

KALAMAZOO PUBLIC SCHOOLS  
Office of the Superintendent  
1220 Howard Street  
Kalamazoo, MI 49008  
Telephone: (269) 337-0123 TDD (269) 337-0152  
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June 17, 2020

**MEETING ANNOUNCEMENT FOR THE  
KALAMAZOO PUBLIC SCHOOLS BOARD OF EDUCATION**

A special meeting of the Board of Education of the Kalamazoo Public Schools will be held on **Thursday, June 25, 2020 at 6:45 p.m.** Kalamazoo Public Schools will be live-streaming the June 25 board meeting at 6:45 p.m. on Public Media Network on the Discover Channel:

<https://www.publicmedianet.org/live-streams>

Additional details will be posted on the Kalamazoo Public Schools website.

The purpose of the meeting is to hold a 2020-2021 preliminary budget hearing, as well as to discuss any other matters that may come before the Board.

# # #

A regular meeting of the Board of Education of the Kalamazoo Public Schools will be held on **Thursday, June 25, 2020 at 7:00 p.m.**

Notice is hereby given that at this meeting, a decision will be made or discussed with respect to the issuance of the school district's proposed state aid notes that will be payable from state aid, which will also contain a limited tax full faith and credit pledge of the district.

Kalamazoo Public Schools will be live-streaming the June 25 board meeting at 7:00 p.m. on Public Media Network on the Discover Channel:

<https://www.publicmedianet.org/live-streams>

Additional details will be posted on the Kalamazoo Public Schools website.

KALAMAZOO PUBLIC SCHOOLS

Jennie Hill, Secretary  
Board of Education

- ❖ Please contact the Superintendent's Office in advance of the meeting if auxiliary aids or services for individuals with disabilities are needed.
- ❖ Official minutes of Kalamazoo Public Schools Board of Education open meetings are available for inspection within eight working days of the meeting at the Superintendent's Office, 1220 Howard Street, Kalamazoo, MI 49008.

**KALAMAZOO PUBLIC SCHOOLS**  
**Board of Education Meeting**  
**1220 Howard Street**  
**June 25, 2020 – 7:00 P.M.**

**A G E N D A**

- I. Call to Order**
- II. Pledge of Allegiance**
- III. Attendance**
- IV. Announcements and Recognitions**
- V. Committee Reports/School Reports**
- VI. Correspondence**
- VII. Consent Calendar Items**
  - A. Minutes**
  - B. Business and Financial Reports**  
Purchase Recommendations 2020-51 and 2020-52
  - C. Personnel Items**  
Personnel Changes
  - D. Other**  
2020-2021 Board of Education Meeting Dates
- VIII. Persons Requesting to Address the Board (3 minutes individual limit)**
- IX. Reports and Recommendations**
  - A.** Resolution to set 2020 Tax Rates
  - B.** Resolution Authorizing Issuance of Notes in Anticipation of State School Aid
  - C.** 2019-20 Close Estimate Budget and 2020-21 Preliminary Budget
- X. Other Business**
- XI. Comments by Trustees/Superintendent**
- XII. Closed Session (if needed)**
- XIII. Next Regular Board of Education Meeting: Thursday, July 9, 2020**

KALAMAZOO PUBLIC SCHOOLS  
Office of the Superintendent

TO: Board of Trustees

FROM: Dr. Rita Raichoudhuri, Superintendent

DATE: June 25, 2020

SUBJECT: Approval of the Attached Purchase Recommendations

RECOMMENDATION: It is recommended that the board approve the purchases reflected on the attached Purchase Recommendation Data Sheets.

RATIONALE: In general, purchases greater than \$24,459 for materials, supplies, equipment, building construction, renovation, or repairs are brought before the board for approval.

The attached purchase recommendation data sheets include all purchases that require approval at this time. Aspects of the purchases that are considered significant to the decision-making process are outlined on the data sheets.

**KALAMAZOO PUBLIC SCHOOLS**  
**PURCHASE RECOMMENDATION DATA SHEET**

<b>Board Meeting Date:</b>	June 25, 2020
<b>Request Number:</b>	2020-51
<b>Amount:</b>	\$119,999.70

**Item:** Thirty (30) Electrostatic Sprayers @ \$3,999.99 each

**Cost Center:** 2018 Bond

**Cost Center Representative(s) Attending Board Meeting:** Karen Jackson

**Description of Need:**

This purchase recommendation is for the purchase of 30 Clorox T360 Electrostatic Sprayers. This equipment will be distributed districtwide to assist our custodians in disinfecting and/or sanitizing our buildings efficiently and effectively. The T360 sprayers can disinfect approximately 18,000 square feet per hour and will allow coverage to hard to reach places including the side, underside and backside of surfaces. The T360 electrostatic sprayer is the only disinfecting process in place that has a two-minute kill claim.

**Vendor:** KSS Enterprises  
Kalamazoo, MI

**Number of Proposals Requested:** 3      **Received:** 2

**Low Bid Accepted:** Yes

**Additional Information:**

The 2018 bond included a districtwide budget for equipment replacement. This purchase is within the overall parameters of that budget.

**KALAMAZOO PUBLIC SCHOOLS****PURCHASE RECOMMENDATION DATA SHEET**

**Board Meeting Date:** June 25, 2020  
**Request Number:** 2020-51  
**Amount:** \$58,219.00

**Item:** Newsela Access - All Middle and High School Access

**Cost Center:** 21h Partnership Funds

**Cost Center Representative(s) Attending Board Meeting:** Cindy Green

**Description of Need:**

This request is to support all middle and high school students with access to an online resource called Newsela. Teachers will be able to create engaging English Language Arts lessons with a constant stream of real-world and leveled content. This can be assigned both online or provided in a printable format from the database. Topics are always current and ever-changing allowing lessons to stay relevant and interesting to students. Student activity and progress monitoring are in real-time as well as assessments and district level reporting.

**Vendor:** Newsela  
 New York, NY

**Number of Proposals Requested:** 1                      Received: 1

**Low Bid Accepted?** N/A

**Additional Information:**

The district used this program at the high school level for the 2019-2020 school year and found this resource to be highly beneficial. The partnership funds will allow the district to expand the service to middle school students.

KALAMAZOO PUBLIC SCHOOL  
Office of the Superintendent

TO: Board of Trustees

FROM: Dr. Rita Raichoudhuri, Superintendent

DATE: June 25, 2020

SUBJECT: Personnel Changes

RECOMMENDATION: It is recommended that the board approve the following employment changes:

- I. Employment
  - A. Professional/Management  
**Rostam Ahmad Daud**, Information Technology Teacher, Loy Norrix High School, 8/25/2020
  - B. Classified
- II. Promotions/Key Transfers
  - A. Professional/Management  
**Elizabeth K. Jackson-Spaner**, from Early Childhood Coordinator to Principal/Early Childhood (PEEP) Coordinator at Greenwood Elementary School, 8/17/2020  
**Sylvia M. Washington**, from Principal of Greenwood Elementary School to Principal at Northeastern Elementary School, 8/17/2020
  - B. Classified  
**Cory A. Caswell**, transfer from Electrical Foreman to General Supervisor, Facilities Management, 6/19/2020
- III. Leaves of Absence
  - A. Professional/Management
  - B. Classified
- IV. Terminations
  - A. Professional Management  
**Phillip J. Cunningham**, Spanish Teacher, Milwood Magnet School: A Center for Math, Science and Technology, 6/15/2020, Resignation  
**Jennifer A. Kuneli**, Resource Teacher, Washington Writers' Academy, 6/15/2020, Resignation  
**Lauren M. Pott**, Special Education Teacher, Greenwood Elementary School, 6/19/2020, Retirement
  - B. Classified

- V. Termination from Leave of Absence
  - A. Professional/Management
  - B. Classified
- VI. Return from Leave of Absence
  - A. Professional/Management
  - B. Classified

KALAMAZOO PUBLIC SCHOOLS  
1220 Howard Street

**BOARD OF TRUSTEES MEETINGS  
2020 – 2021**

Article 6, Section 6.6 of the bylaws of the Board of Trustees of the Kalamazoo Public Schools reads as follows:

“Regular meetings of the Board will be held at 7:00 p.m. at the school administration building, or at such other time or place as designated by the Board.”

The regular meetings of the Board of Trustees will be held on the following dates:

**July 9, 2020**

**July 23, 2020**

**August 13, 2020**

**August 27, 2020**

**TUESDAY, September 8, 2020**

**TUESDAY, September 22, 2020**

**October 8, 2020**

**October 22, 2020**

**November 12, 2020**

**December 3, 2020**

**December 17, 2020**

**January 7, 2021**

**January 28, 2021**

**February 11, 2021**

**February 25, 2021**

**March 11, 2021**

**March 25, 2021**

**April 8, 2021**

**April 22, 2021**

**May 6, 2021**

**May 20, 2021**

**June 10, 2021**

**June 24, 2021**



KALAMAZOO PUBLIC SCHOOLS  
Office of the Superintendent

TO: Board of Trustees

FROM: Dr. Rita Raichoudhuri, Superintendent  
Superintendent

DATE: June 25, 2020

SUBJECT: Millage Resolution

RECOMMENDATION: It is recommended that the board approve the attached resolution authorizing collection of 17.6757 non-homestead mills and 8.20 debt retirement mills in the winter levy.

RATIONALE: Non-homestead operating millage of 18 mills was approved through voter referendum in May 2012; however, this rate is reduced to 17.6757 for 2020-21 because of a Headlee millage rollback of .3243 mills. The 2020-21 recommended rate is .1732 mills lower than the 2019-20 rate.

The debt retirement millage rate of 8.20 is consistent with the rate levied in 2019-20.

**RESOLUTION TO SET 2020 TAX RATES  
FOR SUMMER AND WINTER TAXES**

Kalamazoo Public Schools  
County of Kalamazoo

**BE IT HEREBY RESOLVED** that millage rates for the Kalamazoo Public Schools, County of Kalamazoo, be set as follows for the 2020/21 fiscal year, and that the Deputy Superintendent be authorized to certify the following rates:

City of Kalamazoo, Township of Kalamazoo, Township of Texas and Township of Oshtemo

In Mills

	<b>2020 Summer <u>Tax Rate</u></b>	<b>2020 Winter <u>Tax Rate</u></b>	<b>Total <u>Rate</u></b>
Operating (Non-Homestead Only)	0	17.6757	17.6757
Debt Retirement	<u>0</u>	<u>8.20</u>	<u>8.20</u>
Total School Tax	<u>0</u>	<u>25.8757</u>	<u>25.8757</u>

BOARD OF TRUSTEES OF  
KALAMAZOO PUBLIC  
SCHOOLS, COUNTY OF  
KALAMAZOO

BY:

\_\_\_\_\_  
Its President

BY:

\_\_\_\_\_  
Its Secretary

KALAMAZOO PUBLIC SCHOOLS  
Office of the Superintendent

TO: Board of Trustees

FROM: Dr. Rita Raichoudhuri, Superintendent

DATE: June 25, 2020

SUBJECT: Resolution Authorizing Issuance of Notes in Anticipation of State School Aid

RECOMMENDATION: It is recommended that the board adopt the attached resolution authorizing the district to borrow up to \$19 million in anticipation of state aid.

RATIONALE: Based on forecasts of cash requirements for 2020-21, the district will need to sell short-term notes to mitigate the possibility of cash shortages. This practice is consistent with previous years, both for KPS and districts across the state, and is required due to differences in the timing of cash receipts from the State of Michigan relative to cash disbursements.

The accompanying resolution was prepared by Amanda Van Dusen, attorney with Miller, Canfield, Paddock and Stone, who is serving as note counsel for the district.

**KALAMAZOO PUBLIC SCHOOLS**  
**COUNTY OF KALAMAZOO**  
**STATE OF MICHIGAN**  
**RESOLUTION AUTHORIZING ISSUANCE OF NOTES**  
**IN ANTICIPATION OF STATE SCHOOL AID**

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Minutes of the regular meeting of the Board of Education of the Kalamazoo Public Schools, County of Kalamazoo, State of Michigan (the "School District"), via Public Media Network in conformity with Governor Whitmer's Executive Order No. 2020-75 (COVID-19), held on the 25th day of June, 2020, at 7:00 p.m., Eastern Daylight Time.

PRESENT: Members \_\_\_\_\_

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ABSENT: Members \_\_\_\_\_

The following preamble and resolution were offered by Member \_\_\_\_\_ and supported by Member \_\_\_\_\_:

**WHEREAS**, under the terms of Section 1225 of Act 451, Public Acts of Michigan, 1976, as amended (the "Act"), a school district is authorized to borrow money for school operations and issue its notes therefor, in one or more series, pledging for the payment thereof monies to be received by it pursuant to the State School Aid Act of 1979, Act 94, Public Acts of Michigan, 1979, as amended (the "State Aid Act"), which notes shall be the full faith and credit obligation of the School District; and

**WHEREAS**, the estimated amount of the state school aid appropriations allocated or to be allocated to the School District for the fiscal year ending June 30, 2021 (the "2020/2021 State Aid" or the "Pledged State Aid"), is shown in paragraph 1 of Exhibit A; and

**WHEREAS**, the School District has the need to borrow the sum of not to exceed the amount shown in paragraph 3 of Exhibit A to pay operating expenses for the fiscal year beginning July 1, 2020, which amount is estimated to be not more than 70% of the difference between the total state school aid funds apportioned or to be apportioned to the School District for the 2020/2021 State Aid and that portion of the 2020/2021 State Aid already received or pledged; and

**WHEREAS**, the School District plans to issue or has issued notes, bonds or other obligations subject to Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), relating to arbitrage and the rebate thereof, including but not limited to federally tax-exempt obligations and/or tax-advantaged bonds and other obligations, not including this borrowing, during calendar year 2020 in the aggregate amount shown in paragraph 2 of Exhibit A; and

**WHEREAS**, the School District has received approval of its Qualifying Statement filed for 2019 with the Michigan Department of Treasury (“Treasury”); and

**WHEREAS**, the School District determines that it is in its best interest to borrow the sum of not to exceed the amount shown in paragraph 3 of Exhibit A and issue the general obligation notes in one or more series (the “Note” or “Notes”) of the School District therefor and to authorize certain other related actions thereto.

**NOW, THEREFORE, BE IT RESOLVED THAT:**

1. The School District, pursuant to Section 1225 of the Act, shall issue its Notes in one or more series in order to borrow for the above purpose a sum not to exceed the amount shown in paragraph 3 of Exhibit A, the final amount, number of series and series designation to be determined by the officer designated in paragraph 4 of Exhibit A or his/her designee who shall be a member of the administrative staff or Board of Education of the School District (the “Authorized Officer”), prior to the sale of the Notes, or such portion thereof as may be approved by Treasury, if prior approval is necessary, and issue the general obligation Notes of the School District therefor, in anticipation of the distribution of Pledged State Aid for the fiscal year ending June 30, 2021. The Notes may be issued in one or more series as determined by the Authorized Officer.

2. The Notes shall be issued in one or more series designated “State Aid Notes, Series 2020A,” or such other name or designation as determined by the Authorized Officer at the time of the sale. The Notes of each series shall bear interest at the rate or rates payable on the date or dates determined on sale thereof, but not to exceed the maximum rate permitted by law at the time of sale, be dated as set forth in paragraph 5 of Exhibit A, or as of the date of delivery, and be due and payable on the date shown in paragraph 6 of Exhibit A. The Notes shall be payable in lawful money of the United States of America at a bank or trust company in the State of Michigan qualified to act as paying agent as shall be designated by the purchaser of the Notes. The Notes shall be in denominations as determined by the Authorized Officer. The Notes shall be subject to redemption prior to maturity as specified in the Purchase Contract described below, if the Notes are sold to the Michigan Finance Authority (the “Authority”).

3. The School District hereby appropriates a sufficient amount of the Pledged State Aid to repay the principal of and interest on the Notes. In addition, the full faith and credit of the School District is hereby irrevocably pledged for payment of the principal of and interest on the Notes and, in case of the insufficiency of the Pledged State Aid, the School District shall pay the Notes from any funds legally available therefor, and, if necessary, levy sufficient taxes on all taxable property in the School District for the payment thereof, subject to applicable constitutional and statutory tax rate limitations.

The Notes may be issued in book-entry-only form through The Depository Trust Company in New York, New York (“DTC”), and the Authorized Officer is authorized to execute such custodial or other agreement with DTC as may be necessary to accomplish the issuance of the Notes in book-entry-only form and to make such changes in the Note form within the parameters of this resolution as may be required to accomplish the foregoing.

4. The President and Secretary of the Board of Education shall execute the Notes on behalf of the School District by manual or facsimile signature and the executed Notes shall be delivered to the Treasurer who shall cause the Notes to be delivered to the purchaser thereof upon the receipt of the purchase price therefor. The Vice President, Treasurer or Superintendent may execute the Notes instead of either the President or Secretary. In the event the Notes are executed by the facsimile signature of the foregoing, the Notes shall be authenticated in the manner approved by the Authorized Officer. The foregoing officials are

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

hereby authorized to execute and deliver a temporary Note or Notes and exchange, when available, final printed Note or Notes therefor at the request of the purchaser of the Notes. Any reference to an officer or employee of the School District in this resolution shall include any interim or acting officer or employee appointed by the School District.

5. Unless the Notes are issued as federally taxable, the School District hereby covenants for the benefit of all holders of the Notes to comply with all requirements of the Code, that must be satisfied subsequent to the issuance of the Notes in order that the interest thereon be or continue to be excluded from gross income for federal income taxation purposes, including, but not limited to, requirements relating to the rebate of arbitrage earnings, if applicable, and the expenditure and investment of Note proceeds and moneys deemed to be Note proceeds. If appropriate, the Authorized Officer may designate the Notes as “qualified tax-exempt obligations” for purposes of deduction of interest expense by financial institutions under the Code.

6. The President, Vice-President, Secretary, Treasurer, Superintendent or his/her designee and the Authorized Officer are further authorized to execute any documents or certificates necessary to complete the transaction including, but not limited to, any certificates relating to federal or state securities, laws, rules or regulations.

7. If the timing of the sale is compatible with the timing of the pooled financing of the Authority, and the Authority’s credit requirements are attractive to the School District as determined by the Authorized Officer, the Notes shall be sold on a negotiated basis to the Authority based upon the historical performance of the Authority’s note pool program whereby competitive interest rates and reduced costs of issuance are obtained by pooling several participating school districts in one or more series of notes. The Authorized Officer or his/her designee is further authorized to select the method of sale of the Notes to the purchaser, as shall be determined to be in the best interest of the School District and not in conflict with the limitations set forth in this resolution. The School District may sell its Notes to (a) the Authority; or (b) by competitive or negotiated sale with a financial institution based on a determination by the Authorized Officer as to which method of sale offers the most timely and cost effective solution for the School District’s cash flow needs. If the Notes are sold by competitive sale the Authorized Officer shall complete and publish a Notice of Sale in substantially the form set forth in Exhibit C to this resolution. The Authorized Officer is authorized to file any documentation necessary to issue the Notes with Treasury, including filing an application for an exemption from the rating requirement, if necessary, and is further authorized to take all other steps necessary and desirable for issuance and delivery of the Notes.

