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TRAVERSE CITY AREA PUBLIC SCHOOLS BOARD OF EDUCATION

BUDGET HEARING

June 28, 2021 6:00 p.m.

Held at the

Tompkins Boardman Administration Center

412 Webster Street, Traverse City, MI 49686

- Open Budget Hearing
- Discussion of Budget
- Public Comment
- Close Budget Hearing



Christine Thomas-Hill

Associate Superintendent Finance and Operations Julie Gorter Executive Assistant

MEMORANDUM

TO: Dr. John R. VanWagoner II, Superintendent

FROM: Christine Thomas-Hill, Associate Superintendent

DATE: June 28, 2021

RE: AMENDMENT II to 2020-2021 GENERAL FUND BUDGET and

AMENDMENT II to 2020-2021 SPECIAL REVENUE FUND BUDGET:

FOOD SERVICES

COMMUNITY SERVICES

STUDENT/SCHOOL ACTIVITY FUND

Attached please find the proposed final amendments to the 2020-2021 general fund budget and special revenue fund budget.

The general fund final amendment reflects overall positive adjustments of \$167,389 from the first budget amendment. The increased revenue is mainly due to adjusting state and local funds related to the foundation allowance. Individual explanations of these changes are included with the detailed budgets found immediately following this memo.

The general fund budgeted surplus stands at approximately \$1,107,332. Actual district revenues and expenditures historically show a budget variance, and it is anticipated that the district will have approximately \$1.5 million in variances in the current year. Taking this variance into account, it is my expectation that our general fund surplus will be approximately \$2,607,332 once the books are closed, leaving the district with a fund balance of approximately \$9.7 million. As a reminder, part of this surplus is directly related to the state aid deduction our district received after we closed our books in FY20. That amount was approximately \$1.7 million and has been planned to be restored into fund balance since it occurred.

The \$9.7 million fund balance represents approximately 9% of our budgeted expenditures. Our fund balance is projected to meet the Board of Education's established target of 10% in FY22 and is projected to increase in the following two fiscal years as the state deals with additional federal funds awarded to the State. The challenges and opportunities in store for next year are discussed in more detail under Tab 3 of the budget hearing booklet.

Also attached, please find the proposed final amendment to the 2020-2021 special revenue fund budget. This amendment aligns our budgets with our most current information and expectations. The community services fund shows a negative bottom line adjustment that recognizes an adjustment to revenue generated from program offerings and participation over the first budget amendment. The food services fund shows a small positive adjustment, mostly the result of higher meal counts than expected. In addition, the Food Service department operated a weekend food distribution site at West Middle School, serving free breakfast and lunch to all students under the age of 18. As of the date of this letter, our dedicated employees have served nearly 75,000 meals during weekend distributions.

An appropriate motio	n to adopt these amendments would	l be:
Moved byapprove the second	, Supported by d amendment to the 2020-2021 G	, to adopt the resolution to seneral Fund Budget and the second
amendment to the 2	2020-2021 Special Revenue Fund E	Budget, dated June 28, 2021.



TRAVERSE CITY AREA PUBLIC SCHOOLS BOARD OF EDUCATION

RESOLUTION FOR ADOPTION June 28, 2021

FOR ACTION:

TOPIC:

Amendment II to 2020-2021 General Fund Budget
Amendment II to 2020-2021 Special Revenue Fund Budget:

- Food Services
- Community Services
- Student/School Activity Fund

RECOMMENDATION:

It is recommended that the Board of Education adopt the resolution to approve the budget amendments as shown in the attached schedules. The budget amendment summaries are being presented at this time of year to reflect those changes that will impact the District's financial operations for the year. The intent is to reflect, as accurately as possible, the District's current estimated financial position as the end of the fiscal year approaches.

BUDGET INFORMATION: These are revisions to the Preliminary 2020-2021 Budgets.

SOURCE PERSON: Christine Thomas-Hill,

Associate Superintendent of Finance and Operations

ATTACHMENTS:

2020-2021 General Fund Budget Final Amendment 2020-2021 Special Revenue Fund Budget Final Amendment:

- Food Services
- Community Services
- Student/School Activity Fund

Traverse City Area Public Schools					
	I Fund Budget				
For the Fiscal			0000 0004		
	2020-2021	2020-2021	2020-2021	\	
Revenue	Original	Amend I	Amend II	Variance*	
Local Restricted and Unrestricted	38,936,361	40,720,453	40,191,427	(529,026)	
State Unrestricted State Restricted	39,913,468 10,249,988	43,487,552 11,781,249	44,422,472 11,717,095	934,920 (64,154)	
Federal Restricted	3,047,936	7,066,310	7,251,754	185,444	
Incoming Transfers/Other	4,755,000	4,820,570	4,820,570	0	
Total Revenues	96,902,753	107,876,134	108,403,318	527,184	
Total Nevenues	30,302,733	107,070,104	100,400,010	021,10 4	
Expenditures					
Instruction					
Basic Instruction	51,249,842	52,344,459	52,743,023	398,564	
Added Needs	10,686,469	10,860,394	10,831,957	(28,437)	
Total Instruction	61,936,311	63,204,853	63,574,980	370,127	
Support					
Pupil	4,264,345	4,802,665	4,853,170	50,505	
Instructional Staff	4,864,848	5,482,445	5,395,400	(87,045)	
General Administration	735,384	747,641	747,641	0	
School Administration	7,354,247	7,452,666	7,447,156	(5,510)	
Business Services	2,099,311	2,062,446	2,062,477	31	
Operations and Maintenance	9,731,015	10,768,359	10,719,555	(48,804)	
Pupil Transportation	5,810,169	5,829,481	5,806,523	(22,958)	
Central Services	3,253,663	3,524,854	3,565,871	41,017	
Student Support Services	1,937,932	2,053,301	2,072,131	18,830	
Total Support Services	40,050,914	42,723,858	42,669,924	(53,934)	
Community Services Other Uses - Outgoing Transfers & Other	289,050	326,325	321,677	(4,648)	
Total Expenditures	322,000 102,598,275	681,155 106,936,191	729,405 107,295,986	48,250 359,795	
Excess Revenue/(Expenditures)	(5,695,522)	939,943	1,107,332	167,389	
Fund Balance - July 1	7,098,522	7,098,932	7,098,932	0	
Fund Balance - June 30	1,403,000	8,038,875	8,206,264	167,389	
Less Non-Spendable and Assigned	1,750,670	1,632,999	1,864,061	231,062	
Unassigned Fund Balance	(347,670)	6,405,876	6,342,203	(63,673)	
	(0 11 ,01 0)	0,100,010	0,0 12,200	(00,010)	
Fund Equity Non-Spendable and Assigned					
Non-Spendable for Inventories	50,000	50,000	50,000	0	
Non-Spendable for Prepaids	100,000	100,000	400,000	300,000	
Assigned for Unrestricted "At Risk" Activities	0	0	0	0	
Assigned for Curriculum Development	0	0	0	0	
Assigned for Building Carryover	700,670	582,999	514,061	(68,938)	
Assigned for Department Carryover	0	0	0	0	
Assigned for Building Staff Carryover	0	0	0	0	
Assigned for Severance Pay	900,000	900,000	900,000	0	
Total Fund Equity Non-Spendable and Assigned	1,750,670	1,632,999	1,864,061	231,062	

^{*} Please see attached pages for detailed breakdown of budget and explanation of fluctuations.

	Traverse City Area Public Schools				
General Fund B			ues		
For the Fiscal Years Ending June 30					
	2020-2021	2020-2021	2020-2021		
Revenue	Original	Amend I	Amend II	Variance *	Note
Local Unrestricted	38,936,361	40,629,498	40,095,472	(534,026)	1
State Unrestricted	39,913,468	43,487,552	44,422,472	934,920	2
State Restricted	7,339,807	7,563,971	7,563,971	0	
Federal Restricted	1,050,828	4,692,354	4,877,798	185,444	3
Incoming Transfers/Other	4,674,000		4,674,000	0	
Total Revenues	91,914,464	101,047,375	101,633,713	586,338	
Expenditures					
Instruction					
Basic Instruction	51,249,842	51,867,690	52,340,054	472,364	4
Added Needs	8,114,817	7,836,800	7,804,827	(31,973)	
Total Instruction	59,364,659	59,704,490	60,144,881	440,391	
Support	, ,	, ,	, ,	, ,	
Pupil	3,046,747	3,231,963	3,277,468	45,505	
Instructional Staff	3,921,930	4,215,823	4,118,180	(97,643)	
General Administration	735,384	747,641	747,641	O O	
School Administration	7,354,247	7,452,666	7,447,156	(5,510)	
Business Services	2,099,311	2,062,446	2,062,477	31	
Operations and Maintenance	9,731,015	10,763,735	10,714,931	(48,804)	
Pupil Transportation	5,775,533	5,763,880	5,741,522	(22,358)	
Central Services	3,239,717	3,464,218	3,504,475	40,257	
Student Support Services	1,937,932	2,047,489	2,066,319	18,830	
Total Support Services	37,841,816	39,749,861	39,680,169	(69,692)	
Community Services	175,241	92,452	92,452	0	
Other Uses - Outgoing Transfers & Other	228,270	560,629	608,879	48,250	
Total Expenditures	97,609,986	100,107,432	100,526,381	418,949	
Excess Revenue/(Expenditures)	(5,695,522)	939,943	1,107,332	167,389	
Fund Balance - July 1	7,098,522	7,098,932	7,098,932	0	
Fund Balance - June 30	1,403,000	8,038,875	8,206,264	167,389	
Less Non-Spendable and Assigned	1,750,670	1,632,999	1,864,061	231,062	
Unassigned Fund Balance	(347,670)	6,405,876	6,342,203	(63,673)	
Fund Equity Non Chandable and Assistant					
Fund Equity Non-Spendable and Assigned Non-Spendable for Inventories	50,000	E0 000	E0 000	0.1	
Non-Spendable for Inventories Non-Spendable for Prepaids	100,000	50,000 100,000	50,000 400,000	300,000	
Assigned for Unrestricted "At Risk" Activities	100,000	100,000	400,000	300,000	
Assigned for Curriculum Development	0	0	0	0	
Assigned for Building Carryover	700,670	582,999	514,061	(68,938)	
Assigned for Department Carryover	0	302,999	314,001	(00,938)	
Assigned for Building Staff Carryover	0	0	0	0	
Assigned for Building Staff Carryover Assigned for Severance Pay	900,000	900,000	900,000	0	
Total Fund Equity Non-Spendable and Assigned		1,632,999	1,864,061	231,062	
rotar rana Equity Hon-openicable and Assigned	1,7 30,070	1,002,000	1,007,001	201,002	

^{*} Please see attached pages for detailed breakdown of budget and explanation of fluctuations.

Traverse City Area Public Schools General Fund Budget - Variance Explanation For the Fiscal Years Ending June 30

- (1) Variance is the result of adjusting state and local funding related to the foundation allowance.
- (2) Variance is the result of adjusting state and local funding related to the foundation allowance and categoricals and accounting for a small increase in the student count through section 25e.
- (3) Variance is the result of budgeting a portion of the ESSER II funding.
- (4) Variance is the result of increasing the allocation for curriculum purchases as well as aligning stafffing and payroll related costs.

Trave	rse City Area Pub	lic Schools					
	nd Budget - Restri		nds				
For the	Fiscal Years End	ding June 30					
2020-2021 2020-2021 2020-2021							
Revenue	Original	Amend I	Amend II	Variance	Note		
Local Restricted	0	90,955	95,955	5,000	5		
State Unrestricted				0			
State Restricted				0			
Federal Restricted				0			
Incoming Transfers/Other	81,000	146,570	146,570	0			
Total Revenues	81,000	237,525	242,525	5,000			
Expenditures							
Instruction							
Basic Instruction	0	11,678	11,678	0			
Added Needs	72,552	111,581	111,581	0			
Total Instruction	72,552	123,259	123,259	0			
Support							
Pupil	0	39,840	44,840	5,000	5		
Instructional Staff	400	3,712	3,712	0			
General Administration	0	0	0	0			
School Administration	0	0	0	0			
Business Services	0	0	0	0			
Operations and Maintenance	0	847	847	0			
Pupil Transportation	0	0	0	0			
Central Services	0	0	0	0			
Student Support Services	0	5,812	5,812	0			
Total Support Services	400	50,211	55,211	5,000			
Community Services	4,694	51,269	51,269	0			
Other Uses - Outgoing Transfers & Other	3,354	12,786	12,786	0			
Total Expenditures	81,000	237,525	242,525	5,000			
Excess Revenue/(Expenditures)	0	0	0	0			
Fund Balance - July 1	0	0	0	0			
Fund Balance - June 30	0	0	0	0			
Less Non-Spendable and Assigned	0	0	0	0			
Unassigned Fund Balance	0	0	0	0			

⁽⁵⁾ These variances are the result of fully implementing local grants awarded subsequent to our first budget amendment. See attached schedule for detail of all local restricted grants currently operated by TCAPS.

Trave	erse City Area Pub	lic Schools				
	nd Budget - Restri		nds			
For the	For the Fiscal Years Ending June 30					
	2020-2021	2020-2021	2020-2021			
Revenue	Original	Amend I	Amend II	Variance	Note	
Local Restricted				0		
State Unrestricted				0		
State Restricted	2,910,181	4,217,278	4,153,124	(64,154)	6	
Federal Restricted				0		
Incoming Transfers/Other				0		
Total Revenues	2,910,181	4,217,278	4,153,124	(64,154)		
Expenditures						
Instruction						
Basic Instruction	0	465,091	391,291	(73,800)	6	
Added Needs	1,751,013	2,138,131	2,141,267	3,136	6	
Total Instruction	1,751,013	2,603,222	2,532,558	(70,664)		
Support						
Pupil	1,123,389	1,315,715	1,315,715	0		
Instructional Staff	21,859	229,759	241,517	11,758	6	
General Administration	0	0	0	0		
School Administration	0	0	0	0		
Business Services	0	0	0	0		
Operations and Maintenance	0	3,777	3,777	0		
Pupil Transportation	0	21,351	20,751	(600)	6	
Central Services	0	0	0	0		
Student Support Services	0	0	0	0		
Total Support Services	1,145,248	1,570,602	1,581,760	11,158		
Community Services	0	27,624	22,976	(4,648)	6	
Other Uses - Outgoing Transfers & Other	13,920	15,830	15,830	0		
Total Expenditures	2,910,181	4,217,278	4,153,124	(64,154)		
Excess Revenue/(Expenditures)	0	0	0	0		
Fund Balance - July 1	0	0	0	0		
Fund Balance - June 30	0	0	0	0		
Less Non-Spendable and Assigned	0	0	0	0		
Unassigned Fund Balance	0	0	0	0		

⁽⁶⁾ These variances are the result of fully implementing state restricted programs once final numbers became known. See the attached schedule for detail of all state programs currently operated by TCAPS.

Trave	erse City Area Pub	lic Schools			
	d Budget - Restric		ınds		
For the Fiscal Years Ending June 30					
	2020-2021	2020-2021	2020-2021		
Revenue	Original	Amend I	Amend II	Variance	Note
Local Restricted				0	
State Unrestricted				0	
State Restricted				0	
Federal Restricted	1,997,108	2,373,956	2,373,956	0	
Incoming Transfers/Other				0	
Total Revenues	1,997,108	2,373,956	2,373,956	0	
Expenditures					
Instruction					
Basic Instruction	0	0	0	0	
Added Needs	748,087	773,882	774,282	400	7
Total Instruction	748,087	773,882	774,282	400	
Support					
Pupil	94,209	215,147	215,147	0	
Instructional Staff	920,659	1,033,151	1,031,991	(1,160)	7
General Administration	0	0	0	0	
School Administration	0	0	0	0	
Business Services	0	0	0	0	
Operations and Maintenance	0	0	0	0	
Pupil Transportation	34,636	44,250	44,250	0	
Central Services	13,946	60,636	61,396	760	7
Student Support Services	0	0	0	0	
Total Support Services	1,063,450	1,353,184	1,352,784	(400)	
Community Services	109,115	154,980	154,980	0	
Other Uses - Outgoing Transfers & Other	76,456	91,910	91,910	0	
Total Expenditures	1,997,108	2,373,956	2,373,956	0	
Excess Revenue/(Expenditures)	0	0	0	0	
Fund Balance - July 1	0	0	0	0	•
Fund Balance - June 30	0	0	0	0	
Less Non-Spendable and Assigned	0	0	0	0	
Unassigned Fund Balance	0	0	0	0	

⁽⁷⁾ These variances are the result of fully implementing federal restricted programs once final numbers became known. See the attached schedule for detail of all federal programs currently operated by TCAPS.

