



Muskegon Heights Public Schools

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

Date: October 10, 2019

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

From: John Lewis, Assistant Superintendent

Re: Board Meeting Packet for October 16, 2019

Attached, please find the Muskegon Heights Public Schools 2018/19 Budget to Actual Revenue and Expenditure Report, 2019/20 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 2019/20 as of October 10, 2019.

Unlike last year at this point, we have collected the majority of tax revenues from our summer levy. This is a welcome surprise and we hope that disbursements continue to be timely going forward. Expenditures seem to be consistent with what we expect at this point in the year as well.

Cash Flow Statement

Cash flow looks to be stable for the coming year. We see no issues in meeting all of our debt obligations.

Liabilities Report

Liabilities remain unchanged from the prior report. We are still looking at a possible refinancing on the SBLF and SLRF balances. The local board may be voting on a resolution to proceed as early as next 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	10/1/2019
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	10/1/2019
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	10/1/2019
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	10/1/2019
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	10/1/2019
GF	NA	2007 Energy Conservation Improvement Bonds	12/19/2007		Long	\$ 3,149,000	\$ -	\$ 3,149,000	12/19/2022	10/1/2019
DF	5.00%	2016 Refunding Bonds, Series A	3/29/2016		Long	\$ 11,940,000	\$ 3,528,000	\$ 15,468,000	5/1/2029	10/1/2019
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	10/1/2019
DF	3.41%	School Bond Loan Fund	Annual		Long	\$ 2,212	\$ 241	\$ 2,453	5/1/2035*	10/1/2019
DF	3.41%	School Loan Revolving Fund	Annual		Long	\$ 3,527,631	\$ 121,792	\$ 3,649,423	5/1/2035*	10/1/2019
				\$ 14,004,000		\$ 35,639,843	\$ 9,449,499	\$ 45,460,778		

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
10/10/2019

School District
Muskegon Heights Public Schools

	October 19	November 19	December 19	January 20	February 20	March 20	April 20	May 20	June 20	July 20	August 20	September 20
Beginning Balance	\$ 1,055,794	\$ 1,046,716	\$ 1,057,949	\$ 690,141	\$ 685,663	\$ 948,185	\$ 1,121,297	\$ 1,116,139	\$ 1,280,965	\$ 865,985	\$ 824,207	\$ 1,060,428
Estimated Receipts												
Taxes		\$ 20,000			\$ 267,000	\$ 179,100		\$ 173,892	\$ -	\$ -	\$ 240,000	
Taxes - Tech Millage	\$ 15,000	\$ 15,000			\$ 27,000	\$ -	\$ -		\$ 21,187			\$ 15,000
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	\$ 1,085,366	\$ 1,096,288	\$ 1,072,521	\$ 704,713	\$ 994,235	\$ 1,141,857	\$ 1,135,869	\$ 1,304,603	\$ 1,316,724	\$ 880,557	\$ 1,078,779	\$ 1,076,428
Less Estimated Expenditures:												
Payrolls	\$ 14,070	\$ 18,658	\$ 14,070	\$ 14,070	\$ 14,070	\$ 15,579	\$ 14,070	\$ 18,658	\$ 14,070	\$ 14,070	\$ 14,070	\$ 14,070
Other Expenditures	\$ 9,580	\$ 4,680	\$ 8,230	\$ 4,980	\$ 4,980	\$ 4,980	\$ 5,660	\$ 4,980	\$ 4,980	\$ 42,280	\$ 4,280	\$ 11,580
Emergency Loan Payment	\$ -	\$ -	\$ 177,989	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 410,502	\$ -	\$ -	\$ -
Tech Millage to PSA	\$ 15,000	\$ 15,000	\$ -	\$ -	\$ 27,000	\$ -	\$ -	\$ -	\$ 21,187	\$ -	\$ -	\$ 15,000
Other Liens/Loans (Totals)	\$ -	\$ -	\$ 182,092	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Estimated Ending Balance	\$ 1,046,716	\$ 1,057,949	\$ 690,141	\$ 685,663	\$ 948,185	\$ 1,121,297	\$ 1,116,139	\$ 1,280,965	\$ 865,985	\$ 824,207	\$ 1,060,428	\$ 1,035,778

Expenses by Month

	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Apr 20	May 20	Jun 20	Jul 20	Aug 20	Sep 20	Totals
Payrolls (including contracted staff)	\$ 14,070	\$ 18,658	\$ 14,070	\$ 14,070	\$ 14,070	\$ 15,579	\$ 14,070	\$ 18,658	\$ 14,070	\$ 14,070	\$ 14,070	\$ 14,070	\$ 179,527
Consumers - electric	\$ 800	\$ 700	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 8,000
DTE - natural gas	\$ 800	\$ 1,000	\$ 1,000	\$ 1,500	\$ 1,500	\$ 1,500	\$ 2,000	\$ 1,200	\$ 1,200	\$ 500	\$ 500	\$ 800	\$ 13,500
Waste & Water utility	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 400	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 2,820
Audit Fees	\$ 5,000											\$ 7,000	\$ 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										\$ 38,000			\$ 38,000
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				\$ 588,491
Tech Millage Flowthrough	\$ 15,000	\$ 15,000	\$ -	\$ -	\$ 27,000	\$ -	\$ -	\$ -	\$ 21,187	\$ -	\$ -	\$ 15,000	\$ 93,187
QZAB Energy Bonds			\$182,092										\$ 182,092
Totals	\$ 38,650	\$ 38,338	\$382,381	\$ 19,050	\$ 46,050	\$ 20,559	\$ 19,730	\$ 23,638	\$450,739	\$ 56,350	\$ 18,350	\$ 40,650	\$1,154,487