8. If the School District sells the Notes to the Authority and in the event the Authorized Officer determines that it is in the best interest of the School District to choose to pay all or a portion of the principal of and interest on the Notes with set aside installments, the following provisions in this paragraph 8 shall apply:

- A. The School District shall set aside moneys in a separate fund with the depository designated in the Purchase Contract described below (the “Depository”) to pay the principal of and interest on the Notes when due in three (3), five (5) or seven (7) consecutive monthly set-aside installments (the “Installment” or “Installments”), ending on July 20, 2021, and earlier on the 20th day of each month (or, in the case of February and March, the 22nd, and in the case of June, the 21st), or such other state school aid payment date as may be provided for under state law (each a “Payment Date”). If a Payment Date falls on a Saturday, Sunday or legal holiday, the Payment Date shall be the next business day. The payment to the Depository shall be made first from the Pledged State Aid received during the month of the Installment. If, for any reason, the Pledged State Aid received during the month of the Installment is insufficient to pay the

Installment, then the School District pledges to use any and all other available funds to meet the Installment obligation. If the School District fails to set aside all or any portion of an Installment (the "Installment Shortfall") on the Payment Date, the Authority is authorized, pursuant to Section 17a(3) of the State Aid Act, to intercept 100% of the Pledged State Aid to be distributed to the School District beginning with the month following the School District's failure to meet the Installment obligation and all months thereafter, in accordance with the terms and conditions of the Purchase Contract (the "Purchase Contract") between the Authority and the School District. Beginning with the month following the Installment Shortfall, the Authority shall intercept 100% of the Pledged State Aid to be distributed to the School District and apply the intercepted amount on the following priority basis: (i) the Installment Shortfall; (ii) the current month's Installment; and (iii) any amounts remaining to be immediately distributed to the School District. The intercept process set forth above shall continue each month following the Installment Shortfall until sufficient funds are deposited with the Depository to pay the total principal of and interest on the Notes. Unless expressly authorized by the Authority, the maximum amount of each Installment will not exceed 50% of the amount of Pledged State Aid due to the School District in any set-aside month.

- B. If the School District has failed to deposit all or a portion of an Installment by the last business day of the month of the Installment, the Depository is authorized and directed to give written notice to the Authority, the State Treasurer and the School District on the first business day following the last business day of the month of the failure to deposit all or a portion of the Installment. Upon receipt of such written notice from the Depository, the Authority shall promptly notify the School District that it will immediately commence to intercept 100% of the Pledged State Aid.
  - C. If on the date of the final Installment as specified in Schedule I to the Purchase Contract, the funds with the Depository are insufficient to pay the principal of and interest on the Notes when due, the School District, pursuant to Section 17a(3) of the State Aid Act to the extent necessary to meet the payment obligation, assigns to the Authority and authorizes and directs the State Treasurer to advance all or part of any state school aid payment which is dedicated for distribution or for which the appropriation authorizing the payment has been made.
  - D. Any Authorized Officer is further authorized to agree, if required by the Authority, to assign to the Authority and authorize and direct the State Treasurer to intercept all or part of any state school aid payment which is dedicated for distribution or for which the appropriation authorizing the state school aid payment has been made pursuant to Section 17(a)(3) of the State Aid Act.
  - E. Any Authorized Officer is further authorized to determine that each Installment is a partial mandatory redemption of a particular series of the Notes and that the last Installment is the maturity date of that series of the Notes, and such determination shall be conclusively evidenced by the Purchase Contract described below.
  - F. The School District authorizes and consents to the Authority entering into an investment agreement with a financial institution for the investment of funds deposited with the Depository on behalf of the Authority and the School District.
9. If the School District sells the Notes to the Authority, the Authorized Officer is authorized to sell all or a portion of the Notes to the Authority without an Installment payment schedule (the "No Set-

Aside Notes”) pursuant to the provisions of this resolution. In that event: (A) any Authorized Officer is further authorized to agree, if required by the Authority, to assign to the Authority and authorize and direct the State Treasurer to intercept or advance all or part of any state school aid payment which is dedicated for distribution or for which the appropriation authorizing the state school aid payment has been made pursuant to Section 17a(3) of the State Aid Act; (B) the School District acknowledges that payment of the principal of and interest on certain of the No Set-Aside Notes may be secured by a direct-pay letter of credit issued for the account of the Authority and the School District by one or more providers selected by the Authority (each a “Letter of Credit”; and each issuer a “Letter of Credit Bank”); (C) it shall not be deemed a default by the School District under the provisions of the Purchase Contract or the No Set-Aside Notes if the principal of and interest on the No Set-Aside Notes shall have been paid in full when due to the Authority from proceeds of a drawing on the Letter of Credit and the drawing on the Letter of Credit is reimbursed by the School District on the designated date set forth in the reimbursement agreement relating to the Letter of Credit; and (D) the School District appoints the Authority as its agent to enter into the reimbursement agreement for and on behalf of the School District, if required by the Authority, as well as on the Authority’s own behalf, and the School District agrees to be referred to as an account party in the Letter of Credit obtained by the Authority to secure payment of the No Set-Aside Notes and any series of the Authority’s State Aid Revenue Notes issued to finance the Authority’s purchase of the No Set-Aside Notes.

10. If the School District sells the Notes to the Authority, the following shall apply:

A. Any Authorized Officer is hereby authorized to execute and deliver one or more Purchase Contracts with the Authority (which shall be determined by whether one or more series of Notes are issued hereunder) in substantially the form attached hereto as Exhibit B reflecting the terms and conditions of the borrowing with such additions, deletions or substitutions (including without limitation additions, deletions or substitutions required by any Letter of Credit Bank(s) or any purchaser(s) of any series of the Authority’s State Aid Revenue Notes issued by the Authority to finance its purchase of the Notes), as the Authority and any Authorized Officer shall deem necessary and appropriate, including the number of set-asides, if any, and their dates and amounts, and not inconsistent with the provisions of this resolution. The choice of whether to make Installments for the Notes and/or the number, dates and amounts of Installments shall be conclusively evidenced by the Purchase Contract. The Purchase Contract shall include the School District’s agreement with respect to any Installment not received by the Depository from the School District on the respective Payment Date, to pay the Authority an amount as invoiced by the Authority to recover its administrative costs and lost investment earnings attributable to that late payment. If permitted by the Authority, a Purchase Contract may be executed by an Authorized Officer using an electronic or facsimile signature, with such electronic or facsimile signature having the same legal effect and enforceability as a manual signature.

B. Any Authorized Officer is further authorized to approve (i) the specific interest rate(s) to be borne by the Notes, not exceeding the maximum rate permitted by law, (ii) the purchase price of the Notes, not less than the price specified in paragraph 6 of Exhibit A, (iii) a guaranteed investment agreement or other permitted investment in accordance with state law for funds paid to the Depository, if applicable, (iv) direct payments of Pledged State Aid to and if required by the Authority, (v) if applicable, a default rate with respect to a private placement of the Notes, and (vi) other terms and conditions relating to the Notes and the sale thereof.

C. The form of the Notes shall contain the following language in substantially the form set forth below as applicable, with such additions, deletions or substitutions (not inconsistent with the Purchase Contract) as the Authority and any Authorized Officer shall deem necessary and appropriate:

To the extent permitted by law, the principal of and interest on this Note which remains

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unpaid after this Note has matured and all other outstanding and unpaid amounts owing by the School District under the Purchase Contract shall bear interest until paid at an interest rate per annum based upon a 360-day year for the actual number of days elapsed equal to the "Bank Reimbursement Rate" as described in Schedule I to the Purchase Contract.

11. If sold at a competitive or negotiated sale other than to the Authority, the Notes shall be dated on such date, shall mature on such date, shall be issued in such principal amount with or without set aside payments, shall bear such interest rate, shall be sold at such price and be in such denominations as may be determined by the Authorized Officer of the School District, but in each case within the parameters set forth in Exhibit A to this resolution. If sold at a competitive sale, the Authorized Officer is hereby authorized to award the Notes to the bidder whose bid produces the lowest interest cost to the School District and is within the parameters set forth in Exhibit A to this resolution. If sold at a negotiated sale, the Authorized Officer is authorized to enter into an agreement on behalf of the School District with a financial institution for such sale within the parameters of Exhibit A to this resolution, and, if such officer determines it to be in the interest of the School District, the Authorized Officer is authorized to enter into agreements providing for a credit enhancement as security for payment of the Notes.

12. Each series of Notes issued hereunder shall be of equal standing as to the Pledged State Aid. The School District reserves the right to issue additional notes or other obligations of equal standing with the Notes as to the Pledged State Aid. If the Notes are sold to the Authority, prior written consent of an authorized officer of the Authority is required to issue additional notes or obligations of equal standing with the Notes as to the Pledged State Aid. The School District further resolves that the amount payable as to principal and interest on the Notes plus the amount payable as to principal and interest on or prior to the maturity date of the Notes on any additional notes or other obligations of equal standing with the Notes as to payment from Pledged State Aid will not exceed 75% of the amount of Pledged State Aid.

13. The representation of the School District by Miller, Canfield, Paddock and Stone, P.L.C. as note counsel is hereby approved, notwithstanding Miller, Canfield's periodic representation of the Authority and other potential parties to the transaction in unrelated matters. The School District retains Miller, Canfield, Paddock and Stone, P.L.C. to perform an arbitrage rebate analysis and prepare a rebate return for the Notes, if necessary.

14. Within fifteen (15) business days after issuance of the Notes, the Board hereby authorizes and directs the Authorized Officer to cause to be filed with Treasury any and all documentation required to be filed subsequent to the issuance of the Notes, along with any statutorily required fee.

15. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Members \_\_\_\_\_

\_\_\_\_\_

NAYS: Members \_\_\_\_\_

RESOLUTION DECLARED ADOPTED.

\_\_\_\_\_  
Secretary, Board of Education

The undersigned duly qualified and acting Secretary of the Board of Education of the Kalamazoo Public Schools, County of Kalamazoo, State of Michigan, hereby certifies that the foregoing is a true and complete copy of a resolution adopted by the Board at a regular meeting held on June 25, 2020, the original of which is a part of the Board's minutes and further certifies that notice of the meeting was given to the public pursuant to the provisions of the Open Meetings Act, 1976 PA 267, as amended and as temporarily modified by Governor Whitmer's Executive Order No. 2020-75 (COVID-19), and that attached hereto as Exhibit D is a true and complete copy of the notice of said meeting posted in accordance with the Revised Municipal Finance Act, being Act 34, Public Acts of 2001, as amended.

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Secretary, Board of Education

## **EXHIBIT A**

1. Estimated 2020/2021 State Aid allocated or to be allocated for fiscal year ending June 30, 2021: \$99,523,756 (total amount estimated to be received from October 1, 2020 through August 31, 2021).
2. Amount of tax-exempt, notes or bonds or other tax exempt or tax credit obligations not including this borrowing, issued or expected to be issued during the 2020 calendar year: estimated to be \$16,915,000 (include plans for voted or non-voted bonds, refunding bonds, additional state aid notes, tax anticipation notes, installment purchase agreements, tax-exempt lines of credit, and lease-purchase agreements). Amount of other taxable obligations (including lines of credit) issued or to be issued during the 2020 calendar year: estimated to be \$0.
3. Amount of borrowing not to exceed: \$19,000,000.
4. Authorized Officer: Superintendent, Deputy Superintendent, Business Manager or designee or designee.
5. Date of Notes:                      Date of Delivery or August 20, 2020 or such other date as determined by the Authorized Officer.
6. Notes due and payable: July 20, 2021, August 20, 2021, or such other date as determined by any Authorized Officer.
7. Purchase price: Not less than 97% of the principal amount of the Notes
8. Five percent (5%) of estimated fiscal year 2019/2020 operating expenses: \$8,285,584.

## **EXHIBIT B**

### **FORM OF PURCHASE CONTRACT**

**[Insert Name of School District Here]**

The Michigan Finance Authority (the “Authority”), a public body corporate, separate and distinct from the State of Michigan, hereby offers to enter into this Purchase Contract with the Issuer named below (the “Issuer”) which, upon the acceptance of this offer by the Issuer, will be binding upon the Authority and the Issuer. This offer is made subject to acceptance on or before the date set forth below. The Issuer accepts the electronic or digital signature of the Authority’s Executive Director (or other authorized officer of the Authority) if set forth below and acknowledges that it has the same legal effect and enforceability as a manual signature.

Upon the terms and conditions and upon the basis of the representations, warranties and agreements set forth herein, including those set forth in Schedule I hereto, the Authority hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Authority, notes (the “Notes”) in the principal amount and with the interest rate as shown in Schedule I. The purchase price for the Notes shall be as set forth in Schedule I.

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**IF THREE, FIVE OR SEVEN SET-ASIDES ARE APPLICABLE, THE FOLLOWING LANGUAGE SHALL BE INCLUDED IN THE PURCHASE CONTRACT:**

[The Issuer acknowledges that the Authority will purchase the Notes with proceeds from certain State Aid Revenue Notes to be issued by the Authority (the “Authority’s Notes”). The Issuer represents and warrants to, and agrees with, the Authority that (A) the Issuer has, and on the Closing Date (specified below) will have, full legal right, power and authority (1) to enter into this Purchase Contract, and (2) to sell and deliver the Notes to the Authority and pledge and assign to the Authority the moneys to be received by the Issuer pursuant to the State School Aid Act of 1979, as amended (the “State School Aid”) as provided herein and in the resolution authorizing the Notes and the Issuer has duly authorized and approved the execution and delivery of and the performance by the Issuer of its obligations contained in this Purchase Contract including those set forth in Schedule I; and (B) the Issuer shall promptly pay its pro rata share of the Costs of Issuance upon notification by the Authority. The term “Costs of Issuance” shall mean and include underwriters’ discount, printing charges, rating agency charges, trustee fees, note counsel fees, and other counsel fees and issuance fees of the Authority and the underwriter(s) related to the Authority’s Notes; provided, however, that the Issuer’s pro rata share of such Costs of Issuance shall not exceed the amount shown in Schedule I.

The Issuer pledges to pay the principal of and interest on the Notes from its State School Aid appropriations allocated or to be allocated to it for the fiscal year ending June 30, 2021 and to be paid from October 2020 through August 2021, inclusive (the “Pledged State Aid”). Moneys to pay the principal of and interest on the Notes when due shall be set aside in a separate fund with the Depository (as defined in Schedule I) as hereinafter described in 3, 5 or 7 installments (the “Installment” or “Installments”) as specified in Schedule I, or such other State School Aid payment date as may be provided for under state law (the “Payment Date”). If a Payment Date falls on a Saturday, Sunday or legal holiday, the Installment shall be due on the next business day. The payment to the Depository shall be made first from the Pledged State Aid received during the month of the Installment. Notwithstanding the foregoing, the Issuer hereby irrevocably directs the Treasurer of the State of Michigan to directly transfer to the Depository payment of the Issuer’s current month’s Installment from the Pledged State Aid received during the month of the

Installment on the Payment Date. If, for any reason, the Pledged State Aid received during the month of an Installment is insufficient to pay the Installment (an "Installment Shortfall") the Issuer pledges to use any and all other legally available funds to pay the Installment Shortfall. If the Issuer has failed to deposit with the Depository all of the Installment Shortfall by the last business day of the month of the Installment, the Depository is authorized and directed to give written notice to the Authority, the State Treasurer, and the Issuer on the first business day following the last business day of the month of the failure to deposit all of the Installment Shortfall. Upon receipt of written notice from the Depository, the Authority shall promptly notify the Issuer that it will immediately commence to intercept Pledged State Aid as described herein.

Pursuant to Section 17a(3) of the State School Aid Act of 1979, as amended (the "Act"), the Authority is authorized to intercept 100% of the Pledged State Aid to be distributed to the Issuer. Beginning with the month following the Installment Shortfall, for Pledged State Aid to be distributed to the Issuer pursuant to the Act on or before July 20, 2021, the Authority shall intercept 100% of that Pledged State Aid and apply the intercepted amount on the following priority basis: (A) to the Installment Shortfall; (B) to the current month's Installment; and (C) any amounts remaining to be immediately distributed to the Issuer. Except as otherwise provided below, the intercept process set forth above shall continue each month following the Installment Shortfall until sufficient funds are deposited with the Depository to pay the principal of and interest on the Notes.

If on the date of the final Installment as specified in Schedule I, the funds on deposit with the Depository are insufficient to pay the principal of and interest on the Notes when due, and any and all other amounts owed by the Issuer as set forth in Schedule I (the "Payment Obligations"), and the Issuer also has an outstanding no set-aside state aid note issued as a separate series on August 20, 2020 (a "No Set-Aside Note") and purchased by the Authority with proceeds from the Authority's State Aid Revenue Notes, Series 2020A-2, then the Issuer, pursuant to Section 17a(3) of the Act, to the extent necessary to meet the Payment Obligations, assigns to the Authority and authorizes to intercept, and directs the State Treasurer to advance, the Issuer's Pledged State Aid to be applied pursuant to the terms of any applicable State Aid Agreement, dated as of August 20, 2020, by and among the Authority, the Treasurer of the State of Michigan and

\_\_\_\_\_.

If at any time and from time to time prior to the maturity date of the Notes the Authority has reason to believe that the Issuer will be unable to pay in full the principal of and interest on the Notes when due, the Authority, in its sole discretion, may by phone or email:

(i) request from the Issuer a written confirmation of both its ability to pay the Notes when due and a description of the source(s) of funds for the repayment of the Notes. If the Issuer fails within ten (10) days to provide such confirmation to the satisfaction of the Authority, the Issuer hereby authorizes the intercept of any Pledged State Aid to be distributed to the Issuer before August 2021 in such amount as determined by the Authority to be appropriate and further authorizes the Authority to give notice to the State Treasurer to intercept that amount of any Pledged State Aid which has not already been transferred to the Issuer. Any Pledged State Aid which is thus intercepted shall be transferred to the Depository and shall, after the Authority's Notes are paid, any amounts remaining shall be immediately distributed to the Issuer; and/or

(ii) give notice to the Issuer requiring the Issuer to enter into one or more Tax Intercept Agreements (each a "TIA") to provide additional security for the payment of the Notes. Each TIA shall be in a form prescribed by the Authority, with such additions, deletions or substitutions reasonably required by any local taxing unit that collects operating taxes revenues collected for the Issuer, and the delinquencies thereon, on behalf of the Issuer, as the Authority and any Authorized Officer shall deem necessary and appropriate.