Federal Grants Summary for Fiscal Year 2020-2021

Restricted Federal Funds (11)	Allocation
MAISA Device Purchase	\$ 55,025
MAISA Connectivity	\$ 81,928
ESSER Educ Stabilization	\$ 1,030,828
ESSER II	\$ 175,000
District COVID Costs	\$ 119,520
Coronavirus Relief Funds	\$ 3,395,497

Total: \$ 4,857,798

Restricted Federal Funds (14)	Allocation
Title I, Part A Basic	\$ 1,249,390
Title I, Part A Carryover	\$ 125,212
Title X McKinney Vento (Homeless Assistance)	\$ 66,413
Title X McKinney Vento (Homeless Assistance) Carryover	\$ 21,678
Title III LEP	\$ 26,697
Title III LEP Carryover	\$ 19,748
Title II Part A	\$ 295,460
Title II Part A Carryover	\$ 194,290
Title IV	\$ 91,263
Title IV Carryover	\$ 51,461
Title IX Indigenous Education	\$ 51,646
Title IX Indigenous Education Carryover	\$ 6,955
IDEA Pre-School Incentives	\$ 85,000
State Match Grant - PE Nut (Oct-Jun)	\$ 80,000
State Match Grant - PE Nut (Jul-Sep)	\$ 8,743

Total: \$ 2,373,956

Local Grants Summary for Fiscal Year 2020-2021

Restricted Local Funds (12)	A	location
GTB Indigenous Education	\$	86,000
GTB Indigenous Education Carryover	\$	13,385
GTB Indigenous Language	\$	24,142
GTB Intense Student Support Network (ISSN)	\$	5,000
GTB Homeless	\$	5,102
GTB Homeless-Miscellaneous	\$	35,000
BCBS-BHC Community	\$	1,433
TC Light & Power	\$	5,477
GTRCF Generations Ahead f/k/a Teen Parent Program	\$	33,413
CLC Summer Work/Study Program	\$	5,812
Movement Lab	\$	14,820
Social & Emotional Learning	\$	12,941

Total: \$ 242,525

Community Service Grants Summary for Fiscal Year 2020-2021

Restricted Federal Funds (23)		Allocation	
Childcare Relief Funds	\$	497,854	

Total: \$ 497,854

Food Service Grants Summary for Fiscal Year 2020-2021

Restricted State Funds (25)	Allocation
10 cents a Meal Support of Local Produce in School Meals	\$ 40,000

Total: \$ 40,000

Traverse City Public Schools Special Revenue Fund - Food Service Fund For the Fiscal Year Ending June 30,

	2020-2021	2020-2021	2020-2021		
Revenue	Original	Amend I	Amend II	Variance	Note
Local	2,199,886	108,055	155,225	47,170	1
State	302,924	353,904	372,032	18,128	
Federal	2,562,190	4,163,041	4,312,743	149,702	2
Incoming Transfers and Other	10,000	10,000	10,000	0	
Total Revenues	5,075,000	4,635,000	4,850,000	215,000	
Expenditures					
Salaries and Wages	1,435,085	1,337,243	1,357,243	20,000	
Employee Benefits	894,263	852,107	862,181	10,074	
Purchased Services	121,723	94,578	86,346	(8,232)	
Supplies and Other	2,333,929	2,061,072	2,154,230	93,158	3
Capital Outlay	30,000	30,000	30,000	0	
Operating Transfer	260,000	260,000	260,000	0	
Total Expenditures	5,075,000	4,635,000	4,750,000	115,000	
Revenues Over/(Under) Expenditures	0	0	100,000	100,000	
Beginning Fund Balance July 1	421,515	421,515	421,515	0	
Ending Fund Balance June 30	421.515	421.515	521.515	100.000	

Variance Explanations

- (1) Variance is the result of adjusting for Pepsi's annual sponsorship and a small increase in catering revenue.
- (2) Variance is the result of higher meal counts than expected.
- (3) Variance is the result of additional operating expenses related to greater participation.

Traverse City Area Public Schools Special Revenue Fund - Community Service Fund For the Fiscal Years Ending June 30

	2020-2021	2020-2021	2020-2021		NI-4
Revenue	Original	Amend I	Amend II	Variance	Notes
Local	3,158,196	2,110,213	1,917,266	(192,947)	
Federal Restricted	0	497,854	497,854	0	
Intermediate School District	0	0	0	0	
Incoming Transfers/Other (Sponsorship Revenue)	225,000	574,525	622,775	48,250	
Total Revenues	3,383,196	3,182,592	3,037,895	(144,697)	
Expenditures					
Salaries and Wages	1,518,173	1,412,733	1,355,906	(56,827)	
Employee Benefits	1,434,017	1,322,225	1,274,665	(47,560)	
Purchased Services	145,603	97,645	93,022	(4,623)	
Supplies and Other	277,437	386,280	348,593	(37,687)	
Capital Outlay	24,466	13,709	13,709	0	
Transfer to General Fund and Other	0	0	0	0	
Total Expenditures	3,399,696	3,232,592	3,085,895	(146,697)	
Revenue Over/(Under) Expenditures	(16,500)	(50,000)	(48,000)	2,000	•
Beginning Fund Balance July 1	119,223	119,223	119,223	0	
Ending Fund Balance June 30	102,723	69,223	71,223	2,000	

NOTE: This schedule combines Childcare, LEAP, and Community Service Federal Restricted Funds.

Traverse City Area Public Schools Special Revenue Fund - Community Service Fund - Childcare Programs For the Fiscal Years Ending June 30

	2020-2021	2020-2021	2020-2021		Notes
Revenue	Original	Amend I	Amend II	Variance	Notes
Local	2,748,196	1,880,713	1,687,766	(192,947)	1
Federal		497,854	497,854	0	
Intermediate School District				0	
Incoming Transfers/Other (Sponsorship Revenue)	65,000	357,025	405,275	48,250	2
Total Revenues	2,813,196	2,735,592	2,590,895	(144,697)	

Expenditures					
Salaries and Wages	1,348,436	1,244,840	1,190,689	(54,151)	3
Employee Benefits	1,304,462	1,193,083	1,146,987	(46,096)	3
Purchased Services	28,633	28,650	22,050	(6,600)	
Supplies and Other	148,165	294,019	254,169	(39,850)	4
Capital Outlay	0	0	0	0	
Transfer to General Fund and Other	0	0	0	0	
Total Expenditures	2,829,696	2,760,592	2,613,895	(146,697)	
Revenue Over/(Under) Expenditures	(16,500)	(25,000)	(23,000)	2,000	
Beginning Fund Balance July 1	88,630	88,630	88,630	0	
Ending Fund Balance June 30	72,130	63,630	65,630	2,000	

Variance Explanations

- (1) Variance is the result of adjusting revenue generated from the Child Care program offerings and participation.
- (2) Variance is the result of an incoming General Fund transfer.
- (3) Variance is the result of fully implementing Child Care program offerings and staff placement.
- (4) Variance is the result of adjusting for program needs in supplies, food and merchant fees.

Traverse City Area Public Schools Special Revenue Fund - Community Service Fund - Learning, Enrichment and Athletic Program For the Fiscal Years Ending June 30

	2020-2021	2020-2021	2020-2021		NI-4
Revenue	Original	Amend I	Amend II	Variance	Notes
Local	410,000	229,500	229,500	0	
Federal				0	
Intermediate School District				0	
Incoming Transfers/Other (Sponsorship Revenue)	160,000	217,500	217,500	0	
Total Revenues	570,000	447,000	447,000	0	
Expenditures					
Salaries and Wages	169,737	167,893	165,217	(2,676)	
Employee Benefits	129,555	129,142	127,678	(1,464)	
Purchased Services	116,970	68,995	70,972	1,977	
Supplies and Other	129,272	92,261	94,424	2,163	
Capital Outlay	24,466	13,709	13,709	0	
Transfer to General Fund and Other	0	0	0	0	
Total Expenditures	570,000	472,000	472,000	0	
Revenue Over/(Under) Expenditures	0	(25,000)	(25,000)	0	
Beginning Fund Balance July 1	30,593	30,593	30,593	0	
Ending Fund Balance June 30	30,593	5,593	5,593	0	

Traverse City Public Schools Special Revenue Fund - Student/School Activity Fund For the Fiscal Year Ending June 30

	2020-2021	2020-2021	2020-2021		
Revenue	Original	Amend I	Amend II	Variance	Note
Local	2,000,000	2,000,000	1,100,000	(900,000)	
State				0	
Federal				0	
Incoming Transfers and Other				0	
Total Revenues	2,000,000	2,000,000	1,100,000	(900,000)	
		•	•		
Expenditures					
Salaries and Wages				0	
Employee Benefits				0	
Purchased Services				0	
Supplies and Other	2,000,000	2,000,000	1,100,000	(900,000)	
Capital Outlay				0	
Operating Transfer				0	
Total Expenditures	2,000,000	2,000,000	1,100,000	(900,000)	
		•			
Revenues Over/(Under) Expenditures	0	0	0	0	
Beginning Fund Balance July 1	1,351,905	1,351,905	1,351,905	0	
Ending Fund Balance June 30	1,351,905	1,351,905	1,351,905	0	

Variance Explanations

(1) Variance is the result of aligning revenue and expenditures.



TRAVERSE CITY AREA PUBLIC SCHOOLS BOARD OF EDUCATION

RESOLUTION FOR ADOPTION June 28, 2021

FINAL AMENDMENT

2020-2021 GENERAL FUND BUDGET 2020-2021 SPECIAL REVENUE FUND BUDGET (Food Services, Community Services and Student/School Activity Fund)

This Final 2020-2021 Budget Amendment shall take effect on June 28, 2021.
AYES:
NAYS:
Resolution adopted.
Josey Ballenger, Secretary Board of Education Traverse City Area Public Schools
The undersigned duly qualified and acting Secretary of the Board of Education of Traverse City Area Public Schools, Traverse City, Michigan, hereby certifies that the foregoing is a true and complete copy of a resolution adopted by the Board of Education, Traverse City Michigan at its study session meeting held on June 28, 2021, the original of which is part of the Board's minutes, and further certifies that notice of the meetings was given to the public under the Open Meetings Act, 1976 PA267, as amended.

Josey Ballenger, Secretary

Traverse City Area Public Schools

Board of Education



Christine Thomas-Hill Associate Superintendent

Associate Superintendent Finance and Operations

> Julie Gorter Executive Assistant

MEMORANDUM

TO: Board of Education

Dr. John R. VanWagoner II, Superintendent

FROM: Christine Thomas-Hill, Associate Superintendent of Finance and Operations

DATE: June 28, 2021

RE: BUDGET HEARING

2020-2021 Final Budget Amendments

2021-2022 Proposed Preliminary Budgets

As the 2021 fiscal year comes to a close, it is time to conclude our current fiscal year and formally adopt our 2022 preliminary budget. This memo, which has become part of our annual budget adoption process, is included to essentially serve two purposes. First, it provides a recap of highlights from the year just ended. Second, it provides the basis for the expectations and assumptions we used to develop our fiscal year 2022 original budget. As assumptions change or further information is made clear throughout the year, the district will, as it has done in the past, make the necessary budget amendments.

Overview

The budgets presented in this booklet represent our best estimate of how fiscal year 2021 will end and what is preliminarily in store for fiscal year 2022. As required by law, we are adopting our 2022 original budget prior to the beginning of the fiscal year.

The state's education budget has yet to be finalized (as of June 15th); this is not an unusual circumstance for us this time of year. The state's fiscal year is October 1 - September 30, which does not align with the school year. After review and consideration of legislative possibilities, we have estimated the state aid revenue and the state-determined retirement rate at this time. Other variables used in our preliminary budgets, such as the number of pupils, interest revenue, natural gas and diesel fuel costs, and state, federal and local grants always require estimates.

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How we deal with the major assumptions being incorporated into this budget is spelled out in the remainder of this memo. It is important to remember that in many cases these are fluid assumptions that can and will change throughout the year. As in the past, we will bring a budget amendment forward during the year when there is greater clarity around these variables.

General Fund - Revenues

Public schools in Michigan are primarily state-funded institutions. As a result, funding for schools is subject to current economic conditions as well as the direction of the state legislature.

For 2022, the state has not finalized the school aid fund budget. However, the per pupil increase is estimated anywhere from \$100-\$581 per student. There are several opportunities for the state to supplement the overall revenue in the state budget, but it is unknown which of those will be implemented, if any.

The total foundation amount we receive is a function of both the state-determined per pupil amount and the number of pupils we educate. Like many districts in Michigan, our overall student population has declined over the last 10 years. TCAPS has been creative in expanding opportunities for increased revenue and have focused our efforts on ensuring expenditures meet instructional priorities while being managed effectively and efficiently. The 2022 budget conservatively assumes 9,340 students vs. 9,589 (which was a "super blend" formula created to help with declining enrollment caused by the pandemic) from amendment II of the 2021 budget. The combination of a \$250 increase in state per pupil allocations, coupled with the projected student FTE (full time equivalency), results in a projected increase of approximately \$315,361.

The proposals all vary on recommended changes to categorical line items in the 2022 budget. We will continue to monitor the list of categorical funding and determine its impact. As such, any new categorical funding from the added line items will be included in an amendment once the amounts are determined.

Our state-determined per pupil amounts (noted above) make up approximately 74% of our total revenue budget and approximately 78% of our "unrestricted" revenues and, hence, make up the most important source of revenues for the district by a far margin.

Revenue for fiscal year 2022 in the form of incoming transfers from Northwest Education Services (formerly Traverse Bay Area Intermediate School District) is budgeted to be approximately \$2.8 million for a variety of items including tax collections, curriculum services, Act 18 special education funding, and medicaid. This total includes the distribution of Northwest Education Services fund balance for FY20; therefore, the original 2022 budget will include the minimum expected discretionary revenue. According to the financial policy for Northwest Education Services, they will review their fund balance at the completion of their audit and distribute anything above 12% to the local districts, so we will get an actual allocation for FY21 in the fall.

Other revenue sources provide valuable and necessary resources for our district. Categorical state funding (at risk, vocational education added cost, etc.), which makes up approximately 2.9%, and restricted federal funding (title grants for school improvement, education for homeless children and youth, etc.), which make up approximately 1.8% of total general fund revenues, are sources we rely on to fund vital programs throughout the district. These funding sources are

projected to be down approximately \$1,080,000 and \$500,000 respectively in the 2022 year as compared to 2021.

Keep in mind that many of these programs have fiscal year-ends other than June 30, which makes reporting on them at this time somewhat confusing. Some of the funds noted as fiscal 2021 will become "carry-over" grants in 2022. We will report more fully on grant funding at our first budget amendment.

TCAPS is appreciative of local grants received throughout the year; these grants make up less than 0.1% of general fund revenues.

General Fund – Expenditures

It is important to remember that the district has made over \$17 million in budget cuts in the past thirteen years, which have been necessitated by the inequitable and declining funding levels we have received from the state over that time, coupled with large increases in pension and health care costs, and declining enrollment.

All of the employee group contracts are settled through June 2024 (TCEA through August 2024) and the parameters are known. This provides the district with a level of certainty regarding these costs. The impacts of the contract settlements include a 1.5% salary increase as well as progression on the step schedules. The district has budgeted a 2.25% increase on health care increases for all groups.

General Fund - Fund Balance

The 2022 original budget shows that we are starting the year with a budgeted shortfall of approximately (\$800,126). As is the case every year, our budget experience is that our final position will end up with a positive budget variance of approximately 1% of total budgeted expenditures and revenues (approximately \$1.5 million). Taking this variance into account in the upcoming year indicates that we will finish the year adding approximately \$699,874 to fund balance. However, we are estimating revenues at this point so this will change.

It is important to note that, in spite of the well documented challenges posed by the funding climate for schools over the last decade, the district remains focused on the students and parents we serve. This is a point of pride for our school system. Traverse City Area Public Schools is a comprehensive, high performing, low cost, low tax school system and we are proud to offer programs and initiatives to meet our constituents' needs. Examples include:

- UpNorth Virtual program, offering LIVE and on-demand virtual courses (K-12)
- One-to-one technology expansion (K-12)
- Internet accessibility for families and staff through the distribution of hotspots
- Free breakfast and lunch for anyone 18 years and younger, school year and summer distributions and deliveries available
- Summer school opportunities for elementary students
- Updated Full Option Science System (FOSS) curriculum materials
- Updated Middle School CPM curriculum materials
- World Language 6-12

- Expansion of Learning, Enrichment, and Athletic Programs (LEAP) K-8
- Expansion of early childhood opportunities for kindergarten children (Young 5's)
- Expansion of shared time partnerships/offerings
- Expansion and alignment of Science, Technology, Engineering, and Math (STEM)
- Expanded dual enrollment opportunities
- Early college collaborative with NMC
- International Program partnerships
- Increased building security initiatives and improvements

The District continues to monitor all programs to ensure our resources are funding our instructional priorities. Our fund balance is projected to remain below the Board of Education's established target of 10%. It is our intent to add 1% fund balance each fiscal year, in order to reach a 12% fund balance by FY24. State funding remains positive and we expect more information in the coming months. Within this environment we must continue our work to fund our instructional priorities while maintaining fiscal responsibility.

Special Revenue Fund

The special revenue fund consists of food services, community services and the student/school activity programs. It is the intention of the district that these funds are self-supporting in that they rely on fee-based revenues or revenue sources other than the general fund to sustain their operations.

The food service program is excited that free breakfast and lunch for all students has been extended through the 2021/2022 school year. The original budget anticipates that the district will be able to offer additional meal options, thus increasing revenue and corresponding expenses. Amendments will be made throughout the year once participation is easier to project. It should be noted that the food services fund does not rely on any subsidies from the general fund and pays all overhead costs from its operating revenues.

The community services programs include fee-for-service child care programs and the district's Learning, Enrichment, and Athletic Program (LEAP).

The child care programs within the community services fund have historically transferred funds to the general fund to help offset certain administrative costs and overhead. These programs were designed to operate in the black while providing opportunities for children who would otherwise not have such opportunities. It is important to note that the licensed child care programs have not operated in the black during the pandemic, however it is perhaps more important to note the impact these programs are having on children. For the 2022 fiscal year, the budget includes a general fund contribution of \$200,000 to the child care programs as a subsidy through a fund transfer. As we begin to return to normal operations, we will continue to analyze the program revenue and expenditures and make the necessary adjustments.

LEAP was created in part to provide fee-based athletic opportunities for middle school students after the district-funded middle school athletic program was eliminated as part of the 2012 budget cuts. LEAP offerings were further expanded to include elementary fee-based athletics and other enrichment opportunities. The vision for this program remains that it will ultimately operate similar to a community education program that provides self-supporting, supplemental educational and recreational programming based on the demands of student and adult

populations of our district. For the 2022 fiscal year, the budget includes a general fund contribution of \$192,500 to LEAP as a subsidy through a fund transfer.

Other Funds - Debt Retirement Fund and Capital Projects Fund

These funds are not required to have formally adopted budgets. Our debt retirement fund is funded directly by local taxpayers. As promised to taxpayers, we have structured our debt and have been prudent with our refinancing so that we can maintain our millage rate at 3.1 mills, even as we issue new debt to pay for capital projects. Information regarding the calculation of that rate and board certification is included in Tab 8 of this booklet.

The funds generated from our bond sales are important for the continuation of long-term infrastructure improvements and other capital acquisitions such as technology and buses. These resources serve many essential needs of our district. Without them, we would be required to finance buses and technology from our operational budget or revenue, which would place an additional \$3 million burden per year on the general fund budget.

In order to fund major capital projects in the future, the district asked voters to approve a new bond authorization in August of 2018. Property values have stabilized and have increased slightly in our region, making it possible to propose a no millage increase which our voters overwhelmingly approved. This is an important and visible area of work for our district as we focus on improving safety and security in the school buildings.

In relation to our current capital projects fund, we have included a section in this budget hearing booklet (Tab 7) that shows expenditures to-date and projects currently underway or completed that are from our 2018 bond authorization. We will continue to provide this type of reporting to our board and the public in order to keep all interested parties aware of how bond funds are being used. As one can see from these schedules, the bond funds are being used as the district indicated in its informational campaigns. The continued implementation of these well-established capital plans is serving the district well. All projects undertaken within our bond program have been completed on time and within budget.

The capital project funds are subject to many restrictions by the state and are given special attention by our auditors during our annual audit. These funds, by law, cannot be used for the general operation of the school district (supplies, salaries, benefits, etc.).

