



STATE OF MICHIGAN
John Engler, Governor

DEPARTMENT OF TREASURY
Douglas B. Roberts, State Treasurer



January 9, 2002

Mr. Edward D. Richardson, Superintendent
Chelsea School District
500 Washington Street
Chelsea, Michigan 48118

Dear Mr. Richardson:

Thank you for your recent letter regarding the School Code Sinking fund requirements. You are requesting an opinion regarding whether specific expenditures comply with the restrictions in Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the items listed in your correspondence dated December 19, 2001, meet the requirements of the Act, with the following exceptions/qualification/clarification:

- Replacement, addition and upgrade of clock and PA system – both of these items, in general, have been determined to be equipment with the following clarification: wiring, installation costs and built into the wall speakers are an acceptable use of sinking fund money. Mount on the wall and stand alone equipment expenditures are considered to be equipment and are not an acceptable use of sinking fund money.

If I can assist further let me know.

Sincerely,

Mark A. Hilpert, Director
Bureau of Local Government Services

Attachment



STATE OF MICHIGAN
John Engler, Governor

DEPARTMENT OF TREASURY
Douglas B. Roberts, State Treasurer



December 10, 2001

Mr. Edward D. Richardson, Superintendent
Chelsea School District
500 Washington Street
Chelsea, Michigan 48118

Dear Mr. Richardson:

Thank you for your recent letter regarding the School Code Sinking fund requirements. You are requesting an opinion regarding whether specific expenditures comply with the restrictions in Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the items listed in your correspondence dated November 8, 2001, meet the requirements of the Act, with the following exceptions/qualification/clarification:

- Sound systems in general have been determined to be equipment with the following clarification: wiring, installation costs and built into the wall speakers are an acceptable use of sinking fund money. Mount on the wall and stand alone equipment expenditures are considered to be equipment and are not an acceptable use of sinking fund money.

If I can assist further let me know.

Sincerely,

Mark A. Hilpert, Director
Bureau of Local Government Services

Attachment

Chelsea

SCHOOL DISTRICT

Board / Administrative Offices
500 Washington Street
Chelsea, Michigan 48118

(734) 433-2208 Fax (734) 433-2218

November 8, 2001

Linda Rairigh
State of Michigan
Department of Treasury
Treasury Building
Lansing, MI 48922

RECEIVED
Dept. of Treasury
NOV 13 2001
LOCAL AUDIT & FINANCE DIV

Dear Ms. Rairigh:

This letter is in regards to Sinking Fund expenditures. We would like a written response from your department regarding the propriety of spending Sinking Fund money on the following specific planned projects:

- 1) Replacement of the pneumatic control system that controls the temperature of the pool and the hot water for the pool locker rooms at Beach Middle School. Estimated cost \$ 6,500.00. 2001-05
- 2) Purchase and permanent installation of sound amplification equipment for the WSEC Board Room. Estimated cost \$ 15,000.00. 2001-06
- 3) Replacement of all cores and cylinders and re-keying of all doors in the building at Beach Middle School. Estimated cost \$ 15,000.00. 2001-07

Enclosed you will find more detail on the project listed above. Please let me know if you have any questions.

Sincerely,



Edward D. Richardson
Superintendent

ER/mc



STATE OF MICHIGAN
John Engler, Governor

DEPARTMENT OF TREASURY
Douglas B. Roberts, State Treasurer



MICHIGAN
DEPARTMENT OF
TREASURY

August 17, 2001

Mr. James Novak, Executive Director of
Business and Operations
Chelsea School District
500 Washington Street
Chelsea, Michigan 48118

Dear Mr. Novak:

Thank you for your recent letter regarding the School Code Sinking fund requirements. You are requesting an opinion regarding whether specific expenditures comply with the restrictions in Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the items listed in your correspondence dated July 11, 2001 meet the requirements of the act.

If I can assist further let me know.

Sincerely,

Mark A. Hilpert, Director
Bureau of Local Government Services

Attachment

RECEIVED
Dept. of Treasury

JUL 17 2001

LOCAL AUDIT & FINANCE DIV.