The Issuer consents to the Authority's pledge and assignment of and grant of a security interest in the Authority's rights and interest (subject to certain rights of indemnification) in the Notes and this Purchase Contract as security for the Authority's Notes and a Trust Indenture dated as of August 1, 2020, issued by the Authority pursuant to its Note Authorizing Resolution adopted May 27, 2020, and for the Authority's obligations under a Note Purchase Agreement between it and any underwriter(s) or purchaser(s) of the Authority's Notes.]

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IF NO SET-ASIDE INSTALLMENTS ARE APPLICABLE, THE FOLLOWING LANGUAGE SHALL BE INCLUDED IN THE PURCHASE CONTRACT RELATING TO THE AUTHORITY'S STATE AID REVENUE NOTES SECURED BY A LETTER OF CREDIT (IF ANY):

[The Issuer represents and warrants to, and agrees with, the Authority that (A) the Issuer has, and on the Closing Date (specified below) will have, full legal right, power and authority (1) to enter into this Purchase Contract, and (2) to sell and deliver the Notes to the Authority and pledge and assign to the Authority the moneys to be received by the Issuer pursuant to the State School Aid Act of 1979, as amended (the "State School Aid") as provided herein and in the resolution authorizing the Notes and the Issuer has duly authorized and approved the execution and delivery of and the performance by the Issuer of its obligations contained in this Purchase Contract including those set forth in Schedule I; and (B) the Issuer shall promptly pay its pro rata share of the Costs of Issuance upon notification by the Authority. The term "Costs of Issuance" shall mean and include underwriter's discount, printing charges, letter of credit fees and related charges of a letter of credit (including, without limitation, all other amounts owing by the Authority under the reimbursement agreement relating to the letter of credit), rating agency charges, trustee fees, note counsel fees, and other counsel fees and issuance fees of the Authority related to the Authority's Notes (as defined below); provided, however, that the Issuer's pro rata share of such Costs of Issuance shall not exceed the amount shown on Schedule I hereto.

The Issuer acknowledges that (A) the Authority will purchase the Notes with proceeds from the State Aid Revenue Notes, Series 2020A-2 to be issued by the Authority (the "Authority's Notes"); and (B) the payment of the principal of and interest on the Authority's Notes will be secured by a direct-pay letter of credit (the "Letter of Credit") to be issued by \_\_\_\_\_ (the "Bank"), pursuant to a reimbursement agreement among the Authority, \_\_\_\_\_ (as Trustee and Depository), and the Bank, dated as of August 20, 2020 (the "Reimbursement Agreement").

The Issuer agrees that it will deposit with the Depository (as defined in Schedule I) payment of the principal of and interest on the Notes in immediately available funds, the full amount of such principal of and interest on the Notes to be received by the Depository by 11:00 a.m. on the maturity date of the Notes. The Issuer pledges to pay the principal of and interest on its Notes from the 2020/2021 State School Aid to be allocated to it and to be paid from October 2020 through August 2021, inclusive (the "Pledged State Aid").

Not later than August \_\_, 2021, the Issuer shall determine whether there will be sufficient funds on deposit with the Depository on August 20, 2021 (the maturity date of the Notes) to pay the principal of and interest on the Notes when due on that maturity date. If the Issuer determines that there will be insufficient funds on deposit with the Depository on August 20, 2021 to pay the principal of and interest on the Notes on the maturity date of the Notes, the Issuer will so notify the Authority by telephone and email not later than August \_\_, 2021 (email to: TreasMFA-StateAidNote@michigan.gov; and telephone the Executive Director, 517-335-0994).

If on the maturity date of the Notes there are insufficient funds on deposit with the Depository to pay the principal of and interest on the Notes when due, the Issuer, pursuant to Section 17a(3) of the State School Aid Act of 1979, as amended (the “Act”), to the extent necessary to meet the payment obligation, assigns to the Authority and authorizes and directs the State Treasurer to advance the Issuer’s Pledged State to be applied pursuant to the terms of any applicable State Aid Agreement, dated as of August 20, 2020, by and among the Authority, the State Treasurer of the State of Michigan, and \_\_\_\_\_. The Issuer acknowledges that such a State Aid Agreement will be executed among the Authority, the State Treasurer, the Depository, and the Trustee for the Authority whereby the State Treasurer agrees to intercept and/or advance all or part of any State School Aid as described under this Purchase Contract. Notwithstanding the foregoing:

(A) The Issuer hereby irrevocably directs the State of Michigan to pay to the Depository 100% of the Pledged State Aid to be distributed to the Issuer in August 2021, and the Depository shall apply the August 2021 State School Aid payment on the following priority basis: (1) first, to pay the Bank the amount necessary to reimburse it for the drawing on the Letter of Credit to pay principal of and interest on the Authority’s Notes on August 20, 2021; (2) second, all other amounts due and owing to the Bank under the Reimbursement Agreement; (3) third, to pay any outstanding obligations relating to any other notes issued and delivered by the Issuer to the Authority concurrently with the Notes (“Other Notes”), if any; and (4) any amount remaining to be immediately distributed to the Issuer.

(B) If (i) the Issuer’s August 2021 State School Aid payment will be less than the aggregate amount of principal of and interest on the Notes and on any Other Notes, and (ii) the Issuer will pay any of the remaining amount due from any source other than proceeds from its borrowing in the Authority’s August 2021 state aid note pool, the Issuer shall give written notice by August \_\_, 2021 to the Authority and the Depository specifying each such source and amount (e.g., \$ \_\_\_\_ will be wired to the Depository from [bank name]).

(C) If at any time and from time to time prior to the maturity date of the Notes the Authority has reason to believe that the Issuer will be unable to pay in full the principal of and interest on the Notes when due, the Authority, in its sole discretion, may by phone or email:

(i) request from the Issuer a written confirmation of both its ability to pay the Notes when due and a description of the source(s) of funds for the repayment of the Notes. If the Issuer fails within ten (10) days to provide such confirmation to the satisfaction of the Authority, the Issuer hereby authorizes the intercept of any Pledged State Aid to be distributed to the Issuer before August 2021 in such amount as determined by the Authority to be appropriate and further authorizes the Authority to give notice to the State Treasurer to intercept that amount of any Pledged State Aid which has not already been transferred to the Issuer. Any Pledged State Aid which is thus intercepted shall be transferred to the Depository and shall be applied after the Authority’s Notes are paid in the same manner as provided in paragraph (A) above; and/or

(ii) give notice to the Issuer requiring the Issuer to enter into one or more Tax Intercept Agreements (each a “TIA”) to provide additional security for the payment of the Notes and the Issuer shall take the actions necessary to enter into the TIA(s). Each TIA shall be in a form prescribed by the Authority, with such additions, deletions or substitutions reasonably required by any local taxing unit that collects operating taxes revenues collected for the Issuer, and the delinquencies thereon, on behalf of the Issuer, as the Authority and any Authorized Officer shall deem necessary and appropriate.



The Issuer consents to the Authority's pledge and assignment of and grant of a security interest in the Authority's rights and interest (subject to certain rights of indemnification) in the Notes and this Purchase Contract as security for the Authority's Notes and a Trust Indenture dated as of August 1, 2020, issued by the Authority pursuant to its Note Authorizing Resolution adopted May 27, 2020 and the Authority's obligations under the Reimbursement Agreement.]

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The Issuer acknowledges that Section 15 of the Authority's enabling statute, the Shared Credit Rating Act, as amended, provides for a statutory lien on the Authority's pledge of the Pledged State Aid which is paramount and superior to all other liens for the sole purpose of paying the principal of, and interest on, (i) the Authority's Notes and (ii) if proceeds of any State Aid Revenue Notes of any other series issued and delivered by the Authority concurrently with the Authority's Notes are used to purchase any other notes of the Issuer, those other State Aid Revenue Notes.

The Issuer further acknowledges that Section 17a(3) of the Act does not require the State to make an appropriation to any school district or intermediate school district and shall not be construed as creating an indebtedness of the State.

With respect to any payment not received from the Issuer by the Depository by the time and date due under this Purchase Contract, the Issuer agrees to pay the Authority an amount as invoiced by the Authority to recover its administrative costs attributable to the late payment. The Issuer further agrees to reimburse the Authority (A) for any and all amounts which the Authority may have to rebate to the federal government due to investment income which the Issuer may earn in connection with the issuance or repayment of its Notes and (B) for the Issuer's pro rata share of the Costs of Issuance that were paid by the Authority in the event that the Authority is required to rebate investment earnings to the federal government regardless, in either case, whether the Issuer is subject to such rebate or not. In the event the Issuer does not meet any arbitrage rebate exception pursuant to the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, relative to the Notes, the Issuer will make any required rebate payment to the federal government when due.

The Issuer shall make the Notes and its other documents, certificates and closing opinions as the Authority shall require (the "Closing Documents") available for inspection by the Authority on August \_\_, 2020, at the offices of the Thrun Law Firm, P.C., East Lansing, Michigan. At 9:00 a.m., prevailing Eastern Time, on August 20, 2020 ("Closing Date"), the Issuer shall deliver the Notes to the Authority at the offices of Dykema Gossett PLLC, Lansing, Michigan, together with the Closing Documents, and the Authority shall accept delivery of the Notes and the Closing Documents and pay the purchase price for the Notes.

The Authority shall have the right in its sole discretion to terminate the Authority's obligations under this Purchase Contract to purchase, accept delivery of and pay for the Notes if the Authority is unable for any reason to sell and deliver the Authority's Notes on or prior to the Closing Date.

Michigan Finance Authority

By \_\_\_\_\_  
Its Authorized Officer

Accepted and Agreed to this  
\_\_\_\_\_ day of \_\_\_\_\_, 2020  
\_\_\_\_\_ ("Issuer")  
By \_\_\_\_\_  
Title: \_\_\_\_\_

*(Signature page to Purchase Contract)*

## Schedule I

### [INSTALLMENT PAYMENT SCHEDULE]

*All capitalized terms used and not expressly defined in this Schedule I shall have the meanings given to them in the Purchase Contract to which this Schedule I is attached (the "Purchase Contract").*

1. The Issuer hereby covenants that it will deposit all Installment payments as set forth in paragraph 9 below with \_\_\_\_\_, or its successor (the "Depository") at its designated corporate trust office located in \_\_\_\_\_, Michigan. [The Issuer directs the Depository to use the proceeds of the Installment payments to acquire U.S. Treasury Obligations state and local government series (SLGS) and/or such other U.S. Treasury notes, bonds, bills and securities as authorized and directed by the Authority and as permitted by law, or, if authorized and directed by the Authority, to enter into an investment contract with a financial institution on behalf of the Issuer for the investment of the Installment payments.] In the event the Depository resigns, or is removed, the Issuer hereby accepts and appoints a successor depository appointed by the Authority as depository for the Notes.

2. The number of Installments shall be as set forth in paragraph 9 below. The Issuer hereby agrees to deposit funds with the Depository in accordance with the Purchase Contract and its resolution authorizing the Notes.

3. The Issuer covenants that it will deliver from time to time such additional information regarding the financial condition of the Issuer as the Authority may reasonably request.

4. The Issuer covenants that the principal amount of the Notes, together with any additional notes or other obligations of equal standing with the Notes as to the Pledged State Aid, will not exceed 75% of the amount of State School Aid to be received by the Issuer during the period from October 1, 2020, through August 31, 2021.

5. The principal amount and the initial interest rate on the Notes shall not exceed \$\_\_\_\_\_ and \_\_\_\_\_% per annum, respectively.

6. The Issuer's pro rata share of the Costs of Issuance shall not exceed: (A) \$\_\_\_\_\_, plus (B) the Issuer's pro rata share of related charges pursuant to the Note Purchase Agreement between the Authority and the underwriter(s).

7. The Notes shall be dated August 20, 2020 and shall mature on [August 20], 2021.

8. The purchase price of the Notes shall be \$\_\_\_\_\_ (par of \$\_\_\_\_\_ [less net discount of \$\_\_\_\_\_] [plus net premium of \$\_\_\_\_\_]).

9. The amounts of the Installments/Mandatory Redemptions on the Payment Dates are:

Payment Date

Installment/Mandatory Redemption

10. As long as the Notes are outstanding, the Issuer shall neither pledge nor make any request for an advancement pursuant to Section 17b of the State School Aid Act of 1979, as amended, of any portion of its Pledged State Aid, October 2021 State School Aid, or State School Aid payable thereafter without the prior written consent of the Authority, by its Executive Director, which consent shall not be unreasonably withheld. The Issuer shall not, at any time prior to the maturity of the Notes, issue any other obligations pledging the Pledged State Aid ("Other Obligations") unless: (i) the Issuer shall have given prior written notice to the Authority of the Issuer's intent to issue any Other Obligations promptly after forming such intent; (ii) any Other Obligations shall mature after August 20, 2021; and (iii) any pledge of the Pledged State Aid as security for the payment of any Other Obligations shall be: (A) expressly subject to the prior

right of interception set forth in this Purchase Contract; and (B) expressly subordinate, under written subordination terms satisfactory to the Authority and its counsel, to the Issuer's prior pledge of Pledged State Aid as security for the Notes. "Other Obligations" as defined in this paragraph shall not include state aid notes, if any, issued by the Issuer as a separate series on August 20, 2020 and purchased by the Authority with proceeds from its State Aid Revenue Notes, Series 2020A-2, to be issued by the Authority pursuant to the Trust Indenture dated as of August 1, 2020. Any one or more of the foregoing restrictions set forth in this paragraph may be waived in writing by the Authority, by its Authorized Officer, in his or her sole and absolute discretion.

11. The Notes and related funds on hand with the Depository are Security for the Authority and the Trustee. The Issuer is directing the Authority, and the Authority is directing the Depository, to enter into an investment agreement with a financial institution for investment of such funds on behalf of the Authority and the Issuer. Subject to all ownership and security interests of the Authority, the Trustee and the Depository in and to such funds, accounts and investment, and to the extent required by law, an undivided interest in and to such investment, in the Issuer's designated allocable amount, is granted to the Issuer.

***[Note: If a Purchaser of the Authority's State Aid Revenue Notes, Series 2020A-\_\_, requires particular provisions for determining the interest rate on the Notes or a default interest rate, such provisions will be added to this Schedule I, as appropriate]***

## Schedule I

### [NO INSTALLMENTS]

*All capitalized terms used and not expressly defined in this Schedule I shall have the meanings given to them in the Purchase Contract to which this Schedule I is attached (the "Purchase Contract").*

1. The Issuer hereby agrees to deposit or cause to be deposited funds to pay principal of and interest on the Notes with \_\_\_\_\_, or its successor (the "Depository") at its designated corporate trust office located in \_\_\_\_\_, Michigan, in accordance with the Purchase Contract and resolution authorizing the Notes. In the event the Depository resigns, or is removed, the Issuer hereby accepts and appoints a successor depository appointed by the Authority as depository for the Notes.
2. The Issuer covenants that it will deliver from time to time such additional information regarding the financial condition of the Issuer as the Authority may reasonably request.
3. The Issuer covenants that the principal amount of the Notes, together with any additional notes or other obligations of equal standing with the Notes as to the Pledged State Aid, will not exceed 75% of the amount of State School Aid to be received by the Issuer during the period from October 1, 2020, through August 31, 2021.
4. The principal amount and the initial interest rate on the Notes shall not exceed \$\_\_\_\_\_ and \_\_\_\_\_% per annum, respectively.
5. The Issuer's pro rata share of the Costs of Issuance shall not exceed: (A) \$\_\_\_\_\_, plus (B) the Issuer's pro rata share of related charges pursuant to the Reimbursement Agreement among the Authority, the Bank and the Depository (including, without limitation, all other amounts owing by the Authority under the Reimbursement Agreement and the initial fee of the Bank).
6. The Notes shall be dated August 20, 2020 and shall mature on [August 20], 2021.
7. The purchase price of the Notes shall be \$\_\_\_\_\_ (par of \$\_\_\_\_\_ [less net discount of \$\_\_\_\_\_] [plus net premium of \$\_\_\_\_\_]).
8. The amounts of the Installments/Mandatory Payments on the Payment Dates are:

Payment Date

Installment/Mandatory Redemption

9. Drawings on the Letter of Credit shall be reimbursed to the Bank on the same day in immediately available funds and reasonable charges and expenses which the Bank may pay or incur relative to the Letter of Credit shall be reimbursed to the Bank on demand as provided in the Reimbursement Agreement. Interest shall be payable to the Bank at a daily fluctuating interest rate per annum (the "Bank Reimbursement Rate") equal to (i) in the case of any amount drawn under the Letter of Credit and not so reimbursed, the Base Rate plus \_\_\_\_%; and (ii) in the case of any aforesaid reasonable charges and expenses which the Bank may pay or incur relative to the Letter of Credit, the Base Rate plus \_\_\_\_%.

"Adjusted One Month LIBOR Rate" means for any date an interest rate per annum (rounded upwards, if necessary, to the next 1/16 of 1%) equal to the sum of (i) \_\_\_\_% per annum plus (ii) the quotient of (a) the interest rate determined by the Bank by reference to the Reuters Screen LIBOR01 Page (or on any successor or substitute page) to be the rate at approximately 11:00 a.m. London time, on such date or, if such date is not a Business Day, on the immediately preceding Business Day, for dollar deposits with a

maturity equal to one (1) month divided by (b) one minus the Reserve Requirement (expressed as a decimal) applicable to dollar deposits in the London interbank market with a maturity equal to one (1) month, provided that if the rate for any date so determined shall be less than zero, such rate shall be zero for purposes of this calculation.

“Base Rate” means, for any day, the highest of (a) the Prime Rate, (b) the Adjusted One Month LIBOR Rate and (c) \_\_\_\_\_ percent (\_\_\_\_%) per annum. In the event of permanent discontinuance of LIBOR, the Base Rate would equal the higher of (a) and (c).

“Business Day” means any day other than (i) a Saturday or Sunday, (ii) a day on which banking institutions in the States of Michigan, Illinois or New York are authorized or required by law or executive order to close or (iii) a day on which the New York Stock Exchange is closed.

