

**School District of the City of Muskegon Heights
Receivership Transition Advisory Board Agenda
Wednesday, February 21, 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. December 20, 2017 (attachment #1)

II. OLD BUSINESS

- A. QZAB Overview (Attachment #2)

III. NEW BUSINESS

- A. News and Updates
 - i. Emergency Loan Board
- B. January Monthly Reports (attachment #3)
 - i. Liabilities report (attachment #4)
 - ii. Cash flow projections (attachment #5)
 - iii. Comparison of budgeted revenue and expenditure to actual (attachment #6)
- C. February Monthly Reports (attachment #7)
 - i. Liabilities report (attachment #8)
 - ii. Cash flow projections (attachment #9)
 - iii. Comparison of budgeted revenue and expenditure to actual (attachment #10)

IV. PUBLIC COMMENT

V. ADJOURNMENT

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

Wednesday, December 20, 2017
Conference Room
2603 Leahy St.
Muskegon Heights, MI 49444

MINUTES

I. Call to Order

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

A. Roll Call

Members Present – 3

Dale Nesbary
John Schrier
Michael Wrobel

Members Absent – 2

Patrice Johnson
Clinton Todd

A quorum was present.

B. Approval of Minutes

Motion by Dr. Nesbary to approve the draft minutes of the RTAB's November 15, 2017 meeting as presented. Motion moved and seconded by Mr. Schrier. The RTAB approved the minutes of the November 15, 2017 meeting as presented.

II. Old Business

None

III. New Business

A. News and Updates

Chair Wrobel provided an update that the Emergency Loan Board meeting has been postponed to early February. No further delays are expected.

B. Monthly Reports

i. Liabilities Report

Mr. Lewis reported increases in UIA and ORS liabilities. The District will set aside approximately \$180,000 as scheduled for the Qualified Zone Academy Bond (QZAB), but the liability itself will not change until December, 2022 when the full amount is paid. Chair Wrobel requested the current amount set aside. Mr. Lewis answered he will send an analysis of the QZAB liability for the RTAB.

ii. Cash Flow Projections

Mr. Lewis reported the District will need to pay the difference between the Emergency Loan and outstanding UIA and ORS liabilities which will affect cash flow.

iii. Comparison of Budgeted Revenue and Expenditure to Actual

Mr. Lewis reported the District is currently over budget in technology expenditure. This currently includes the expenditure for Highland Park Schools and will be under budget once Highland Park Schools is invoiced for their share of the amount paid. The accounts are now separate.

IV. 2018 Meeting Schedule

Treasury analyst Jake Brower provided a draft 2018 meeting schedule with an amendment that the schedule is for the calendar year ending December 31, 2018. The RTAB will continue holding meetings on the third Wednesday of each month.

Mr. Schrier motioned to approve the 2018 RTAB meeting schedule as amended. Motion moved and seconded by Dr. Nesbary. The RTAB approved the 2018 RTAB meeting schedule as amended.

V. Public Comment

None

VI. Adjournment

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

There being no further business, the meeting adjourned at 4:13p.m.

DRAFT

QZAB Account

Current Balance Per Ledger \$ 1,805,282.57

	Projected interest*	Deposits	Balance
12/31/2017	\$ 9,026.41	\$ 182,092.42	\$ 1,996,401.40
3/31/2018	\$ 9,982.01		\$ 2,006,383.41
6/30/2018	\$ 10,031.92		\$ 2,016,415.33
9/30/2018	\$ 10,082.08		\$ 2,026,497.40
12/30/2018	\$ 10,132.49	\$ 182,092.42	\$ 2,218,722.31
3/30/2019	\$ 11,093.61		\$ 2,229,815.92
6/30/2019	\$ 11,149.08		\$ 2,240,965.00
9/30/2019	\$ 11,204.83		\$ 2,252,169.83
12/30/2019	\$ 11,260.85	\$ 182,092.42	\$ 2,445,523.10
3/30/2020	\$ 12,227.62		\$ 2,457,750.71
6/30/2020	\$ 12,288.75		\$ 2,470,039.46
9/30/2020	\$ 12,350.20		\$ 2,482,389.66
12/30/2020	\$ 12,411.95	\$ 182,092.42	\$ 2,676,894.03
3/30/2021	\$ 13,384.47		\$ 2,690,278.50
6/30/2021	\$ 13,451.39		\$ 2,703,729.89
9/30/2021	\$ 13,518.65		\$ 2,717,248.54
12/30/2021	\$ 13,586.24	\$ 182,092.42	\$ 2,912,927.21
3/30/2022	\$ 14,564.64		\$ 2,927,491.84
6/30/2022	\$ 14,637.46		\$ 2,942,129.30
9/30/2022	\$ 14,710.65		\$ 2,956,839.95
12/19/2022	\$ 14,784.20	\$ 182,092.42	<u>\$ 3,153,716.57</u>

