095
Expenditures	
Tax Chargebacks & Auction Property	\$ 33,047
Principal Payments	\$ 1,865,000
Interest Payments	\$ 800,230
Total Expenditures	\$ 2,698,277
Revenues Less Expenditures	\$ 22,818
Projected Ending Fund Balance	\$ 258,926

Account	Description	2018 Actual
32-0111-0000-000-0000-000000-000000-	PROPERTY TAX LEVY	-1,255,377.97
32-0111-0000-100-0000-000000-000000-	OTHER TAXES-HSBF	0.00
32-0124-0000-000-0000-000000-000000-	PENALTY & INT ON DEL TAXES	-13,736.41
32-0151-0000-000-0000-000000-000000-	EARNINGS ON INVESTMENTS-HSBF	-328.07
32-0321-0000-000-0000-000000-000000-	PPT REIMBURSEMENT	-104,415.35
32-0591-0000-000-0000-000000-000000-	BOND PROCEEDS	0.00
32-0595-0000-000-0000-000000-000000-	STATE LOAN PROGRAM-HSBF	-1,347,237.00
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
		-2,721,094.80

Account	Description	2018 Actual
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	33,046.94
32-1-511-7110-000-0000-000000-000000-	PRINCIPAL - 2006 REF BDS	1,865,000.00
32-1-511-7230-000-0000-000000-000000-	INTEREST-HSBF	800,230.00
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
2017-18
As of 8/3/18

	Actuals to Date
Beginning Fund Balance	\$ 1,796,294
Revenue	
Earnings on Investment	\$ 37,912
Transfers In	\$ 182,092
Total Revenue	\$ 220,005
Expenditures	
	\$ -
Total Expenditures	\$ -
Revenues Less Expenditures	\$ 220,005
Projected Ending Fund Balance	\$ 2,016,299

Account	Description	2018 Actual
34-0151-0000-000-0000-000000-000000-	EARNINGS ON INVESTMENTS	-37,912.45
34-0611-0000-000-0000-000000-000000-	QZAB TRANSFER	-182,092.42

Muskegon Heights Public Schools
 Revenues, Expenditures, and Fund Balance
 GENERAL FUND
 2018-19
 As of 8/3/18

	Budget 2018-19	Actuals to Date	Under/(Over) to Date
Beginning Fund Balance	\$ 158,504	\$ 158,504	
Revenue			
Property taxes	\$ 1,181,020	\$ -	\$ 1,181,020
Oversight fees	\$ 176,310	\$ -	\$ 176,310
Transfers and Other	\$ 9,500	\$ -	\$ 9,500
Total Revenue	\$ 1,366,830	\$ -	
Expenditures			
Data Technology	\$ 4,520	\$ -	\$ 4,520
Board of Education	\$ 30,170	\$ -	\$ 30,170
Executive Administration	\$ 68,770	\$ -	\$ 68,770
Business Services	\$ 101,960	\$ 7,673	\$ 94,287
Interest and Fees Expense	\$ 6,400	\$ 288	\$ 6,112
Unpaid Auction and Delinquent Tax Fees	\$ 50,670	\$ -	\$ 50,670
Building Services	\$ 98,170	\$ 1,038	\$ 97,132
District Technology	\$ 920	\$ -	\$ 920
Emergency Loan Payments	\$ 570,750	\$ -	\$ 570,750
Transfers and Other	\$ 305,730	\$ -	\$ 305,730
Total Expenditures	\$ 1,238,060	\$ 8,999	
Revenues Less Expenditures	\$ 128,770	\$ (8,999)	
Projected Ending Fund Balance	\$ 287,274	\$ 149,505	

REVENUES	DESCRIPTION	AMOUNT
11-0111-0000-000-0000-000000-000000-	PROPERTY TAXES CURRENT	0.00
11-0111-0000-100-0000-000000-000000-	OTHER TAXES	0.00
11-0121-0000-000-0000-000000-000000-	TECH MILLAGE FLOWTHROUGH	0.00
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	0.00
11-0199-0000-000-0000-000000-000000-	MISCELLANEOUS	0.00
11-0321-0000-000-0000-000000-000000-	PPT REIMBURSEMENT	0.00
11-0519-0000-001-0000-000000-000000-	3% AUTHORIZER FEE - MHPSA	0.00
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
		0.00