“Prime Rate” means the rate of interest last quoted by The Wall Street Journal as the “Prime Rate” in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the “bank prime loan” rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Bank) or any similar release by the Federal Reserve Board (as determined by the Bank). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

“Reserve Requirement” means a percentage equal to the daily average during the most recently completed interest period of the aggregate maximum reserve requirements (including all basic, supplemental, marginal and other reserves), as specified under Regulation D of the Federal Reserve Board, or any other applicable regulation that prescribes reserve requirements applicable to Eurocurrency liabilities (as presently defined in Regulation D) or applicable to extensions of credit by the Purchaser the rate of interest on which is determined with regard to rates applicable to Eurocurrency liabilities. Without limiting the generality of the foregoing, the Reserve Requirement shall reflect any reserves required to be maintained by the Purchaser against any category of liabilities that includes deposits by reference to which the Adjusted One Month LIBOR Rate is to be determined.

10. So long as the Notes are outstanding or any amounts are due and owing to the Authority under this Purchase Contract, the Issuer shall neither pledge nor make any request for an advancement pursuant to Section 17b of the State School Aid Act of 1979, as amended, of any portion of its Pledged State Aid, October 2021 State School Aid, or State School Aid payable thereafter without the prior written consent of the Authority, by its Executive Director, which consent shall not be unreasonably withheld. The Issuer shall not, at any time prior to the maturity of the Notes, issue any other obligations pledging the Pledged State Aid (“Other Obligations”) unless: (i) the Issuer shall have given prior written notice to the Authority of the Issuer’s intent to issue any Other Obligations promptly after forming such intent; (ii) any Other Obligations shall mature after August 20, 2021, and (iii) any pledge of the Pledged State Aid as security for the payment of any Other Obligations shall be: (A) expressly subject to the prior right of interception set forth in this Purchase Contract; and (B) expressly subordinate, under written subordination terms satisfactory to the Authority and its counsel, to the Issuer’s prior pledge of Pledged State Aid as security for the payment of the Notes. “Other Obligations” as defined in this paragraph shall not include state aid notes, if any, issued by the Issuer as a separate series on August 20, 2020 and purchased by the Authority with proceeds from the State Aid Revenue Notes, Series 2020A-1, to be issued by the Authority pursuant to the Trust Indenture dated as of August 1, 2020. Any one or more of the foregoing restrictions set forth in this paragraph may be waived in writing by the Authority, by its Authorized Officer, in his or her sole and absolute discretion.

***[Note: If a Purchaser of the Authority's State Aid Revenue Notes, Series 2020A-\_\_, requires particular provisions for determining the interest rate on the Notes or a default interest rate, such provisions will be modified, or added to, this Schedule I, as appropriate]***

**EXHIBIT C**

**OFFICIAL NOTICE OF SALE**

\$\_\_\_\_\_

**KALAMAZOO PUBLIC SCHOOLS**

**COUNTY OF KALAMAZOO**

**STATE OF MICHIGAN**

**STATE AID NOTES, SERIES 2020**

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**SEALED BIDS** for the purchase of the above notes will be received by the undersigned at the Board of Education Offices located at [Issuer's Address], on \_\_\_\_\_, the \_\_\_\_ day of \_\_\_\_\_, 2020, until \_\_\_\_\_ .m., prevailing Eastern Time, at which time and place said bids will be publicly opened and read. Bids will be simultaneously opened and read at the offices of the Municipal Advisory Council, 26211 Central Park Blvd., Suite 508, Southfield, Michigan 48076 (the "MAC"). The award or rejection of bids will occur within twenty-four hours after the time of sale.

**FAXED BIDS:** Signed bids may be submitted by fax to the School District at fax number (\_\_\_\_) \_\_\_\_\_, Attention: \_\_\_\_\_, or to the MAC at fax number (313) 963-0943; provided that faxed bids must arrive before the time of sale, the bidder bears all risks of transmission failure and the **GOOD FAITH DEPOSIT MUST BE MADE AND RECEIVED** as described in the section entitled "GOOD FAITH" below.

**ELECTRONIC BIDS:** Electronic bids will also be received on the same date and until the same time by Bidcomp/Parity as agent of the undersigned. Further information about Bidcomp/Parity, including any fee charged, may be obtained from Bidcomp/Parity, Anthony Leyden or CLIENT SERVICES, 1359 Broadway, Second Floor, New York, New York 10018, (212) 849-5021. **IF ANY PROVISION OF THIS NOTICE OF SALE SHALL CONFLICT WITH INFORMATION PROVIDED BY BIDCOMP/PARITY, AS THE APPROVED PROVIDER OF ELECTRONIC BIDDING SERVICES, THIS NOTICE SHALL CONTROL.**

Bidders may choose any means to present bids but a bidder may not present a bid by more than one means.

**NOTE DETAILS:** The notes will be dated as of the date of delivery, will mature \_\_\_\_\_, 2021, and will bear interest at a rate or rates not exceeding 6% per annum fixed by the bids therefor. Interest upon the notes will be calculated on a 360-day year (30 day month). The notes will be issued in denominations of \$1,000, \$5,000, \$100,000 or multiples or combinations thereof, designated by the original purchaser of the notes. Notes of this issue will not be subject to prior redemption. In submitting a bid for the notes, the bidder agrees to the representation of the School District by Miller, Canfield, Paddock and Stone, P.L.C., as note counsel.

**BOOK-ENTRY ONLY:** The notes may be issued in book-entry only form as one fully registered bond per maturity and may be registered in the name of Cede & Co., as noteholder and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the notes. Purchasers will not receive certificates representing their interest in notes purchased. It will be the

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.



responsibility of the purchaser to obtain DTC eligibility. Failure of the purchaser to obtain DTC eligibility shall not constitute cause for a failure or refusal by the purchaser to accept delivery of and pay for the notes.

**PAYING AGENT:** Both principal and interest shall be payable at a bank or trust company located in Michigan qualified to act as paying agent under State of Michigan or United States law, to be designated by the original purchaser of the notes.

**PURPOSE AND SECURITY:** The notes are issued for the purpose of payment of operating expenses of the School District, and are issued in anticipation of State School Aid to be appropriated and allocated to the School District for the fiscal year beginning July 1, 2020. The notes are full faith and credit obligations of the School District and are payable from tax levies or from unencumbered funds of the School District in the event of the unavailability or insufficiency of State School Aid for any reason. The School District does not have the power to levy taxes for the payment of the notes in excess of its constitutional and statutory tax rate limits. The rights or remedies of noteholders may be affected by bankruptcy, insolvency, fraudulent conveyance or other laws affecting creditors' rights generally, now existing or hereafter enacted, and by the application of general principles of equity, including those relating to equitable subordination.

**ADDITIONAL NOTES:** The School District has reserved the right to issue additional notes of equal standing respecting the State School Aid pledged with the notes offered herein, subject to the limitations provided by law.

**TAX MATTERS:** In the opinion of Miller, Canfield, Paddock and Stone, P.L.C., note counsel, under existing law, assuming compliance with certain covenants, interest on the notes is excludable from gross income for federal income tax purposes as described in the opinion, and the notes and interest thereon are exempt from all taxation by the State of Michigan or by any taxing authority within the State of Michigan, except inheritance and estate taxes, taxes on gains realized from the sale, payment or other disposition thereof.

**[INSERT ISSUE PRICE PROVISIONS]**

**GOOD FAITH:** A good faith deposit in the form of a certified or cashier's check drawn upon an incorporated bank or trust company, or wire transfer, in the amount of \$\_\_\_\_\_ payable to the order of the Treasurer of the School District will be required of the successful bidder. The successful bidder is required to submit its good faith deposit to the School District not later than Noon, prevailing Eastern Time, on the next business day following the sale. The good faith deposit will be applied to the purchase price of the notes. In the event the purchaser fails to honor its accepted bid, the good faith deposit will be retained by the School District. No interest shall be allowed on the good faith check. The good faith check of the successful bidder will be cashed and payment for the balance of the purchase price of the notes shall be made at the closing.

**AWARD OF NOTES-TRUE INTEREST COST:** The notes will be awarded to the bidder whose bid produces the lowest true interest cost determined in the following manner: The lowest true interest cost will be the single interest rate (compounded on \_\_\_\_\_, 20\_\_ and semi-annually thereafter) on the notes from \_\_\_\_\_, 2020, in an amount equal to the bid price, excluding accrued interest.

**LEGAL OPINION:** Bids shall be conditioned upon the approving opinion of Miller, Canfield, Paddock and Stone, P.L.C., attorneys of Detroit, Michigan, a copy of which opinion will be furnished without expense to the purchaser of the notes at the delivery thereof. The fees of Miller, Canfield, Paddock and Stone, P.L.C., for service rendered in connection with such approving opinion are expected to be paid from note proceeds. Except to the extent necessary to issue its approving opinion as to validity of the above

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

notes, Miller, Canfield, Paddock and Stone, P.L.C., has not been requested to examine or review and has not examined or reviewed any financial documents, statements or materials that have been or may be furnished in connection with the authorization, issuance or marketing of the notes, and accordingly will not express any opinion with respect to the accuracy or completeness of any such financial documents, statements or materials.

**[NO OFFICIAL STATEMENT OR RATING:** The School District will not prepare an Official Statement for the financing nor has it requested a rating for the Notes and further acknowledges that it is unknown if such rating were requested whether the Notes would be rated at an investment grade.]

**[INVESTMENT CERTIFICATE:** The initial purchaser of the Notes will execute a form of investment certificate certifying that the Notes have not been registered under any federal or state statute, that the Purchaser is familiar with federal statutes, rules and regulations and those of the State of Michigan relating to limitations and the public distribution of securities and will not make any sale or other distribution of the Notes in violation of such statutes, rules and regulations. The initial purchaser will certify that it is purchasing the Notes for its own account only and not with a view to resale or distribute and will not sell or re-offer the Notes until such time as either an official statement relating to the Notes has been prepared, to the extent it may be required under federal securities laws and regulations; or the subsequent purchaser of the Notes presents and executes an investment certificate in a form acceptable to note counsel.]

**PRINTING AND DELIVERY OF NOTES:** The School District will furnish printed notes with legal opinion thereon at its expense. Notes will be delivered without expense to the purchaser through DTC in New York, New York, or such other place to be agreed upon. The School District will furnish the purchaser with the usual closing documents including a certificate that no litigation is pending affecting the right of the School District to issue the notes. Payment for the notes shall be made in Federal Reserve Funds.

**FURTHER INFORMATION** may be obtained from the \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, Michigan \_\_\_\_\_, Telephone: (\_\_\_\_) \_\_\_\_\_, Facsimile (\_\_\_\_) \_\_\_\_\_.

**BIDDER CERTIFICATION: NOT “IRAN-LINKED BUSINESS”** By submitting a bid, the bidder shall be deemed to have certified that it is not an “Iran-Linked Business” as defined in Act 517 Michigan Public Acts of 2012, being MCL 129.311 et. seq.

**THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS.**

**ENVELOPES** containing the bids should be plainly marked “Proposal for Notes”.

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Secretary  
Kalamazoo Public Schools

## **EXHIBIT D**

### **NOTICE OF INTENDED CASH FLOW BORROWING**

NOTICE IS HEREBY GIVEN that at the meeting of the Board of Education of the Kalamazoo Public Schools, County of Kalamazoo, State of Michigan (the “School District”), to be held on the 25th day of June, 2020, a decision will be made or discussed with respect to the issuance of the School District’s proposed state aid notes that will be payable from state aid, but will also contain a limited tax full faith and credit pledge of the School District.

Jennie Hill  
Secretary  
Kalamazoo Public Schools

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KALAMAZOO PUBLIC SCHOOLS  
Office of the Superintendent

TO: Board of Trustees

FROM: Dr. Rita Raichoudhuri, Superintendent

DATE: June 25, 2020

SUBJECT: 2019-20 close estimate budget and 2020-21 preliminary budget

RECOMMENDATION: It is recommended that the board approve the 2019-20 close estimate budget and the 2020-21 preliminary budget as presented in this report.

RATIONALE: This recommendation incorporates the budget plan presented on June 18, 2020 into budget documentation. Due to the unusually tight time frame between the June 18 meeting and this meeting, the materials are limited to those requiring board approval. A detailed budget book, incorporating all the exhibits presented in previous years, will be prepared and distributed to the Board of Education at a later date.

## BUDGETED REVENUE AND BEGINNING BALANCE

### 2020/21 PRELIMINARY BUDGET

### KALAMAZOO PUBLIC SCHOOLS

	<b>2019/20 Close Estimate Budget</b>	<b>2020/21 Preliminary Budget</b>
Foundation:		
State Aid	\$ 74,866,711	\$ 73,990,813
Property Taxes	21,912,996	22,788,909
Total Foundation Revenue	96,779,707	96,779,722
Categorical State Aid	16,634,128	16,634,128
KRESA Special Education	11,178,110	11,178,110
KRESA - Regional Enhancement Millage	4,650,000	4,680,000
Medicaid Outreach Revenue	20,000	20,000
Food Service Transfer	470,000	470,000
Athletics Revenue	148,000	148,000
Indirect Cost Revenue (Grants)	293,000	293,000
Miscellaneous Revenue	1,338,000	1,580,434
<b>TOTAL REVENUE</b>	<b>131,510,945</b>	<b>131,783,394</b>
Beginning Balance	14,664,225	11,209,677
<b>TOTAL REVENUE AND BEGINNING BALANCE</b>	<b><u>\$ 146,175,170</u></b>	<b><u>\$ 142,993,071</u></b>

**ASSUMPTIONS SUPPORTING CHANGES IN BUDGETED REVENUES AND BEGINNING  
BALANCE**

**KALAMAZOO PUBLIC SCHOOLS**

Preliminary Budget  
For the Year Ending June 30, 2021

**Foundation State Aid:** The provision for foundation state aid is based on a foundation rate of \$7,597 and blended enrollment of 12,831 students (blended enrollment is 90% of the fall 2020 count and 10% of the February 2020 count); plus or minus miscellaneous adjustments to state aid.

**Property Taxes:** The provision for property taxes is based on projected 2020 taxable values, plus or minus adjustments to state aid, less approximately \$208,000 for the Headlee Rollback.

**Categorical State Aid:** The provision for categorical state aid assumes a continuation of the 2019/20 revenue.

**K/RESA Special Education:** The budget for KRESA Special Education revenue reflects a continuation of 2019/20 revenue.

**K/RESA Regional Enhancement Millage:** The budget for the KRESA Regional Enhancement millage reflects a projected increase of \$30,000 as a result of increased taxable values.

**Medicaid Outreach Revenue:** The budget for Medicaid outreach revenue reflects a continuation of 2019/20 revenue

**Food Service Transfer:** The provision for reimbursement for indirect costs reflects a continuation of the 2019/20 Close Estimate Budget.

**Athletics Revenue:** The budget for athletic revenue assumes a continuation of the 2019/20 Close Estimate Budget level.

**Indirect Cost Revenue (Grants):** The budget for indirect cost revenue from grants reflects a continuation of 2019/20 indirect cost revenue.

**Miscellaneous Revenue:** The provision for miscellaneous revenue reflects a continuation of 2019/20 revenues, plus \$140,000 for the sale of WKDS, transfer of approximately \$70,000 of instrument rental revenue, and an increase of \$33,000 for a full year of Loy Norrix Day care revenues.

**Beginning Balance:** The provision for beginning balance has been adjusted to reflect the estimated ending balance for June 30, 2020.

**2020/21 PRELIMINARY BUDGET IN COMPARISON WITH THE 2019/20 CLOSE ESTIMATE BUDGET**

**KALAMAZOO PUBLIC SCHOOLS**

**JUNE, 2020**

For the Year Ending June 30, 2021

	Staff		Salaries		Benefits		Benefits		Contracted Services		Other Expenditures		Total	
	2019/20 Close Estimate Budget	2020/21 Preliminary Budget	2019/20 Close Estimate Budget	2020/21 Preliminary Budget	2019/20 Close Estimate Budget	2020/21 Preliminary Budget	2019/20 Close Estimate Budget	2020/21 Preliminary Budget	2019/20 Close Estimate Budget	2020/21 Preliminary Budget	2019/20 Close Estimate Budget	2020/21 Preliminary Budget	2019/20 Close Estimate Budget	2020/21 Preliminary Budget
<b>School Centers:</b>														
Elementary School Centers	331.1	331.6	\$ 19,397,274	\$ 21,533,107	\$ 12,796,023	\$ 14,196,972	\$ 417,831	\$ 497,831	\$ 857,303	\$ 806,517	\$ 33,468,431	\$ 37,034,427	\$ 33,468,431	\$ 37,034,427
Secondary School Centers	330.7	322.7	21,881,408	21,213,421	14,216,793	13,785,192	1,682,439	1,692,744	2,087,088	1,984,967	39,867,728	38,676,324	39,867,728	38,676,324
Special Education	225.0	225.0	10,747,823	10,668,804	7,302,600	7,265,836	177,939	177,939	311,605	311,605	18,539,967	18,424,184	18,539,967	18,424,184
Education for Employment	6.2	7.2	491,841	533,879	332,463	371,290	406,616	340,616	160,250	160,250	1,391,170	1,406,035	1,391,170	1,406,035
Alternative Programs	18.8	6.7	1,091,970	473,575	721,393	303,788	265,620	16,920	52,717	22,334	2,131,700	816,617	2,131,700	816,617
Bilingual/ESL	9.0	8.0	465,951	388,074	303,329	252,536	47,393	47,393	15,693	15,693	784,973	656,303	784,973	656,303
Community Education	3.0	3.0	246,110	246,110	135,246	135,246			42,548	42,548	471,298	471,297	471,298	471,297
School Center Reserve	3.0		192,603		127,773						320,376		320,376	
	926.8	904.2	54,514,980	55,056,970	35,935,620	36,310,860	2,997,838	2,773,443	3,527,204	3,343,914	96,975,642	97,485,187	96,975,642	97,485,187
<b>Systemwide Service Offices:</b>														
Executive Administration	3.0	3.0	436,748	436,748	215,886	215,886	294,941	289,441	2,786,599	1,982,881	652,634	652,634	652,634	652,634
Teaching and Learning Services	27.9	25.6	2,696,609	2,326,141	1,647,232	1,434,360	86,000	105,695	219,550	170,550	7,425,381	6,032,823	7,425,381	6,032,823
Student Services	21.6	10.0	1,196,789	973,339	785,705	598,446	609,260	98,300	62,938	62,938	2,288,044	1,848,230	2,288,044	1,848,230
Business and Finance	14.5	13.5	1,004,357	969,003	626,534	609,260	204,363	204,363	614,612	614,612	1,792,129	1,739,501	1,792,129	1,739,501
Technology Services	11.8	11.8	827,799	760,299	502,388	470,285	4,860,025	4,760,025	1,172,521	1,140,521	2,149,162	2,049,559	2,149,162	2,049,559
Facilities Management	24.0	24.0	1,524,402	1,524,402	1,029,967	1,029,967	48,715	48,715	1,236,534	1,436,534	8,586,915	8,454,915	8,586,915	8,454,915
Transportation	134.5	134.5	4,198,628	4,198,629	2,994,165	2,994,165	66,215	66,215	211,712	211,712	8,478,042	8,678,042	8,478,042	8,678,042
Communications	3.0	3.0	267,267	267,267	141,122	141,122	34,661	34,661	121,945	121,945	686,316	646,316	686,316	646,316
Human Resources	8.0	7.0	642,214	594,932	360,672	337,974	5,693,220	5,567,415	6,426,411	5,741,693	1,159,492	1,089,512	1,159,492	1,089,512
	248.3	232.4	12,794,813	12,050,960	8,303,671	7,831,466	23,383	23,383	654,464	654,464	33,218,115	31,191,531	33,218,115	31,191,531
<b>Systemwide Costs:</b>														
Systemwide Personnel Costs	0.8	0.8	193,923	220,661	109,146	111,191	243,407	243,407	2,972,417	2,932,417	980,916	1,009,699	980,916	1,009,699
Systemwide Utilities/Security							462,200	442,200	1,074,065	1,019,065	3,215,824	3,175,824	3,215,824	3,175,824
Other Systemwide Costs											1,536,265	1,461,265	1,536,265	1,461,265
Placeholder to Reduce Non-Salary Budgets		(7.7)	(571,538)	(436,558)	(389,731)	(324,856)				(230,000)	-	(230,000)	-	(230,000)
Vacancy Credit	(8.7)	(6.9)	(377,615)	(215,897)	(280,585)	(213,665)	708,990	708,990	4,700,946	4,375,946	(961,269)	(761,414)	(961,269)	(761,414)
	(7.9)										4,771,736	4,655,374	4,771,736	4,655,374
<b>Reserves:</b>														
Reserve for Attrition Savings						-				(1,000,000)	-	(1,000,000)	-	(1,000,000)
Reserve for Insurance and Retirement Rate Increases										800,000	-	800,000	-	800,000
Reserve for Salary Reductions										(1,350,000)	-	(1,350,000)	-	(1,350,000)
Reserve for Contingencies		0	-	-	-	-	11,209,677	11,210,977	11,209,677	11,210,977	11,209,677	11,210,977	11,209,677	11,210,977
	0										11,209,677	9,660,977	11,209,677	9,660,977
<b>TOTAL EXPENDITURES AND RESERVES</b>	<b>1,167.2</b>	<b>1,129.7</b>	<b>\$ 66,932,178</b>	<b>\$ 66,892,033</b>	<b>\$ 43,958,706</b>	<b>\$ 43,928,660</b>	<b>\$ 9,420,048</b>	<b>\$ 9,049,848</b>	<b>\$ 25,864,238</b>	<b>\$ 23,122,530</b>	<b>\$ 146,175,170</b>	<b>\$ 142,993,071</b>	<b>\$ 146,175,170</b>	<b>\$ 142,993,071</b>