Total liability for QZAB loan

\$ 3,149,000.00

Difference

\$ 4,716.57

*5/3 is yielding around 2% annual interest



Muskegon Heights Public Schools

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

Date: January 10, 2018

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

From: John Lewis, Assistant Superintendent

Re: Board Meeting Packet for January 17, 2018

Attached, please find the Muskegon Heights Public Schools 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 as of January 9, 2018. For the most part, it has been business as usual and there aren't too many items to highlight since the last report.

We have collected some additional delinquent taxes from the city (around \$14,000), as well as the personal property reimbursement from the state (around \$8,000 into the general fund (GF) and \$104,000 into the debt service fund). We are expecting around \$200K in GF receipts for the month of January, but will not be able to confirm this until the February report.

In terms of expenditures, not much has changed besides the deposit from the GF into the QZAB fund (\$182K).

We also still plan on amending the budget for this year once/if we close on the new emergency loan. The additional interest on the new emergency loan may cause the GF fund balance to dip slightly into the negative for 2017/18, but the district will gain ground in subsequent years as the interest on these loans will be less than the interest the district is currently incurring on the outstanding ORS and UIA balances.

Cash Flow Statement

I have again modified the cash flow statement to better reflect the necessary cash outlay required to close the potential emergency loans. The statement included in this report shows a closing date of February 15, 2018, but if that date changes going forward, we can quickly calculate the new cash requirements. As we have discussed on multiple occasions, closing this loan sooner rather than later will only help the district's cash position.

Liabilities Report

The ORS and UIA balances continue to grow due to accrued interest as briefly mentioned in the "budget to actual" section of this letter. These liabilities will continue to grow until we are able to address them with the emergency loan proceeds.

There were some questions in regard to the QZAB liability from prior meetings, so we are also including a summary showing how this liability is being addressed. This summary projects all of the scheduled deposits and estimated interest on these deposits up to the date of payoff. As you can see, the district is on track to meet its obligation when it comes due in 2022.

Attachment #4

Fund	Rate	Description	Issuance Date	Original Amount	Term Length	Principal	Interest	Total Amount	Projected Maturity Date	As of Date
GF		ORS			Short			\$ 1,528,919	N/A	12/28/2017
GF		Payable to MDE - At-Risk Payback			Short			\$ 371,436	N/A	1/9/2018
GF		UIA			Short			\$ 967,863	N/A	1/9/2018
GF	2.45%	Emergency Loan #1 - 2012	8/16/2012	\$ 7,650,000	Long	\$ 6,990,000	\$ 2,466,783	\$ 9,456,783	11/1/2041	1/9/2018
GF	2.35%	Emergency Loan #2 - 2013	1/18/2013	\$ 3,500,000	Long	\$ 3,165,000	\$ 1,052,683	\$ 4,217,683	11/1/2041	1/9/2018
GF	3.45%	Emergency Loan #3 - 2014	4/28/2014	\$ 1,400,000	Long	\$ 1,400,000	\$ 977,385	\$ 2,377,385	4/3/2044	1/9/2018
GF	NA	2007 Energy Conservation Improvement Bonds	12/19/2007		Long	\$ 3,149,000	\$ -	\$ 3,149,000	12/19/2022	1/9/2018
DF	5.00%	2016 Refunding Bonds, Series A	3/29/2016		Long	\$ 13,710,000	\$ 4,295,922	\$ 18,005,922	5/1/2029	1/9/2018
DF	1.74%-2.61%	2016 Refunding Bonds, Series B	3/26/2016		Long	\$ 5,225,000	\$ 152,074	\$ 5,377,074	5/1/2021	1/9/2018
DF	3.41%	School Bond Loan Fund	Annual		Long	\$ 2,212	\$ 90	\$ 2,302	5/1/2035*	1/9/2018
DF	3.41%	School Loan Revolving Fund	Annual		Long	\$ 701,012	\$ 12,236	\$ 713,248	5/1/2035*	1/9/2018
				\$ 12,550,000		\$ 34,342,224	\$ 8,957,172	\$ 46,167,614		