Conclusion

TCAPS continues to manage its limited resources well, incorporating work on strategic financial planning to direct funds to instructional priorities. In spite of the very challenging funding climate, along with the COVID-19 pandemic, the district continues to focus on a comprehensive educational program. The 2022 fiscal year is still so uncertain that many changes in funding, programming, and staffing may still need to be made throughout the school year. Opportunities to advocate for resources, increase our potential for innovative revenue sources, and our commitment to continuous improvement for increased efficiencies may positively impact the district.



TRAVERSE CITY AREA PUBLIC SCHOOLS

2021-2022 Budget Hearing

June 28, 2021



Making Sense of Budget Information

- Review of packet
- Budget is an ongoing process
- Budget should not be "new information"
 - It is simply a formal snapshot of where we are now
 - It should be reviewed in conjunction with our annual audit report to help frame an understanding of our financial situation



Fiscal Year (FY) 2020/2021

(Amendment II)

Beginning Fund Equity	\$7,098,932
Budgeted Revenues	\$108,403,318
Budgeted Expenditures	\$107,295,986
	\$1,107,332
Projected Variance	\$1,500,000
Estimated Add to Fund Balance (Includes Fund Balance Restoration (State Aid Deduction FY20) \$1,697,749)	\$2,607,332
Ending 2021 Fund Equity (approximate)	\$9,706,264
Ending Fund Equity	9.04%



FY 2021/2022 Budget Assumptions

Per Pupil Revenue:

2021	TOTAL	\$8,111
	Per Pupil Increase	\$250
2022	TOTAL*	\$8,361

^{*} Estimated; state budget was not yet approved at time of production



FY 2021/2022 Budget Assumptions

Student Count:

2021	9,589
2022 (estimated)	9,340
Decrease	249

Net increase in Per Pupil Revenue: \$315,361



\$0 706 26A

FY 2021/2022 Fund Balance Projection

beginning rund Equity (estimate)	33,700,204
Budgeted Revenue	\$105,279,229
Budgeted Expenditures	\$106,079,355

Budgeted Shortfall (\$800,126)

Projected Variance \$1,500,000

Projected Excess/(Shortfall) \$699,874

Ending 2022 Fund Equity (estimate)

Paginning Fund Fauity / ...

Ending Fund Equity 9.80%

\$10,406,138



Where Does Funding Come From?





Local



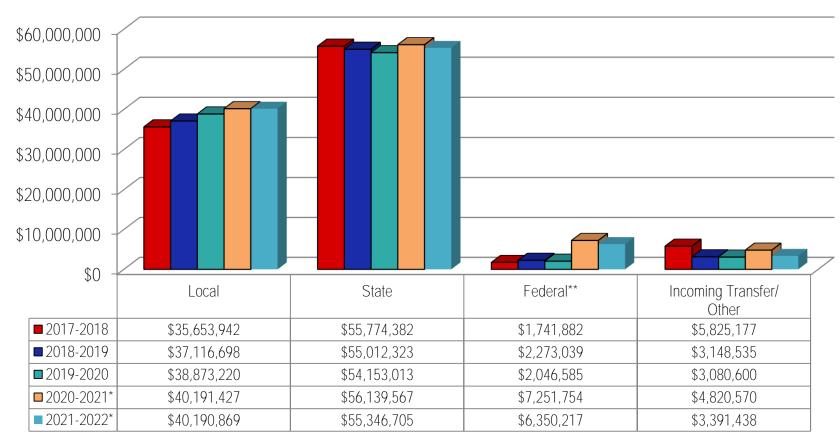
State



Federal



Budget Comparison ~ Revenue Source



^{*} Projections

^{**} Many federal programs have fiscal year-ends that are other than June 30.

Funds not spent by June 30, 2021 will be "carried over" to fiscal 2022 in accordance with federal program guidelines.



"All of the non-homestead revenues that districts raise locally are completely offset by corresponding reductions in state aid within the state funding formula. As a result, property taxes to support schools are effectively <u>STATE</u> rather than local sources."

¹ "Non-homestead" is currently referred to as "Non-Principal Residence Exemption"

(Reference: Michigan School Finance Under Proposal A – State Control, Local Consequences; David Plank)

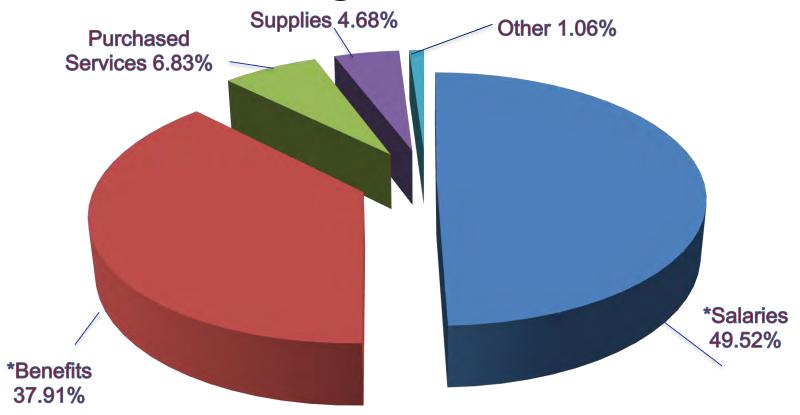




Where does the money go?



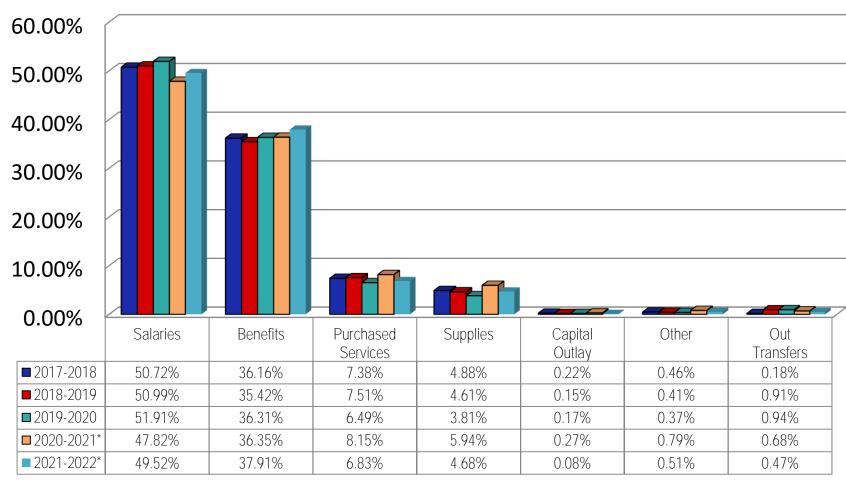
2021/2022 Budget General Fund Monies



^{*}Total Salaries and Benefits – 87.43%



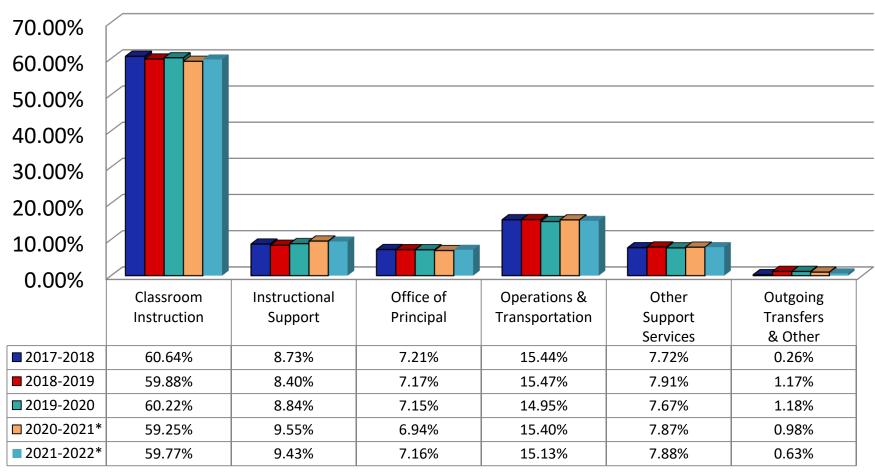
Budget Comparison By Object



^{*} Projections



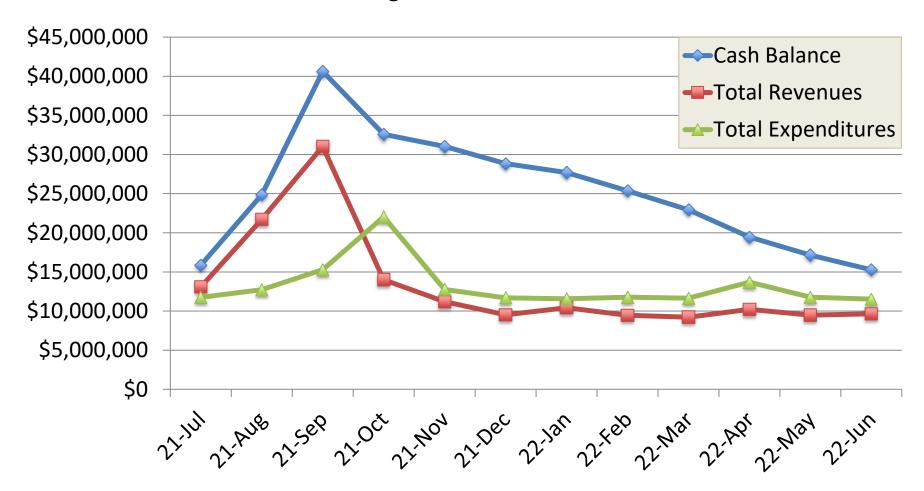
Budget Comparison By Function



^{*} Projections

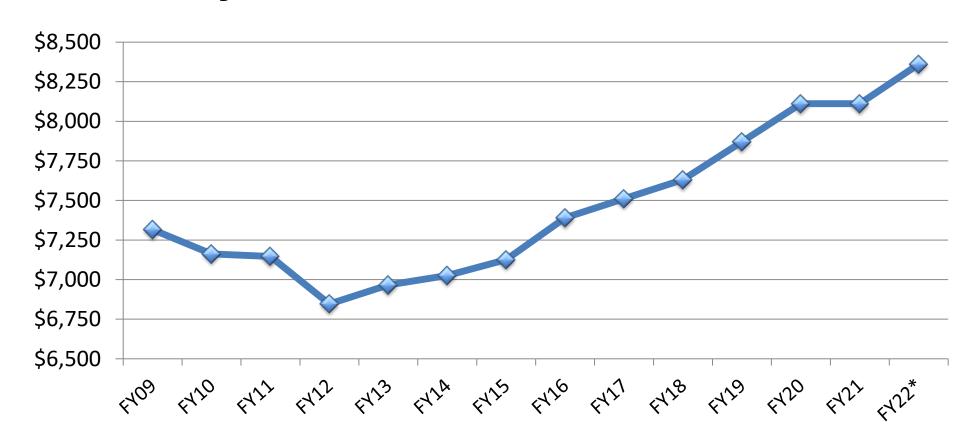


Cash Flow Projections ~ Fiscal 2022





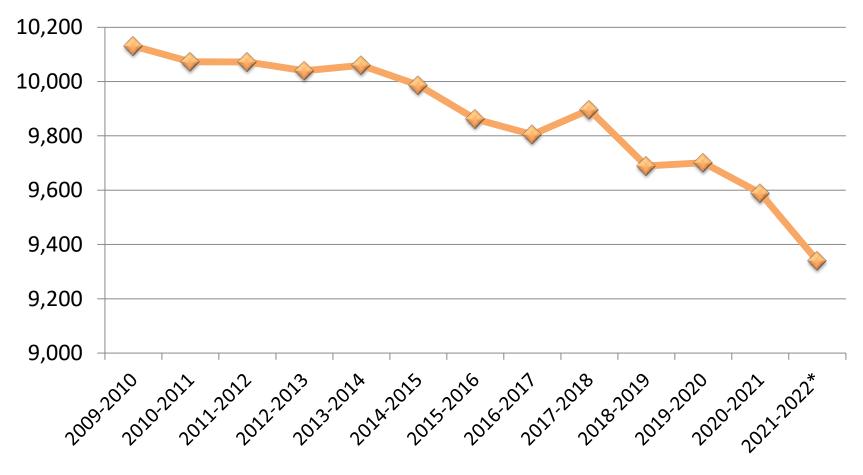
History of Foundation Amounts (per-pupil)



^{*} Projections



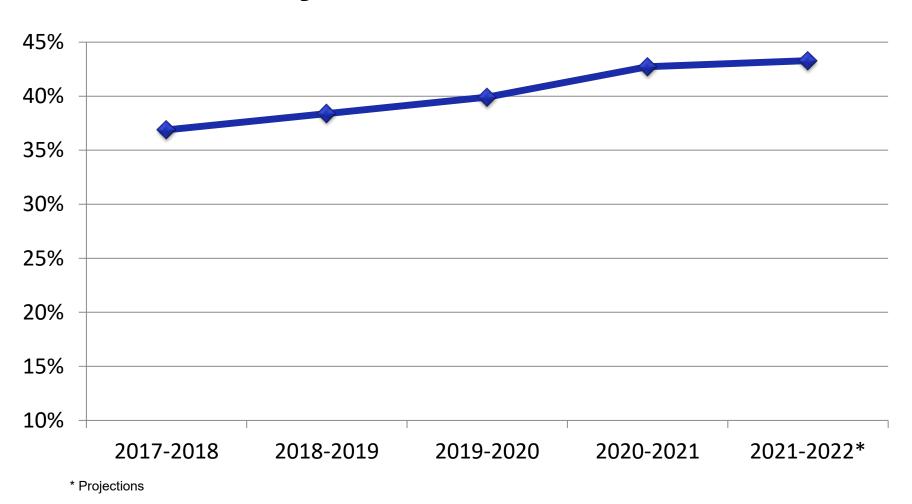
History of Student Count (total FTE)



^{*} Projections

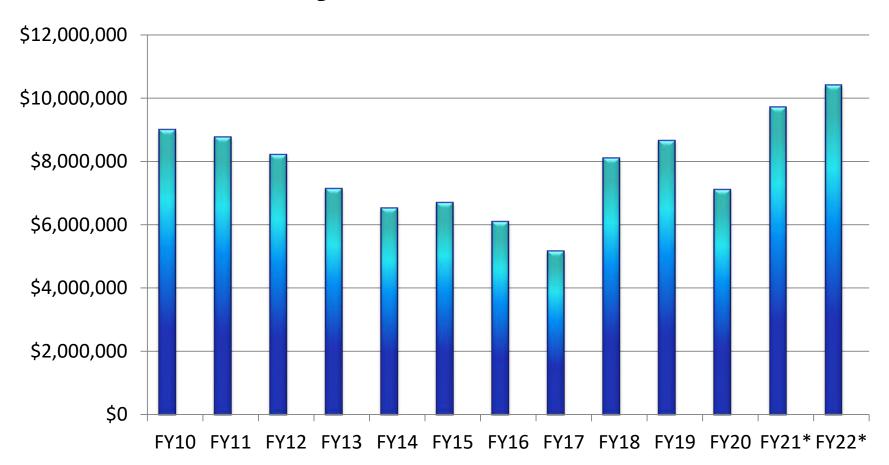


History of Retirement Rates





History of Fund Balance



^{*} Estimated amounts, not actual amounts.



Other Funds

Special Revenue Fund: Food Services

- Expecting FY22 to be structurally balanced
 - Free breakfast and lunch for all students has been extended through FY22
 - Cost controls
 - Labor
 - Inventory
 - Menu planning
- Commitment to quality meals and service
- Committed to serving free meals throughout the summer



Other Funds

- Special Revenue Fund: Community Services
 - Child Care Programs
 - Fee-for-service program
 - Continuing to implement program efficiencies with added flexibility for parents
- Special Revenue Fund: Community Services
 - Learning, Enrichment & Athletic Program (LEAP)
 - Fee for participation
 - Provides opportunity & programming for an average of 4,600 students each year (K-12)



Other Funds

Capital Projects

- Long-term capital plan
- All projects completed on time and within budget
- Refer to detail in Tab 7 of budget hearing booklet

Debt Service

- Accounts for tax collection and debt payments associated with district bonds
- Maintaining 3.1 mills on all property (40% lower than state average of 5.4 mills)



Special Acknowledgement

A note of thanks to the staff in the Business Office for their commitment to continuous improvement throughout the entire year. In particular, I would like to extend my thanks for the added effort put forth to prepare the budget and the annual financial report.

The 2020 audit received the Certificate of Excellence in Financial Reporting for the sixteenth consecutive year!

I would like to formally recognize the following individuals for their dedication, professionalism and expertise.

Wes Souden	Sandy Low	Julie Gorter
Beckie Cairns	Cindy Farah	Tammi Grabowski
Keri McCumber	Dawn Smith	Ashley Wills

Sincerely,

Christine Thomas-Hill

Associate Superintendent

Finance and Operations



MEMORANDUM

Christine Thomas-Hill

Associate Superintendent Finance and Operations

Julie Gorter Executive Assistant

TO: Dr. John R. VanWagoner II, Superintendent

FROM: Christine Thomas-Hill, Associate Superintendent

DATE: June 28, 2021

RE: 2021-2022 ORIGINAL BUDGETS

Attached please find the 2021-2022 original budget resolution and itemized preliminary budget detail, presented in accordance with the Uniform Budgeting and Accounting Act. The budgets presented represent our preliminary estimates of revenues and expenditures for the General Fund and our Special Revenue Fund (Food Services, Community Services and Student/School Activity programs). Major revenue assumptions are detailed on the budget resolution (page 5.3) and budget detail (page 6.2). Budget amendments will be brought before the Board for approval as more information becomes available.

An appropriate m	otion would be:	
• •	, and Supported by original 2021-2022 General Fund E Fund Budget, dated July 1, 2021.	, to adopt a resolution Budget and the original 2021-2022



RESOLUTION FOR ADOPTION June 28, 2021

FOR ACTION:

TOPIC: 2021-2022 Preliminary Budgets for Traverse City Area Public Schools (Appropriations Act)

RECOMMENDATION:

It is recommended that the Board of Education adopt the resolution appropriating funds for the 2021-2022 fiscal year (Preliminary Budgets). The Uniform Budgeting and Accounting Act requires that the appropriations for the General Operations and Special Revenue Funds of the School District be approved by the Board of Education. The tentative budgets for these funds are attached. These budgets are only preliminary, to permit the beginning revenue disposition and expenditure appropriations until such time that the District has the necessary information to provide the budget amendments to the public and to the Board of Education.