## Kalamazoo Public Schools

Explanations for Significant Changes (Greater than \$10,000) Between the 2020/21 Preliminary Budget  
and the 2019/20 Close Estimate Budget

Item	Explanation	Increase (Decrease)
<b><u>Elementary School Centers</u></b>		
<i>Salaries and Benefits (\$3,537,000 Increase)</i>		
Transfer from School Center Reserve-- Classroom Teachers	Transfer from the School Center Reserve of 1.0 classroom teacher FTE based on projected staffing needs for the 2020/21 school year.	\$107,000
Budget Reduction -- Greenwood Principal	Budget reduction of .5 Greenwood Principal as this position has been combined with the Early Childhood Coordinator position.	(86,000)
Budget Adjustment - Federal CARES Act Grant	Restoration of elementary teacher salaries and benefits that had been transferred to the federal CARES Act grant in the 2019/20 fiscal year.	3,500,000
Budget Reduction -- Elementary Summer School	Reduction of the budget for summer school due to reconfiguration to a virtual format.	(134,000)
Budget Reduction-- Additional PD days	Elimination of the budget for 2 additional professional development days.	(244,000)
Budget Adjustment -- Hourly Wages	Net increase in the budgets for hourly wages as a result of site based budget recommendations (Edison, Greenwood, Indian Prairie, Northeastern, Prairie Ridge)	30,000
Average Salary Rate Adjustment	Adjustment of the salary and benefits budget to reflect a full year of KEA and KSP salary costs at 19/20 rates.	<u>364,000</u>
	Net Increase	<u><u>\$3,537,000</u></u>
<i>Contracted Services (\$80,000 Increase)</i>		
Budget Adjustment -- Contracted Teacher Substitutes	Restoration of the budget for teacher substitutes in anticipation of a full school year.	\$100,000
Budget Reduction -- Contracted Teacher Sub Bonus	Reduction of the budget for teacher substitute bonus' as a result of budget cuts.	<u>(20,000)</u>
	Net Increase	<u><u>\$ 80,000</u></u>
<i>Other Expenditures (\$51,000 Decrease)</i>		
Budget Reduction -- Elementary Summer School	Reduction of the budget for summer school due to reconfiguration to a virtual format.	(\$21,000)
Budget Adjustment -- Site Based	Net decrease in the budgets for other expenditures as a result of site based budget recommendations (Edison, Greenwood, Indian Prairie, Northeastern, Prairie Ridge)	<u>(\$30,000)</u>
	Decrease	<u><u>(\$51,000)</u></u>



## Kalamazoo Public Schools

Explanations for Significant Changes (Greater than \$10,000) Between the 2020/21 Preliminary Budget  
and the 2019/20 Close Estimate Budget

Item	Explanation	Increase (Decrease)
<b><u>Secondary School Centers</u></b>		
<i>Salaries and Benefits (\$1,100,000 Decrease)</i>		
Transfer from School Center Reserve-- Classroom Teachers	Transfer from the School Center Reserve of 2.0 classroom teacher FTE based on projected staffing needs for the 2020/21 school year.	\$213,000
Budget Reduction -- High School Positions	Reduction of 10.0 high school positions as a result of budget reductions.	(1,041,000)
Budget Reduction -- Secondary Summer School	Reduction of the budget for summer school due to reconfiguration to a virtual format.	(35,000)
Budget Reduction -- Additional PD days	Elimination of the budget for 2 additional professional development days.	(246,000)
Budget Transfer -- Campus Safety	Transfer of the budget for hourly Campus Safety to the Student Services Cost Center.	(444,000)
Budget Transfer -- Retirement	Transfer of the budget for retirement costs to the Other Personnel Cost Center.	(26,000)
Average Salary Rate Adjustment	Adjustment of the salary and benefits budget to reflect a full year of KEA and KSP salary costs at 19/20 rates.	<u>479,000</u>
	Net Decrease	<u><u>(\$1,100,000)</u></u>
<i>Contracted Services (\$10,000 Increase)</i>		
Budget Adjustment -- Contracted Teacher Substitutes	Restoration of the budget for teacher substitutes in anticipation of a full school year.	\$50,000
Budget Reduction -- Contracted Teacher Sub Bonus	Reduction of the budget for teacher substitute bonus' as a result of budget cuts.	(20,000)
Budget Transfer -- Campus Safety	Transfer of the budget for Campus Safety to the Student Services Cost Center.	<u>(20,000)</u>
	Net Increase	<u><u>\$10,000</u></u>
<i>Other Expenditures (\$102,000 Decrease)</i>		
Budget Reduction -- Athletics	Placeholder to determine budget reductions in the Athletic budgets.	(80,000)

## Kalamazoo Public Schools

Explanations for Significant Changes (Greater than \$10,000) Between the 2020/21 Preliminary Budget  
and the 2019/20 Close Estimate Budget

Item	Explanation	Increase (Decrease)
Budget Reduction -- Secondary Summer School	Reduction of the budget for summer school due to reconfiguration to a virtual format.	(22,000)
	Decrease	<u>(\$102,000)</u>
	<b><u>Special Education Cost Center</u></b>	
	<i>Salaries and Benefits (\$116,000 Decrease)</i>	
Budget Reductions -- Additional PD days	Elimination of the budget for 2 additional professional development days.	(116,000)
	Decrease	<u>(\$116,000)</u>
	<b><u>Education for Employment Cost Center</u></b>	
	<i>Salaries and Benefits (\$81,000 Increase)</i>	
Budget Transfer -- Transfer from KRESA	Transfer of 1.0 teacher Education for Employment IT teacher from KRESA to KPS (Loy Norrix). See offsetting cost reduction below.	\$ 66,000
Budget Reduction -- Additional PD days	Elimination of the budget for 2 additional professional development days.	(\$6,000)
Average Salary Rate Adjustment	Adjustment of the salary and benefits budget to reflect a full year of teacher salary costs at 19/20 rates.	21,000
	Net Increase	<u>\$ 81,000</u>
	<i>Contracted Services (\$66,000 Decrease)</i>	
Budget Adjustment -- EFE	Adjustment of the budget to reflect the reduction of the contribution required to the KRESA Education for Employment county-wide program.	(\$66,000)
	Decrease	<u>(\$66,000)</u>
	<b><u>Alternative Programs Cost Center</u></b>	
	<i>Salaries and Benefits (\$1,036,000 Decrease)</i>	
Budget Reduction -- Elimination of the ALP Program	Elimination of the Alternative Learning Program for the 2020/21 school year (10.10 FTE).	(\$802,000)
Budget Reduction -- Elimination of KILP	Elimination of the Kalamazoo Innovative Learning Program for the 2020/21 school year (2.0 FTE). This program will be reconfigured and funded with At Risk funds.	(237,000)

## Kalamazoo Public Schools

Explanations for Significant Changes (Greater than \$10,000) Between the 2020/21 Preliminary Budget  
and the 2019/20 Close Estimate Budget

Item	Explanation	Increase (Decrease)
Budget Reduction -- Additional PD days	Elimination of the budget for 2 additional professional development days.	(\$7,000)
Average Salary Rate Adjustment	Adjustment of the salary and benefits budget to reflect a full year of teacher salary costs at 19/20 rates.	10,000
	Net Decrease	<u>(\$1,036,000)</u>
	<i>Contracted Services (\$249,000 Decrease)</i>	
Budget Reduction -- Elimination of the ALP Program	Elimination of the Alternative Learning Program for the 2020/21 school year.	(1,000)
Budget Reduction -- Elimination of KILP	Elimination of the Kalamazoo Innovative Learning Program for the 2020/21 school year. This program will be reconfigured and funded with At Risk funds.	<u>(248,000)</u>
	Decrease	<u>(\$249,000)</u>
	<i>Other Expenditures (\$30,000 Decrease)</i>	
Budget Reduction -- Elimination of the ALP Program	Elimination of the Alternative Learning Program for the 2020/21 school year.	(\$10,000)
Budget Reduction -- Elimination of KILP	Elimination of the Kalamazoo Innovative Learning Program for the 2020/21 school year. This program will be reconfigured and funded with At Risk funds.	<u>(20,000)</u>
	Decrease	<u>(\$30,000)</u>
	<b><u>Bilingual/ESL Cost Center</u></b>	
	<i>Salaries and Benefits (\$129,000 Decrease)</i>	
Budget Reduction -- Coordinator Position	Elimination of 1.0 Coordinator of Bilingual/ESL and World Languages as a result of budget reductions.	(\$164,000)
Budget Adjustment -- ESL Lead Teachers	Addition of 4 ESL lead teachers in lieu of the Coordinator position.	34,000
Budget Reduction -- Additional PD days	Elimination of the budget for 2 additional professional development days.	(2,000)
Budget Transfer -- Retirement	Transfer of the budget for retirement costs to the Other Personnel Cost Center.	(3,000)
Average Salary Rate Adjustment	Adjustment of the salary and benefits budget to reflect a full year of KEA and KSP salary costs at 19/20 rates.	6,000
	Net Decrease	<u>(\$129,000)</u>

## Kalamazoo Public Schools

Explanations for Significant Changes (Greater than \$10,000) Between the 2020/21 Preliminary Budget  
and the 2019/20 Close Estimate Budget

Item	Explanation	Increase (Decrease)
<b><u>School Center Reserve</u></b>		
<i>Salaries and Benefits (\$320,000 Decrease)</i>		
Budget Transfer -- Transfer to School Centers	Transfer of a total of 1.0 teacher positions to the Elementary School Centers Cost Center for 2020/21 staffing needs.	(\$107,000)
Budget Transfer -- Transfer to School Centers	Transfer of a total of 2.0 teacher positions to the Secondary School Centers Cost Center for 2020/21 staffing needs.	(\$213,000)
	Decrease	<u>(\$320,000)</u>
<b><u>Teaching and Learning Services</u></b>		
<i>Salaries and Benefits (\$583,000 Decrease)</i>		
Budget Reduction -- Elementary Director Position	Elimination of the Director of Elementary Education due to budget reductions (savings represents 10 months of savings).	(\$140,000)
Budget Reduction -- Supertech position	Reduction of 1.0 Supertech position as a result of budget reductions.	(94,000)
Budget Reduction -- Lift Up Through Literacy Program	Elimination of the salaries and benefits of the Lift Up Through Literacy program as a result of budget reductions.	(262,000)
Budget Reduction -- Early Childhood Coordinator	Budget reduction of .5 Early Childhood Coordinator as this position has been combined with the Greenwood Principal position.	(98,000)
Budget Reduction -- Additional PD days	Elimination of the budget for 2 additional professional development days.	(9,000)
Average Salary Rate Adjustment	Adjustment of the salary and benefits budget to reflect a full year of KEA and KSP salary costs at 19/20 rates.	<u>20,000</u>
	Net Decrease	<u>(\$583,000)</u>
<i>Contracted Services (\$6,000 Decrease)</i>		
Budget Reduction -- Lift Up Through Literacy Program	Elimination of the budget for contracted services of the Lift Up Through Literacy program as a result of budget reductions.	(\$6,000)
	Decrease	<u>(\$6,000)</u>
<i>Other Expenditures (\$804,000 Decrease)</i>		
Budget Reduction -- Lift Up Through Literacy Program	Elimination of the budget for other expenditures for the Lift Up Through Literacy program as a result of budget reductions.	(\$195,000)

## Kalamazoo Public Schools

Explanations for Significant Changes (Greater than \$10,000) Between the 2020/21 Preliminary Budget  
and the 2019/20 Close Estimate Budget

Item	Explanation	Increase (Decrease)
Budget Reduction -- Summer Literacy Program	Elimination of the budget for books for the Summer Literacy program. This program will be funded through At Risk funds.	(192,000)
Budget Adjustment -- ELA Adoption	Elimination of a budget for the Middle School ELA program.	(337,000)
Budget Adjustment -- Science Adoption	Elimination of a budget for the High School Science Adoption.	(80,000)
	Decrease	<u>(\$804,000)</u>
<b><u>Student Services Cost Center</u></b>		
<i>Salaries and Benefits (\$411,000 Decrease)</i>		
Budget Reduction -- Behavior Specialists	Elimination of the budget of 11.65 FTE elementary Behavior Specialists. as a result of budget reductions. These positions will be funded with At Risk funds.	(\$855,000)
Budget Transfer -- Campus Safety	Transfer of the budget for hourly Campus Safety from the Secondary School Centers Cost Center.	444,000
	Net Decrease	<u>(\$411,000)</u>
<i>Contracted Services (\$20,000 Increase)</i>		
Budget Transfer -- Campus Safety	Transfer of the budget for Campus Safety from the Secondary School Centers Cost Center.	\$20,000
	Increase	<u>20,000</u>
<i>Other Expenditures (\$49,000 Decrease)</i>		
Budget Reduction -- Various items	Reduction of the budget for ALICE training, Base Education and Move this World as a result of budget reductions.	\$ (49,000)
	Decrease	<u>\$ (49,000)</u>
<b><u>Business and Finance Cost Center</u></b>		
<i>Salaries and Benefits (\$53,000 Decrease)</i>		
Budget Reduction -- Payroll Clerk	Reduction of 1.0 Payroll Clerk position as a result of budget reductions.	(\$53,000)
	Decrease	<u>(\$53,000)</u>

## Kalamazoo Public Schools

Explanations for Significant Changes (Greater than \$10,000) Between the 2020/21 Preliminary Budget  
and the 2019/20 Close Estimate Budget

Item	Explanation	Increase (Decrease)
<b><u>Technology Services Cost Center</u></b>		
<i>Salaries and Benefits (\$100,000 Decrease)</i>		
Budget Reductions -- TAG Extra Duty Wages	Elimination of TAG extra duty wages are a result of budget reductions.	(\$100,000)
	Decrease	(\$100,000)
<b><u>Facilities Management Cost Center</u></b>		
<i>Contracted Services (\$100,000 Decrease)</i>		
Budget Reduction -- Placeholder	Placeholder for budget reductions to be determined.	(\$100,000)
	Decrease	(\$100,000)
<i>Other Expenditures (\$32,000 Decrease)</i>		
Budget Adjustment -- Equipment	Decrease in the budget for facility equipment.	(\$32,000)
	Decrease	(\$32,000)
<b><u>Transportation Cost Center</u></b>		
<i>Other Expenditures (\$200,000 Increase)</i>		
Budget Adjustment -- Diesel Fuel	Increase in the budget for diesel fuel in anticipation of return to a full school year.	\$200,000
	Increase	\$200,000
<b><u>Communications Cost Center</u></b>		
<i>Contracted Services (\$40,000 Decrease)</i>		
Budget Adjustment -- Marketing	Decrease in the budget for marketing.	(\$20,000)
Budget Adjustment -- Website	Decrease in the budget for a new website design.	(20,000)
	Decrease	(\$40,000)

## Kalamazoo Public Schools

Explanations for Significant Changes (Greater than \$10,000) Between the 2020/21 Preliminary Budget  
and the 2019/20 Close Estimate Budget

Item	Explanation	Increase (Decrease)
	<b><u>Human Resources Cost Center</u></b>	
	<i>Salaries and Benefits (\$70,000 Decrease)</i>	
Budget Reduction -- Supertech Position	Reduction of 1.0 Supertech position as a result of budget reductions.	(\$70,000)
	Decrease	(\$70,000)
	<b><u>Systemwide Personnel Costs</u></b>	
	<i>Salaries and Benefits (\$29,000 Increase)</i>	
Budget Transfer -- Retirement	Transfer of the budget for retirement from other cost centers.	\$29,000
	Increase	\$29,000
	<b><u>Systemwide Utilities/Security</u></b>	
	<i>Other Expenditures (\$40,000 Decrease)</i>	
Budget Reduction -- Utilities	Decrease in the utility budget due to the prohibition of appliances in classrooms.	(\$40,000)
	Decrease	(\$40,000)
	<b><u>Other Systemwide Costs</u></b>	
	<i>Contracted Services (\$20,000 Decrease)</i>	
Budget Adjustment -- Consulting	Elimination of the budget for Superintendent search firm.	(\$20,000)
	Decrease	(\$20,000)
	<i>Other Expenditures (\$55,000 Decrease)</i>	
Budget Reduction -- Mock Trial and FCCLA Nationals	Reduction of the budget for Mock Trial and FCCLA Nationals costs as a result of budget reductions.	(\$25,000)
Budget Reduction -- Vehicle Replacement	Decrease in the budget for vehicle replacement as a result of budget reductions.	(30,000)
	Decrease	(\$55,000)