Chelsea

SCHOOL DISTRICT

Board / Administrative Offices
500 Washington Street
Chelsea, Michigan 48118

(734) 433-2208 Fax (734) 433-2218

July 11, 2001

Linda Rairigh
State of Michigan
Department of Treasury
Treasury Building
Lansing, MI 48922

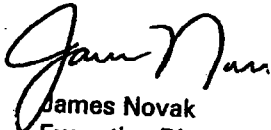
Dear Ms. Rairigh:

This letter is in regards to Sinking Fund expenditures. We would like a written response from your department regarding the propriety of spending Sinking Fund money on the following specific planned projects:

- 1) Correction of the outside air infiltration for the HS which involves sealing of space. Estimated cost is \$ 30,000.00. 2001-01.
- 2) Remodeling of the Band Room involving replacing part of concrete floor, replacement of floor coverings and addition of outside door. Estimated cost is \$ 20,000.00. 2001-02.
- 3) Remodeling of rooms, hallways and bathrooms at WSEC building involving new floor coverings. Estimated cost is \$ 20,000.00. 2001-03.
- 4) Complete replacement of existing roofing at WSEC and Beach Middle School. Estimated cost is \$ 190,000.00. 2001-04.

Enclosed you will find more detail on the project listed above. Please let me know if you have any questions.

Sincerely,



James Novak
Executive Director of Business and Operations

JN/mc

SCHELSEA SCHOOL DISTRICT

OPERATIONS DEPARTMENT MEMO

RECEIVED
Dept. of Treasury

JUL 17 2001

LOCAL AUDIT & FINANCE DIV.

To: Michelle Cowhy
From: Ron Livengood
Subject: Please submit the following project for approval by the Department of Treasury as an expenditure of the Chelsea School District Sinking Fund.
Date: 7/1/01

PROJECT: Correction of the outside air Infiltration for the HS, on any walls with an overhang

2001-01

SCOPE OF WORK: This work involves the sealing of a space between the walls and the roof deck in all areas of our High School that have an overhang and soffit. This work is required to reduce the heat loss that occurs to the building during the winter. This work will require the removal of all of the soffit, and the sealing of the open air space with insulation. After the holes have been plugged the soffit will be re-installed.

COST: Estimated cost \$30,000

CHELSEA SCHOOL DISTRICT

OPERATIONS DEPARTMENT MEMO

To: Michelle Cowhy
From: Ron Livengood
Subject: Please submit the following project for approval by the Department of Treasury as an expenditure of the Chelsea School District Sinking Fund.
Date: 7/1/01

PROJECT: Remodeling of Band Room in the 100 building on 500 E. Washington

2001-02

SCOPE OF WORK: This work will involve replacing part of the concrete floor in this room, replacement of the floor coverings, addition of an outside door

COST: Estimated cost of this work is \$20,000

CHELSEA SCHOOL DISTRICT

OPERATIONS DEPARTMENT MEMO

To: Michelle Cowhy
From: Ron Livengood
Subject: Please submit the following project for approval by the Department of
Treasury as an expenditure of the Chelsea School District Sinking Fund.
Date: 7/1/01

PROJECT: Remodeling of rooms 24, 24, hallways, and Bathrooms on the South side
of the science building, 500 E. Washington St.
2001-03

SCOPE OF WORK: This work will involve the new floor coverings in all of these areas
and the renovation of the bathrooms .

COST: \$20,000

STATE OF MICHIGAN



JOHN ENGLER, Governor
DEPARTMENT OF TREASURY
TREASURY BUILDING, LANSING, MICHIGAN 48922
MARK A. MURRAY, State Treasurer

81-4-040

March 9, 2001

Mr. James Novak
Executive Director of Business and Operations
Chelsea School District
500 Washington Street
Chelsea, Michigan 48118

Dear Mr. Novak:

Thank you for your recent letter regarding the School Code Sinking fund requirements. You are requesting an opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the attached project list/letter, dated February 8, 2001, appears to meet the requirements of the act.

If I can assist further let me know.

Sincerely,

A handwritten signature in black ink that reads "Mark A. Hilpert".

Mark A. Hilpert, Director
Bureau of Local Government Services

Attachment

Chelsea

SCHOOL DISTRICT

Board / Administrative Offices
500 Washington Street
Chelsea, Michigan 48118

(734) 433-2208 Fax (734) 433-2218

February 8, 2001

Linda Rairigh
State of Michigan
Department of Treasury
Treasury Building
Lansing, MI 48922

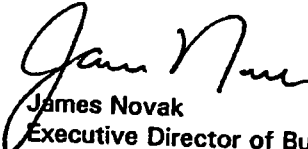
Dear Ms. Rairigh:

This letter is in regards to a Sinking Fund expenditure. We would like a written response from your department regarding the propriety of spending Sinking Fund money on the following specific planned projects:

- 1) Replacement of Multi-Zone Roof Top Units at the Washington Street Education Center site. Estimated cost is \$ 160,000.00.