Major revenue data is based upon the following:

\$ 5,	,723,681,873
\$3,	,509,640,398
\$2,	,214,041,475*
	18 mills
\$	39,852,747
	\$8,361
	\$4,267
	\$4,094
	\$3

^{*} Will be adjusted downward for Brownfield Development when numbers are available.

Emphasis is made that the data provided herein in no way indicates final revenue or expenditure levels; estimates are merely being provided to receive authorization to begin the 2021/2022 school year.

SOURCE PERSON: Christine Thomas-Hill, Associate Superintendent of Finance and Operations

ATTACHMENTS:

Resolution to Adopt 2021-2022 Preliminary Budgets
Three (3) year budget reporting required by the State of Michigan (refer to Tab 6)



RESOLUTION TO ADOPT 2021-2022 PRELIMINARY BUDGETS

RESOLVED, that this resolution shall be the general appropriations of the Traverse City Area Public Schools for the 2021-2022 fiscal year. A resolution to make appropriations, and to provide for the expenditure of the appropriations, and to provide for the disposition of all income received by the Traverse City Area Public Schools.

BE IT FURTHER RESOLVED, that 18 mills of ad valorem property taxes will be levied for the purposes of General Operations. The levy will be against the taxable value of non-principal residence exemption and non-qualified agricultural property, and

WHEREAS, the total revenues and un-appropriated fund balance estimated to be available for appropriations in the *General (Operating) Fund* of the Traverse City Area Public Schools for the fiscal year 2021-2022 are as follows:

Revenue

Local Sources	\$ 40,190,869
State Sources	55,346,705
Federal Sources	6,350,217
Incoming Transfers and Other Transactions	3,391,438

Total Revenue \$ 105,279,229

Fund Balance (07/01/21 estimate) \$ 8,206,264

Total Available to

Appropriate ~ General Fund \$ 113,485,493



RESOLUTION TO ADOPT 2021/2022 PRELIMINARY BUDGETS

BE IT FURTHER RESOLVED, that \$106,079,355 of the total available to appropriate in the *General Fund* is hereby appropriated in the amounts and for the purposes set forth below:

Expenditures

Aperialitares		
Instruction:		
Basic Programs	\$	52,764,659
Added Needs	_	10,641,998
Total Instruction	\$	63,406,657
Support Services:		
Pupil Services	\$	4,848,798
Instructional Staff		5,150,616
General Administration		736,953
School Administration		7,599,293
Business Services		2,056,944
Operations & Maintenance		10,001,424
Pupil Transportation Services		6,046,343
Central Services		3,708,599
Other Support Services		1,860,508
Total Support Services	\$	42,009,478
Community Services	\$	168,720
Outgoing Transfers and Other Transactions	\$	494,500
Total Appropriated ~ General Fund	\$	106,079,355



RESOLUTION TO ADOPT 2021-2022 PRELIMINARY BUDGETS

BE IT FURTHER RESOLVED, the total projected revenues and expenditures for the **Special Revenue Fund - Food Services** of the Traverse City Area Public Schools for the fiscal year 2021-2022 are as follows:

Beginning Fund Balance (07/01/21 estimate)		521,515
Revenue		
Local Sources	\$	670,925
State Sources		350,053
Federal Sources		4,749,022
Incoming Transfers/Others		10,000
Total Revenue	\$	5,780,000
<u>Expenditures</u>		
Salaries	\$	1,480,443
Benefits		974,309
Purchased Services		95,646
Supplies & Other Expenses		2,939,602
Capital Outlay		30,000
Operating Transfer	-	260,000
Total Expenditures	\$	5,780,000
Excess of Revenues Over/(Under) Expenditures	\$	0
Ending Fund Balance (06/30/22 estimate)	\$	521,515



RESOLUTION TO ADOPT 2021-2022 PRELIMINARY BUDGETS

BE IT FURTHER RESOLVED, the total projected revenues and expenditures for the *Special Revenue Fund - Community Services* of the Traverse City Area Public Schools for the fiscal year 2021-2022 are as follows:

Beginning Fund Balance (07/01/21 estimate)	\$	71,223
Revenue		
Local Sources	\$	2,683,111
Federal Sources		0
Intermediate Sources		0
Operating Transfers In	_	392,500
Total Revenue	\$	3,075,611
<u>Expenditures</u>		
Salaries	\$	1,395,161
Benefits		1,314,693
Purchased Services		137,650
Supplies and Other Expenses		240,507
Capital Outlay		12,600
Transfers to General Fund and Other		0
Total Expenditures	\$	3,100,611
Excess of Revenues Over/(Under) Expenditures	(\$	25,000)
Ending Fund Balance (06/30/22 estimate)	\$	46,223



RESOLUTION TO ADOPT 2021-2022 PRELIMINARY BUDGETS

BE IT FURTHER RESOLVED, the total projected revenues and expenditures for the **Special Revenue Fund – Student/School Activity** of the Traverse City Area Public Schools for the fiscal year 2021-2022 are as follows:

\$	1,351,905
\$	1,500,000
\$	1,500,000
\$	1,500,000
\$	1,500,000
•	0
Þ	0
\$	1,351,905
	\$ \$ \$



RESOLUTION TO ADOPT 2021-2022 PRELIMINARY BUDGETS

BE IT	FURTHER RESOLVED, that no Board of Education member or employee of the School District
	shall expend any funds or obligate the expenditures of any funds except pursuant to
	appropriations made by the Board of Education and in keeping with the budgetary policy
	statements adopted by the Board. Changes in the amount appropriated by the Board shall require
	approval of the Board of Education.

BE IT FURTHER RESOLVED, that the Superintendent is hereby charged with general supervision of the execution of the budget adopted by the Board of Education and shall hold the department heads responsible for performance of their responsibilities within the amounts appropriated by the Board of Education and in keeping with the budgetary policy statement adopted by the Board of Education.

This Appropriations Resolution is to take effect on July 1, 2021.

AYES:	
NAYS:	
Resolution adopted.	
	Josey Ballenger, Secretary
	Board of Education

The undersigned duly qualified and acting Secretary of the Board of Education of Traverse City Area Public Schools, Traverse City, Michigan, hereby certifies that the foregoing is a true and complete copy of a resolution adopted by the Board of Education, Traverse City, Michigan at its study session meeting held on June 28, 2021, the original of which is part of the Board's minutes, and further certifies that notice of the meetings was given to the public under the Open Meetings Act, 1976 PA267, as amended.

Josey Ballenger, Secretary Board of Education Traverse City Area Public Schools

Traverse City Area Public Schools



TRAVERSE CITY AREA PUBLIC SCHOOLS 412 Webster Street Traverse City, MI 49686

ITEMIZED PRELIMINARY BUDGET 2021-2022

Presented June 28, 2021

The itemized portion of the 2021-2022 budgets is provided for informational purposes only and is broken down into more detail than the formal budget adopted by the Board of Education (presented in Tab 5). This section also includes the three-year budget reporting, as required by the State of Michigan.

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- Page 6.2 General Fund Budget ~ 4 years
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- Page 6.4 Unrestricted Revenues
- Page 6.5 Restricted Local Funds
- Page 6.6 Restricted State Funds
- Page 6.7 Restricted Federal Funds
- Page 6.8 Special Revenue Fund ~ Food Services
- Page 6.9 Special Revenue Fund ~ Community Services
- Page 6.10 Special Revenue Fund Community Services ~ Child Care
- Page 6.11 Special Revenue Fund Community Services ~ LEAP
- Page 6.12 Special Revenue Fund Student/School Activity Fund

	y Area Public S			
	al Fund Budge			
For the Fiscal	Years Ending		2020 2024	2024 2022
Davisson	2018-2019	2019-2020	2020-2021	2021-2022
Revenue	Actual	Actual	Amended	Original
Local Unrestricted	37,116,698	38,873,220	40,191,427	40,190,869
State Unrestricted	43,683,291	41,960,316	44,422,472	44,459,945
State Restricted	11,329,032	12,192,697	11,717,095	10,886,760
Federal Restricted	2,273,039	2,046,585	7,251,754	6,350,217
Incoming Transfers/Other	3,148,535	3,080,600	4,820,570	3,391,438
Total Revenues	97,550,595	98,153,418	108,403,318	105,279,229
Expenditures				
Instruction				
Basic Instruction	48,408,242	49,904,642	52,743,023	52,764,659
Added Needs	9,672,976	10,138,721	10,831,957	10,641,998
Total Instruction	58,081,218	60,043,363	63,574,980	63,406,657
Support				
Pupil	3,639,287	4,279,310	4,853,170	4,848,798
Instructional Staff	4,504,306	4,534,905	5,395,400	5,150,616
General Administration	731,150	923,903	747,641	736,953
School Administration	6,950,160	7,127,250	7,447,156	7,599,293
Business Services	1,833,869	1,857,564	2,062,477	2,056,944
Operations and Maintenance	9,664,422	9,600,695	10,719,555	10,001,424
Pupil Transportation	5,344,422	5,308,179	5,806,523	6,046,343
Central Services	3,310,120	3,101,489	3,565,871	3,708,599
Other Support Services	1,799,711	1,762,161	2,072,131	1,860,508
Total Support Services	37,777,447	38,495,456	42,669,924	42,009,478
Community Services	244,636	240,892	321,677	168,720
Other Uses - Outgoing Transfers & Other	889,576	934,957	729,405	494,500
Total Expenditures	96,992,877	99,714,668	107,295,986	106,079,355
Excess Revenue/(Expenditures)	557,718	(1,561,250)	1,107,332	(800,126)
Fund Balance - July 1	8,102,464	8,660,182	7,098,932	8,206,264
Fund Balance - June 30	8,660,182	7,098,932	8,206,264	7,406,138
Less Non-Spendable and Assigned	5,209,084	7,098,932	1,864,061	1,664,061
Unassigned Fund Balance	3,451,098	0	6,342,203	5,742,077
Fund Equity Non-Spendable and Assigned				
Non-Spendable for Inventories	75,512	53,413	50,000	50,000
Non-Spendable for Prepaid	1,326,852	602,979	400,000	200,000
Assigned for Building Carryover	790,472	852,564	514,061	514,061
Assigned for Department Carryover	75,739	392,723	0	0
Assigned for Building Staff Carryover	272,322	79,455	0	0
Assigned for Severance Pay	1,174,996	1,227,071	900,000	900,000
Assigned for subsequent year expenditures	1,493,191	3,890,727	0	0
Total Fund Equity Non-Spendable and Assigned		7,098,932	1,864,061	1,664,061

NOTE: The numbers listed here represent estimates to establish the beginning funding levels. Subsequent budgets will more accurately reflect the direction of the general fund.

Traverse City Area Public Schools Foundation Allowance Analysis June 30, 2021

Calculation of Projected FTE Students			2022	2021
February Student Count (actual 2021)	9,154	10%	915	
October Student Count (estimate 2021)	9,361	90%	8,425	
Total Fiscal year FTE	•		9,340	9,589

Total Foundation Allowance Calculation	2022	2021
Total Fiscal year FTE	9,340	9,589
Foundation Amount per Student	8,361	8,111
Total Foundation Allowance	78,091,740	77,776,379

State and Local Portion of Foundation	Current Year	Prior Year
Non-Principal Residence Exemption	2,214,041,475	2,139,665,596
18 mills		
Local Portion of Foundation	39,852,747	38,513,981
State Portion of Foundation	38,238,993	39,262,398

Tuestana Cita Anna Dublia Cabaala					
Traverse City Area Public Scho					
General Fund Budget - Unrestricted Revenues For the Fiscal Years Ending June 30					
r or the result result and an agreement	2020-2021	2021-2022			
Revenue	Amended	Original			
Local Unrestricted	40,095,472	40,190,869			
State Unrestricted	44,422,472	44,459,945			
State Restricted	7,563,971	7,813,944			
Federal Restricted	4,877,798	4,475,151			
Incoming Transfers/Other	4,674,000	3,313,338			
Total Revenues	101,633,713	100,253,247			
Expenditures					
Instruction					
Basic Instruction	52,340,054	52,764,659			
Added Needs	7,804,827	8,235,635			
Total Instruction	60,144,881	61,000,294			
Support					
Pupil	3,277,468	3,416,931			
Instructional Staff	4,118,180	4,219,177			
General Administration	747,641	736,953			
School Administration	7,447,156	7,599,293			
Business Services	2,062,477	2,056,944			
Operations and Maintenance	10,714,931	10,001,424			
Pupil Transportation	5,741,522	6,009,783			
Central Services	3,504,475	3,707,440			
Student Support Services	2,066,319	1,860,508			
Total Support Services	39,680,169	39,608,453			
Community Services	92,452	52,826			
Other Uses - Outgoing Transfers & Other	608,879	391,800			
Total Expenditures	100,526,381	101,053,373			
Excess Revenue/(Expenditures)	1,107,332	(800,126)			
Fund Balance - July 1	7,098,932	8,206,264			
Fund Balance - June 30	8,206,264	7,406,138			
Less Non-Spendable and Assigned	1,864,061	1,664,061			
Unassigned Fund Balance	6,342,203	5,742,077			
	_				
Fund Equity Non-Spendable and Assigned	50.000	50.000			
Non-Spendable for Inventories	50,000	50,000			
Non-Spendable for Prepaids	400,000	200,000			
Assigned for Building Carryover	514,061	514,061			
Assigned for Department Carryover	0	0			
Assigned for Building Staff Carryover	0	0			
Assigned for Severance Pay	900,000	900,000			
Total Fund Equity Non-Spendable and Assigned	1,864,061	1,664,061			

Traverse City Area Public Schools General Fund Budget - Restricted Local Funds For the Fiscal Years Ending June 30 2021-2022 2020-2021 Revenue Amended Original **Local Unrestricted** 95,955 0 State Unrestricted State Restricted Federal Restricted Incoming Transfers/Other 146,570 78,100 Total Revenues 242,525 78,100 **Expenditures** Instruction **Basic Instruction** 11,678 Added Needs 111,581 72,109 **Total Instruction** 123,259 72,109 Support Pupil 44,840 Instructional Staff 3,712 900 **General Administration** 0 0 School Administration 0 0 **Business Services** 0 0 847 **Operations and Maintenance** 0 0 **Pupil Transportation** 0 **Central Services** 0 0 **Student Support Services** 5,812 0 900 **Total Support Services** 55,211 **Community Services** 51,269 1,294 Other Uses - Outgoing Transfers & Other 12,786 3,797 Total Expenditures 242,525 78,100 Excess Revenue/(Expenditures) 0 0

Fund Balance - July 1

Fund Balance - June 30

Unassigned Fund Balance

Less Non-Spendable and Assigned

0

0

0

0

0

0

0

Traverse City Area Public Schools General Fund Budget - Restricted State Funds For the Fiscal Years Ending June 30 2021-2022 2020-2021 Revenue Amended Original **Local Unrestricted** State Unrestricted State Restricted 4,153,124 3,072,816 Federal Restricted Incoming Transfers/Other Total Revenues 4,153,124 3,072,816 **Expenditures** Instruction **Basic Instruction** 391,291 1,550,933 Added Needs 2,141,267 2,532,558 **Total Instruction** 1,550,933 Support Pupil 1,315,715 1,382,559 Instructional Staff 241,517 120,020 **General Administration** 0 0 School Administration 0 0 **Business Services** 0 0 **Operations and Maintenance** 3,777 0 20,751 2,000 **Pupil Transportation Central Services** 0 0 **Student Support Services** 0 0 1,504,579 **Total Support Services** 1,581,760 **Community Services** 1,246 22,976 Other Uses - Outgoing Transfers & Other 15,830 16,058 Total Expenditures 4,153,124 3,072,816 Excess Revenue/(Expenditures) 0 0 Fund Balance - July 1 0 0 Fund Balance - June 30 0 0 Less Reserves and Designations 0 0

Unreserved Fund Balance

0

Traverse City Area Public Schools General Fund Budget - Restricted Federal Funds For the Fiscal Years Ending June 30 2021-2022 2020-2021 Revenue Amended Original **Local Unrestricted** State Unrestricted State Restricted 2,373,956 Federal Restricted 1,875,066 Incoming Transfers/Other Total Revenues 2,373,956 1,875,066 **Expenditures** Instruction **Basic Instruction** Added Needs 774,282 783,321 783,321 **Total Instruction** 774,282 Support Pupil 215,147 49,308 810,519 Instructional Staff 1,031,991 **General Administration** 0 School Administration 0 0 **Business Services** 0 0 **Operations and Maintenance** 0 0 44,250 34,560 **Pupil Transportation Central Services** 61,396 1,159 **Student Support Services** 0 0 1,352,784 895,546 **Total Support Services Community Services** 154,980 113,354 Other Uses - Outgoing Transfers & Other 91,910 82,845 Total Expenditures 2,373,956 1,875,066 Excess Revenue/(Expenditures) 0 Fund Balance - July 1 0 0 Fund Balance - June 30 0 0

Less Non-Spendable and Assigned

Unassigned Fund Balance

0

0

0

Traverse City Public Schools Special Revenue Fund - Food Service Fund For the Fiscal Years Ending June 30

	2018-2019	2019-2020	2020-2021	2021-2022
Revenue	Actual	Actual	Amended	Original
Local	2,100,873	1,598,284	155,225	670,925
State	302,012	291,299	372,032	350,053
Federal	2,164,583	2,319,442	4,312,743	4,749,022
Incoming Transfers and Other	9,999	10,080	10,000	10,000
Total Revenues	4,577,467	4,219,105	4,850,000	5,780,000
Expenditures				
Salaries and Wages	1,233,806	1,416,017	1,357,243	1,480,443
Employee Benefits	700,615	841,602	862,181	974,309
Purchased Services	114,521	116,270	86,346	95,646
Supplies and Other	2,061,663	1,872,902	2,154,230	2,939,602
Capital Outlay	87,514	39,670	30,000	30,000
Operating Transfer	260,000	260,000	260,000	260,000
Total Expenditures	4,458,119	4,546,461	4,750,000	5,780,000
Revenues Over/(Under) Expenditures	119,348	(327,356)	100,000	0
Beginning Fund Balance July 1	629,523	748,871	421,515	521,515
Ending Fund Balance June 30	748,871	421,515	521,515	521,515

NOTE: The numbers listed here represent estimates to establish the beginning funding levels. Subsequent budget amendments will more accurately reflect the direction of the programs listed. The district is exercising the exemption to keep lunch prices the same for 2021-2022.