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
	Total Emergency Loans issued: \$12,550,000

Projected Monthly Cash Flow - One Year Projection

Date
1/9/2018

Attachment #5

School District
Muskegon Heights Public Schools

WITH EL PROCEEDS

	January 18	February 18	March 18	April 18	May 18	June 18	July 18	August 18	September 18	October 18	November 18	December 18
Beginning Balance	\$ 224,920	\$ 440,405	\$ 333,501	\$ 329,569	\$ 327,445	\$ 536,292	\$ 408,551	\$ 353,995	\$ 591,744	\$ 614,094	\$ 650,772	\$ 648,859
Estimated Receipts												
Taxes	\$ 222,720	\$ 97,000			\$ 210,540			\$ 240,000	\$ 40,000	\$ 40,000		\$ 50,000
Taxes - Tech Millage	\$ 6,511	\$ 27,000	\$ 25,000		\$ 1,500	\$ 21,187			\$ 15,000	\$ 15,000		
Authorizer Fees	\$ 15,400	\$ 15,400	\$ 15,400	\$ 15,400	\$ 15,400	\$ 15,400	\$ 15,400	\$ 15,400	\$ -	\$ 15,837	\$ 15,837	\$ 15,837
ELN Proceeds		\$ 2,449,000										
Other Revenue	\$ 2,000	\$ 1,527	\$ 1,527	\$ 1,527	\$ 1,527	\$ 1,527	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Total Available Funds	\$ 471,551	\$ 3,030,332	\$ 375,428	\$ 346,496	\$ 556,412	\$ 574,406	\$ 424,951	\$ 610,395	\$ 647,744	\$ 685,931	\$ 667,609	\$ 715,696
Less Estimated Expenditures:												
Payrolls	\$ 14,070	\$ 14,070	\$ 15,579	\$ 14,070	\$ 14,070	\$ 18,658	\$ 14,070	\$ 14,070	\$ 14,070	\$ 15,579	\$ 14,070	\$ 14,070
Other Expenditures	\$ 10,565	\$ 5,280	\$ 5,280	\$ 4,980	\$ 4,550	\$ 4,580	\$ 56,886	\$ 4,580	\$ 4,580	\$ 4,580	\$ 4,680	\$ 8,230
Emergency Loan Payment	\$ -	\$ 86,547	\$ -	\$ -	\$ -	\$ 121,430	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 180,125
Tech Millage to PSA	\$ 6,511	\$ 27,000	\$ 25,000	\$ -	\$ 1,500	\$ 21,187	\$ -	\$ -	\$ 15,000	\$ 15,000	\$ -	\$ -
ORS Repayment	\$ -	\$ 1,556,864	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UIA Repayment	\$ -	\$ 1,007,070	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Liens/Loans (Totals)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 182,092
Estimated Ending Balance	\$ 440,405	\$ 333,501	\$ 329,569	\$ 327,445	\$ 536,292	\$ 408,551	\$ 353,995	\$ 591,744	\$ 614,094	\$ 650,772	\$ 648,859	\$ 331,179

Attachment #5

Expenses by Month

	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	Totals
Payrolls (including contracted staff)	\$ 14,070	\$ 14,070	\$ 15,579	\$ 14,070	\$ 14,070	\$ 18,658	\$ 14,070	\$ 14,070	\$ 14,070	\$ 15,579	\$ 14,070	\$ 14,070	\$ 176,448
Consumers - electric	\$ 500	\$ 500	\$ 500	\$ 500	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 700	\$ 500	\$ 8,000
DTE - natural gas	\$ 1,500	\$ 1,800	\$ 1,800	\$ 1,500	\$ 770	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 1,000	\$ 1,000	\$ 13,370
Waste & Water utility	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 2,640
Audit Fees	\$ 5,585												\$ 5,585
Legal Fees	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 13,920
Property Insurance							\$ 52,306						\$ 52,306
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		\$ 86,547				\$121,430						\$180,125	\$ 388,102
ORS Repayment		\$1,556,864											\$1,556,864
UIA Payment		\$1,007,070											\$1,007,070
Tech Millage Flowthrough	\$ 6,511	\$ 27,000	\$ 25,000	\$ -	\$ 1,500	\$ 21,187	\$ -	\$ -	\$ 15,000	\$ 15,000	\$ -	\$ -	\$ 111,198
QZAB Energy Bonds												\$182,092	\$ 182,092
Totals	\$ 31,146	\$2,696,831	\$ 45,859	\$ 19,050	\$ 20,120	\$165,856	\$ 70,956	\$ 18,650	\$ 33,650	\$ 35,159	\$ 18,750	\$384,517	\$3,540,545