EXPENDITURES	DESCRIPTION	AMOUNT	SUMS
11-1-225-7410-840-0000-00000-000000-	LICENSING FEES & RENEWALS		
11-1-226-4220-899-0000-00000-000000-	COPY MACHINE		\$ -
11-1-231-3170-000-0000-00000-000000-	LEGAL SERVICES		
11-1-231-3180-000-0000-00000-000000-	AUDIT SERVICES		
11-1-231-7410-000-0000-00000-000000-	DUES & FEES		\$ -
11-1-232-3150-000-0000-00000-000000-	CONTRACTED SERVICES		
11-1-232-3210-000-0000-00000-000000-	COST OF TRAVEL (MILEAGE)		
11-1-232-3430-000-0000-00000-000000-	MAILING		
11-1-232-7910-000-0000-00000-000000-	MISCELLANEOUS		\$ -
11-1-252-1620-033-0000-00000-000000-	ACCOUNTING SPECIALIST	4,615.38	
11-1-252-2130-000-0000-00000-000000-	HOSPITALIZATION	1,885.14	
11-1-252-2820-033-0000-00000-000000-	CONTRIB TO ST&LOC RETIRE FUNDS	819.46	
11-1-252-2830-033-0000-00000-000000-	EMPLOYER SOCIAL SECURITY	353.08	
11-1-252-2840-033-0000-00000-000000-	WORKMAN'S COMPENSATION	0.14	
11-1-252-3150-030-0000-00000-000000-	CONTRACTED SERVICES		
11-1-252-3220-030-0000-00000-000000-	TRAVEL & CONFERENCE		
11-1-252-5910-030-0000-00000-000000-	OFFICE SUPPLIES		\$ 7,673.20
11-1-252-7410-000-0000-00000-000000-	INTEREST & FEES EXPENSE	288.00	\$ 288.00
11-1-259-7610-000-0000-00000-000000-	TAXES ABATED & WRITTEN OFF		\$ -
11-1-261-3190-100-0000-00000-000000-	CONTRACTED SERVICES		
11-1-261-3410-000-0000-00000-000000-	TELEPHONE CHARGES		
11-1-261-3830-000-0000-00000-000000-	WATER & SEWAGE		
11-1-261-3840-000-0000-00000-000000-	WASTE & TRASH DISPOSAL		
11-1-261-3910-000-0000-00000-000000-	INSURANCE		
11-1-261-4110-000-0000-00000-000000-	LAND AND BLDGS-REPAIRS & MAINT		
11-1-261-5510-000-0000-00000-000000-	HEATING FUEL		
11-1-261-5520-000-0000-00000-000000-	ELECTRICITY	1,037.85	\$ 1,037.85
11-1-284-3410-000-0000-00000-000000-	CELL PHONE CHARGES		\$ -
11-1-411-8910-000-0000-00000-000000-	TRANSFERS TO MHPSA		
11-1-511-7110-994-0000-00000-000000-	PRINCIPAL PMT - EMERGENCY LOAN		
11-1-511-7230-994-0000-00000-000000-	INTEREST PMT - EMERGENCY LOANS		\$ -
11-1-634-8110-000-0000-00000-000000-	QZAB TRANSFER - DEBT RETIREMEN		\$ -
		\$ 8,999.05	\$ 8,999.05

Muskegon Heights Public Schools
 Revenues, Expenditures, and Fund Balance
 DEBT SERVICE - 2016 REFUNDING BONDS
 2018-19
 As of 8/3/18

		Actuals to Date
Beginning Fund Balance	\$	236,108
Revenue		
Tax Revenues	\$	-
SBLF/SLRF (State Bond Loan Programs)	\$	-
Total Revenue	\$	-
Expenditures		
Tax Chargebacks & Auction Property	\$	-
Principal Payments	\$	-
Interest Payments	\$	-
Total Expenditures	\$	-
Revenues Less Expenditures	\$	-
Projected Ending Fund Balance	\$	236,108

Account	Description	2018 Actual
32-0111-0000-000-0000-000000-000000-	PROPERTY TAX LEVY	0.00
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	0.00
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	0.00
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
		0.00

Account	Description	2018 Actual
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	0.00
32-1-511-7230-000-0000-000000-000000-	INTEREST-HSBF	0.00
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
2018-19
As of 8/3/18