Enclosed you will find more detail on the project listed above. Please let me know if you have any questions.

Sincerely,



James Novak
Executive Director of Business and Operations

JN/mc

CHELSEA SCHOOL DISTRICT

OPERATIONS DEPARTMENT MEMO

RECEIVED
OFFICE OF THE SUPERINTENDENT

FEB 09 2001

To: Michelle Cowhy
From: Ron Livengood
Subject: Please submit the following project for approval by the Department of Treasury as an expenditure of the Chelsea School District Sinking Fund.
Date: 2/7/2001

PROJECT: 2000-09 Replacement of Multi-zone Roof Top Units 401 & 402 , on the 400 building, 500 E. Washington Street

SCOPE OF WORK: This project entails the replacement of the heating and cooling units that serve 14 different rooms in the 400 building on our 500 E. Washington St. Site. The scope of this project will also include the design, specification, production of bid documents, and the bidding of this project. Also included in this project will be the cost to update the heating control system for this area of the building. This work will end up with 3 different contracts that will include a contract for the designer/engineer, a mechanical contractor, and a controls contractor.

COST: Estimated cost is \$160,000.

STATE OF MICHIGAN



JOHN ENGLER, Governor
DEPARTMENT OF TREASURY
TREASURY BUILDING, LANSING, MICHIGAN 48922
MARK A. MURRAY, State Treasurer

81-4-040

December 8, 2000

Mr. James Novak, Executive Director of
Business and Operations
Chelsea School District
500 Washington Street
Chelsea, Michigan 48118

Dear Mr. Novak:

Thank you for your recent letter regarding the School Code Sinking fund requirements. You are requesting an opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the attached project list/letter, dated October 27, 2000, appears to meet the requirements of the act.

If I can assist further let me know.

Sincerely,

A handwritten signature in cursive script that reads "Mark A. Hilpert".

Mark A. Hilpert, Director
Bureau of Local Government Services

Attachment

Chelsea

SCHOOL DISTRICT

Board / Administrative Offices
500 Washington Street
Chelsea, Michigan 48118

(734) 433-2208 Fax (734) 433-2218

October 27, 2000

Linda Rairigh
State of Michigan
Department of Treasury
Treasury Building
Lansing, MI 48922

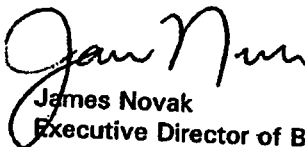
Dear Ms. Rairigh:

This letter is in regards to Sinking Fund expenditures. We would like a written response from your department regarding the propriety of spending Sinking Fund money on the following specific planned projects:

- 1) Removal of original fire alarm system from the Washington Street Education Site campus and installation of new fire alarm horns and addressable modules. Project 2000-08. Approximate cost - \$ 10,500.00.

Enclosed you will find more detail on the projects listed above. Please let me know if you have any questions.

Sincerely,



James Novak
Executive Director of Business and Operations

JN/mc

CHELSEA SCHOOL DISTRICT

OPERATIONS DEPARTMENT MEMO

To: Michelle Cowhy
From: Ron Livengood
Subject: Please submit the following project for approval by the Department of Treasury as an expenditure of the Chelsea School District Sinking Fund.
Date: 10/24/00

PROJECT: Fire Alarm Systems in 3 buildings on the 500 E. Washington St. Campus

SCOPE OF WORK: Removal of three separate buildings of the seven that are on the 500 E. Washington Street Campus from the original fire alarm system that monitored all seven buildings. Install separate stand-alone addressable fire alarm systems in each of the three designated buildings. Replace all fire alarm horns with 24-volt horns and add addressable modules to each of the pull stations. The fire alarm panels will each be addressable and able to be monitored through the district's data communication system.

COST: Estimated cost \$10,500

81-4-040

STATE OF MICHIGAN



JOHN ENGLER, Governor
DEPARTMENT OF TREASURY
TREASURY BUILDING, LANSING, MICHIGAN 48922
MARK A. MURRAY, State Treasurer

May 22, 2000

Mr. James Novak,
Executive Director of Business and Operations
Chelsea School District
Chelsea, Michigan 48118

Dear Mr. Novak:

Thank you for your recent letter regarding the School Code Sinking fund requirements. You are requesting an opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the attached project list/letter, dated April 19, 2000, appears to meet the requirements of the act.

If I can assist further let me know.

Sincerely,

A handwritten signature in cursive script, reading "Mark A. Hilpert".