Muskegon Heights Public Schools
 Revenues, Expenditures, and Fund Balance
 GENERAL FUND
 2017-18
 As of 1/09/17

	Budget 2017-18	Actuals to Date	Under/(Over) to Date
Beginning Fund Balance	\$ (2,430,766)	\$ (2,430,766)	
Revenue			
Property taxes	\$ 1,170,890	\$ 436,116	\$ 734,774
Oversight fees	\$ 174,210	\$ 46,853	\$ 127,357
Transfers and Other	\$ 16,800	\$ 14,154	\$ 2,646
Total Revenue	\$ 1,361,900	\$ 497,123	
Expenditures			
Data Technology	\$ 4,250	\$ 586	\$ 3,664
Board of Education	\$ 27,060	\$ 15,631	\$ 11,429
Executive Administration	\$ 65,780	\$ 24,875	\$ 40,905
Business Services	\$ 99,300	\$ 47,884	\$ 51,416
Interest and Fees Expense	\$ 215,660	\$ 3,652	\$ 212,008
Unpaid Auction and Delinquent Tax Fees	\$ 50,000	\$ -	\$ 50,000
Building Services	\$ 82,680	\$ 67,960	\$ 14,720
District Technology	\$ 900	\$ 1,205	\$ (305)
Emergency Loan Payments	\$ 506,470	\$ 359,504	\$ 146,966
Transfers and Other	\$ 305,730	\$ 223,289	\$ 82,441
Total Expenditures	\$ 1,357,830	\$ 744,586	
Revenues Less Expenditures	\$ 4,070	\$ (247,463)	
Projected Ending Fund Balance	\$ (2,426,696)	\$ (2,678,229)	

REVENUES	DESCRIPTION	AMOUNT
11-0111-0000-000-0000-000000-000000-	PROPERTY TAXES CURRENT	-387,183.97
11-0111-0000-100-0000-000000-000000-	OTHER TAXES	0.00
11-0121-0000-000-0000-000000-000000-	TECH MILLAGE FLOWTHROUGH	-41,196.25
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	-16.00
11-0321-0000-000-0000-000000-000000-	PPT REIMBURSEMENT	-7,735.80
11-0519-0000-001-0000-000000-000000-	3% AUTHORIZER FEE - MHPSA	-46,853.00
11-0519-0000-100-0000-000000-000000-	SHARED BUSINESS SVCS	-14,137.86
		-497,122.88

EXPENDITURES	DESCRIPTION	AMOUNT	TOTALS
11-1-225-7410-840-0000-00000-000000-	LICENSING FEES & RENEWALS	339.00	
11-1-226-4220-899-0000-00000-000000-	COPY MACHINE	247.20	\$ 586.20
11-1-231-3170-000-0000-00000-000000-	LEGAL SERVICES	6,655.66	
11-1-231-3180-000-0000-00000-000000-	AUDIT SERVICES	8,025.00	
11-1-231-7410-000-0000-00000-000000-	DUES & FEES	950.00	\$ 15,630.66
11-1-232-3150-000-0000-00000-000000-	CONTRACTED SERVICES	24,874.80	
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	\$ 24,874.80
11-1-252-1620-033-0000-00000-000000-	ACCOUNTING SPECIALIST	29,999.97	
11-1-252-2130-000-0000-00000-000000-	HOSPITALIZATION	7,515.46	
11-1-252-2820-033-0000-00000-000000-	CONTRIB TO ST&LOC RETIRE FUNDS	7,582.19	
11-1-252-2830-033-0000-00000-000000-	EMPLOYER SOCIAL SECURITY	2,295.02	
11-1-252-2840-033-0000-00000-000000-	WORKMAN'S COMPENSATION	0.91	
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	490.59	\$ 47,884.14
11-1-252-7410-000-0000-00000-000000-	INTEREST & FEES EXPENSE	3,652.30	\$ 3,652.30
11-1-259-7610-000-0000-00000-000000-	TAXES ABATED & WRITTEN OFF	0.00	\$ -
11-1-261-3190-100-0000-00000-000000-	CONTRACTED SERVICES	5,726.32	
11-1-261-3410-000-0000-00000-000000-	TELEPHONE CHARGES	0.00	
11-1-261-3830-000-0000-00000-000000-	WATER & SEWAGE	812.04	
11-1-261-3840-000-0000-00000-000000-	WASTE & TRASH DISPOSAL	326.00	
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	3,928.58	
11-1-261-5520-000-0000-00000-000000-	ELECTRICITY	3,961.30	\$ 67,960.24
11-1-284-3410-000-0000-00000-000000-	CELL PHONE CHARGES	1,205.33	\$ 1,205.33
11-1-411-8910-000-0000-00000-000000-	TRANSFERS TO MHPSA	41,196.25	
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	149,503.75	\$ 359,503.75
11-1-634-8110-000-0000-00000-000000-	QZAB TRANSFER - DEBT RETIREMEN	182,092.42	\$ 223,288.67
		\$ 744,586.09	\$ 744,586.09