Traverse City Area Public Schools Special Revenue Fund - Community Service Fund For the Fiscal Years Ending June 30

2018-2019	2019-2020	2020-2021	2021-2022
Actual	Actual	Amended	Original
2,976,743	2,180,881	1,917,266	2,683,111
135,000	189,600	497,854	0
0	0	0	0
120,276	863,033	622,775	392,500
3,232,019	3,233,514	3,037,895	3,075,611
•			
1,456,261	1,602,997	1,355,906	1,395,161
1,171,529	1,361,279	1,274,665	1,314,693
197,599	121,971	93,022	137,650
85,089	220,300	348,593	240,507
5,683	29,777	13,709	12,600
317,787	0	0	0
3,233,948	3,336,324	3,085,895	3,100,611
	Actual 2,976,743 135,000 0 120,276 3,232,019 1,456,261 1,171,529 197,599 85,089 5,683 317,787	Actual Actual 2,976,743 2,180,881 135,000 189,600 0 0 120,276 863,033 3,232,019 3,233,514 1,456,261 1,602,997 1,171,529 1,361,279 197,599 121,971 85,089 220,300 5,683 29,777 317,787 0	Actual Actual Amended 2,976,743 2,180,881 1,917,266 135,000 189,600 497,854 0 0 0 120,276 863,033 622,775 3,232,019 3,233,514 3,037,895 1,456,261 1,602,997 1,355,906 1,171,529 1,361,279 1,274,665 197,599 121,971 93,022 85,089 220,300 348,593 5,683 29,777 13,709 317,787 0 0

(1,929)

223,962

222,033

(102,810)

222,033

119,223

(48,000)

119,223

71,223

(25,000) 71,223

46,223

NOTE: The TCAPS School Service Fund - Community Services is made up of three components: Child Care Programs, LEAP (Learning Enrichment and Athletic Program) and Restricted Federal Funds. A separate breakout of each of these components is included on the pages that follow. The numbers listed here represent estimates to establish the beginning funding levels. Subsequent budget amendments will more accurately reflect the direction of the programs listed.

Revenue Over/(Under) Expenditures

Beginning Fund Balance July 1

Ending Fund Balance June 30

Traverse City Area Public Schools Special Revenue Fund - Community Service Fund - Child Care Programs For the Fiscal Years Ending June 30

	2020-2021	2021-2022
Revenue	Amended	Original
Local	1,687,766	2,328,111
Federal	497,854	0
Intermediate School District		
Incoming Transfers/Other	405,275	200,000
Total Revenues	2,590,895	2,528,111
Expenditures		
Salaries and Wages	1,190,689	1,217,547
Employee Benefits	1,146,987	1,178,914
Purchased Services	22,050	29,550
Supplies and Other	254,169	127,100
Capital Outlay	0	0
Transfer to General Fund and Other	0	0
Total Expenditures	2,613,895	2,553,111
Revenue Over/(Under) Expenditures	(23,000)	(25,000)
Beginning Fund Balance July 1	88,630	65,630
Ending Fund Balance June 30	65,630	40,630

Traverse City Area Public Schools Special Revenue Fund - Community Service Fund - Learning, Enrichment, and Athletic Program For the Fiscal Years Ending June 30

	2020-2021	2021-2022
Revenue	Amended	Original
Local	229,500	355,000
Federal		
Intermediate School District		
Incoming Transfers/Other	217,500	192,500
Total Revenues	447,000	547,500
Expenditures		
Salaries and Wages	165,217	177,614
Employee Benefits	127,678	135,779
Purchased Services	70,972	108,100
Supplies and Other	94,424	113,407
Capital Outlay	13,709	12,600
Transfer to General Fund and Other	0	
Total Expenditures	472,000	547,500
Revenue Over/(Under) Expenditures	(25,000)	0
Beginning Fund Balance July 1	30,593	5,593
Ending Fund Balance June 30	5,593	5,593

Traverse City Public Schools Special Revenue Fund - Student/School Activity Fund For the Fiscal Years Ending June 30

	2018-2019	2019-2020	2020-2021	2021-2022
Revenue	Actual	Actual	Amended	Original
Local		1,787,102	1,100,000	1,500,000
State				
Federal				
Incoming Transfers and Other				
Total Revenues	0	1,787,102	1,100,000	1,500,000
Expenditures				
Salaries and Wages				
Employee Benefits				
Purchased Services				
Supplies and Other		1,623,083	1,100,000	1,500,000
Capital Outlay				
Operating Transfer				
Total Expenditures	0	1,623,083	1,100,000	1,500,000
	•			
Revenues Over/(Under) Expenditures	0	164,019	0	0
Beginning Fund Balance July 1	0	1,187,886	1,351,905	1,351,905
Ending Fund Balance June 30	0	1,351,905	1,351,905	1,351,905

NOTE: This was a new fund for fiscal year 2019-2020 related to the implementation of GASB #84 and the accounting change for student activity funds.



Capital Projects - Summary

	2001 Voter Approval 18 Million Authorization	2004 Voter Approval 42 Million Authorization	2007 Voter Approval 105 Million Authorization	2018 Voter Approval 107 Million Authorization	Total Voter Approval 272 Million Authorization
Bonds Sold	_				
August 29, 2001	10,000,000				10,000,000
June 9, 2004	4,000,000				4,000,000
May 11, 2005		11,000,000			11,000,000
April 10, 2007	4,000,000	5,960,000			9,960,000
May 1, 2008		11,500,000	18,500,000		30,000,000
June 8, 2010		2,150,000	21,100,000		23,250,000
June 28, 2012		2,800,000	8,200,000		11,000,000
June 24, 2014		1,850,000	11,650,000		13,500,000
May 26, 2016		6,736,013	20,656,428		27,392,441
May 23, 2018			12,397,111		12,397,111
May 16, 2019			12,492,837	22,400,552	34,893,389
May 20, 2021				42,499,894	42,499,894
Unsold		3,987	3,624		7,611
Sub-Total	18,000,000	42,000,000	105,000,000	64,900,446	229,900,446
Projected Bond Sales	-				
May 2023				21,000,000	21,000,000
May 2025				21,099,554	21,099,554
Total	18,000,000	42,000,000	105,000,000	107,000,000	272,000,000

Capital Projects 2018 Bond Sale

Revenue		
	12,430,945	Bond Sale
	356,574	Earnings on Investments
	12,787,519	
Expenditures		
	0	Unallocated funds
	24,129	Montessori - design and planning
	969,942	Secondary - classroom and common area furniture
	11,821	Sabin - building abatement
	1,450,855	Silver Lake - interior renovation and vehicular entry
	240,340	Long Lake - interior renovation
	1,709,604	Willow Hill - interior renovation and boiler replacement
	168,464	Traverse City High School - interior renovation
	93,505	West Middle School - interior renovation design
	79,269	West Middle School - athletic field drainage
	17,938	Oak Park - interior renovation
	326,201	Security equipment upgrade
	25,627	Transportation building - interior renovations
	46,893	Courtade - interior renovation design and site improvements
	31,121	Eastern - interior renovation design and site improvements
	35,370	Playground upgrades
	275,316	Security hardware, doors hardware and radio equipment
	1,990,896	Bus replacement
	4,305,229	Technology projects (fiber, cabling, electronics, laptop and Chromebook replacement, projectors, servers, communications equipment, and infrastructure upgrades)
	299,726	Facilities equipment
	385,025	Physical education facilities - please see detailed project list
	184,479	Visual, performing and applied arts - please see detailed project list
	2,900	Annual audit cost
	112,869	Bond sale costs
	0	Arbitrage calculation and reserve for arbitrage liability
	12,787,519	

All project actual expenditures and budgeted expenditures as of June 04, 2021

Capital Projects 2019 Bond Sale

Revenue		
	34,970,609	Bond Sale
	730,150	Earnings on Investments
	35,700,759	
Expenditures		
	0	Unallocated funds
	3,900,000	Montessori - new building construction
		Courtade Elementary - interior renovation and roof replacement
	1,250,000	Westwoods Elementary - interior renovation
	1,000,000	Blair Elementary - interior renovation
	448,447	Central Grade Elementary - interior renovation and building sewer connection
	2,700	Traverse Heights Elementary - interior renovation and site improvements
	1,847,812	Cherry Knoll Elementary - classroom addition
	30,500	Cherry Knoll Elementary - office entry and interior renovation design
	23,000	Long Lake Elementary - office entry and interior renovation design
	36,100	Traverse City High School - office entry and interior renovation design
	5,744,769	West Middle School - interior renovation, roof replacement and exterior renovation
	65,200	East Middle School - office entry and interior renovation design
	9,000,000	Central High School - athletic complex
	50,000	Central High School - interior renovation design
	591,833	West High School - auditorium upgrade (lighting)
	72,519	West High School - interior renovation and library upgrade
	192,100	West High School - athletic complex design
	328,777	Master clock - upgrade
	1,060,148	Secondary - classroom and common area furniture
	87,779	Planning, assessment and capital project costing services
	1,175,186	Thirlby Field - site improvements
	1,411,000	Willow Hill - interior renovations
	155,000	Westwooods - classroom addition design
	90,000	Playground upgrades
	50,000	Security hardware and door hardware
	1,060,433	Bus replacement
	3,865,142	Technology projects (fiber, cabling, electronics, laptop and Chromebook replacement, projectors, servers, communications equipment, and infrastructure upgrades)
	150,274	Facilities equipment
	202,975	Physical education facilities - please see detailed project list
	150,331	Visual, performing and applied arts - please see detailed project list
	2,900	Annual audit cost
	210,714	Bond sale costs
		Arbitrage calculation and reserve for arbitrage liability
	35,700,759	

All project actual expenditures and budgeted expenditures as of June 04, 2021

Capital Projects 2021 Bond Sale

Revenue		
	42,617,120	Bond Sale
	0	Earnings on Investments
	42,617,120	
Expenditures		
	0	Unallocated funds
	21,800,000	Montessori - new building construction
	900,000	Willow Hill Elementary - interior renovation
	3,650,000	Westwoods Elementary - classroom addition
	1,100,000	East Middle School - office entry and interior renovations
	575,000	Traverse City High School - office entry and interior renovations
	450,000	Cherry Knoll Elementary - office entry and interior renovations
	275,000	Long Lake Elementary - office entry and interior renovations
	750,000	Central High School - security and interior renovations
	550,000	West High School - office entry and interior renovations
	6,411,500	West High School - athletic complex
	650,000	West High School - auditorium renovations
	280,000	Transportation - bus wash and site improvements
	225,000	Printing department - equipment
	650,000	Security equipment upgrade
	70,000	Playground upgrades
	1,000,000	Bus replacement
	2,000,000	Technology projects (fiber, cabling, electronics, laptop and Chromebook replacement, projectors, servers, communications equipment, and infrastructure upgrades)
	300,000	Facilities equipment
	400,000	Physical education facilities - please see detailed project list
	300,000	Visual, performing and applied arts - please see detailed project list
	2,900	Annual audit cost
	277,720	Bond sale costs
	0	Arbitrage calculation and reserve for arbitrage liability
	42,617,120	

All project actual expenditures and budgeted expenditures as of June 04, 2021

Bond Programming & Facility Planning Forecasted Project Planning									
Sequence Number	Bond Project Description & Status	Projected Construction Year	Funding Source	Allocation Amount	Preliminary Estimate	Actual Amount	Current State	Estimated Occupancy	Next Action Required
1	Courtade Building Construction / Addition in preparation of Bertha Vos students attending Courtade	Nov 2007- August 2008	2004	\$2,220,000	\$2,100,000	\$1,742,316	Completed	Sep-08	Completed
2	Willow Hill Building Construction / Addition in preparation of Norris students attending Willow Hill	Dec 2007- August 2008	2004	\$2,440,000	\$2,330,000	\$2,199,700	Completed	Sep-08	Completed
3	Cherry Knoll complete building Reconstruction Project - architectural design, engineering and construction planning	Oct 2007-April 2008	2004		NA		Completed	NA NA	Completed
4	Cherry Knoll complete building Reconstruction Project - demolition, construction and furnishings of building	June 2008- August 2009	2004	\$8,700,000	\$8,300,000	\$7,218,019	Completed	Aug-09	Completed
5	West Senior High - interior room renovations in preparation for changing graduation requirements, middle school conversion and transition requirements	Nov 2007- August 2008	2007	\$628,350	\$662,200	\$668,411	Completed	Sep-08	Completed
6	Renovations in preparation for changing graduation requirements, middle school conversion and transition requirements (renovate 2 science lab spaces)	Nov 2007- August 2008	2007	\$699,500	\$650,000	\$691,710	Completed	Sep-08	Completed
7	Traverse City High School Building Addition Project to support science lab requirements, activity spaces and art programs - design and engineering completed on science portion only	Oct 2007-Sept 2008	2007	\$2,000,000	\$1,075,000	\$1,003,192	Completed	Sep-08	Completed
8	Central High School - Parking Lot complete resurfacing project including asphalt, curbs, gutter, sidewalk and approaches	Dec 2007- August 2008	2007	\$1,100,000	\$1,000,000	863,817	Completed	Sep-08	Completed
9	Central High School - Building Addition Project for Physical Education and Athletic Programs. Building addition project facilitates/supports graduation requirement changes, grade configurations and change in athletic seasons. Scope includes addition for physical education including weight room, aerobics, wrestling room, locker room, connecting corridor. Architectural / engineering and design development.	Jan 2008-Sept 2008	2007				Completed	Aug-09	Completed
10	Central High School - building addition project for physical education and athletic programs. Building addition project facilitates/supports graduation requirement changes, grade configurations and change in athletic seasons. Scope includes addition for physical education including weight room, aerobics, wrestling room, locker room, connecting corridor. Construction of facility and furnishings	2009	2007	\$3,544,600	\$3,544,600	\$3,339,540	Completed	Sep-09	Completed
	West Senior High - athletic addition encompassing auxiliary gym space, locker space, storage and office								
11	components (east master plan addition) Perimeter Security System, Phase I, for	2008/2009	2007	\$3,500,000	\$3,500,000	\$3,125,995	Completed	Sep-09	Completed
13	all secondary school locations East Middle School - Main Entry / Office configuration changes to provide greater monitoring and line of sight	2009	2007	\$1,090,000 \$400,000	\$990,000 \$250,000	\$984,370 \$226,222	Completed Completed	Oct-09 Sep-09	Completed Completed
14	West Middle School - complete site work re-evaluation, redesign and improved site changes	2009	2007	\$2,000,000	\$2,000,000	\$2,027,789	Completed	Sep-09	Completed
15	Central Grade - remodel four classrooms.	Jan-Sept 2009	2004	\$200,000	\$200,000	\$172,063	Completed	Sep-09	Completed
16	Video recording and tracking equipment	2009	2007	\$300,000	\$300,000	\$257,461	Completed	NA	Completed

COLOR CODE KEY:					
	Completed				
	Project planning/research				
	Project approved; competitive bidding				
	Project approved; construction underway				

Updated June 2021 7.5

		Bone		mming & Fa	acility Planr Planning	ning			
Sequence Number	Bond Project Description & Status	Projected Construction Year	Funding Source	Allocation Amount	Preliminary Estimate	Actual Amount	Current State	Estimated Occupancy	Next Action Required
17	Collator	2009	2007	\$125,000	\$125,000	\$89,450	Completed	Apr-09	Completed
18	Fuel Island Reconstruction	2009	2007	\$400,000	\$400,000	\$420,770	Completed	Sep-09	Completed
19	Unallocated Funds 2004 Voter Authorization	NA	2004	\$0	NA	NA	Completed	NA	Completed
20	Unallocated Funds 2007 Voter Authorization	NA	2007	\$0	NA	NA	Completed	NA	Completed
21	Central High School bleacher replacement, press box, and entry site modifications.	June-August 2009	2007	\$200,000	\$200,000	Contract Agreement offset between WSH & CHS \$209,559	Completed	Sep-09	Completed
22	Create a soccer official game field at West Senior High. In addition, bleachers, supportive infrastructure, and field lighting.	June-August 2009	2004	\$350,000	\$350,000	\$309,283	Completed	Sep-09	Completed
00	Visual and Performing Arts installation of new dust collection systems and	2011	0007	* 450.000	* 450.000	* 400.044	Commisted	0 44	Commisted
23	upgraded ventilation systems	2011	2007	\$150,000	\$150,000	\$136,014	Completed	Sep-11	Completed
24	Long Lake Elementary Reconstruction Data Center Project - conversion of the existing Sabin Elementary School gymnasium into the TCAPS Data/Communications Center	2010/2011	2007	\$9,500,000 \$3,200,000	\$9,200,000	8,916,958 \$2,959,233	Completed	Sep-11	Completed
25 26	Griffin Street - Improve the traffic issues at Montessori @ Glenn Loomis Elementary School.	2009	2007	\$60,000	\$3,200,000 \$55,000	\$53,745	Completed	Aug-11 Sep-09	Completed
27	Access Control & Video Surveillance Security System - Phase II	2011	2007	\$1,800,000	\$1,800,000	\$1,775,687	Completed	Nov-11	Completed
	Phase III Wireless Point to Point System redundancy for wireless tower, along with bandwidth upgrades to Ceragon Radio	2011							
28	communications from Phase I & II.	2011	2007	\$337,886	\$350,000	\$346,621	Completed	Sep-11	Completed
29	Interior Gym Renovation to (old) small gym-CHS	2011	2007	\$53,000	\$53,000	\$48,566	Completed	Jul-11	Completed
30	Construction of Track/Football Buildings/Entrance/Ticket Booth-CHS	2011	2007	\$158,000	\$158,000	\$146,827	Completed	Jul-11	Completed
31	Construction and installation of 500 seat bleacher system, press box and concessions at EMS & WMS	2010/2011	2007	\$354,300	\$354,300	\$353,984	Completed	Jul-11	Completed
32	Complete Gymnasium Lighting Retrofit at WSH	2010	2007	\$48,200	\$48,200	\$45,182	Completed	Sep-10	Completed
	Installation of J-drain Site Drainage System at WSH Soccer Field	2010					Completed		Completed
33	Conversion of existing analog phone system to complete voice over internet	2010	2007	\$22,500	\$22,500	\$19,185	Completed	Aug-10	Completed
34	protocol Complete (large and small) Gymnasium	2013	2007	\$1,800,000	\$1,000,000	\$782,161	Completed	Dec-13	Completed
35	Lighting Retrofit at EMS Central Grade School 2011 Classroom	2010	2007	\$39,000	\$39,000	34,969	Completed	Sep-10	Completed
36	Renovation	2011	2007	\$200,000	\$116,567	\$108,399	Completed	Sep-11	Completed
37	Energy efficient lighting upgrades at Central High School, West Middle School and Traverse City High School.	2011	2007	\$200,000	\$167,069	\$166,991	Completed	Nov-11	Completed
38	Technology office relocation to Sabin Complex	2011	2007	\$150,000	\$150,000	\$86,394	Completed	Oct-12	Completed
39	Re-roofing project for Central Grade, Willow Hill and Traverse City High School	2011	2007	\$700,000	\$600,000	\$594,782	Completed	Sep-11	Completed
40	East Middle School interior finishes: upgrade flooring and paint	2011	2007	\$275,000	\$245,414	\$242,815	Completed	Sep-11	Completed