Mark A. Hilpert, Director
Bureau of Local Government Services

Attachment

Chelsea

SCHOOL DISTRICT

Board / Administrative Offices
500 Washington Street
Chelsea, Michigan 48118

(734) 433-2208 Fax (734) 433-2218

April 19, 2000

Linda Rairigh
State of Michigan
Department of Treasury
Treasury Building
Lansing, MI 48922

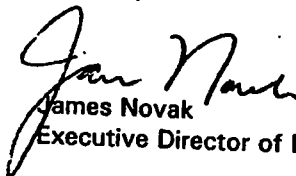
Dear Ms. Rairigh:

This letter is in regards to Sinking Fund expenditures. We would like a written response from your department regarding the propriety of spending Sinking Fund money on the following specific planned projects:

- 1) Baseball and Softball dugout improvements, addition of permanent benches and modification of surrounding fences, and addition of crowd control fencing to the Varsity Soccer field. Approximate cost - \$ 10,000. Project 1999-24.
- 2) Expansion of 1 Baseball Field at the High School to accommodate longer base lines. Approximate cost - \$ 6,000. Project 1999-25.

Enclosed you will find more detail on the projects listed above. Please let me know if you have any questions.

Sincerely,



James Novak
Executive Director of Business and Operations

JN/mc

CHELSEA SCHOOL DISTRICT

OPERATIONS DEPARTMENT MEMO

To: Michelle Cowhy
From: Ron Livengood
Subject: Please submit the following project for approval by the Department of Treasury as an expenditure of the Chelsea School District Sinking Fund.
Date: 4/19/00

PROJECT: Baseball & Softball Dugout Improvements, Addition of Permanent Benches and modification of surrounding fences. Addition of crowd control fencing to the Varsity Soccer field.

1999-24

SCOPE OF WORK:

1. Addition of permanent wood benches to 8 dugouts that were built by athletic booster groups. These are the same dugouts that we were recently approved for the cost of applying the brick veneer to the outside.
2. Modifications to the fences around the dugouts to allow for the openings needed to move in & out of the dugouts to the baseball fields.
3. Addition of a fence to improve crowd control on the Varsity Soccer field.

COST: Estimated cost is \$10,000.

CHELSEA SCHOOL DISTRICT

OPERATIONS DEPARTMENT MEMO

To: Michelle Cowhy
From: Ron Livengood
Subject: Please submit the following project for approval by the Department of Treasury as an expenditure of the Chelsea School District Sinking Fund.
Date: 4/19/00

PROJECT: Expansion of 1 Baseball Field at the High School to accommodated longer base lines.

1999-05

SCOPE OF WORK: This project involves the removal of the sod & top soil from a portion of the outfield, and the installation of slag, the material used for softball infields. A weed barrier will also be installed under the slag.

COST: Estimated cost is \$6,000.

STATE OF MICHIGAN



JOHN ENGELER, Governor

DEPARTMENT OF TREASURY

TREASURY BUILDING, LANSING, MICHIGAN 48922
MARK A. MURRAY, State Treasurer

81-4-40

March 3, 2000

Mr. James Novak
Executive Director of Business and Operations
Chelsea Area Schools
500 Washington Street
Chelsea, MI 48118

Dear Mr. Novak:

Thank you for your recent letter regarding the School Code Sinking Fund requirements. Pursuant to Department of Treasury Letter No. 01—95, you are requesting an opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the attached project list/letter, dated February 18, 2000, appears to meet the requirements of both the act and the numbered letter with the following exceptions:

Purchase of Portable Bleachers for Athletic Fields

Accessories for Pole Vault Pit – The Pole Vault Pit is acceptable as well as the standards but other accessories are considered equipment and not appropriate expenditures of sinking fund moneys

If I can assist further let me know.

Sincerely,

Mark Hilpert, Director
Bureau of Local Government Services

Attachment

81-4-40

Chelsea

RECEIVED
DEPT. OF TREASURY

FEB 24 2000

SCHOOL DISTRICT

Board / Administrative Offices
500 Washington Street
Chelsea, Michigan 48118

(734) 433-2208 Fax (734) 433-2218

February 18, 2000

Linda Rairigh
State of Michigan
Department of Treasury
Treasury Building
Lansing, MI 48922

LOCAL AUDIT & FINANCE DIV.

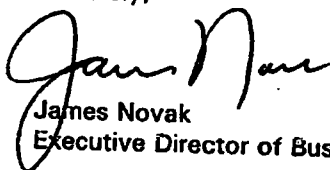
Dear Ms. Rairigh:

This letter is in regards to Sinking Fund expenditures. We would like a written response from your department regarding the propriety of spending Sinking Fund money on the following specific planned projects:

- 1) Purchase and assembly of portable bleacher sections. Approximate cost \$ 10,000.
- 2) Additional Pit & Pole Vault Equipment for the competition Track & Football field area. Approximate cost \$ 10,000.