Muskegon Heights Public Schools
 Revenues, Expenditures, and Fund Balance
 DEBT SERVICE - 2016 REFUNDING BONDS
 2017-18
 As of 1/09/17

		Actuals to Date
Beginning Fund Balance	\$	236,108
Revenue		
Tax Revenues	\$	519,285
SBLF/SLRF (State Bond Loan Programs)	\$	-
Total Revenue	\$	519,285
Expenditures		
Tax Chargebacks & Auction Property	\$	-
Principal Payments	\$	-
Interest Payments	\$	400,115
Total Expenditures	\$	400,115
Revenues Less Expenditures	\$	119,170
Projected Ending Fund Balance	\$	355,278

Account	Description	2018 Actual
32-0111-0000-000-0000-000000-000000-	PROPERTY TAX LEVY	-414,743.22
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	-126.19
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	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
		-519,284.76

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	400,115.00
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 1/09/17

	Actuals to Date
Beginning Fund Balance	\$ 1,796,294
Revenue	
Earnings on Investment	\$ 8,988
Transfers In	\$ 182,092
Total Revenue	\$ 191,081
Expenditures	\$ -
Total Expenditures	\$ -
Revenues Less Expenditures	\$ 191,081
Projected Ending Fund Balance	\$ 1,987,375

Account	Description	2018 Actual
34-0151-0000-000-0000-000000-000000-	EARNINGS ON INVESTMENTS	-8,988.34
34-0611-0000-000-0000-000000-000000-	QZAB TRANSFER	-182,092.42



Muskegon Heights Public Schools

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

Date: February 13, 2018

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

From: John Lewis, Assistant Superintendent

Re: Board Meeting Packet for February 21, 2018

Attached, please find the Muskegon Heights Public Schools 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 as of February 2, 2018.

During the month of January, the district received around \$138,000 in general fund/operating tax collections which was lower than the estimated \$200,000 in collections for the month. The district is estimating an additional \$182,000 in tax collections for February. The exact amount will not be known until the end of February.

District expenditures are, for the most part, on target with beginning year estimates. We are hopeful that our "district technology" budget item will come down during the month of February as our final invoice for shared wireless phone service was sent to Highland Park Public Schools on 1/30/18 in the amount of \$703.16.

An amendment to the budget will most likely be developed this spring as we are still waiting on word from the Emergency Loan Board as to whether or not we will receive our requested emergency loan. I am hopeful we will receive a positive update in regard to this issue at our 2/21 meeting.

Cash Flow Statement

The cash flow remains relatively unchanged from the prior period's report. As stated many times prior to this report, the closing date of the potential emergency loan will have an effect on the district's cash flow. We remain hopeful that this will happen in February 2018. That being said, cash flow seems to be fairly consistent through January 2019.

Liabilities Report

The ORS and UIA balances continue to grow as expected. All other liabilities remain unchanged from the prior period. It is the district's hope that we can address these balances during February 2018.