COLOR CC	DDE KEY:
	Completed
	Project planning/research
	Project approved; competitive bidding
	Project approved; construction underway

	Bond Programming & Facility Planning Forecasted Project Planning										
		Projected									
Sequence Number	Bond Project Description & Status	Construction Year	Funding Source	Allocation Amount	Preliminary Estimate	Actual Amount	Current State	Estimated Occupancy	Next Action Required		
41	East Middle School driveway and parking lot improvements	2011	2007	\$185,000	\$151,205	\$151,205	Completed	Oct-11	Completed		
42	Willow Hill Flooring: replace all existing asbestos tile hallway flooring in old existing building	2012	2007	\$186,000	\$186,000	\$79,646	Completed	Sep-12	Completed		
43	Complete mechanical controls replacement to all new building automation system, which is Johnson Controls Metasys at Central High School VPAA Project: WSH Mezzanine for	2012	2007	\$460,000	\$460,000	\$397,426	Completed	Oct-12	Completed		
44	scene shop	2012	2007	\$80,000	\$85,000	\$53,945	Completed	Sep-12	Completed		
45	Office Renovation at Administration Building	2011	2007	\$20,000	\$15,000	\$13,806	Completed	Dec-11	Completed		
46	Purchase of copiers for district to eliminate leased copiers	2012	2007	\$460,000	\$460,000	\$460,000	Completed	Feb-12	Completed		
40	Phase III Access Control Security System Project for Eastern, Montessori, Bertha Vos and Interlochen	2042	2007	\$ 500,000	\$ 500,000	0540.740	Commission d	0 40	0		
48	vos and interiocnen	2012	2007	\$500,000	\$500,000	\$513,713	Completed	Sep-12	Completed		
49	Blair, Silver Lake, Westwoods: Crack Fill and Seal Coal Driveways and parking lots	2013	2007	\$60,000	\$55,000	\$48,097	Completed	Sep-13	Completed		
50	CHS: replace three main heat pumps supporting auditorium and replace 1 heat pump supporting network communications room	2014	2007	\$200,000	\$180,000	\$137,007	Completed	Oct-13	Completed		
51	Silver Lake flooring: replacement of all classroom flooring	2013	2007	\$150,000	\$100,000	\$42,890	Completed	Oct-13	Completed		
52	Bertha Vos New Flooring	2012	2007		\$95,000		Completed	Sep-12	Completed		
53	Bertha Vos Wall Finishes/Painting	2012	2007		\$45,000		Completed	Sep-12	Completed		
54	Bertha Vos General Trades Work	2012	2007		\$35,000		Completed	Sep-12	Completed		
55	Bertha Vos Site Repaving	2012	2007	All Bertha Vos Projects are being	\$55,000		Completed	Aug-12	Completed		
56	Bertha Vos Food Service Equipment	2012	2007	funded from the \$900,000	\$65,000	\$529,893	Completed	Aug-12	Completed		
57	Bertha Vos Phones	2012	2007	Bond allocation	\$38,000		Completed	Aug-12	Completed		
58	Bertha Vos Wireless Point to Point Communications Tower	2012	2007		\$150,000		Completed	Aug-12	Completed		
59	Bertha Vos Playground	2012	2007		\$45,000		Completed	Aug-12	Completed		
	WSH mechanical controls eplacement to Metasys Automation. Current system is										
60	unsupported. WMS mechanical controls replacement	2013	2007	\$400,000	\$400,000	\$373,958	Completed	Nov-13	Completed		
61	to Metasys Automation. Current system is unsupported.	2014	2007	\$435,000	\$435,000	\$413,387	Completed	Nov-14	Completed		
	Phase IV video security installation for Interlochen, Glenn Loomis and Eastern			\$450,000			Completed				
62	Elementary Schools. Energy efficiency projects, Phase II and III: CO, WW, SL, BL, CE, OP, WH and Administration	2013	2007	\$450,000	\$380,000 \$720,000	\$325,929 \$370,396	Completed Completed	Oct-13 2013-2014	Completed Completed		
64	West Senior High School Track Resurfacing	2013	2007	\$200,000	\$170,000	\$138,574	Completed	Sep-13	Completed		
65	West Senior High School Tennis Court Resurfacing	2013	2007	\$160,000	\$90,000	\$62,612	Completed	Sep-13	Completed		
66	Central High School Motorized Scrim	2013	2007	\$80,000	\$72,000	\$61,106	Completed	Sep-13	Completed		
67	Montessori @ Glenn Loomis: Complete replacement of old existing roof. Existing roof is failing.	2013	2007	\$450,000	\$425,000	\$327,750	Completed	Oct-13	Completed		

COLOR CODE KEY:								
	Completed							
	Project planning/research							
	Project approved; competitive bidding							
	Project approved; construction underway							

	Bond Programming & Facility Planning Forecasted Project Planning										
Sequence Number	Bond Project Description & Status	Projected Construction Year	Funding Source	Allocation Amount	Preliminary Estimate	Actual Amount	Current State	Estimated Occupancy	Next Action Required		
	West Senior High School heat pump replacement (36 Heat Pumps to be										
68	replaced throughout the school) VPAA project at West Middle School kiln:	2013	2007	\$700,000	\$550,000	\$400,524	Completed	Oct-13	Completed		
69	burner upgrades	2013	2007	\$15,000	\$15,000	\$10,407	Completed	Dec-13	Completed		
70	VPAA West Senior High motorized scrim	2013	2007	\$80,000	\$80,000	\$66,212	Completed	Apr-13	Completed		
71	Radio Purchase	2013	2007	\$55,000	\$55,000	\$54,829	Completed	Oct-13	Completed		
72	Blair Elementary addition - preschool classrooms	2013/2014	2007	\$2,215,000	\$1,800,000	\$1,542,923	Completed	Sep-14	Completed		
73	Central Grade School 2014 Classroom Renovation	2014	2004	\$300,000	\$265,000	\$152,608	Completed	Sep-14	Completed		
74	VPAA: CHS & WMS locker storage for musical instruments	2014	2007	\$170,000	\$170,000	\$146,643	Completed	Sep-14	Completed		
75	Athletics: New scoreboards for field facilities	2014	2007	\$220,000	\$310,000	\$294,191	Completed	Sep-14	Completed		
76	Interlochen gym floor replacement	2014	2007	\$75,000	\$75,000	\$69,046	Completed	Jan-15	Completed		
77	Eastern roof replacement	2014	2007	\$450,000	\$450,000	\$361,837	Completed	Sep-14	Completed		
78	Interlochen roof replacement	2014	2007	\$450,000	\$450,000	\$376,934	Completed	Sep-14	Completed		
79	West Senior High School flooring replacement in classrooms, corridors, main and counseling offices	2014	2007	\$650,000	\$450,000	\$406,940	Completed	Sep-14	Completed		
80	Thirlby Field bleacher replacement	2015	2007	\$400,000	\$156,000	\$201,184	Completed	Aug-15	Completed		
81	Eastern Elementary: PA System Replacement	2014	2007	\$15,000	\$15,000	\$11,110	Completed	Mar-15	Completed		
82	Interlochen Elementary: PA System Replacement	2014	2007	\$15,000	\$15,000	\$7,500	Completed	Mar-15	Completed		
83	Central Grade Elementary: PA System Replacement	2017	2004	\$35,000	\$28,400	TBD	Completed	Aug-17	Completed		
84	Purchase of 45 new security cameras to replace obsolete Pelco cameras	2014	2007	\$35,000	\$35,000	\$34,291	Completed	Oct-14	Completed		
85	Willow Hill Roof Drains	2014	2007	\$30,000	\$30,000	\$26,817	Completed	Sep-14	Completed		
86	Safety and Security - The Boot System	2014	2007	\$485,000	\$485,000	\$467,114	Completed	Oct-14	Completed		
87	VPAA Central High School Production Studio	2014	2007	\$70,000	\$85,000	\$82,202	Completed	Oct-14	Completed		
88	VPAA West Senior High auditorium light board	2014	2007	\$12,000	\$11,500	\$11,273	Completed	Aug-14	Completed		
89	Central High School renovation and infrastructure upgrades to existing auditorium space	2015	2007	\$2,700,000	\$2,750,000	\$2,711,472	Completed	Dec-15	Completed		
90	Blair Elementary classroom and corridor flooring replacement	2015	2007	\$180,000	\$110,000	\$101,804	Completed	Aug-15	Completed		
91	Fingerprint equipment	2015	2007	\$11,500	\$11,500	\$11,170	Completed	Jul-15	Completed		
92	Westwoods Elementary PA system replacement	2015	2007	\$15,000	\$15,000	\$7,395	Completed	Jul-15	Completed		
93	Silver Lake Elementary PA system replacement	2015	2007	\$10,000	\$10,000	\$8,550	Completed	Sep-16	Completed		
94	Central High School track resurfacing	2015	2007	\$181,200	\$160,000	\$158,390	Completed	Jul-15	Completed		
95	West Senior High track bleachers and press box	2015	2007	\$350,000	\$154,200	\$153,873	Completed	Jun-15	Completed		

COLOR CODE KEY:							
	Completed						
	Project planning/research						
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	Project approved; construction underway						

	Bond Programming & Facility Planning Forecasted Project Planning										
Sequence Number	Bond Project Description & Status	Projected Construction Year	Funding Source	Allocation Amount	Preliminary Estimate	Actual Amount	Current State	Estimated Occupancy	Next Action Required		
96	Central High School weight room HVAC	2015	2007	\$12,000	\$12,000	\$10,841	Completed	Aug-15	Completed		
97	Cherry Knoll Elementary window weathering	2015	2007	\$11,380	\$11,380	\$11,380	Completed	Aug-15	Completed		
98	Central Grade Elementary LED lighting and ceiling upgrades	2015	2004	\$35,000	\$35,000	\$31,120	Completed	Sep-15	Completed		
	Eastern Elementary, Central Grade, East Middle School, Central High School and West Senior High exterior door										
99	replacement	2015	2007	\$170,000	\$170,000	\$168,918	Completed	Sep-15	Completed		
100	Central High School reconstruction of utility tunnel sections and removal of abandoned utilities	2015	2007	\$450,000	\$250,000	\$190,747	Completed	Sep-15	Completed		
101	Blair Elementary PA system replacement	2016	2004	\$15,000	\$15,000	\$9,972	Completed	May-16	Completed		
102	Traverse Heights PA system replacement	2016	2007	\$15,000	\$15,000	\$11,995	Completed	Jun-16	Completed		
103	Courtade Elementary PA system replacement	2016	2007	\$10.000	\$10,000	\$9,075	Completed	Sep-16	Completed		
104	East Middle School PA system replacement	2017	2007	\$20,000	\$22,500	\$22,500	Completed	Apr-18	Completed		
105	Willow Hill Elementary PA system replacement	2016	2007	\$10,000	\$10,000	\$9,500	Completed	Sep-16	Completed		
106	Central Grade Elementary - classroom renovations	2016	2004	\$96,000	\$96,000	\$60,082	Completed	Jan-17	Completed		
107	Eastern Elementary site paving	2015	2007	\$75,000	\$75,000	\$64,571	Completed	Sep-15	Completed		
108	Secondary sites storage containers	2016	2007	\$50,000	\$50,000	\$43,224	Completed	Nov-15	Completed		
109	East Middle School dish washer	2016	2007	\$21,000	\$21,000	\$20,562	Completed	Sep-15	Completed		
110	West High School gym sound equipment	2015	2004	\$12,000	\$12,000	\$11,487	Completed	Jan-15	Completed		
111	West High School indoor batting cage	2016	2004	\$10,000	\$10,000	\$10,000	Completed	Apr-16	Completed		
112	Blair Elementary fire alarm	2016	2007	\$35,000	\$35,000	\$31,441	Completed	Sep-16	Completed		
113	Cherry Knoll Elementary parking and access improvements	2016	2007	\$225,000	\$230,000	\$228,275	Completed	Sep-16	Completed		
114	Cherry Knoll Elementary classroom renovation	2016	2007	\$50,000	\$50,000	\$42,440	Completed	Sep-16	Completed		
115	Silver Lake Elementary - mechanical controls system	2017	2007	\$129,500	\$129,500	\$129,500	Completed	Dec-17	Completed		
116	Maintenance building office renovation	2016	2007	\$125,000	\$125,000	\$124,998	Completed	Sep-17	Completed		
117	Physical Education Facility - field and site improvements EMS,WMS, CSH & WSH Energy and electrical upgrades LED	2017	2007	\$100,000	\$100,000	\$91,949	Completed	Jun-18	Completed		
118	lighting West High School, East Middle School, Traverse Heights and Transportation	2016	2007	\$350,000	\$249,604	\$60,760	Completed	Sep-16	Completed		
119	Secondary classroom and common area furniture and fixtures	2014	2007	\$800,000	\$126,798	\$126,798	Completed	Sep-16	Completed		
120	West High School site Improvements	2016	2007	\$30,000	\$30,000	\$18,917	Completed	Sep-16	Completed		
121	East Middle School mechanical controls system and condensers and coils	2016	2007	\$600,000	\$600,000	\$588,557	Completed	Sep-16	Completed		
122	East Middle School roof replacement	2016	2007	\$975,000	\$975,000	\$680,907	Completed	Sep-16	Completed		
123	East Middle School locker room and interior renovation	2016	2007	\$800,000	\$800,000	\$824,852	Completed	Sep-16	Completed		
124	East Middle School - tennis court and site improvement	2017	2007	\$80,000	\$80,000	\$63,178	Completed	Sep-18	Completed		
125	West Middle School - master clock and paging system	2017	2007	\$250,000	\$80,000	\$79,635	Completed	Sep-17	Completed		

COLOR CO	DDE KEY:
	Completed
	Project planning/research
	Project approved; competitive bidding
	Project approved; construction underway

	Bond Programming & Facility Planning Forecasted Project Planning											
Sequence Number	Bond Project Description & Status	Projected Construction Year	Funding Source	Allocation Amount	Preliminary Estimate	Actual Amount	Current State	Estimated Occupancy	Next Action Required			
126	Bertha Vos Elementary - Classroom Renovation	2016	2007	\$80,000	\$80,000	\$72,525	Completed	Mar-17	Completed			
127	West Middle School - Tennis Courts	2016	2007	\$85,000	\$85,000	\$88,542	Completed	Dec-16	Completed			
128	West Senior High - Athletic Field site improvement	2016	2007	\$80,000	\$80,000	\$56,463	Completed	Jan-17	Completed			
129	Physical Education Facility - site improvements and equipment purchase	2016	2007	\$75,000	\$75,000	\$61,861	Completed	May-17	Completed			
130	Transportation - flooring replacement	2016	2007	\$20,000	\$20,000	\$9,230	Completed	Sep-16	Completed			
131	Traverse City High School - PE field Silver Lake Elementary - classroom	2017	2007	\$25,000	\$21,127	\$21,127	Completed	Aug-17	Completed			
132	additions and land purchase	2017	2007	\$1,800,000	\$1,800,000	\$1,685,500	Completed	Dec-17	Completed			
133	Central Grade - building renovations	2017	2004/2007	\$300,000	\$300,000	\$258,099	Completed	Sep-17	Completed			
134	Central Grade - Abatement project	2017	2007	\$200,000	\$200,000	\$192,744	Completed	Sep-17	Completed			
135	Thirlby Field - Site upgrades	2017	2007	\$210,000	\$210,000	\$204,547	Completed	Aug-18	Completed			
136	Door Hardware, Security Hardware, Radio Equipment, Fire Alarm and E911	2016/2017	2007	\$335,000	\$335,000	\$270,525	Completed	Sep-19	Completed			
137	Physical Education Facility - WMS Site improvements and CSH equipment purchase	2016	2004	\$30,000	\$30,000	\$26,260	Completed	Nov-16	Completed			
400	Video Recorder Server	0047	0007	#000 000	#000 000	#454 000	Completed	0-4.47	Completed			
138	District copier replacement	2017	2007	\$230,000 \$550,000	\$230,000 \$550,000	\$151,392 \$372,756	Completed Completed	Oct-17 Sep-17	Completed			
	Willow Hill Elementary - site and						,					
140	classroom flooring upgrade Eastern Elementary - reconstruction, construction manager, equipment,	2017	2007	\$50,000	\$50,000	\$32,959	Completed	Sep-17	Completed			
141	abatement and demolition	2017	2004/2007	\$16,500,000	\$16,500,000	\$16,347,308	Completed	Aug-18	Completed			
142	Transportation - overhead garage doors and site approach paving	2017	2007	\$90,000	\$90,000	\$62,832	Completed	Aug-16	Completed			
143	Transportation - bus hoist	2017	2007	\$90,000	\$90,000	\$90,155	Close out	Aug-17	Completed			
144	Central Grade freezer	2016	2007	\$25,000	\$25,000	\$22,637	Completed	Sep-16	Completed			
145	CSH - Portable Backstop System	2017	2007	\$50,000	\$50,000	\$48,717	Contract award	Sep-17	Completed			
146	West Senior High - Cooling Tower	2018	2007	\$225,000	\$225,000	\$177,186	Completed	May-19	Completed			
147	Playground Equipment	2018	2007	\$165,000	\$165,000	\$160,073	Completed	Sep-18	Completed			
148	Cafeteria Tables	2018	2007	\$160,000	\$16,000	\$149,821	Completed	May-19	Completed			
149	Boardman - site work and parking Lot	2018	2007	\$50,000	\$50,000	\$49,457	Completed	Oct-18	Completed			
150	Boardman - technology improvements	2019	2007	\$24,000	\$24,000	\$23,668	Completed	May-19	Completed			
151	West High School - stage pit cover and extension	2017	2007	\$80,000	\$75,000	\$70,992	Completed	Sep-17	Completed			
152	Central High School - library renovation	2018	2007	\$115,000	\$115,000	\$110,787	Completed	Sep-18	Completed			
153	West High School - east athletic entrance renovation	2018	2007	\$70,000	\$70,000	\$69,882	Completed	Sep-18	Completed			
154	Athletic field and site improvements	2018	2007	\$85,000	\$85,000	\$82,805	Completed	May-19	Completed			
155	West High School - athletic parking lot and site improvement	2018	2007	\$140,000	\$140,000	\$138,153	Completed	Sep-18	Completed			
	Secondary instructional classroom	l	1		l	1	1		1			