## Kalamazoo Public Schools

Explanations for Significant Changes (Greater than \$10,000) Between the 2020/21 Preliminary Budget  
and the 2019/20 Close Estimate Budget

Item	Explanation	Increase (Decrease)
	<b><u>Placeholder for Non-Salary Reductions</u></b>	
	<i>Other Expenditures (\$230,000 reduction)</i>	
Budget Reduction -- Placeholder	Placeholder for non-salary reductions of 5% throughout all cost centers, including a prohibition on out of state travel and food at meetings.	(\$230,000)
	Decrease	(\$230,000)
	<b><u>Vacancy Credit</u></b>	
	<i>Decrease of Credit (\$200,000)</i>	
Budget Adjustment -- Vacancy Credit	Adjustment of the vacancy credit to projected.	\$200,000
	Decrease of Credit	\$200,000
	<b><u>Reserve for Attrition Savings</u></b>	
	<i>Reserve (\$1,000,000)</i>	
Reserve for Attrition Savings	Establishment of a reserve for attrition savings.	(\$1,000,000)
	Reserve	(\$1,000,000)
	<b><u>Reserve for Insurance and Retirement Rate Increases</u></b>	
	<i>Reserve (\$800,000)</i>	
Reserve for Insurance and Retirement Rate Increases	Establishment of a reserve for insurance and retirement rate increases.	\$800,000
	Reserve	\$800,000
	<b><u>Reserve for Salary Reductions</u></b>	
	<i>Reserve (\$1,350,000)</i>	
Reserve for Salary Reductions	Reserve for 1.33% reduction in salaries, retirement and FICA for all employee groups. It should be noted that most compensation adjustments are subject to collective bargaining and cannot be unilaterally determined.	(\$1,350,000)
	Reserve	(\$1,350,000)



# CONSOLIDATED BUDGET FOR STATE REPORTING PURPOSES - GENERAL FUND

2020/21 PRELIMINARY BUDGET  
KALAMAZOO PUBLIC SCHOOLS  
For the Year Ending June 30, 2021

	2018/19 Actual	2019/20 Close Estimate Budget	2020/21 Preliminary Budget
Revenue:			
Local Sources	\$23,937,225	\$26,138,691	\$27,258,104
State Sources	107,149,264	103,172,843	102,717,646
Federal Sources	9,613,138	13,895,063	10,894,263
Indirect Revenue	470,000	470,000	470,000
Interdistrict Sources	15,638,897	15,828,111	15,858,111
Total Revenue and Other Transactions	156,808,524	159,504,708	157,198,124
Expenditures:			
Instruction:			
Basic Programs	69,487,553	70,352,595	68,042,998
Added Needs	20,089,712	22,473,897	22,361,024
Adult Education	396,604	423,009	422,740
Subtotal	89,973,869	93,249,501	90,826,762
Instructional Support Services:			
Pupil Support	12,781,793	13,350,377	12,853,805
Instructional Staff Support	10,579,020	11,605,137	10,310,173
School Administration	10,378,330	10,424,058	9,615,796
Total Instructional Support Services	33,739,143	35,379,572	32,779,774
Non-Instructional Support Services:			
General Administration	1,206,740	1,124,870	1,159,581
Business Services	1,675,888	1,517,711	1,693,880
Operations and Maintenance	14,301,737	14,540,933	14,186,998
Transportation	8,442,715	8,974,716	9,024,544
Other Central Services	3,637,977	3,954,138	3,767,502
Athletics	1,468,362	1,393,651	1,303,096
Total Non-Instructional Support Services	30,733,419	31,506,019	31,135,601
Community Services	1,350,814	1,560,230	1,752,112
Interest on Debt	3,581	50,000	50,000
Capital Outlay	226,241	1,213,934	652,575
Total Expenditures	156,027,067	162,959,256	157,196,825
Excess of Revenues over Expenditures (Expenditures over Revenues)	781,457	(3,454,548)	1,300
Beginning Fund Balance	13,882,768	14,664,225	11,209,677
Ending Fund Balance	14,664,225	11,209,677	11,210,977

**DEBT RETIREMENT FUND CONSOLIDATED BUDGET  
FOR STATE REPORTING PURPOSES**

2020/21 PRELIMINARY BUDGET  
KALAMAZOO PUBLIC SCHOOLS  
For the Year Ending June 30, 2021

	2018/19 Actual	2019/20 Close Estimate Budget	2020/21 Preliminary Budget
Revenue:			
Revenue from Local Sources	\$20,871,563	\$21,734,628	\$22,804,134
Revenue from State Sources	\$663,176	662,997	662,997
Revenue from Federal Sources	\$545,072	357,768	357,768
Other Financing Sources:			
Other Financing Sources	<u>11,397,431</u>	<u>18,596,432</u>	
 Total Revenues, Incoming Transfers and Other Transactions	 33,477,242	 41,351,825	 23,824,899
Expenditures:			
Redemption of Principal	13,080,000	14,560,000	17,100,000
Interest on Debt	7,635,023	7,421,190	7,167,584
Bond Issuance Costs	110,073	128,101	
Other		5,000	5,000
Other Financing Uses:			
Payment to Refund Bonds	<u>11,521,557</u>	<u>19,092,331</u>	
Total Expenditures	<u>32,346,653</u>	<u>41,206,622</u>	<u>24,272,584</u>
 Excess of Revenues over Expenditures (Expenditures over Revenues)	 1,130,589	 145,203	 (447,685)
 Beginning Restricted Fund Balance	 4,098,156	 5,228,745	 5,373,948
 Ending Restricted Fund Balance	 <u>\$5,228,745</u>	 <u>\$5,373,948</u>	 <u>\$4,926,263</u>

**SPECIAL REVENUE FUND CONSOLIDATED BUDGET FOR STATE REPORTING  
PURPOSES**

2020/21 PRELIMINARY BUDGET  
KALAMAZOO PUBLIC SCHOOLS  
For the Year Ending June 30, 2021

	2018/19 Actual	2019/20 Close Estimate Budget	2020/21 Preliminary Budget
Revenue:			
Revenue from Local Sources	\$683,133	\$292,509	\$409,079
Revenues from Student/School Activities*		\$0	900,000
Revenue from State Sources	302,431	283,121	249,551
Revenue from Federal Sources	7,785,748	9,367,611	8,275,832
Total Revenues	<u>8,771,312</u>	<u>9,943,241</u>	<u>9,834,462</u>
Expenditures:			
Food Service	7,823,441	8,998,241	8,193,270
Student/School Activities*	0	0	900,000
Other Financial Uses	470,000	470,000	470,000
Total Expenditures	<u>8,293,441</u>	<u>9,468,241</u>	<u>9,563,270</u>
Excess of Revenues over Expenditures	477,871	475,000	271,192
Beginning Restricted Fund Balance:			
Food Service	1,454,164	1,932,035	2,407,035
Ending Restricted Fund Balance	<u><u>\$1,932,035</u></u>	<u><u>\$2,407,035</u></u>	<u><u>\$2,678,227</u></u>

\*Per new accounting guidance (GASB 84), student/school activity funds are now classified as special revenue funds (formerly classified as fiduciary funds).

**Kalamazoo Public Schools  
Appropriations Resolution  
2020/21 Preliminary Budget**

**Be it resolved that this shall be the general appropriations of Kalamazoo Public Schools for the fiscal year ending June 30, 2021. A resolution to make appropriations; to provide for the expenditures of the appropriations; and to provide for the disposition of all revenue received by Kalamazoo Public Schools.**

**Be it further resolved, that the total unappropriated fund balance and revenues to be available for appropriations in the General Fund of Kalamazoo Public Schools for the fiscal year ending June 30, 2021 (which includes 17.6757 mills of ad valorem taxes to be levied on non-homestead and non-homestead qualified agricultural property to be used for operating purposes) is as follows:**

Beginning Unassigned Fund Balance	\$ 11,209,677
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Revenues:

Local Sources	\$ 27,258,104
State Sources	\$ 102,717,646
Federal Sources	\$ 10,894,263
Interdistrict Sources	\$ 15,858,111
Other Financing Sources	<u>\$ 470,000</u>

Total Revenues	\$ 157,198,124
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Total Available to Appropriate	<u>\$ 168,407,801</u>
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**Be it further resolved, that \$157,196,824 of the total available to appropriate in the General Fund is hereby appropriated in the amounts and for the purposes set forth as follow:**

Expenditures:

Instruction:

Basic Programs	\$ 68,042,998
Added Needs	\$ 22,361,024
Adult Education	\$ 422,740

Instructional Support Services:

Pupil Support	\$ 12,853,805
Instructional Staff Support	\$ 10,310,173
School Administration	\$ 9,615,796

Non-Instructional Support Services:

General Administration	\$ 1,159,581
Business Services	\$ 1,693,880
Operations and Maintenance	\$ 14,186,998
Transportation	\$ 9,024,544
Other Central Services	\$ 3,767,502
Athletics	\$ 1,303,096
Community Services	\$ 1,752,112
Debt Service	\$ 50,000
Capital Outlay	<u>\$ 652,575</u>

Total Expenditure Appropriation	<u>\$ 157,196,824</u>
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**Be it further resolved, that the total unappropriated fund balance and revenues to be available for appropriations in the Special Revenue Fund of Kalamazoo Public Schools for the fiscal year ending June 30, 2021 is as follows:**

Beginning Restricted Fund Balance	\$ 2,407,035
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Revenues:

Local Sources	\$ 409,079
Student/School Activity Income	\$ 900,000
State Sources	\$ 249,551
Federal Sources	<u>\$ 8,275,832</u>

Total Revenues	\$ 9,834,462
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Total Available to Appropriate	<u>\$ 12,241,497</u>
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**Be it further resolved, that \$9,563,270 of the total available to appropriate in the Special Revenue Fund is hereby appropriated in the amounts and for the purposes set forth as follow:**

**Expenditures:**

Salaries	\$ 2,071,744
Benefits	\$ 1,026,512
Purchased Services	\$ 765,003
Supplies	\$ 3,624,977
Student/School Activities	\$ 900,000
Other	\$ 705,034
Other Financing Uses	<u>\$ 470,000</u>

Total Expenditure Appropriation \$ 9,563,270

**Be it further resolved, that the total unappropriated fund balance and revenues to be available for appropriations in the Debt Retirement Fund (which includes 8.20 of extra voted debt retirement tax for the purpose of capital projects) of Kalamazoo Public Schools for the fiscal year ending June 30, 2021 is as follows:**

Beginning Restricted Fund Balance \$ 5,373,948

**Revenues:**

Local Sources	\$ 22,804,134
State Sources	\$ 662,997
Federal Sources	<u>\$ 357,768</u>

Total Revenues \$ 23,824,899

Total Available to Appropriate \$ 29,198,847

**Be it further resolved, that \$24,272,584 of the total available to appropriate in the Debt Retirement Fund is hereby appropriated in the amounts and for the purposes set forth as follow:**

**Expenditures:**

Debt Retirement \$ 24,272,584

Total Expenditure Appropriation \$ 24,272,584

**Be it further resolved that no Board of Education member or employee of the School District shall expend any funds or obligate the expenditure of funds except pursuant to appropriations made by the Board of Education. Changes in the amount appropriated shall require approval by the Board of Education.**

## BUDGETED REVENUE AND BEGINNING BALANCE

### 2019/20 CLOSE ESTIMATE BUDGET

#### KALAMAZOO PUBLIC SCHOOLS

	<b>2019/20 Preliminary Budget</b>	<b>2019/20 Close Estimate Budget</b>
Foundation:		
State Aid	\$ 82,715,692	\$ 74,866,711
Property Taxes	<u>21,778,703</u>	<u>21,912,996</u>
Total Foundation Revenue	104,494,395	96,779,707
Categorical State Aid	15,356,661	16,634,128
KRESA Special Education	11,434,279	11,178,110
KRESA - Regional Enhancement Millage	4,650,000	4,650,000
Medicaid Outreach Revenue	20,000	20,000
Food Service Transfer	470,000	470,000
Athletics Revenue	148,000	148,000
Indirect Cost Revenue (Grants)	293,000	293,000
Miscellaneous Revenue	<u>692,000</u>	<u>1,338,000</u>
<b>TOTAL REVENUE</b>	<b>137,558,335</b>	<b>131,510,945</b>
Beginning Balance	<u>14,042,290</u>	<u>14,664,225</u>
<b>TOTAL REVENUE AND BEGINNING BALANCE</b>	<b><u>\$ 151,600,625</u></b>	<b><u>\$ 146,175,170</u></b>



## ASSUMPTIONS SUPPORTING CHANGES IN BUDGETED REVENUES AND BEGINNING BALANCE

### KALAMAZOO PUBLIC SCHOOLS

Close Estimate Budget  
For the Year Ending June 30, 2020

**Foundation State Aid:** The provision for foundation state aid is based on a foundation rate of \$8,282 less a proration of \$685, and blended enrollment of 12,831 students (blended enrollment is 90% of the fall 2019 count and 10% of the February 2019 count); plus or minus miscellaneous adjustments to state aid. KAMSC added costs have been transferred to the Secondary School Centers Cost Center.

**Property Taxes:** The provision for property taxes is based on projected taxable values, plus or minus adjustments to state aid.

**Categorical State Aid:** The provision for categorical state aid assumes a continuation of the 2019/20 Preliminary budget, plus or minus miscellaneous adjustments. Adjustments include the new categorical Sec 51f, Special Education cost reimbursement, of approx. \$447,000 (offset by a decrease in K/RESA Special Education revenue, listed below). Also, Sec 51a Special Education decreased by approx. \$7,000, Sec 22n High School Supports were eliminated (approx. \$86,000) and the combined Sec 147 MPSERS categoricals increased by approx. \$916,000.

**K/RESA Special Education:** The budget for KRESA Special Education revenue reflects the revised 2019/20 KRESA Special Education budget. Revenues partially reduced by the new Sec 51f categorical noted above.

**K/RESA Regional Enhancement Millage:** The budget for the KRESA Regional Enhancement millage reflects estimated revenue for 2019/20 based on enrollment and taxable values.

**Medicaid Outreach Revenue:** The budget for Medicaid outreach revenue reflects a continuation of the 2019/20 Preliminary budget.

**Food Service Transfer:** The provision for Food Service indirect costs reflects a continuation of revenue for 2019/20.

**Athletics Revenue:** The budget for athletic revenue reflects a continuation of the 2019/20 Preliminary Budget.

**Indirect Cost Revenue (Grants):** The budget for indirect cost revenue from grants reflects a projection of 2019/20 indirect cost revenue.

**Miscellaneous Revenue:** The provision for miscellaneous revenue reflects a continuation of the 2019/20 Preliminary budget, plus or minus miscellaneous adjustments. Adjustments include the re-classification of approx. \$617,000 of transportation revenue from expense to better account for these revenues (see corresponding offset in transportation expense budgets), and an increase in USF revenues based on estimated revenue (increase of \$92,000). Also, as a result of the COVID-19 Stay at Home Order, Chenery revenues were reduced by approximately \$30,000 and LN Day Care revenues by approximately \$33,000.

**Beginning Balance:** The provision for beginning balance has been adjusted to reflect the ending balance for June 30, 2019.

2019/20 CLOSE ESTIMATE BUDGET IN COMPARISON WITH THE 2019/20 PRELIMINARY BUDGET

KALAMAZOO PUBLIC SCHOOLS

JUNE, 2020

For the Year Ending June 30, 2020

	Staff		Salaries		Benefits		Benefits		Contracted Services		Other Expenditures		Total	
	2019/20 Preliminary Budget	2019/20 Close Estimate Budget	2019/20 Preliminary Budget	2019/20 Close Estimate Budget	2019/20 Preliminary Budget	2019/20 Close Estimate Budget	2019/20 Preliminary Budget	2019/20 Close Estimate Budget	2019/20 Preliminary Budget	2019/20 Close Estimate Budget	2019/20 Preliminary Budget	2019/20 Close Estimate Budget	2019/20 Preliminary Budget	2019/20 Close Estimate Budget
<b>School Centers:</b>														
Elementary School Centers	332.9	331.1	\$ 21,367,514	\$ 19,397,274	\$ 14,048,461	\$ 12,796,023	\$ 517,831	\$ 417,831	\$ 850,705	\$ 857,303	\$ 36,784,511	\$ 33,468,431		
Secondary School Centers	337.3	330.7	21,478,840	21,881,408	13,892,051	14,216,793	1,657,198	1,682,439	2,001,494	2,087,088	39,029,583	39,867,728		
Special Education	226.6	225.0	10,527,951	10,747,823	7,119,323	7,302,600	177,943	177,939	217,397	311,605	18,042,614	18,539,967		
Education for Employment		6.2	491,841			332,463		406,616		160,250		1,391,170		
Alternative Programs	16.8	18.8	1,064,422	1,091,970	720,110	721,393	265,620	265,620	52,717	52,717	2,102,869	2,131,700		
Bilingual/ESL	8.0	9.0	401,145	465,951	274,085	303,329	15,693	15,693	15,693	15,693	690,923	784,973		
Community Education	2.8	3.0	233,126	246,110	120,590	135,246	47,393	47,393	42,548	42,548	443,657	471,297		
School Center Reserve	4.0	3.0	250,400	192,603	145,676	127,773					396,076	320,376		
	928.4	926.8	55,323,398	54,514,980	36,320,296	35,935,620	2,665,985	2,997,838	3,180,554	3,527,204	97,490,233	96,975,642		
<b>Systemwide Service Offices:</b>														
Executive Administration	3.0	3.0	405,163	436,748	262,779	215,886					667,942	652,634		
Teaching and Learning Services	28.7	27.9	2,634,254	2,696,609	1,643,009	1,647,232	395,846	294,941	2,362,126	2,786,599	7,035,235	7,425,381		
Student Services	21.6	21.6	1,133,886	1,196,789	715,434	785,705	86,000	86,000	209,550	219,550	2,144,870	2,288,044		
Business and Finance	14.5	14.5	969,001	1,004,357	606,219	626,534	98,300	98,300	62,938	62,938	1,736,458	1,792,129		
Technology Services	11.8	11.8	801,934	827,799	461,708	502,388	135,000	204,363	578,612	614,612	1,977,254	2,149,162		
Facilities Management	23.0	24.0	1,403,178	1,524,402	934,282	1,029,967	4,795,025	4,860,025	1,140,521	1,172,521	8,273,006	8,586,915		
Transportation	134.5	134.5	3,692,710	4,198,628	2,820,377	2,994,165	48,715	48,715	1,262,727	1,236,534	7,824,529	8,478,042		
Communications	2.0	3.0	244,824	267,267	147,882	141,122	34,661	66,215	192,929	211,712	585,635	686,316		
Human Resources	8.0	8.0	622,909	642,214	353,037	360,672	34,661	34,661	121,945	121,945	1,132,552	1,159,492		
	247.1	248.3	11,907,859	12,794,813	7,944,727	8,303,671	5,593,547	5,693,220	5,931,348	6,426,411	31,377,481	33,218,115		
<b>Systemwide Costs:</b>														
Systemwide Personnel Costs	1.0	0.8	235,190	193,923	118,702	109,146	23,383	23,383	669,464	654,464	1,046,739	980,916		
Systemwide Utilities/Security							243,407	243,407	2,972,417	2,972,417	3,215,824	3,215,824		
Other Systemwide Costs							442,200	462,200	1,015,065	1,074,065	1,457,265	1,536,265		
Vacancy Credit	(4.0)	(8.7)	(156,412)	(571,538)	(101,438)	(389,731)					(257,849)	(961,269)		
	(3.0)	(7.9)	78,778	(377,615)	17,264	(280,585)	708,990	728,990	4,656,946	4,700,946	5,461,978	4,771,736		
<b>Reserves:</b>														
Reserve for Attrition Savings									(900,000)		(900,000)	-		
Reserve for Additional Professional Development days									520,000		520,000	-		
Reserve for Changes in Total Compensation									3,601,000		3,601,000	-		
Reserve for Contingencies	0	0	-	-	-	-	14,049,933	11,209,677	17,270,933	11,209,677	14,049,933	11,209,677		
									17,270,933	11,209,677	17,270,933	11,209,677		
<b>TOTAL EXPENDITURES AND RESERVES</b>	1,172.5	1,167.2	\$ 67,310,035	\$ 66,932,178	\$ 44,282,287	\$ 43,958,706	\$ 8,968,522	\$ 9,420,048	\$ 31,039,781	\$ 25,864,238	\$ 151,600,625	\$ 146,175,170		