Muskegon Heights Public Schools
 Revenues, Expenditures, and Fund Balance
 GENERAL FUND
 2019-20
 10/10/2019

	Budget 2019-20	Actuals to Date	Under/(Over) to Date
Estimated Beginning Fund Balance	\$ 264,385	\$ 264,385	
Revenue			
Property taxes	\$ 1,190,320	\$ 373,517	\$ 816,803
State Sources	\$ 6,920	\$ -	
Oversight fees	\$ 158,490	\$ -	\$ 158,490
Transfers and Other	\$ 10,410	\$ 530	\$ 9,880
Total Revenue	\$ 1,366,140	\$ 374,047	
Expenditures			
Data Technology	\$ 5,070	\$ 82	\$ 4,988
Board of Education	\$ 26,750	\$ 7,200	\$ 19,550
Executive Administration	\$ 68,410	\$ 5,290	\$ 63,120
Business Services	\$ 102,120	\$ 27,356	\$ 74,764
Interest and Fees Expense	\$ 5,910	\$ 2,763	\$ 3,147
Unpaid Auction and Delinquent Tax Fees	\$ 50,000	\$ -	\$ 50,000
Building Services	\$ 103,190	\$ 42,215	\$ 60,975
District Technology	\$ 920	\$ 160	\$ 760
Emergency Loan Payments	\$ 588,500	\$ -	\$ 588,500
Transfers and Other	\$ 302,420	\$ 1,415	\$ 301,005
Total Expenditures	\$ 1,253,290	\$ 86,481	
Revenues Less Expenditures	\$ 112,850	\$ 287,566	
Projected Ending Fund Balance	\$ 377,235	\$ 551,951	

REVENUES

11-0111-0000-000-0000-000000-000000-	PROPERTY TAXES CURRENT	-372,101.77
11-0111-0000-100-0000-000000-000000-	OTHER TAXES	0.00
11-0121-0000-000-0000-000000-000000-	TECH MILLAGE FLOWTHROUGH	-1,415.25
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	-530.00
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
		-374,047.02

EXPENDITURES

11-1-225-7410-840-0000-00000-000000-	LICENSING FEES & RENEWALS	0.00		
11-1-226-4220-899-0000-00000-000000-	COPY MACHINE	82.40	\$	82.40
11-1-231-3170-000-0000-00000-000000-	LEGAL SERVICES	450.00		
11-1-231-3180-000-0000-00000-000000-	AUDIT SERVICES	6,750.00		
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	\$	7,200.00
11-1-232-3150-000-0000-00000-000000-	CONTRACTED SERVICES	5,289.60		
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	\$	5,289.60
11-1-252-1620-033-0000-00000-000000-	ACCOUNTING SPECIALIST	16,153.83		
11-1-252-2130-000-0000-00000-000000-	HOSPITALIZATION	5,212.97		
11-1-252-2820-033-0000-00000-000000-	CONTRIB TO ST&LOC RETIRE FUNDS	4,259.51		
11-1-252-2830-033-0000-00000-000000-	EMPLOYER SOCIAL SECURITY	1,235.78		
11-1-252-2840-033-0000-00000-000000-	WORKMAN'S COMPENSATION	0.49		
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	493.52	\$	27,356.10
11-1-252-7410-000-0000-00000-000000-	INTEREST & FEES EXPENSE	2,763.40	\$	2,763.40
11-1-259-7610-000-0000-00000-000000-	TAXES ABATED & WRITTEN OFF	0.00	\$	-
11-1-261-3190-100-0000-00000-000000-	CONTRACTED SERVICES	3,562.00		
11-1-261-3410-000-0000-00000-000000-	TELEPHONE CHARGES	173.65		
11-1-261-3830-000-0000-00000-000000-	WATER & SEWAGE	240.95		
11-1-261-3840-000-0000-00000-000000-	WASTE & TRASH DISPOSAL	160.00		
11-1-261-3910-000-0000-00000-000000-	INSURANCE	36,885.00		
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	74.16		
11-1-261-5520-000-0000-00000-000000-	ELECTRICITY	1,119.34	\$	42,215.10
11-1-284-3410-000-0000-00000-000000-	CELL PHONE CHARGES	159.60	\$	159.60
11-1-411-8910-000-0000-00000-000000-	TRANSFERS TO MHPSA	1,415.25		
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	0.00	\$	-
11-1-634-8110-000-0000-00000-000000-	QZAB TRANSFER - DEBT RETIREMEN	0.00	\$	1,415.25
		\$	86,481.45	\$ 86,481.45

Muskegon Heights Public Schools
Revenues, Expenditures, and Fund Balance
DEBT SERVICE - 2016 REFUNDING BONDS
2019-20
10/10/2019

	Actuals to Date
Estimated Beginning Fund Balance	\$ 240,241
Revenue	
Tax Revenues	\$ 370,323
SBLF/SLRF (State Bond Loan Programs)	\$ -
Total Revenue	\$ 370,323
Expenditures	
Tax Chargebacks & Auction Property	\$ -
Principal Payments	\$ -
Interest Payments	\$ -
Total Expenditures	\$ -
Revenues Less Expenditures	\$ 370,323
Projected Ending Fund Balance	\$ 610,564

Account	Description	
32-0111-0000-000-0000-000000-000000-	PROPERTY TAX LEVY	-370,291.31
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	-31.64
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
		-370,322.95

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	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
2019-20
10/10/2019

	Actuals to Date
Estimated Beginning Fund Balance	\$ 2,240,644
Revenue	
Earnings on Investment	\$ -
Transfers In	\$ -
Total Revenue	\$ -
Expenditures	
	\$ -
Total Expenditures	\$ -
Revenues Less Expenditures	\$ -
Projected Ending Fund Balance	\$ 2,240,644

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