



Muskegon Heights Public Schools

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Date: July 11, 2019

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

From: John Lewis, Assistant Superintendent

Re: Board Meeting Packet for July 17, 2019

Attached, please find the Muskegon Heights Public Schools 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

Included you will find the budget to actual report for 2018/19 as of July 11, 2019.

We have collected our delinquent taxes for 2018/19. General Fund collections are a bit higher than projected as we later found out that PA 105 collections all belonged to the general fund (an increase of roughly \$10,000 over the budgeted amount). We have yet to close out our 2018/19 revenues for the fiscal year as we will still be collecting funds up to 60 days after 6/30/19.

Expenditures look to be on track, if not even lower than projected when we close the books on the fiscal year.

Cash Flow Statement

Cash flow looks to be quite stable for the coming year. If enrollment drops slightly at the academy in 2019/20, I see no issue in meeting all of our obligations.

Liabilities Report

We had a few changes to this report since we last met. The district made principal and interest payments on the outstanding emergency loans in June. I am also waiting to see how much interest has been charged on the outstanding School Bond Loan Fund loans, so there will most likely be an upward adjustment on next month's report when I receive my annual communication from them.

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	7/1/2019
GF	2.45%	Restructured Emergency Loan #1 - 2018	5/23/2018	\$ 6,990,000	Long	\$ 6,852,000	\$ 2,254,255	\$ 9,106,255	6/15/2042	7/1/2019
GF	2.35%	Restructured Emergency Loan #2 - 2018	5/23/2018	\$ 3,165,000	Long	\$ 3,160,000	\$ 1,085,068	\$ 4,245,068	6/15/2042	7/1/2019
GF	3.45%	Restructured Emergency Loan #3 - 2018	5/23/2018	\$ 1,400,000	Long	\$ 1,355,000	\$ 584,481	\$ 1,939,481	6/15/2043	7/1/2019
GF	2.70%	2017/18 Emergency Loan #4 - 2018	5/23/2018	\$ 2,449,000	Long	\$ 2,449,000	\$ 1,715,328	\$ 4,164,328	6/15/2047	7/1/2019
GF	NA	2007 Energy Conservation Improvement Bonds	12/19/2007		Long	\$ 3,149,000	\$ -	\$ 3,149,000	12/19/2022	7/1/2019
DF	5.00%	2016 Refunding Bonds, Series A	3/29/2016		Long	\$ 11,940,000	\$ 3,528,000	\$ 15,468,000	5/1/2029	7/1/2019
DF	1.74%-2.61%	2016 Refunding Bonds, Series B	3/26/2016		Long	\$ 3,205,000	\$ 160,334	\$ 3,365,334	5/1/2021	7/1/2019
DF	3.41%	School Bond Loan Fund	Annual		Long	\$ 2,212	\$ 163	\$ 2,375	5/1/2035*	7/1/2019
DF	3.41%	School Loan Revolving Fund	Annual		Long	\$ 3,527,631	\$ 42,681	\$ 3,570,312	5/1/2035*	7/1/2019
				\$ 14,004,000		\$ 35,639,843	\$ 9,370,309	\$ 45,381,588		

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 7/11/2019

School District Muskegon Heights Public Schools
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	July 19	August 19	September 19	October 19	November 19	December 19	January 20	February 20	March 20	April 20	May 20	June 20
Beginning Balance	\$ 716,277	\$ 658,499	\$ 892,911	\$ 908,261	\$ 899,183	\$ 940,417	\$ 622,608	\$ 618,130	\$ 880,652	\$ 1,053,765	\$ 1,048,606	\$ 1,213,432
Estimated Receipts												
Taxes		\$ 240,000	\$ 40,000		\$ 50,000	\$ 50,000		\$ 267,000	\$ 179,100		\$ 173,892	\$ -
Taxes - Tech Millage			\$ 15,000	\$ 15,000	\$ 15,000			\$ 27,000	\$ -	\$ -		\$ 21,187
Authorizer Fees	\$ 13,572	\$ 13,572		\$ 13,572	\$ 13,572	\$ 13,572	\$ 13,572	\$ 13,572	\$ 13,572	\$ 13,572	\$ 13,572	\$ 13,572
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
Total Available Funds	\$ 730,849	\$ 913,071	\$ 948,911	\$ 937,833	\$ 978,755	\$ 1,004,989	\$ 637,180	\$ 926,702	\$ 1,074,324	\$ 1,068,337	\$ 1,237,070	\$ 1,249,191
Less Estimated Expenditures:												
Payrolls	\$ 14,070	\$ 15,579	\$ 14,070	\$ 14,070	\$ 18,658	\$ 14,070	\$ 14,070	\$ 14,070	\$ 15,579	\$ 14,070	\$ 18,658	\$ 14,070
Other Expenditures	\$ 58,280	\$ 4,580	\$ 11,580	\$ 9,580	\$ 4,680	\$ 8,230	\$ 4,980	\$ 4,980	\$ 4,980	\$ 5,660	\$ 4,980	\$ 4,980
Emergency Loan Payment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 177,989	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 410,502
Tech Millage to PSA	\$ -	\$ -	\$ 15,000	\$ 15,000	\$ 15,000	\$ -	\$ -	\$ 27,000	\$ -	\$ -	\$ -	\$ 21,187
Other Liens/Loans (Totals)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 182,092	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated Ending Balance	\$ 658,499	\$ 892,911	\$ 908,261	\$ 899,183	\$ 940,417	\$ 622,608	\$ 618,130	\$ 880,652	\$ 1,053,765	\$ 1,048,606	\$ 1,213,432	\$ 798,452