Attachment #8

Fund	Rate	Description	Issuance Date	Original Amount	Term Length	Principal	Interest	Total Amount	Projected Maturity Date	As of Date
GF		ORS			Short			\$ 1,535,945	N/A	1/24/2018
GF		Payable to MDE - At-Risk Payback			Short			\$ 371,436	N/A	2/2/2018
GF		UIA			Short			\$ 1,022,914	N/A	2/2/2018
GF	2.45%	Emergency Loan #1 - 2012	8/16/2012	\$ 7,650,000	Long	\$ 6,990,000	\$ 2,466,783	\$ 9,456,783	11/1/2041	2/2/2018
GF	2.35%	Emergency Loan #2 - 2013	1/18/2013	\$ 3,500,000	Long	\$ 3,165,000	\$ 1,052,683	\$ 4,217,683	11/1/2041	2/2/2018
GF	3.45%	Emergency Loan #3 - 2014	4/28/2014	\$ 1,400,000	Long	\$ 1,400,000	\$ 977,385	\$ 2,377,385	4/3/2044	2/2/2018
GF	NA	2007 Energy Conservation Improvement Bonds	12/19/2007		Long	\$ 3,149,000	\$ -	\$ 3,149,000	12/19/2022	2/2/2018
DF	5.00%	2016 Refunding Bonds, Series A	3/29/2016		Long	\$ 13,710,000	\$ 4,295,922	\$ 18,005,922	5/1/2029	2/2/2018
DF	1.74%-2.61%	2016 Refunding Bonds, Series B	3/26/2016		Long	\$ 5,225,000	\$ 152,074	\$ 5,377,074	5/1/2021	2/2/2018
DF	3.41%	School Bond Loan Fund	Annual		Long	\$ 2,212	\$ 90	\$ 2,302	5/1/2035*	2/2/2018
DF	3.41%	School Loan Revolving Fund	Annual		Long	\$ 701,012	\$ 12,236	\$ 713,248	5/1/2035*	2/2/2018
				\$ 12,550,000		\$ 34,342,224	\$ 8,957,172	\$ 46,229,691		

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
	Total Emergency Loans issued: \$12,550,000

Projected Monthly Cash Flow - One Year Projection

Date
2/2/2018

Attachment #9

School District
Muskegon Heights Public Schools

WITH EL PROCEEDS

	February 18	March 18	April 18	May 18	June 18	July 18	August 18	September 18	October 18	November 18	December 18	January 19
Beginning Balance	\$ 356,405	\$ 334,974	\$ 332,550	\$ 328,918	\$ 537,765	\$ 414,612	\$ 355,467	\$ 593,217	\$ 615,567	\$ 653,754	\$ 650,332	\$ 332,652
Estimated Receipts												
Taxes	\$ 182,472			\$ 210,540			\$ 240,000	\$ 40,000	\$ 40,000		\$ 50,000	\$ 230,000
Taxes - Tech Millage	\$ 27,000	\$ 25,000		\$ 1,500	\$ 21,187			\$ 15,000	\$ 15,000			
Authorizer Fees	\$ 15,400	\$ 15,400	\$ 15,400	\$ 15,400	\$ 15,400	\$ 15,400	\$ 15,400	\$ -	\$ 15,837	\$ 15,837	\$ 15,837	\$ 15,837
ELN Proceeds	\$ 2,449,000											
Other Revenue	\$ 1,527	\$ 1,527	\$ 1,527	\$ 1,527	\$ 1,527	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Total Available Funds	\$ 3,031,804	\$ 376,901	\$ 349,477	\$ 557,885	\$ 575,879	\$ 431,012	\$ 611,867	\$ 649,217	\$ 687,404	\$ 670,591	\$ 717,169	\$ 579,489
Less Estimated Expenditures:												
Payrolls	\$ 14,070	\$ 14,070	\$ 15,579	\$ 14,070	\$ 14,070	\$ 18,658	\$ 14,070	\$ 14,070	\$ 14,070	\$ 15,579	\$ 14,070	\$ 14,070
Other Expenditures	\$ 5,280	\$ 5,280	\$ 4,980	\$ 4,550	\$ 4,580	\$ 56,886	\$ 4,580	\$ 4,580	\$ 4,580	\$ 4,680	\$ 8,230	\$ 4,480
Emergency Loan Payment	\$ 86,547	\$ -	\$ -	\$ -	\$ 121,430	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 180,125	\$ -
Tech Millage to PSA	\$ 27,000	\$ 25,000	\$ -	\$ 1,500	\$ 21,187	\$ -	\$ -	\$ 15,000	\$ 15,000	\$ -	\$ -	\$ -
ORS Repayment	\$ 1,556,864	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UIA Repayment	\$ 1,007,070	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Liens/Loans (Totals)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 182,092	\$ -
Estimated Ending Balance	\$ 334,974	\$ 332,550	\$ 328,918	\$ 537,765	\$ 414,612	\$ 355,467	\$ 593,217	\$ 615,567	\$ 653,754	\$ 650,332	\$ 332,652	\$ 560,939