Clementary instructional cle furniture ODE KEY: Completed Project approved; competitive bidding Project approved; construction underway 7.10 Updated June 2021

\$2,100,000

\$900,000

\$2,100,000

\$900,000

\$2,024,548 Completed

Planning

TBD

Sep-19

TBD

Completed

Planning

2019

2023

2007/2018

2018

Secondary instructional classroom

Elementary instructional classroom

156

157 COLOR

furniture

	Bond Programming & Facility Planning Forecasted Project Planning											
Sequence Number	Bond Project Description & Status	Projected Construction Year	Funding Source	Allocation Amount	Preliminary Estimate	Actual Amount	Current State	Estimated Occupancy	Next Action Required			
158	Silver Lake vehicular entry	2019	2007	\$400,000	\$400,000	\$351,921	Completed	Sep-19	Completed			
159	Sliver Lake interior renovations	2019	2007	\$1,200,000	\$1,200,000	\$1,098,934	Completed	Sep-19	Completed			
160	Long Lake interior renovations	2019	2007	\$300,000	\$300,000	\$240,340	Completed	Sep-19	Completed			
161	Willow Hill interior renovations, boiler replacement and site improvements	2019	2007	\$1,800,000	\$1,800,000	\$1,709,604	Completed	Sep-19	Completed			
162	West Middle School interior renovations, roof and site improvements	2019	2018	\$4,100,000	\$4,100,000	\$3,785,099	Completed	Sep-19	Completed			
163	Courtade interior renovations	2019	2007	\$1,600,000	\$1,600,000	\$1,492,012	Completed	Sep-19	Completed			
164	West High School - auditorium lighting	2019	2018	\$650,000	\$650,000	\$591,833	Completed	Sep-19	Completed			
165	West High school library renovation	2019	2018	\$100,000	\$100,000	\$72,519	Completed	Sep-19	Completed			
166	Westwoods interior renovations	2020-2021	2007	\$1,250,000	\$1,250,000	\$1,250,000	Contract Award	Dec-20	Construction			
167	Blair Elementary interior renovations	2020-2021	2007	\$1,000,000	\$1,000,000	\$1,000,000	Contract Award	Dec-20	Construction			
168	Security camera, radio, doors and hardware upgrades	2019-2021	2007/2018	\$480,000	\$480,000	\$275,316	Completed	Jun-21	Completed			
169	Montessori - new school building	2020-2022	2007/2018	\$26,000,000	\$26,000,000	TBD	Contract Award	Aug-22	Construction			
170	Cherry Knoll classroom addition	2020	2007	\$2,000,000	\$2,000,000	\$1,847,812	Completed	Sep-20	Completed			
171	Traverse City High School interior renovations	2020	2007	\$200,000	\$200,000	\$168,464	Completed	Sep-21	Completed			
172	Playground improvements	2019-2022	2007/2018	\$120,000	\$120,000	TBD	Planning	TBD	Design			
173	Security system upgrade - phase I	2020	2018	\$400,000	\$400,000	\$326,200	Completed	Sep-20	Completed			
174	Central High School - Athletic Complex	2020-2021	2018	\$9,000,000	\$9,000,000	\$9,000,000	Contract Award	Sep-21	Construction			
175	Thirlby field site improvement	2020	2018	\$1,200,000	\$1,200,000	\$1,032,746	Completed	Oct-21	Completed			
176	Parking lot improvements - Courtade	2020	2007	\$25,000	\$25,000	\$10,500	Completed	Sep-20	Completed			
178	Central Grade interior renovations	2020	2018	\$400,000	\$400,000	\$373,447	Completed	Sep-20	Completed			
179	Master clock upgrade	2019/2020	2018	\$350,000	\$350,000	\$328,777	Completed	Nov-21	Completed			
180	Transportation interior renovations	2019	2007	\$50,000	\$50,000	\$25,627	Completed	TBD	Completed			
181	Willow Hill interior phase II and site improvements	2020-2021	2007	\$1,350,000	\$1,350,000	\$1,350,000	Construction	Sep-20	Final close out			
182	West Middle School - interior renovations	2020	2018	\$2,000,000	\$2,000,000	\$2,000,000	Construction	Sep-20	Final close out			
183	West Middle School gym bleachers	2020	2007	\$140,000	\$140,000	\$131,495	Completed	Sep-20	Completed			
184	West Middle School athletic field irrigation upgrade	2020	2007	\$95,000	\$95,000	\$85,000	Construction	Jul-21	Final close out			
185	Central Grade - sewer connection	2021	2018	\$75,000	\$75,000	TBD	Planning	Aug-21	Bidding			
185	Security system upgrade - phase II	2021	2018	\$650,000	\$650,000	TBD	Contract Award	Oct-21	Equipment delivery			
186	Willow Hill interior phase III	2021	2018	\$961,000	\$961,000	TBD	Contract Award	Oct-21	Construction			
187	Westwoods classroom addition	2021	2018	\$3,805,000	\$3,805,000	TBD	Contract Award	Oct-21	Construction			

COLOR CO	DDE KEY:
	Completed
	Project planning/research
	Project approved; competitive bidding
	Project approved; construction underway

Bond Programming & Facility Planning Forecasted Project Planning

Sequence Number Bond Project Description & Status Construction Year Source Amount Estimate Amount State Occupancy Re East Middle School - office/entry renovation 2021 2018 \$1,162,250 \$1,162,250 TBD Contract Award Oct-21 Construction Cherry Knoll Elementary - office/entry renovation 2021 2018 \$480,500 \$480,500 TBD Contract Award Oct-21 Construction 2021 2018 \$298,000 \$298,000 TBD Contract Award Oct-21 Construction 2021 2018 \$298,000 \$298,000 TBD Contract Award Oct-21 Construction 2021 2018 \$208,000 TBD TBD Planning May-23 Design 2021 2021 2022 2023 2023 2023 2023 2023		1 of odd of the first of the fi								
Traverse City High School - office/entry 2021 2018 \$1,162,250 \$1,162,250 TED Contract Award Oct-21 Construction Oct-21 Oct-21 Construction Oct-21 Oc	Sequence Number	Bond Project Description & Status								Next Action Required
Inspectation Insp	188	renovation	2021	2018	\$1,162,250	\$1,162,250	TBD	Contract Award	Oct-21	Construction
190 renovation 2021 2018 \$480,500 \$480,500 TBD Confract Award Oct-21 Considerative renovation 2021 2018 \$298,000 \$298,000 TBD Confract Award Oct-21 Considerative renovation 2021 2018 \$300,000 \$300,000 TBD Confract Award Oct-21 Considerative renovation 2021 2018 \$300,000 \$300,000 TBD Confract Award Oct-21 Considerative renovation 2021 2018 \$550,000 \$550,000 TBD Confract Award Oct-21 Considerative renovation 2021 2018 \$550,000 \$550,000 TBD Confract Award Oct-21 Considerative renovation 2021 2018 \$550,000 \$650,000 TBD Confract Award Oct-21 Considerative renovation 2021 2018 \$650,000 TBD TBD Confract Award Oct-21 Considerative renovation 2021 2018 \$8,000,000 TBD TBD Planning May-23 Designation 2021 2018 \$8,000,000 TBD TBD Planning TBD Designation 2021 2018 \$4,000,000 TBD TBD Planning TBD	189		2021	2018	\$611,000	\$611,000	TBD	Contract Award	Oct-21	Construction
191 renovation	190		2021	2018	\$480,500	\$480,500	TBD	Contract Award	Oct-21	Construction
West High School - office/entry renovation 2021 2018 \$550,000 \$550,000 TBD Contract Award Oct-21 Consider the contract Award Oct-21 Oc	191		2021	2018	\$298,000	\$298,000	TBD	Contract Award	Oct-21	Construction
193	192	Central High School - security renovation	2021	2018	\$800,000	\$800,000	TBD	Contract Award	Oct-21	Construction
West High School - athletic complex and safe improvement 2021-2023 2018 \$8,000,000 TBD TBD Planning May-23 Design Tansportation - bus wash 2022-2023 2018 \$2,000,000 TBD TBD Planning TBD Design Tansportation - site improvement 2023 2018 \$4,000,000 TBD TBD Planning TBD TBD Planning TBD T	193		2021	2018	\$550,000	\$550,000	TBD	Contract Award	Oct-21	Construction
195 site improvement 2021-2023 2018 \$8,000,000 TBD TBD Planning May-23 Designation - Improvement 196 Transportation - bus wash 2022-2023 2018 \$2,000,000 TBD TBD Planning TBD Designation - Improvement TBD Planning TBD <td>194</td> <td>West High School - auditorium renovation</td> <td>2021</td> <td>2018</td> <td>\$650,000</td> <td>\$650,000</td> <td>TBD</td> <td>Contract Award</td> <td>Oct-21</td> <td>Construction</td>	194	West High School - auditorium renovation	2021	2018	\$650,000	\$650,000	TBD	Contract Award	Oct-21	Construction
197 Transportation - site improvement 2023 2018 \$4,000,000 TBD TBD Planning TBD Planning 198	195		2021-2023	2018	\$8,000,000	TBD	TBD	Planning	May-23	Design
198 199 200 201 201 202 203 204 205 206 207 208 209 210 211	196	Transportation - bus wash	2022-2023	2018	\$2,000,000	TBD	TBD	Planning	TBD	Design
199	197	Transportation - site improvement	2023	2018	\$4,000,000	TBD	TBD	Planning	TBD	Planning
200	198									
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COLOR CO	COLOR CODE KEY:			
	Completed			
	Project planning/research			
	Project approved; competitive bidding			
	Project approved; construction underway			



MEMORANDUM

Christine Thomas-Hill

Associate Superintendent Finance and Operations

Julie Gorter Executive Assistant

TO: Dr. John R. VanWagoner II, Superintendent

FROM: Christine Thomas-Hill, Associate Superintendent

DATE: June 28, 2021

RE: CERTIFICATION OF 2021-2022 TAXES

The Board of Education is being asked to adopt a resolution certifying the tax levy for the 2021-2022 school year, to take effect on July 1, 2021. This certification is necessary for the July 1, 2021 preparation of the summer tax collection bills.

An appropriate motion to adopt	this resolution would be:	
,	Supported by 2021-2022 school year, dated	, to adopt the resolution July 1, 2021.



TRAVERSE CITY AREA PUBLIC SCHOOLS BOARD OF EDUCATION

RESOLUTION FOR ADOPTION June 28, 2021

FOR ACTION:

TOPIC: Certification of Taxes for the 2021/2022 School Year

RECOMMENDATION:

It is recommended that the Board of Education adopt the resolution certifying the tax levy for the 2021/2022 school year at the following rates:

Operating Millage Rate (Non-Principal Residence Exemption) 18.000

Debt Millage Rate (Homestead, Non-Principal Residence Exemption, and IFT/CFT)

3.100

It is necessary to certify taxes so that the summer tax collection bills can be prepared by July 1, 2021. After applying the appropriate Headlee Rollback calculation to the authorized non-principal residence exemption millage rate, the District is still able to levy the full 18 mills required to receive the foundation amount.

FINANCIAL IMPACT: Projected proceeds from the above levies are as follows:

18.0 Mills Operating Non-Principal Residence Exemption \$39,852,747

3.1 Mills Debt Service \$17,743,414

SOURCE PERSON: Christine Thomas-Hill

Associate Superintendent of Finance and Operations



TRAVERSE CITY AREA PUBLIC SCHOOLS BOARD OF EDUCATION

RESOLUTION FOR ADOPTION June 28, 2021

CERTIFICATION OF TAXES

This Resolution certifying taxes for the 2021-2022 school year sha	all take effect on July 1, 2021.
AYES:	
NAYS:	
Resolution adopted.	
	Josey Ballenger, Secretary Board of Education Traverse City Area Public Schools

The undersigned duly qualified and acting Secretary of the Board of Education of Traverse City Area Public Schools, Traverse City, Michigan, hereby certifies that the foregoing is a true and complete copy of a resolution adopted by the Board of Education, Traverse City, Michigan at its study session meeting held on June 28, 2021, the original of which is part of the Board's minutes, and further certifies that notice of the meetings was given to the public under the Open Meetings Act, 1976 PA267, as amended.

Josey Ballenger, Secretary
Board of Education
Traverse City Area Public Schools

FOR: Acme, Blair, East Bay, Garfield, Grant, Green Lake, Long Lake, Peninsula, Whitewater, Elmwood Townships & the City of Traverse City

Michigan Department of Treasury 614 (Rev. 01-21)

2021 Tax Rate Request (This form must be completed and submitted on or before September 30, 2021) MILLAGE REQUEST REPORT TO COUNTY BOARD OF COMMISSIONERS

COPY TO: Equalization Department(s) COPY TO: Each township or city clerk

ORIGINAL TO: County Clerk(s)

L-4029

This form is issued under authority of MCL Sections 211.24e, 211.34 and 311.34d. Filing is mandatory, Penalty applies County

County

Carefully read the instructions on page 2.

(12) Expiration 12/1/2025 12/1/2025 Authorized Millage Date of M For LOCAL School Districts: 2021 Taxable Value excluding Principal Residence, Qualified Agricultural, Qualified Forest, Industrial Personal and Commercial Personal Properties. Requested to be You must complete this form for each unit of government for which a property tax is levied. Penalty for non-filing is provided under MCL Sec 211.119. The following tax rates have been Levied Dec. 1 Millage be Levied July 1 0.0000 18,0000 3.1000 Requested to Millage (10) Millage Levy * 18.0700 0.9873 Maximum Allowable 6 MA Sec. 211.34 Truth Millage Rollback in Assessing or Equalization 5,723,681,873 2.214.041.475 Fraction AN ¥ MAN 18.0700 0.9873 Rate Permanently Reduced by MCL 2021 Millage 311.34d "Headlee" MA 0.9873 (6) 2021 Current Year "Headlee" 0.9873 **Willage Reduction** Fraction MA (5)** 2020 Millage Rate Permanently 18.3025 Reduced by MCL 211.34d "Headlee" M Authorized by Charter, etc (4) Original Millage Election, 19.0961 1.0000 Ž Traverse City Area Public Schools Benzie, Grand Traverse, Leelanau Local Governmental Unit Requesting Millage Levy 11/4/14 (3) Date of 11/3/20 8/7/18 Election 6/14/04 11/6/07 authorized for levy on the 2021 tax roll. (2) Purpose of Operating Non-Home Non-Home Operating Debt All Millage Extra Vote Extra Vote Extra Vote Source E

Date i CERTIFICATION: As the representatives for the local government unit named above, we certify that these requested tax levy rates have been reduced, if necessary to comply with the state constitution (Article 9, Section 31), and that the requested levy rates have been reduced, if necessary, to comply with MCL Sections 211.24e, 211.34 and , for LOCAL school districts which levy a Supplemental (Hold Harmless) Millage, Josey Ballenger Print Name 380.1211(3). ☑ Secretary Clerk

rate allowed in column 9. The requirements of MCL 211.24e must be met prior to levying an operating levy which is larger than the base tax rate "Under Truth in Taxation, MCL Section 211,24e, the governing body may decide to levy a rate which will not exceed the maximum authorized Scott Newman-Bale but not larger than the rate in column 9. ☑ President

Print Name

Signature

☐ Chairperson

Local School District Use Only. Complete if requesting millage to be levied. See STC Bulletin 3 of 2019 for 0.0000 6.0000 18,0000 Rate Total School District Operating Rates to be Levied (HH/Supp For Principal Residence, Qualified Ag, Qualified Forest and Industrial Personal For Commercial Personal and NH Oper ONLY) For all Other 14/20

Date

Date

Director of Finance

(231)933-1797 elephone Number

Sandra Low

Title of Preparer

** IMPORTANT: See instructions on page 2 regarding where to find the millage rate used in column (5).

Michigan Department of Treasury

ORIGINAL TO: County Clerk(s)

614 (Rev. 01-21)

COPY TO: Equalization Department(s) COPY TO: Each township or city clerk

Carefully read the instructions on page 2. For LOCAL School Districts; 2021 Taxable Value excluding Principal Residence, Qualified Agricultural, Qualified Forest, Industrial Personal and Commercial Personal Properties. 2021 Tax Rate Request (This form must be completed and submitted on or before September 30, 2021) 5,723,681,873 2,214,041,475 This form is issued under authority of MCL Sections 211.24e, 211.34 and 311.34d. Filing is mandatory, Penalty applies. County

[2021 Taxable Value of ALL Properties in the Unit as of 5-24-21. MILLAGE REQUEST REPORT TO COUNTY BOARD OF COMMISSIONERS Traverse City Area Public Schools Local Governmental Unit Requesting Millage Levy Benzie, Grand Traverse, Leelanau

You must complete this form for each unit of government for which a property tax is levied. Penalty for non-filing is provided under MCL Sec 211.119. The following tax rates have been

(12) Expiration 12/1/2025 12/1/2025 uthorized Millage Date of Local School District Use Only Complete If requesting millage to be levied. See STC Bulletin 3 of 2019 for MA 18,0000 0.0000 3.1000 Requested to be Levied Dec. Millage (11) be Levied July 1 Requested to (10) Millage Date Millage Levy * 18.0700 0.9873 Maximum Allowable AN 6 Sec. 211.34 Truth Millage Rollback in Assessing or Equalization Fraction MA MA M Director of Finance 18.0700 0.9873 Rate Permanently Reduced by MCL 2021 Millage 311,34d "Headlee" MA Itle of Preparer 0.9873 0.9873 Millage Reduction (6) 2021 Current Year "Headlee" Fraction MA 18.3025 Rate Permanently Reduced by MCL 2020 Millage 211,34d "Headlee" MA (231)933-1797 Telephone Number Authorized by Charter, etc (4) Original 1.0000 Millage Election, 19.0961 A 11/4/14 11/3/20 (3) Date of 6/14/04 11/6/07 Election 8/7/18 authorized for levy on the 2021 tax roll. (2) Purpose of Operating Non-Home Non-Home Operating Debt All Millage Extra Vote Extra Vote Extra Vote Sandra Low (1) Source Prepared by

CERTIFICATION: As the representatives for the local government unit named above, we certify that these requested tax levy rates have been necessary, to comply with MCL Sections 211.24e, 211.34 and , for LOCAL school districts which levy a Supplemental (Hold Harmless) Millage, reduced, if necessary to comply with the state constitution (Article 9, Section 31), and that the requested levy rates have been reduced, if 380.1211(3).