Expenses by Month

	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Apr 20	May 20	Jun 20	Totals
Payrolls (including contracted staff)	\$ 14,070	\$ 15,579	\$ 14,070	\$ 14,070	\$ 18,658	\$ 14,070	\$ 14,070	\$ 14,070	\$ 15,579	\$ 14,070	\$ 18,658	\$ 14,070	\$ 181,036
Consumers - electric	\$ 800	\$ 800	\$ 800	\$ 800	\$ 700	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 800	\$ 800	\$ 8,000
DTE - natural gas	\$ 500	\$ 800	\$ 800	\$ 800	\$ 1,000	\$ 1,000	\$ 1,500	\$ 1,500	\$ 1,500	\$ 2,000	\$ 1,200	\$ 1,200	\$ 13,800
Waste & Water utility	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 400	\$ 220	\$ 220	\$ 2,820
Audit Fees			\$ 7,000	\$ 5,000									\$ 12,000
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	\$ 54,000												\$ 54,000
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						\$177,989						\$410,502	\$ 177,989
Tech Millage Flowthrough	\$ -	\$ -	\$ 15,000	\$ 15,000	\$ 15,000	\$ -	\$ -	\$ 27,000	\$ -	\$ -	\$ -	\$ 21,187	\$ 93,187
QZAB Energy Bonds						\$182,092							\$ 182,092
Totals	\$ 72,350	\$ 20,159	\$ 40,650	\$ 38,650	\$ 38,338	\$382,381	\$ 19,050	\$ 46,050	\$ 20,559	\$ 19,730	\$ 23,638	\$450,739	\$ 761,794

Muskegon Heights Public Schools
Revenues, Expenditures, and Fund Balance
GENERAL FUND
2018-19
7/11/2019

	Budget (Amended) 2018-19	Actuals to Date	Under/(Over) to Date
Beginning Fund Balance	\$ 29,385	\$ 29,385	
Revenue			
Property taxes	\$ 1,250,490	\$ 1,260,670	\$ (10,180)
State Sources	\$ 6,920	\$ 6,925	
Oversight fees	\$ 154,940	\$ 127,380	\$ 27,560
Transfers and Other	\$ 12,110	\$ 12,145	\$ (35)
Total Revenue	\$ 1,424,460	\$ 1,407,119	
Expenditures			
Data Technology	\$ 5,070	\$ 5,840	\$ (770)
Board of Education	\$ 32,350	\$ 31,208	\$ 1,142
Executive Administration	\$ 68,410	\$ 56,504	\$ 11,906
Business Services	\$ 101,480	\$ 100,235	\$ 1,245
Interest and Fees Expense	\$ 5,910	\$ 5,857	\$ 53
Unpaid Auction and Delinquent Tax Fees	\$ 5,780	\$ 5,780	\$ 0
Building Services	\$ 96,370	\$ 91,335	\$ 5,035
District Technology	\$ 920	\$ 819	\$ 101
Emergency Loan Payments	\$ 570,750	\$ 570,744	\$ 6
Transfers and Other	\$ 302,420	\$ 300,697	\$ 1,723
Total Expenditures	\$ 1,189,460	\$ 1,169,019	
Revenues Less Expenditures	\$ 235,000	\$ 238,099	
Projected Ending Fund Balance	\$ 264,385	\$ 267,484	

REVENUES	DESCRIPTION	AMOUNT
11-0111-0000-000-0000-000000-000000-	PROPERTY TAXES CURRENT	-1,108,241.46
11-0111-0000-100-0000-000000-000000-	OTHER TAXES	-28,045.80
11-0121-0000-000-0000-000000-000000-	TECH MILLAGE FLOWTHROUGH	-118,605.05
11-0124-0000-000-0000-000000-000000-	PENALTY & INT ON DEL TAXES	-5,777.35
11-0151-0000-000-0000-000000-000000-	EARNINGS ON INVEST & DEPOSITS	0.00
11-0191-0000-000-0000-000000-000000-	RENTALS	-11,900.00
11-0199-0000-000-0000-000000-000000-	MISCELLANEOUS	-245.00
11-0321-0000-000-0000-000000-000000-	PPT REIMBURSEMENT	-6,924.60
11-0519-0000-001-0000-000000-000000-	3% AUTHORIZER FEE - MHPSA	-127,379.58
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
		-1,407,118.84