Expenses by Month

	Feb 18	Mar 18	Apr 18	May 18	Jun 18	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	Jan 19	Totals
Payrolls (including contracted staff)	\$ 14,070	\$ 14,070	\$ 15,579	\$ 14,070	\$ 14,070	\$ 18,658	\$ 14,070	\$ 14,070	\$ 14,070	\$ 15,579	\$ 14,070	\$ 14,070	\$ 176,448
Consumers - electric	\$ 500	\$ 500	\$ 500	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 700	\$ 500	\$ 500	\$ 8,000
DTE - natural gas	\$ 1,800	\$ 1,800	\$ 1,500	\$ 770	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 1,000	\$ 1,000	\$ 1,000	\$ 12,870
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	\$ 1,160	\$ 1,160	\$ 1,160	\$ 13,920
Property Insurance						\$ 52,306							\$ 52,306
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	\$ 86,547				\$121,430						\$180,125		\$ 388,102
ORS Repayment	\$1,556,864												\$1,556,864
UIA Payment	\$1,007,070												\$1,007,070
Tech Millage Flowthrough	\$ 27,000	\$ 25,000	\$ -	\$ 1,500	\$ 21,187	\$ -	\$ -	\$ 15,000	\$ 15,000	\$ -	\$ -	\$ -	\$ 104,687
QZAB Energy Bonds											\$182,092		\$ 182,092
Totals	\$2,696,831	\$ 44,350	\$ 20,559	\$ 20,120	\$161,267	\$ 75,544	\$ 18,650	\$ 33,650	\$ 33,650	\$ 20,259	\$384,517	\$ 18,550	\$3,527,949

Muskegon Heights Public Schools
 Revenues, Expenditures, and Fund Balance
 GENERAL FUND
 2017-18
 As of 2/2/18

	Budget 2017-18	Actuals to Date	Under/(Over) to Date
Beginning Fund Balance	\$ (2,430,766)	\$ (2,430,766)	
Revenue			
Property taxes	\$ 1,170,890	\$ 573,364	\$ 597,526
Oversight fees	\$ 174,210	\$ 62,253	\$ 111,957
Transfers and Other	\$ 16,800	\$ 14,154	\$ 2,646
Total Revenue	\$ 1,361,900	\$ 649,771	
Expenditures			
Data Technology	\$ 4,250	\$ 586	\$ 3,664
Board of Education	\$ 27,060	\$ 21,566	\$ 5,494
Executive Administration	\$ 65,780	\$ 30,112	\$ 35,668
Business Services	\$ 99,300	\$ 55,908	\$ 43,392
Interest and Fees Expense	\$ 215,660	\$ 4,042	\$ 211,618
Unpaid Auction and Delinquent Tax Fees	\$ 50,000	\$ -	\$ 50,000
Building Services	\$ 82,680	\$ 69,741	\$ 12,939
District Technology	\$ 900	\$ 1,205	\$ (305)
Emergency Loan Payments	\$ 506,470	\$ 359,504	\$ 146,966
Transfers and Other	\$ 305,730	\$ 223,289	\$ 82,441
Total Expenditures	\$ 1,357,830	\$ 765,952	
Revenues Less Expenditures	\$ 4,070	\$ (116,181)	
Projected Ending Fund Balance	\$ (2,426,696)	\$ (2,546,947)	

REVENUES	DESCRIPTION	ACTUAL
11-0111-0000-000-0000-000000-000000-	PROPERTY TAXES CURRENT	-524,431.85
11-0111-0000-100-0000-000000-000000-	OTHER TAXES	0.00
11-0121-0000-000-0000-000000-000000-	TECH MILLAGE FLOWTHROUGH	-41,196.25
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	-16.00
11-0321-0000-000-0000-000000-000000-	PPT REIMBURSEMENT	-7,735.80
11-0519-0000-001-0000-000000-000000-	3% AUTHORIZER FEE - MHPSA	-62,253.10
11-0519-0000-100-0000-000000-000000-	SHARED BUSINESS SVCS	-14,137.86
		-649,770.86