## Kalamazoo Public Schools

Explanations for Significant Changes (Greater than \$10,000) Between the 2019/20 Close Estimate Budget  
and the 2019/20 Preliminary Budget

Item	Explanation	Increase (Decrease)
<b><u>Elementary School Centers</u></b>		
<i>Salaries and Benefits (\$3,223,000 Decrease)</i>		
Staffing Adjustment -- Classroom Teachers	Net decrease of 1.5 classroom teachers as a result of actual staffing needs for the 2019/20 school year.	(\$156,000)
Staffing Adjustment -- Special Area Teachers	Decrease of .3 special area teachers as a result of actual staffing needs for the 2019/20 school year.	(32,000)
Budget Transfer -- Federal CARES Act	Transfer of elementary classroom teacher salaries and benefits to the Federal CARES Act Grant as a result of the COVID-19 pandemic.	(3,500,000)
Budget Adjustment -- Activity Helpers	Increase in the budget for activity helpers based on actual enrollment.	11,000
Budget Adjustment -- Classroom Aides	Increase in the budget for classroom aides based on estimated costs (Northglade).	30,000
Budget Adjustment -- Activity Helpers	Decrease in the budget for activity helpers as a result of site based recommendations (Greenwood).	(3,000)
Budget Transfer-- Retirement	Transfer of the budget for retirement costs to the Systemwide Personnel Cost Center based on projected costs.	(98,000)
Budget Adjustment -- Vacancy Credit	Adjustment of the vacancy credit to projected.	(96,000)
Budget Adjustment -- Additional PD days	Increase in the teacher salary budget for 2 additional professional development days (see decrease of reserve).	244,000
Average Salary Rate Adjustment	Adjustment of the salary and benefits budget to reflect actual average salary and benefit rates.	<u>377,000</u>
	Net Decrease	<u><u>(\$3,223,000)</u></u>
<i>Contracted Services (\$100,000 Decrease)</i>		
Budget Adjustment -- Contracted Teacher Substitutes	Decrease in the budget for elementary teacher subs as a result of the COVID-19 school closure.	<u>\$ (100,000)</u>
	Decrease	<u><u>\$ (100,000)</u></u>

## Kalamazoo Public Schools

Explanations for Significant Changes (Greater than \$10,000) Between the 2019/20 Close Estimate Budget  
and the 2019/20 Preliminary Budget

Item	Explanation	Increase (Decrease)
<i>Other Expenditures (\$7,000 Increase)</i>		
Budget Adjustment -- Site Based	Increase in the budgets for other expenditures as a result of site based budget recommendations (Greenwood).	\$3,000
Budget Adjustment -- Enrollment	Increase in the other expenditures budget as a result of applying per student allocations to actual enrollment.	4,000
	Increase	<u>\$7,000</u>
<b><u>Secondary School Centers</u></b>		
<i>Salaries and Benefits (\$727,000 Increase)</i>		
Staffing Adjustment -- Classroom Teachers	Decrease of .9 classroom teachers as a result of actual staffing needs for the 2019/20 school year.	(\$105,000)
Budget Transfer -- EFE Salaries and Benefits	Transfer of 5.45 teacher FTE to the Education for Employment Cost Center to accommodate reporting requirements.	(702,000)
Budget Transfer-- Alternative Teachers	Transfer of 1.75 high school teachers from At Risk Funds to better reflect actual spending.	178,000
Budget Adjustment -- Supertech	Elimination of 1.0 Supertech position per site based budget recommendation (Milwood Middle School).	(60,000)
Budget Adjustment -- Parapro	Addition of 1.0 Parapro position per site based budget recommendation (Milwood Middle School).	\$41,000
Budget Transfer-- Security	Reclassification of 2.0 security positions to the hourly security line item (no change to budgeted dollar amount).	-
Budget Adjustment -- Vacancy Credit	Adjustment of the vacancy credit to projected.	(79,000)
Budget Transfer-- Retirement Costs	Transfer of budget for retirement costs from the Systemwide Personnel Cost Center based on projected costs.	26,000
Budget Adjustment -- Athletic Security	Increase in the budget for athletic security based on projected costs (high schools).	15,000
Budget Adjustment -- Athletics	Increase in the budget for athletic coaches based on projected costs for the 2019/20 school year.	41,000

## Kalamazoo Public Schools

Explanations for Significant Changes (Greater than \$10,000) Between the 2019/20 Close Estimate Budget  
and the 2019/20 Preliminary Budget

Item	Explanation	Increase (Decrease)
Budget Adjustment -- Additional PD days	Increase in the teacher salary budget for 2 additional professional development days (see decrease of reserve).	246,000
Average Salary Rate Adjustment	Adjustment of the salary and benefits budget to reflect actual average salary and benefit rates.	1,126,000
	Net Increase	<u>\$727,000</u>
<i>Contracted Services (\$25,000 Increase)</i>		
Budget Adjustment -- EFA Program	Increase in K/RESA Education for the Arts program costs based on projected costs.	\$ 12,000
Budget Adjustment -- EFE Program	Increase in the K/RESA Education for Employment program based on projected costs.	106,000
Budget Transfer -- EFE Program	Transfer of the K/RESA Education for Employment program cost to the Education for Employment Cost Center.	(292,000)
Budget Transfer -- KAMSC	Transfer of the added cost budget for the KAMSC program from revenue to better classify actual costs.	209,000
Budget Adjustment -- YOU Education Reconnection	Increase in the budget for YOU Education Reconnection based on estimated costs.	47,000
Budget Adjustment -- Contracted Teacher Substitutes	Decrease in the budget for secondary teacher subs as a result of the COVID-19 school closure.	(50,000)
Budget Adjustment -- Athletics	Decrease in the budget for contracted athletic coaches based on projected costs for the 2019/20 school year	<u>(7,000)</u>
	Net Increase	<u>\$25,000</u>
<i>Other Expenditures (\$86,000 Increase)</i>		
Budget Adjustment -- Athletics	Increase in the budget for the athletics transportation based on estimated costs.	\$ 50,000
Budget Adjustment -- Non-salary budgets	Increase in non-salary budgets per site based budget recommendations (Milwood Middle School).	19,000
Budget Adjustment -- Enrollment	Decrease in the other expenditures budget as a result of applying per student allocations to actual enrollment.	<u>17,000</u>
	Increase	<u>\$86,000</u>

## Kalamazoo Public Schools

Explanations for Significant Changes (Greater than \$10,000) Between the 2019/20 Close Estimate Budget  
and the 2019/20 Preliminary Budget

Item	Explanation	Increase (Decrease)
<b><u>Special Education Cost Center</u></b>		
<i>Salaries and Benefits (\$403,000 Increase)</i>		
Budget Adjustment -- Teacher Staffing	Reduction of 1.5 Resource Room, .5 TC-EI .1 ECSE and .05 Health teachers, offset by the addition of a .5 teacher, based on staffing needs.	(\$163,000)
Budget Adjustment -- Parapro Staffing	Reduction of 2.5 Resource Room, 1.0 EI and .5 ECSE parapro, offset by the addition 3.0 AI parapro and 1.0 Job Coach, based on staffing needs.	14,000
Budget Transfer -- Retirement	Transfer of the budget for retirement costs from the Systemwide Personnel Cost Center based on projected costs.	12,000
Budget Adjustment -- Additional PD days	Increase in the teacher salary budget for 2 additional professional development days (see decrease of reserve).	117,000
Budget Adjustment -- Vacancy Credit	Adjustment of the vacancy credit to projected.	90,000
Average Salary Rate Adjustment	Adjustment of the salary and benefits budget to reflect actual average salary and benefit rates.	<u>333,000</u>
	Net Increase	<u><u>\$403,000</u></u>
<i>Other Expenditures (\$94,000 Increase)</i>		
Budget Addition -- Subscription	Addition of a budget for FastForWord language and reading intervention subscription based on need.	<u>\$ 94,000</u>
	Increase	<u><u>\$94,000</u></u>
<b><u>Education for Employment Cost Center</u></b>		
<i>Salaries and Benefits (\$824,000 Increase)</i>		
Budget Transfer -- EFE Salaries and Benefits	Transfer of 5.45 teacher FTE from the Secondary School Centers Cost Center to accommodate reporting requirements.	\$ 702,000
Budget Transfer-- EFE Salaries and Benefits	Transfer of .75 teacher FTE from the Teaching and Learning Services Cost Center to accommodate reporting requirements.	77,000
Budget Transfer -- EFE Hourly Wages and Benefits	Transfer of hourly EFE salary and benefits from the Teaching and Learning Services Cost Center to accommodate reporting requirements	37,000

## Kalamazoo Public Schools

Explanations for Significant Changes (Greater than \$10,000) Between the 2019/20 Close Estimate Budget  
and the 2019/20 Preliminary Budget

Item	Explanation	Increase (Decrease)
Budget Adjustment -- Additional PD days	Increase in the teacher salary budget for 2 additional professional development days (see decrease of reserve).	6,000
Average Salary Rate Adjustment	Adjustment of the salary and benefits budget to reflect actual average salary and benefit rates.	2,000
	<i>Increase</i>	<u>\$ 824,000</u>
	<i>Contracted Services (\$407,000 Increase)</i>	
Budget Transfer -- EFE Contracted Services	Transfer of the EFE contracted services budget from the Teaching and Learning Services Cost Center.	\$ 111,000
Budget Adjustment -- EFE	Adjustment of the budget to reflect the 2019/20 Education for Employment budget through K/RESA.	4,000
Budget Transfer -- EFE Program	Transfer of the K/RESA Education for Employment program cost from the Secondary School Centers Cost Center.	292,000
	<i>Increase</i>	<u>\$ 407,000</u>
	<i>Other Expenditures (\$160,000 Increase)</i>	
Budget Transfer -- EFE Other Expenditures	Transfer of the EFE Other Expenditures budget from the Teaching and Learning Services Cost Center.	\$ 120,000
Budget Adjustment -- EFE	Adjustment of the budget to reflect the 2019/20 Education for Employment budget through K/RESA.	40,000
	<i>Increase</i>	<u>\$ 160,000</u>
	<b><u>Alternative Programs Cost Center</u></b>	
	<i>Salaries and Benefits (\$29,000 Increase)</i>	
Budget Adjustment -- KILP FTE	Reclassification of the 2.0 KILP teachers from hourly to salaried positions. No change to budgeted amount other than average salary rate adjustment below.	\$ -
Budget Adjustment -- Additional PD days	Increase in the teacher salary budget for 2 additional professional development days (see decrease of reserve).	9,000
Average Salary Rate Adjustment	Adjustment of the salary and benefits budget to reflect actual average salary and benefit rates.	20,000
	<i>Increase</i>	<u>\$ 29,000</u>

## Kalamazoo Public Schools

Explanations for Significant Changes (Greater than \$10,000) Between the 2019/20 Close Estimate Budget  
and the 2019/20 Preliminary Budget

Item	Explanation	Increase (Decrease)
<b><u>Bilingual/ESL Cost Center</u></b>		
<i>Salaries and Benefits (\$94,000 Increase)</i>		
Staffing Adjustment -- Teacher	Transfer of 1.0 teacher from the School Center Reserve based on need.	\$76,000
Budget Transfer-- Retirement	Transfer of the budget for retirement costs to the Systemwide Personnel Cost Center based on projected costs.	3,000
Budget Transfer -- Document Translation	Transfer of budget from the Teaching and Learning Services Cost Center for document translation services.	2,000
Budget Adjustment -- Additional PD days	Increase in the teacher salary budget for 2 additional professional development days (see decrease of reserve).	2,000
Average Salary Rate Adjustment	Adjustment of the salary and benefits budget to reflect actual average salary and benefit rates.	<u>11,000</u>
	Net Increase	<u><u>\$94,000</u></u>
<b><u>Community Education Center Cost Center</u></b>		
<i>Salaries and Benefits (\$28,000 Increase)</i>		
Budget Transfer Community Education	Transfer of .2 FTE from grant funds to general fund due to lower grant revenues.	\$19,000
Average Salary Rate Adjustment	Adjustment of the salary and benefits budget to reflect actual average salary and benefit rates.	<u>\$9,000</u>
	Increase	<u><u>\$28,000</u></u>
<b><u>School Center Reserve</u></b>		
<i>Salaries and Benefits (\$76,000 Decrease)</i>		
Budget Transfer -- Transfer to School Centers	Transfer of a 1.0 teacher positions to the Bilingual/ESL Cost Center for 19/20 staffing needs.	<u>(\$76,000)</u>
	Decrease	<u><u>(\$76,000)</u></u>



## Kalamazoo Public Schools

Explanations for Significant Changes (Greater than \$10,000) Between the 2019/20 Close Estimate Budget  
and the 2019/20 Preliminary Budget

Item	Explanation	Increase (Decrease)
<b><u>Executive Administration</u></b>		
<i>Salaries and Benefits (\$15,000 Decrease)</i>		
Budget Transfer -- Retirement	Transfer of budget for retirement costs from the Systemwide Personnel Costs based on projected costs.	\$87,000
Average Salary Rate Adjustment	Adjustment of the salary and benefits budget to reflect actual average salary and benefit rates.	<u>(102,000)</u>
	Net Decrease	<u><u>(\$15,000)</u></u>
<b><u>Teaching and Learning Services</u></b>		
<i>Salaries and Benefits (\$67,000 Increase)</i>		
Budget Transfer-- EFE Salaries and Benefits	Transfer of .75 teacher FTE to the Education for Employment Cost Center to accommodate reporting requirements.	(\$77,000)
Budget Transfer -- EFE Hourly Wages and Benefits	Transfer of hourly EFE salary and benefits to the Education for Employment Cost Center to accommodate reporting requirements	(37,000)
Budget Adjustment -- Transfer	Transfer of Other Expenditures budget to Salaries and Benefits per department request.	43,000
Budget Transfer-- Retirement	Transfer of budget for retirement costs from the Systemwide Personnel Costs based on projected costs.	40,000
Budget Adjustment -- Additional PD days	Increase in the teacher salary budget for 2 additional professional development days (see decrease of reserve).	9,000
Average Salary Rate Adjustment	Adjustment of the salary and benefits budget to reflect actual average salary and benefit rates.	<u>89,000</u>
	Net Increase	<u><u>\$67,000</u></u>
<i>Contracted Services (\$101,000 Decrease)</i>		
Budget Transfer -- EFE Contracted Services	Transfer of the EFE contracted services budget to the Education for Employment Cost Center to accommodate reporting requirements.	(\$111,000)
Budget Adjustment -- Transfer	Transfer of Other Expenditures budget to Contracted Services per department request.	<u>\$10,000</u>
	Net Decrease	<u><u>(\$101,000)</u></u>

## Kalamazoo Public Schools

Explanations for Significant Changes (Greater than \$10,000) Between the 2019/20 Close Estimate Budget  
and the 2019/20 Preliminary Budget

Item	Explanation	Increase (Decrease)
<i>Other Expenditures (\$424,000 Increase)</i>		
Budget Transfer -- EFE Other Expenditures	Transfer of the EFE Other Expenditures budget to the Education for Employment Cost Center to accommodate reporting requirements.	(\$120,000)
Budget Transfer -- Transfer	Net transfer of Other Expenditures budget to Contracted Services and Salaries and Benefits per department request.	(53,000)
Budget Adjustment -- ELA Adoption	Addition of a budget for the Middle School ELA program (one-time).	337,000
Budget Adjustment -- Science Adoption	Addition of a budget for the High School Science Adoption (one-time).	80,000
Budget Adjustment -- Instructional Materials	Addition of a budget for No Red Ink instructional materials.	50,000
Budget Transfer -- Document Translation	Transfer of budget to the Bilingual Migrant Cost Center salaries and benefits for document translation services.	(2,000)
Budget Adjustment -- PEEP	Increase of the PEEP non-salary budget based on estimated costs.	13,000
Budget Adjustment -- PEEP Transfer	Adjustment of the PEEP transfer to reflect projected costs for the 2019/20 school year.	119,000
	Net Increase	<u>\$424,000</u>
<b><u>Student Services Cost Center</u></b>		
<i>Salaries and Benefits (\$133,000 Increase)</i>		
Budget Adjustment -- Campus Safety	Increase in the budget for districtwide hourly campus safety salaries and benefits.	\$15,000
Average Salary Rate Adjustment	Adjustment of the salary and benefits budget to reflect actual average salary and benefit rates.	118,000
	Increase	<u>\$133,000</u>