EXPENDITURES	DESCRIPTION	AMOUNT	SUMS
11-1-225-7410-840-0000-00000-000000-	LICENSING FEES & RENEWALS	5,346.00	
11-1-226-4220-899-0000-00000-000000-	COPY MACHINE	494.40	\$ 5,840.40
11-1-231-3170-000-0000-00000-000000-	LEGAL SERVICES	18,343.00	
11-1-231-3180-000-0000-00000-000000-	AUDIT SERVICES	12,740.00	
11-1-231-3220-007-0000-00000-000000-	TRAVEL - TRINELL SCOTT	115.00	
11-1-231-7410-000-0000-00000-000000-	DUES & FEES	10.00	\$ 31,208.00
11-1-232-3150-000-0000-00000-000000-	CONTRACTED SERVICES	56,506.80	
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	-3.00	\$ 56,503.80
11-1-252-1620-033-0000-00000-000000-	ACCOUNTING SPECIALIST	59,999.94	
11-1-252-2130-000-0000-00000-000000-	HOSPITALIZATION	19,149.69	
11-1-252-2820-033-0000-00000-000000-	CONTRIB TO ST&LOC RETIRE FUNDS	15,261.86	
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	-54.18	
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	1,287.66	\$ 100,235.01
11-1-252-7410-000-0000-00000-000000-	INTEREST & FEES EXPENSE	5,856.71	\$ 5,856.71
11-1-259-7610-000-0000-00000-000000-	TAXES ABATED & WRITTEN OFF	5,779.74	\$ 5,779.74
11-1-261-3190-100-0000-00000-000000-	CONTRACTED SERVICES	10,358.90	
11-1-261-3410-000-0000-00000-000000-	TELEPHONE CHARGES	173.65	
11-1-261-3830-000-0000-00000-000000-	WATER & SEWAGE	2,004.60	
11-1-261-3840-000-0000-00000-000000-	WASTE & TRASH DISPOSAL	704.00	
11-1-261-3910-000-0000-00000-000000-	INSURANCE	54,814.00	
11-1-261-4110-000-0000-00000-000000-	LAND AND BLDGS-REPAIRS & MAINT		
11-1-261-5510-000-0000-00000-000000-	HEATING FUEL	16,635.78	
11-1-261-5520-000-0000-00000-000000-	ELECTRICITY	6,643.93	\$ 91,334.86
11-1-284-3410-000-0000-00000-000000-	CELL PHONE CHARGES	819.44	\$ 819.44
11-1-411-8910-000-0000-00000-000000-	TRANSFERS TO MHPSA	118,605.05	
11-1-511-7110-994-0000-00000-000000-	PRINCIPAL PMT - EMERGENCY LOAN	188,000.00	
11-1-511-7230-994-0000-00000-000000-	INTEREST PMT - EMERGENCY LOANS	382,743.93	\$ 570,743.93
11-1-634-8110-000-0000-00000-000000-	QZAB TRANSFER - DEBT RETIREMEN	182,092.42	\$ 300,697.47
		\$ 1,169,019.36	\$ 1,169,019.36

Muskegon Heights Public Schools
Revenues, Expenditures, and Fund Balance
DEBT SERVICE - 2016 REFUNDING BONDS
2018-19
7/11/2019

	Actuals to Date
Beginning Fund Balance	\$ 148,927
Revenue	
Tax Revenues	\$ 1,230,855
SBLF/SLRF (State Bond Loan Programs)	\$ 1,479,382
Total Revenue	\$ 2,710,237
Expenditures	
Tax Chargebacks & Auction Property	\$ -
Principal Payments	\$ 1,925,000
Interest Payments	\$ 739,580
Total Expenditures	\$ 2,664,580
Revenues Less Expenditures	\$ 45,657
Projected Ending Fund Balance	\$ 194,584

Account	Description	Amount
32-0111-0000-000-0000-000000-000000-	PROPERTY TAX LEVY	-1,128,006.45
32-0111-0000-100-0000-000000-000000-	OTHER TAXES-HSBF	-4,931.71
32-0124-0000-000-0000-000000-000000-	PENALTY & INT ON DEL TAXES	-6,142.32
32-0151-0000-000-0000-000000-000000-	EARNINGS ON INVESTMENTS-HSBF	-314.85
32-0321-0000-000-0000-000000-000000-	PPT REIMBURSEMENT	-91,459.55
32-0591-0000-000-0000-000000-000000-	BOND PROCEEDS	0.00
32-0595-0000-000-0000-000000-000000-	STATE LOAN PROGRAM-HSBF	-1,479,382.00
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
		-2,710,236.88

Account	Description	Amount
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	1,925,000.00
32-1-511-7230-000-0000-000000-000000-	INTEREST-HSBF	739,580.00
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
7/11/2019

	Actuals to Date
Beginning Fund Balance	\$ 2,016,299
Revenue	
Earnings on Investment	\$ 42,253
Transfers In	\$ 182,092
Total Revenue	\$ 224,345
Expenditures	
	\$ -
Total Expenditures	\$ -
Revenues Less Expenditures	\$ 224,345
Projected Ending Fund Balance	\$ 2,240,644

Account	Description	Amount
34-0151-0000-000-0000-000000-	EARNINGS ON INVESTMENTS	-42,252.63
34-0611-0000-000-0000-000000-	QZAB TRANSFER	-182,092.42