EXPENDITURES	DESCRIPTION	ACTUAL	SUM
11-1-225-7410-840-0000-00000-000000-	LICENSING FEES & RENEWALS	339.00	
11-1-226-4220-899-0000-00000-000000-	COPY MACHINE	247.20	\$ 586.20
11-1-231-3170-000-0000-00000-000000-	LEGAL SERVICES	7,005.66	
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	\$ 21,565.66
11-1-232-3150-000-0000-00000-000000-	CONTRACTED SERVICES	30,111.60	
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	\$ 30,111.60
11-1-252-1620-033-0000-00000-000000-	ACCOUNTING SPECIALIST	34,615.35	
11-1-252-2130-000-0000-00000-000000-	HOSPITALIZATION	9,390.60	
11-1-252-2820-033-0000-00000-000000-	CONTRIB TO ST&LOC RETIRE FUNDS	8,761.89	
11-1-252-2830-033-0000-00000-000000-	EMPLOYER SOCIAL SECURITY	2,648.10	
11-1-252-2840-033-0000-00000-000000-	WORKMAN'S COMPENSATION	1.05	
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	490.59	\$ 55,907.58
11-1-252-7410-000-0000-00000-000000-	INTEREST & FEES EXPENSE	4,041.96	\$ 4,041.96
11-1-259-7610-000-0000-00000-000000-	TAXES ABATED & WRITTEN OFF	0.00	\$ -
11-1-261-3190-100-0000-00000-000000-	CONTRACTED SERVICES	7,020.38	
11-1-261-3410-000-0000-00000-000000-	TELEPHONE CHARGES	0.00	
11-1-261-3830-000-0000-00000-000000-	WATER & SEWAGE	812.04	
11-1-261-3840-000-0000-00000-000000-	WASTE & TRASH DISPOSAL	392.00	
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	3,928.58	
11-1-261-5520-000-0000-00000-000000-	ELECTRICITY	4,382.13	\$ 69,741.13
11-1-284-3410-000-0000-00000-000000-	CELL PHONE CHARGES	1,205.33	\$ 1,205.33
11-1-411-8910-000-0000-00000-000000-	TRANSFERS TO MHPSA	41,196.25	
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	149,503.75	\$ 359,503.75
11-1-634-8110-000-0000-00000-000000-	QZAB TRANSFER - DEBT RETIREMEN	182,092.42	\$ 223,288.67
		\$ 765,951.88	\$ 765,951.88

Muskegon Heights Public Schools
 Revenues, Expenditures, and Fund Balance
 DEBT SERVICE - 2016 REFUNDING BONDS
 2017-18
 As of 2/2/18

		Actuals to Date
Beginning Fund Balance	\$	236,108
Revenue		
Tax Revenues	\$	535,066
SBLF/SLRF (State Bond Loan Programs)	\$	-
Total Revenue	\$	535,066
Expenditures		
Tax Chargebacks & Auction Property	\$	-
Principal Payments	\$	-
Interest Payments	\$	400,115
Total Expenditures	\$	400,115
Revenues Less Expenditures	\$	134,951
Projected Ending Fund Balance	\$	371,060

Account	Description	2018 Actual
32-0111-0000-000-0000-000000-000000-	PROPERTY TAX LEVY	-430,497.97
32-0111-0000-100-0000-000000-000000-	OTHER TAXES-HSBF	0.00
32-0124-0000-000-0000-000000-000000-	PENALTY & INT ON DEL TAXES	0.00
32-0151-0000-000-0000-000000-000000-	EARNINGS ON INVESTMENTS-HSBF	-152.93
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	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
		-535,066.25

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	400,115.00
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 2/2/18

	Actuals to Date
Beginning Fund Balance	\$ 1,796,294
Revenue	
Earnings on Investment	\$ 18,209
Transfers In	\$ 182,092
Total Revenue	\$ 200,302
Expenditures	\$ -
Total Expenditures	\$ -
Revenues Less Expenditures	\$ 200,302
Projected Ending Fund Balance	\$ 1,996,596

Account	Description	2018 Actual
34-0151-0000-000-0000-000000-000000-	EARNINGS ON INVESTMENTS	-18,209.45
34-0611-0000-000-0000-000000-000000-	QZAB TRANSFER	-182,092.42