	Actuals to Date
Beginning Fund Balance	\$ 1,796,294
Revenue	
Earnings on Investment	\$ -
Transfers In	\$ -
Total Revenue	\$ -
Expenditures	\$ -
Total Expenditures	\$ -
Revenues Less Expenditures	\$ -
Projected Ending Fund Balance	\$ 1,796,294

Account	Description	2018 Actual
34-0151-0000-000-0000-000000-000000-	EARNINGS ON INVESTMENTS	0.00
34-0611-0000-000-0000-000000-000000-	QZAB TRANSFER	0.00



**Muskegon Heights
Public School Academy System**
2441 Sanford Street • Muskegon Heights, Michigan 49444
Phone 231-830-3703 • Fax 231-830-3755

Rane' Garcia, Superintendent

July 31, 2018

Dear Mr. Wrobel,

The Muskegon Heights Public School Academy System (“MHPSAS”) has a goal to attract, develop, and retain the most caring and committed team possible to serve the students in our care. We have a multi-faceted strategy that we are using to achieve this goal, reduce our turnover rate, and create greater stability for our students and the community we serve.

Pursuant to our discussion, I want to provide you and your colleagues on the RTAB with some detailed information about one strategy we have been using to express our gratitude and appreciation to those working in the MHPSAS and dispel any allegations that the System is not acting properly or serving as a good steward of the taxpayers’ money.

The MHPSAS Board and I are working to establish a culture of excellence that expresses gratitude and appreciation for those working with our students. For the 2017-18 school year, one of the ways we expressed our gratitude and appreciation was by awarding members of our team with a gift card at the December holiday break and then again at the end of the school year.

The following provides a brief summary of these two occasions. I’ve also attached some additional support documentation to this email that you may find informative.

December 2017- Expressing Holiday Gratitude and Appreciation

Gift cards were delivered by the MPHSAS administrative team to each person working with our students. We developed a tiered “thank you” amount for each employee group. Each person received a holiday card signed by our administrative team and the gift card was included inside the envelope. This unexpected sign of gratitude and appreciation was met with thank yous, hugs, and even some tears of joy.

- All members of the MPHSAS team received a holiday card.
- AccessPoint employees received a \$200 visa gift card.
- CSM employees received a \$30 visa gift card.
- Dean and Chartwell employees received a \$20 visa gift card.

- Volunteers from the Foster Grandparent Program who are in our classrooms daily received a \$5 gift card to a local business.
- Administrators received a Muskegon Heights Tigers windbreaker (approximate value \$45).

June 2018- End of School Year Gratitude and Appreciation

All team members were invited to an end of the school year celebratory luncheon. The purpose of the luncheon was to thank the team for their hard work, foster goodwill, and provide encouragement about the future so people would want to stay working with MHPSAS as we strive to build organizational stability and momentum.

At the luncheon, we honored all administrative assistants, instructional assistants, and members of our security team as unsung heroes. Our administrative team invited these individuals to come to the front of the room where they were thanked for their dedication and applauded by their colleagues. Those present received a thank you note that included a \$100 visa gift card. The expectation was for people to attend the event so we could publicly thank them and express our appreciation.

For those who did not attend, but inquired about “getting their gift card,” I offered them an opportunity to meet with me so I could share our vision for next year, express appreciation for their service, and provide them with the gift card. For those who did not attend and did not inquire about “getting their gift card,” their employer, AccessPoint, sent them a communication inquiring as to why they did not attend the year end celebration.

Finally, the reason some team members received a \$100 visa gift, while others received a \$200 visa gift card is because during the course of the school year there were numerous times when MPHSAS could not engage enough substitute teachers to properly service our instructional needs. Therefore, our administrative team had to call on our existing team of teachers to go above and beyond the call of duty and cover these classrooms. Again, as an expression of our gratitude and appreciation, these particular team members, who are all employed via AccessPoint, were given a \$200 visa gift card.

I hope this information provides you with the information and context for how and why MHPSA used the gift cards to build goodwill and express our gratitude and appreciation to the people who work with our students. It is also important to note that MHPSAS does not directly employ the people who work with our students, except for 7 the members of the administrative team during the 2017-2018 school year. Nevertheless, we are trying to build a culture of excellence and believe recognizing and rewarding the people working with our students is an important component of our strategy to plan to create greater stability and increase student achievement.

As always, if you have additional questions or would like to discuss this matter in more detail, please don't hesitate to contact me.

Sincerely,

Rané Garcia

Superintendent

Muskegon Heights Public School Academy System

cc: MHPSAS Board of Directors