## Kalamazoo Public Schools

Explanations for Significant Changes (Greater than \$10,000) Between the 2019/20 Close Estimate Budget  
and the 2019/20 Preliminary Budget

Item	Explanation	Increase (Decrease)
	<i>Other Expenditures (\$10,000 Increase)</i>	
Budget Adjustment -- Uniforms	Addition of a budget for campus safety personnel uniforms.	\$ 10,000
	Increase	<u>\$ 10,000</u>
	<b><u>Business and Finance Cost Center</u></b>	
	<i>Salaries and Benefits (\$56,000 Increase)</i>	
Average Salary Rate Adjustment	Adjustment of the salary and benefits budget to reflect actual average salary and benefit rates.	<u>\$56,000</u>
	Increase	<u>\$56,000</u>
	<b><u>Technology Services Cost Center</u></b>	
	<i>Salaries and Benefits (\$67,000 Increase)</i>	
Average Salary Rate Adjustment	Adjustment of the salary and benefits budget to reflect actual average salary and benefit rates.	<u>\$67,000</u>
	Increase	<u>\$67,000</u>
	<i>Contracted Services (\$69,000 Increase)</i>	
Budget Adjustment -- Data Sync Service	Addition of a budget for data synchronization services. It is anticipated that this system will enhance the identification of free/reduced lunch students.	<u>\$69,000</u>
	Increase	<u>\$69,000</u>
	<i>Other Expenditures (\$36,000 Increase)</i>	
Budget Adjustment - Software Licenses	Increase in the budget for software licenses based on estimated costs.	<u>\$36,000</u>
	Increase	<u>\$36,000</u>

## Kalamazoo Public Schools

Explanations for Significant Changes (Greater than \$10,000) Between the 2019/20 Close Estimate Budget  
and the 2019/20 Preliminary Budget

Item	Explanation	Increase (Decrease)
<b><u>Facilities Management Cost Center</u></b>		
<i>Salaries and Benefits (\$217,000 Increase)</i>		
Budget Adjustment -- Foreman	Addition of 1.0 foreman based on need.	\$ 111,000
Average Salary Rate Adjustment	Adjustment of the salary and benefits budget to reflect actual average salary and benefit rates.	<u>106,000</u>
	Increase	<u><u>\$217,000</u></u>
<i>Contracted Services (\$65,000 Increase)</i>		
Budget Adjustment -- Pest Control	Increase in the budget for pest control based on estimated costs.	<u>\$65,000</u>
	Increase	<u><u>\$65,000</u></u>
<i>Other Expenditures (\$32,000 Increase)</i>		
Budget Adjustment -- Equipment	Increase in the budget for facility equipment (one-time).	<u>\$32,000</u>
	Increase	<u><u>\$32,000</u></u>
<b><u>Transportation Cost Center</u></b>		
<i>Salaries and Benefits (\$680,000 Increase)</i>		
Budget Adjustment -- Transportation Revenue	Increase in the budgets for bus driver and other hourly wages to reflect the separation of transportation revenue from expenditures (see offsetting increase in revenues).	\$ 443,000
Budget Transfer-- Retirement	Transfer of budget for retirement costs from the Systemwide Personnel Costs based on projected costs.	26,000
Average Salary Rate Adjustment	Adjustment of the salary and benefits budget to reflect actual average salary and benefit rates.	<u>211,000</u>
	Increase	<u><u>\$680,000</u></u>

## Kalamazoo Public Schools

Explanations for Significant Changes (Greater than \$10,000) Between the 2019/20 Close Estimate Budget  
and the 2019/20 Preliminary Budget

Item	Explanation	Increase (Decrease)
<i>Other Expenditures (\$26,000 Decrease)</i>		
Budget Adjustment -- Diesel Fuel	Decrease in the budget for diesel fuel as a result of the closure of schools for the COVID-19 pandemic.	(\$200,000)
Budget Adjustment -- Transportation Revenue	Increase in the non-salary budgets to reflect the separation of transportation revenue from expenditures (see offsetting increase in revenues).	<u>174,000</u>
	Net Decrease	<u><u>(\$26,000)</u></u>
<b><u>Communications Cost Center</u></b>		
<i>Salaries and Benefits (\$16,000 Increase)</i>		
Budget Adjustment -- Reorganization	Elimination of the hourly staff budget as a result of department reorganization.	(\$56,000)
Budget Adjustment -- Reorganization	Addition of a 1.0 Supertech position as a result of department reorganization.	57,000
Budget Transfer-- Retirement	Transfer of budget for retirement costs from the Systemwide Personnel Costs based on projected costs.	59,000
Average Salary Rate Adjustment	Adjustment of the salary and benefits budget to reflect actual average salary and benefit rates.	<u>(44,000)</u>
	Net Increase	<u><u>\$16,000</u></u>
<i>Contracted Services (\$66,000 Increase)</i>		
Budget Transfer -- Other Expenditures Budget	Transfer of budget from other expenditures to better reflect actual spending.	\$21,000
Budget Adjustment -- Marketing	Increase in the budget for a new marketing campaign (one-time).	20,000
Budget Adjustment -- Website	Increase in the budget for a new website design (one-time).	<u>25,000</u>
	Increase	<u><u>\$66,000</u></u>
<i>Other Expenditures (\$19,000 Increase)</i>		
Budget Transfer -- Other Expenditures	Transfer of budget to contracted services to better reflect actual spending.	(\$21,000)

## Kalamazoo Public Schools

Explanations for Significant Changes (Greater than \$10,000) Between the 2019/20 Close Estimate Budget  
and the 2019/20 Preliminary Budget

Item	Explanation	Increase (Decrease)
Budget Transfer -- Other Expenditures	Transfer of the other expenditures budget from the Other Systemwide Cost Center to better classify actual spending.	25,000
Budget Transfer -- Other Expenditures	Transfer of other expenditures budget from the Other Personnel Cost Center to more accurately classify actual spending.	<u>15,000</u>
	Net Increase	<u><u>\$19,000</u></u>
<b><u>Human Resources Cost Center</u></b>		
<i>Salaries and Benefits (\$27,000 Increase)</i>		
Budget Transfer-- Retirement	Transfer of the budget for retirement costs to the Systemwide Personnel Cost Center based on projected costs.	(\$11,000)
Average Salary Rate Adjustment	Adjustment of the salary and benefits budget to reflect actual average salary and benefit rates.	<u>38,000</u>
	Net Increase	<u><u>\$27,000</u></u>
<b><u>Systemwide Personnel Costs</u></b>		
<i>Salaries and Benefits (\$51,000 Decrease)</i>		
Budget Transfer -- Retirement	Net transfer of retirement budget from other cost centers based on projected costs.	(\$144,000)
Budget Adjustment -- Retirement	Increase of the budget for retirement costs based on projected costs.	107,000
Budget Adjustment -- Employees on Leave	Adjustment of the budget for employees on leave to projected costs (.2 FTE).	(18,000)
Average Salary Rate Adjustment	Adjustment of the salary and benefits budget to reflect actual average salary and benefit rates.	<u>4,000</u>
	Net Decrease	<u><u>(\$51,000)</u></u>
<i>Other Expenditures (\$15,000 Decrease)</i>		
Budget Transfer-- Other Expenditures	Transfer of other expenditures budget to the Communications Cost Center to more accurately classify actual spending.	<u>(\$15,000)</u>
	Decrease	<u><u>(\$15,000)</u></u>

## Kalamazoo Public Schools

Explanations for Significant Changes (Greater than \$10,000) Between the 2019/20 Close Estimate Budget  
and the 2019/20 Preliminary Budget

Item	Explanation	Increase (Decrease)
	<b><u>Other Systemwide Costs</u></b>	
	<i>Contracted Services (\$20,000 Increase)</i>	
Budget Adjustment -- Consulting	Addition of a budget for Superintendent search firm (one-time).	\$20,000
	Increase	<u>\$20,000</u>
	<i>Other Expenditures (\$59,000 Increase)</i>	
Budget Adjustment -- Innovation Grants	Increase in the budget for Innovation Grants due to an increase in grant applications from schools.	\$30,000
Budget Adjustment -- Vehicle Replacement	Increase in the budget for vehicle replacement based on estimated costs.	30,000
Budget Transfer - Other Expenditures	Transfer of other expenditures budget to the Communications Cost Center to better classify actual spending.	(25,000)
Budget Adjustment-- Bad Debt Expense	Decrease in budget for Food Service bad debts based on estimated costs.	(4,000)
Budget Adjustment -- Property/Liability Insurance	Increase in the budget for property/liability insurance based on projected costs.	<u>28,000</u>
	Net Increase	<u>\$59,000</u>
	<b><u>Vacancy Credit</u></b>	
	Increase of Credit (\$703,000)	
Budget Adjustment -- Vacancy Credit	Adjustment of the vacancy credit to projected.	<u>(\$703,000)</u>
	Increase of Credit	<u>(\$703,000)</u>
	<b><u>Reserve for Attrition Savings, Additional PD and Changes in Total Compensation</u></b>	
	Decrease of Reserves (\$3,221,000)	
Budget Adjustment -- Reserves	Elimination of the reserves for attrition additional PD, and changes in total compensation as all changes have been incorporated into each cost center.	<u>(\$3,221,000)</u>
	Decrease of Reserves	<u>(\$3,221,000)</u>

# CONSOLIDATED BUDGET FOR STATE REPORTING PURPOSES - GENERAL FUND

2019/20 CLOSE ESTIMATE BUDGET  
KALAMAZOO PUBLIC SCHOOLS  
For the Year Ending June 30, 2020

	2018/19 Actual	2019/20 Preliminary Budget	2019/20 Close Estimate Budget
Revenue:			
Local Sources	\$23,937,225	\$24,935,765	\$26,138,691
State Sources	107,149,264	109,796,182	103,172,843
Federal Sources	9,613,138	9,955,420	13,895,063
Indirect Revenue	470,000	470,000	470,000
Interdistrict Sources	15,638,897	16,084,279	15,828,111
Total Revenue and Other Transactions	<u>156,808,524</u>	<u>161,241,646</u>	<u>159,504,708</u>
Expenditures:			
Instruction:			
Basic Programs	69,487,553	71,132,262	70,352,595
Added Needs	20,089,712	21,033,325	22,473,897
Adult Education	396,604	363,555	423,009
Subtotal	<u>89,973,869</u>	<u>92,529,142</u>	<u>93,249,501</u>
Instructional Support Services:			
Pupil Support	12,781,793	13,030,449	13,350,377
Instructional Staff Support	10,579,020	11,670,492	11,605,137
School Administration	10,378,330	10,702,700	10,424,058
Total Instructional Support Services	<u>33,739,143</u>	<u>35,403,641</u>	<u>35,379,572</u>
Non-Instructional Support Services:			
General Administration	1,206,740	1,206,002	1,124,870
Business Services	1,675,888	1,765,345	1,517,711
Operations and Maintenance	14,301,737	14,486,497	14,540,933
Transportation	8,442,715	8,912,091	8,974,716
Other Central Services	3,637,977	3,672,001	3,954,138
Athletics	1,468,362	1,393,977	1,393,651
Total Non-Instructional Support Services	<u>30,733,419</u>	<u>31,435,913</u>	<u>31,506,019</u>
Community Services	1,350,814	1,576,511	1,560,230
Interest on Debt	3,581	50,000	50,000
Capital Outlay	226,241	238,796	1,213,934
Total Expenditures	<u>156,027,067</u>	<u>161,234,003</u>	<u>162,959,256</u>
Excess of Revenues over Expenditures (Expenditures over Revenues)	781,457	7,643	(3,454,548)
Beginning Fund Balance	<u>13,882,768</u>	<u>14,042,290</u>	<u>14,664,225</u>
Ending Fund Balance	<u><u>14,664,225</u></u>	<u><u>14,049,933</u></u>	<u><u>11,209,677</u></u>



**DEBT RETIREMENT FUND CONSOLIDATED BUDGET  
FOR STATE REPORTING PURPOSES**

2019/20 CLOSE ESTIMATE BUDGET  
KALAMAZOO PUBLIC SCHOOLS  
For the Year Ending June 30, 2020

	2018/19 Actual	2019/20 Preliminary Budget	2019/20 Close Estimate Budget
Revenue:			
Revenue from Local Sources	\$20,871,563	\$21,795,771	\$21,734,628
Revenue from State Sources	\$663,176	663,176	662,997
Revenue from Federal Sources	\$545,072	359,082	357,768
Other Financing Sources:			
Other Financing Sources	<u>11,397,431</u>	<u></u>	<u>18,596,432</u>
Total Revenues, Incoming Transfers and Other Transactions	33,477,242	22,818,029	41,351,825
Expenditures:			
Redemption of Principal	13,080,000	14,560,000	14,560,000
Interest on Debt	7,635,023	7,782,302	7,421,190
Bond Issuance Costs	110,073		128,101
Other		5,000	5,000
Other Financing Uses:			
Payment to Refund Bonds	<u>11,521,557</u>	<u></u>	<u>19,092,331</u>
Total Expenditures	<u>32,346,653</u>	<u>22,347,302</u>	<u>41,206,622</u>
Excess of Revenues over Expenditures (Expenditures over Revenues)	1,130,589	470,727	145,203
Beginning Restricted Fund Balance	4,098,156	5,203,276	5,228,745
Ending Restricted Fund Balance	<u><u>\$5,228,745</u></u>	<u><u>\$5,674,003</u></u>	<u><u>\$5,373,948</u></u>

**SPECIAL REVENUE FUND CONSOLIDATED BUDGET FOR STATE REPORTING  
PURPOSES**

2019/20 CLOSE ESTIMATE BUDGET  
KALAMAZOO PUBLIC SCHOOLS  
For the Year Ending June 30, 2020

	2018/19 Actual	2019/20 Preliminary Budget	2019/20 Close Estimate Budget
Revenue:			
Revenue from Local Sources	\$683,133	\$639,985	\$292,509
Revenues from Student/School Activities*		\$900,000	
Revenue from State Sources	302,431	284,878	283,121
Revenue from Federal Sources	7,785,748	8,330,512	9,367,611
Total Revenues	8,771,312	10,155,375	9,943,241
Expenditures:			
Food Service	7,823,441	8,425,817	8,998,241
Student/School Activities*	0	900,000	
Other Financial Uses	470,000	470,000	470,000
Total Expenditures	8,293,441	9,795,817	9,468,241
Excess of Revenues over Expenditures	477,871	359,558	475,000
Beginning Restricted Fund Balance	1,454,164	1,813,534	1,932,035
Ending Restricted Fund Balance	<u>\$1,932,035</u>	<u>\$2,173,092</u>	<u>\$2,407,035</u>

\*Implementation of GASB 84 delayed until next year.

**Kalamazoo Public Schools  
Appropriations Resolution  
2019/20 Close Estimate Budget**

**Be it resolved that this shall be the general appropriations of Kalamazoo Public Schools for the fiscal year ending June 30, 2020. A resolution to make appropriations; to provide for the expenditures of the appropriations; and to provide for the disposition of all revenue received by Kalamazoo Public Schools.**

**Be it further resolved, that the total unappropriated fund balance and revenues to be available for appropriations in the General Fund of Kalamazoo Public Schools for the fiscal year ending June 30, 2020 (which includes 17.8489 mills of ad valorem taxes to be levied on non-homestead and non-homestead qualified agricultural property to be used for operating purposes) is as follows:**

Beginning Unassigned Fund Balance	\$ 14,664,225
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Revenues:

Local Sources	\$ 26,138,691
State Sources	\$ 103,172,843
Federal Sources	\$ 13,895,063
Interdistrict Sources	\$ 15,828,111
Other Financing Sources	<u>\$ 470,000</u>

Total Revenues	\$ 159,504,708
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Total Available to Appropriate	\$ 174,168,933
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**Be it further resolved, that \$162,959,256 of the total available to appropriate in the General Fund is hereby appropriated in the amounts and for the purposes set forth as follow:**

Expenditures:

Instruction:

Basic Programs	\$ 70,352,595
Added Needs	\$ 22,473,897
Adult Education	\$ 423,009

Instructional Support Services:

Pupil Support	\$ 13,350,377
Instructional Staff Support	\$ 11,605,137
School Administration	\$ 10,424,058

Non-Instructional Support Services:

General Administration	\$ 1,124,870
Business Services	\$ 1,517,711
Operations and Maintenance	\$ 14,540,933
Transportation	\$ 8,974,716
Other Central Services	\$ 3,954,138
Athletics	\$ 1,393,651
Community Services	\$ 1,560,230
Debt Service	\$ 50,000
Capital Outlay	<u>\$ 1,213,934</u>

Total Expenditure Appropriation \$ 162,959,256

**Be it further resolved, that the total unappropriated fund balance and revenues to be available for appropriations in the Special Revenue Fund of Kalamazoo Public Schools for the fiscal year ending June 30, 2020 is as follows:**

Beginning Restricted Fund Balance \$ 1,932,035

Revenues:

Local Sources	\$ 292,509
State Sources	\$ 283,121
Federal Sources	<u>\$ 9,367,611</u>

Total Revenues \$ 9,943,241

Total Available to Appropriate \$ 11,875,276

**Be it further resolved, that \$9,468,241 of the total available to appropriate in the Special Revenue Fund is hereby appropriated in the amounts and for the purposes set forth as follow:**

**Expenditures:**

Salaries	\$ 2,442,850
Benefits	\$ 1,285,423
Purchased Services	\$ 746,431
Supplies	\$ 3,671,943
Other	\$ 851,594
Other Financing Uses	<u>\$ 470,000</u>

Total Expenditure Appropriation \$ 9,468,241

**Be it further resolved, that the total unappropriated fund balance and revenues to be available for appropriations in the Debt Retirement Fund (which includes 8.20 of extra voted debt retirement tax for the purpose of capital projects) of Kalamazoo Public Schools for the fiscal year ending June 30, 2020 is as follows:**

Beginning Restricted Fund Balance \$ 5,228,745

**Revenues:**

Local Sources	\$ 21,734,628
State Sources	\$ 662,997
Federal Sources	\$ 347,768
Other Financing Sources	\$ 18,596,432

Total Revenues \$ 41,351,825

Total Available to Appropriate \$ 46,570,570

**Be it further resolved, that \$41,206,622 of the total available to appropriate in the Debt Retirement Fund is hereby appropriated in the amounts and for the purposes set forth as follow:**

**Expenditures:**

Debt Retirement	\$ 41,206,622
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Total Expenditure Appropriation

\$ 41,206,622

**Be it further resolved that no Board of Education member or employee of the School District shall expend any funds or obligate the expenditure of funds except pursuant to appropriations made by the Board of Education. Changes in the amount appropriated shall require approval by the Board of Education.**