Date 6/14/22 Date Scott Newman-Bale losey Ballenger Print Name Print Name Signature ☐ Chairperson ☑ Secretary ☑ President

□ Clerk

rate allowed in column 9. The requirements of MCL 211.24e must be met prior to levying an operating levy which is larger than the base tax rate "Under Truth in Taxation, MCL Section 211.24e, the governing body may decide to levy a rate which will not exceed the maximum authorized but not larger than the rate in column 9.

18.0000

For all Other

6.0000

0.000.0

For Principal Residence, Qualified Ag, Qualified Forest and Industrial Personal

For Commercial Personal

Rate

Total School District Operating Rates to be Levied (HH/Supp

and NH Oper ONLY)

L-4029

^{**} IMPORTANT: See instructions on page 2 regarding where to find the millage rate used in column (5).



RatingsDirect®

Summary:

Traverse City Area Public Schools, Michigan; General Obligation

Primary Credit Analyst:

Kimberly Barrett, Centennial + 1 (303) 721 4446; Kimberly Barrett@spglobal.com

Secondary Contact:

Stuart Nicol, Chicago + 1 (312) 233 7007; stuart.nicol@spglobal.com

Table Of Contents

Rating Action

Stable Outlook

Credit Opinion

Related Research

Summary:

Traverse City Area Public Schools, Michigan; **General Obligation**

Credit Profile

US\$42.5 mil sch bldg & site bnds (GO - unltd tax) ser 2021 due 05/01/2031

Long Term Rating AA-/Stable New

Traverse City Area Pub Schs GO

AA-/Stable Long Term Rating Affirmed

Rating Action

S&P Global Ratings assigned its 'AA-' rating to Traverse City Area Public Schools Series 2021 school building and site general obligation (GO) bonds. At the same time, S&P Global Ratings affirmed the 'AA-' rating on the district's GO debt outstanding. The outlook is stable.

The bonds are general obligations of the district, secured by its full-faith-and-credit pledge, and payable from an unlimited ad valorem tax on all taxable property within the district's boundaries. Proceeds of the series 2021 bonds will finance various capital improvements throughout the district.

Credit overview

The rating reflects Traverse Area Public Schools' stable local economy, with a strong and growing tax base, that is diverse and primarily residential. The rating also reflects prudent budget management, which has allowed the district to maintain good reserves in recent years, and through the COVID-19-induced recession. We view the district's active management of its debt favorably, which fully retires within ten years, is authorized pursuant to voter-referendum, and is supported by a stable and relatively low debt millage. We view the district's elevated pension and OPEB carrying charges as a longer-term constraining credit factor.

The rating further reflects our view of the following credit factors:

- · Strong economy, with a large and growing tax base that serves most of Grand Traverse County and is a regional economic anchor;
- Stable reserves at around 7% of expenditures, that while currently below the formal policy target of 10% of expenditures, are expected to increase to meet that goal by fiscal-year-end 2022;
- Good financial management practices and policies, measured by our Financial Management Assessment (FMA);
- Manageable debt burden, that we consider low as a percent of market value, moderate on a per capita basis, and moderate as a percent of expenditures; and
- Participation in a poorly-funded pension plan, and elevated pension and OPEB carrying charges.

Environmental, social, and governance factors

We analyzed Traverse City Area School District's environmental, social, and governance risks relative to the district's economy, management, financial performance, and debt and liability profile and determined that all are in line with our view of sector standards. The district's geographic location makes it somewhat more exposed to extreme winter weather events; however, the district has not experienced any such events in recent years that have affected operations. We will continue to monitor the district's gradually declining enrollment as a potential social factor that could affect finances, but given that overall population has increased, and management has budgeted accordingly, we do not currently consider this to be an elevated risk.

Stable Outlook

Downside scenario

We could lower the rating if the district experiences financial pressure, which results in budgetary imbalance or material declines in reserves.

Upside scenario

We could raise the rating if the district increases reserves to meet its formal reserve policy target, and it maintains reserves at levels we consider strong, it adopts more comprehensive management policies and practices, and its pension and OPEB costs as a portion of its budget moderates.

Credit Opinion

Economy

Traverse City Area Public Schools serves an estimated population of 85,753, encompassing approximately 300 square miles in northwestern Michigan's Lower Peninsula. The district encompasses all Traverse City and all or part of 13 townships, in Grand Traverse, Leelanau and Benzie Counties. Median household and per capita effective buying incomes are good and strong, respectively, at 103% and 113% of national levels. The district's largest employer is Munson Healthcare (3,100 employees), followed by the district itself (1,145 employees). The district's primarily residential (74.8%) tax base is very diverse, with the top ten taxpayers accounting for just 2.7% of taxable value. Largest taxpayers include utilities, resorts, retail, condominiums, apartments, and a hotel. Total market value in 2020 was \$14.2 billion, a 7.5% increase from prior year, which equates to \$165,291 per capita, which we consider to be extremely strong. Total taxable value grew 21% over the past five years, or nearly 5% annually on average.

Grand Traverse County's unemployment rate was historically low at 3.4% in 2019; however, due to the COVID-19-induced recession, the unemployment rate temporarily increased materially, peaking at 25.4% in April 2020 before gradually improving each month back down to 5.8% as of February 2021. With uncertainty remaining about the timing of recovery, we will continue to monitor the long-term economic and labor market effects. However, given the relatively stable makeup of the tax base, we expect the local economy to remain strong during the outlook period. For more information on S&P Global Economics latest forecast, see "Economic Outlook U.S. Q2 2021: Let the Good Times Roll" published March 24, 2021 on RatingsDirect.

The district initially expected a large impact to the local economy from the COVID-19-induced recession, given the tourism and hotel presence in the area, however, management reports that while restaurants were impacted, the local residential real estate market has been very strong. Officials have observed adults who are able to work from home moving to the area, which hasn't translated directly to enrollment growth, but has impacted the local housing market favorably.

The district currently operates 16 school facilities, including 11 elementary schools, 2 middle schools, and 3 high schools.

A gradual annual decline in enrollment has resulted in a nearly 5% reduction in students over the past ten years, from 10,073 students in 2012 to 9,581 students in 2021. There are 11 other schools (private, charter, parochial) within the district's boundaries, with a total enrollment of just over 3,100 students. The district participates in open enrollment and is typically a net gainer of school of choice students.

Finances

State aid funding, which is determined by enrollment, is the primary source of operating revenue for most Michigan school districts. Therefore, fluctuating enrollment can lead to increases or decreases in revenue. In fiscal 2020, state aid funding accounted for 55% of general fund revenue, followed by property tax collections of 36%. The district experienced positive operating results in fiscal years 2018 and 2019, with surpluses of \$2.9 million (3.1%) and \$558,000 (0.6%), respectively. The district has maintained good reserves in each of the past three audited fiscal years (2018 through 2020), ranging from \$6.4 million to \$7.3 million, or 6.5% to 7.5% of general fund expenditures. While reserves have been relatively stable, they are below the district's reserve policy target of 10% of expenditures. Management expects to add to reserves in fiscal 2021 and 2022 and is projecting exceeding the 10% target at fiscal-year-end 2022.

Fiscal 2020 ended with a \$1.6 million, or 1.6% deficit, primarily due to timing of receipt of state and federal funding. At the onset of the pandemic, the district initially anticipated a reduction in state per-pupil funding, but instead per-pupil state aid was fully funded for districts in fiscal 2020. However, upon confirmation of receipt of CARES Act funding for school districts, the state withheld some funding for districts, offsetting those amounts with the distribution of the CARES Act funds. For Traverse City Area Schools, state funds in fiscal 2020 were reduced by \$1.6 million, and CARES Act funding received in fiscal 2021 was \$3.2 million. Absent the timing of the offset, management estimates that fiscal 2020 results would have been positive. Including the CARES Act funding, the district currently projects a \$940,000, or 1%, surplus in fiscal 2021. Management is planning a multi-year approach for receipt and expenditure of additional federal funding (CARES Act 2 and American Rescue Plan), evaluating the best use of those funds over the next three years, as they will be implemented on a reimbursement basis.

Management

We consider the district's management practices good under our FMA methodology, indicating that practices exist in most areas, although not all may be formalized. Management evaluates historical data and demographic trends when developing revenue and expenditure assumptions for budgeting purposes. The budget can be amended as needed throughout the fiscal year, and management provides monthly budget-to-actual reporting to the board. The district's financial forecast includes 3-year projections of revenues, expenditures, and fund balances, and its long-term capital plan includes project details, costs, and timing. The district has a formal investment policy and reports holdings and

returns monthly. The district has a formal reserve policy to maintain fund balance equal to at least 10% of expenditures, however, it is not currently meeting that policy target, as reserves have stayed around 6% to 7% of expenditures for the past three audited fiscal years. Management projects returning to fund balance above 10% of expenditures at fiscal-year-end 2022. The district does not currently have a debt management policy, but typically issues 10-year bonds pursuant to voter referendum and has not increased the debt millage in over 20 years. Another management highlight is that the district adopted and implemented a comprehensive COVID-19 preparedness and response plan, which includes information about instruction, operations, and protocols for enhanced cleaning and safety, and testing.

Debt

Including the series 2021 issuance, overall net debt per capita is moderate at \$2,625 per capita and low as a percent of market value at 1.0%. Debt service carrying charges were 13.5% of total governmental fund expenditures, excluding capital outlay in fiscal 2020, which we consider moderate. Amortization is very rapid, with all the district's direct debt scheduled to be retired within 10 years. The district typically issues ten-year debt every two years, which we expect to continue. In 2018, voters authorized the issuance of up to \$107 million for school capital improvement projects. After issuance of the \$42.5 million 2021 bonds, there will be \$42.1 million remaining authorized but unissued under the 2018 referendum, which the district expects to issue in two pieces in 2023 and 2025. We do not expect the additional issuance to have a material impact on our overall view of the district's debt profile, as a large portion of existing principal will be retired over the same timeframe. The district's debt service tax levy has been 3.1 since 1998, and there are no plans to change that rate, debt issuance is managed within that rate.

Pension and other postemployment benefits liabilities

- Pension and other postemployment benefit (OPEB) costs are a source of credit pressure for the Traverse City Area Public School District, as the plans are poorly funded and annual costs already make up an above-average portion of total spending.
- · Cost increases may be moderating due to recent reforms to the Michigan Public School Employees' Retirement
- System (MPSERS), but market conditions and their possible effect on the state budget could offset these gains.
- The school district's costs related to OPEB will likely escalate but given the size of the liability relative to budget, we expect costs to remain affordable.

The district participates in the following plans as of June 30, 2020:

- MPSERS: a cost-sharing, multiple-employer, statewide, defined-benefit public employee retirement plan governed by the State of Michigan that is 60.1% funded, with a proportionate share of net pension liability of \$196.5 million.
- MPSERS OPEB: 48.7% funded, with a proportionate share of net OPEB liability of \$41.9 million.

In fiscal 2020, the district paid its full required contribution of 11.2% of total governmental expenditures, toward its pension obligations. In fiscal 2020, the district also paid 3.2% of total governmental expenditures toward its OPEB obligations. Combined pension and OPEB carrying charges totaled 14.4% of total governmental fund expenditures in 2020.

The plan made funding progress in the most recent year, with contributions exceeding static funding but falling short

of our minimum funding progress metric. An actuarial plan is in place to reach full funding, and contributions are expected to increase by approximately 2.75% each year as a result of the level-percent-of-pay amortization basis. The plan is scheduled to be fully funded within 21 years. Considering the discount rate of 6.8%, we see risk of budgetary stress in response to market volatility, as well as cost deferrals resulting from a static mortality assumption and the requirement to maintain the payroll growth.

Related Research

• Through The ESG Lens 2.0: A Deeper Dive Into U.S. Public Finance Credit Factors, April 28, 2020

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.capitaliq.com. All ratings affected by this rating action can be found on S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

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TCAPS Audit Schedule (2020/2021)

The following schedule provides information on the majority of external audits that were conducted at TCAPS during the 2020-2021 fiscal year. This list is being provided to emphasize how TCAPS' financial data and various programs are closely scrutinized, not only internally but by various external entities as well.

		1	,	1	
AUDIT NAME	SCOPE/DESCRIPTION	SOURCE	TIMEFRAME	RESPONSIBLE DEPARTMENT(S)	TOTAL HOURS devoted to completion
Section 504 Plan	504 Plans are used to help students with disabilities who may not be eligible for an IEP (Individual Education Plan), but still need some accommodations at school. Monitoring throughout the year.	OCR (Office of Civil Rights)	Varies	Curriculum & Instruction	Varies based on complaint
Annual Clock Hour Report	Reporting number of days & hours school was held by site, adjusted for circumstances outside the district's control	Northwest Education Services (Formerly TBAISD)	Due by July 16	Human Resources	10 hours
Annual Financial Audit	District accounts audited by a firm of licensed certified public accountants; preparation of district's financial statements; complete filing requirements by November 1	State of MI	May through October (annual)	Business Office	240+ hours
Annual Financial Audit - Single Audit Prep	District review of federal accounts is more complex because of financial and program compliance	State of MI and MDE (Michigan Department of Education)	Monthly	Business Office	17 hours
Child and Adult Care Food Program Administrative (CACFP) Review	Assessment of child care CACFP Snack Program	MDE	Every 3 years	Food Service Department	50 hours
Civil Rights - EEOC (Equal Employment Opportunity Commission) (Employee)	OCR review of hiring data and statistics to ensure equal employment opportunities	OCR/Civil Rights Data Collection	Annual submission of basic data; Random selection for in-depth audit	Human Resources	1 hour +
Civil Rights - EEOC (Student)	(OCR) review of student data trends	OCR	Reported for odd years; submitted even years. Due to COVID-19, 20-21 is a reporting year	Human Resources + various departments across district	40 hours per site
Consolidated Application Grant Audit	MDE reviews financial and programing compliance	MDE	June 2020	Business Office and Curriculum Department	55 hours

AUDIT NAME	SCOPE/DESCRIPTION	SOURCE	TIMEFRAME	RESPONSIBLE	TOTAL HOURS	
AUDIT NAME	SCOPE/DESCRIPTION	SOURCE	TIMEFRAME	DEPARTMENT(S)	devoted to completion	
Section 41A - Bilingual Education Grant Audit	and programing compliance		Annual submission of basic data; Random selection for in-depth audit	Business Office and Curriculum Department	Varies (depending on breadth and scope)	
Graduation Appeals Audit			August- December	Human Resources	5 hours	
Hazardous Waste Management Audit	with Small Quantity Generator Regulations of Environment		Annual Director of Written audit, unannounced in-person inspection		4 hours	
MDE Administrative Review of NSLP (National School Lunch Program)	Assessment of school nutrition programs	MDE	Every 5 years	Food Service Department	100 hours	
MDE Certification	MDE PECS (Professional Education Certification Services) ensures that the district is appropriately placing certificated and endorsed educators (administrators and teachers)	MDE	Determined by Registry for Educational Personnel	Human Resources	Varies (depending on breadth and scope)	
MDE District Provided Professional Development (DPPD) (individual; district)	MDE PECS ensures that professional learning hours submitted by educator for certificate renewal purposes meet the DPPD requirements; MDE PECS reviews the district's offerings to ensure that 30+hours of DPPD are offered annually (MCL 380.1527)	MDE	Varies	Human Resources	Varies (depending on breadth and scope)	
MESSA Insurance Monthly Premium Audit	A third party audit firm sends confirmation of an amount we paid to MESSA to verify	Third Party Audit firm for MESSA	July	Business Office	1 Hour	

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AUDIT NAME	SCOPE/DESCRIPTION	SOURCE	TIMEFRAME	RESPONSIBLE DEPARTMENT(S)	TOTAL HOURS devoted to completion
MDE CEPI (Center for Educational Performance and Information) Registration of Educational Personnel Collection	Bi-annual collection of employee personnel data; data analysis by CEPI/MDE drives certification and placement audits	MDE	December & June	Human Resources	Ongoing throughout year
MIOSHA (Michigan Occupational Safety and Health Association) Compliance Audit	The evaluation and review of district compliance with legal safety requirements	MIOSHA	June	Human Resources	5 hours
Michigan State Police ICHAT Audit (Internet Criminal History Access Tool)	MSP review of ICHAT process in accordance with active volunteers, employees, contractors, etc.	State of MI	Once every 5 years	Human Resources	3 hours
Michigan State Police School Bus Inspection	The Pupil Transportation Act 187 of 1990 (257.1839 Inspections) requires the department of state police to inspect each school bus annually	Michigan State Police	Annual	Transportation	3-4 weeks/year
Michigan Student Data System (MSDS) General Collection for Fall and Spring Count Days	To determine district funding based on FTE submitted for each count day. This generates funding for each school year.	Northwest Education Services (formally TBAISD)	Within 30 days of student enrollment from fall to spring count days	Human Resources	40 hours
Noncriminal Justice Agency Compliance Audit (NCJA)	To ensure compliance with the FBI Criminal Justice Information Services Security Policy, federal and state laws regarding a NCJA access, use, storage, and dissemination of (CHRI) criminal history record information	State of MI	Once every 5 years	Human Resources	30 hours

AUDIT NAME Office of Retirement	SCOPE/DESCRIPTION ORS conducts random,	SOURCE	TIMEFRAME	RESPONSIBLE DEPARTMENT(S) Business Office	TOTAL HOURS devoted to completion
Services (ORS)	audits on items like classification, wages, etc.		random audits each year		
Student and Exchange Visitor Program (SEVIS), F-1 Visa Audit	Audit of F1 Visa program	US Immigration and Customs Enforcement (ICE)	Fall and spring each year	International Program Director	4 hours
Special Education	CIMS (Continuous Improvement & Monitoring System)	MDE	4 times per year	Special Education Office	Varies
SRM (Student Record Maintenance) - Section 25 Audit	The ability to capture student funding for students enrolled between the fall and spring count days.	Northwest Education Services (formerly TBAISD)	Within 30 days of student enrollment (fall to spring count days)	Human Resources	40 hours
State Testing	Audits during each testing cycle	MDE/SAT/AP	Each testing cycle and end of year	Curriculum & Instruction	Ongoing throughout year
Workers' Compensation Wage Audit	Workers Compensation rates are partially based on wages. SET SEG hires a third party administrator to obtain our wage information to assist in setting annual billing.	SET SEG	August	Business Office	4 Hours

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