Enclosed you will find more detail on the projects listed above. Please let me know if you have any questions.

Sincerely,



James Novak
Executive Director of Business and Operations

JN/mc

CHELSEA SCHOOL DISTRICT

OPERATIONS DEPARTMENT MEMO

To: Michelle Cowhy
From: Ron Livengood
Subject: Please submit the following project for approval by the Department of
Treasury as an expenditure of the Chelsea School District Sinking Fund.
Date: 2/15/00
PROJECT: ~~2000-19~~ 1999-19 Purchase of Portable Bleachers for Athletic Fields

SCOPE OF WORK: Purchase and assembly of portable bleacher sections 5 seats high,
16 ft. in length.

These bleachers will be used at baseball & soccer fields that were constructed as a part of
the last bond issue that was completed in 1998.

COST: Estimated cost is \$2,500 per unit. Total of 4 units to be purchased for a total cost
\$10,000.

RECEIVED
DEPT. OF TREASURY

FEB 24 2000

LOCAL AUDIT & FINANCE DIV.

CHELSEA SCHOOL DISTRICT

OPERATIONS DEPARTMENT MEMO

To: Michelle Cowhy
From: Ron Livengood
Subject: Please submit the following project for approval by the Department of
Treasury as an expenditure of the Chelsea School District Sinking Fund.
Date: 2/17/00
2000-20

PROJECT: Additional Pit & Pole Vault Equipment for the competition Track &
Football field area.

SCOPE OF WORK: Supply & furnish a Scholastic II Pole Vault Pit, pole vault
standards, and all accessories required for a complete Pole Vault Pit.

This additional pit is required do to the expansion of our track complex from a single pole
vault area to 2 pole vault areas. The expansion is to accommodate the increased number
of students participating in the track program.

COST: \$10,000

RECEIVED
DEPT. OF TREASURY

FEB 24 2000

LOCAL AUDIT & FINANCE DIV

STATE OF MICHIGAN



JOHN ENGLER, Governor
DEPARTMENT OF TREASURY
TREASURY BUILDING, LANSING, MICHIGAN 48922
MARK A. MURRAY, State Treasurer

81-4-040

December 2, 1999

Mr. James Novak, Executive Director
Business and Operations
Chelsea School District
500 Washington Street
Chelsea, Michigan 48118

Dear Mr. Novak:

Thank you for your recent letter regarding the School Code Sinking Fund requirements. Pursuant to Department of Treasury Letter No. 01—95, you are requesting an opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the attached project list/letters, dated October 25 and November 15, 1999, appear to meet the requirements of both the act and the numbered letter *with the following clarification*: Central air conditioning is an acceptable use of sinking fund money while room or window air conditioners have been determined to be equipment and are not an acceptable use of sinking fund money.

If I can assist further let me know.

Sincerely,

Mark Hilpert, Director
Bureau of Local Government Services

Attachment

Chelsea

SCHOOL DISTRICT

Board / Administrative Offices
600 Washington Street
Chelsea, Michigan 48118

(734) 433-2208 Fax (734) 433-2218

October 25, 1999

Linda Rairigh
State of Michigan
Department of Treasury
Treasury Building
Lansing, MI 48922

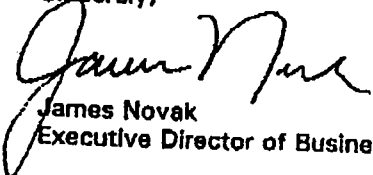
Dear Ms. Rairigh:

This letter is in regards to Sinking Fund expenditures. We would like a written response from your department regarding the propriety of spending Sinking Fund money on the following specific projects:

- 1) Site renovations at the Washington Street site. The renovations include demolition and removal of locker building and of all walk canopies, replacement of damaged sidewalks, all drainage, curbs and sidewalks associated with construction of new parking lot and removal and re-grading of drop off loop. The approximate cost is \$ 187,520.00.
- 2) Mechanical work which involves the following: mechanical renovations and additions to the Washington Street site, new air handler system and digital control system for heat and air conditioning for the new Board Room and the Community Education offices, new entry heater for main entrance of administrative building. The approximate cost is \$ 132,915.00.

Please let me know if you have any questions.

Sincerely,



James Novak
Executive Director of Business and Operations

JN/mo

"Achieving educational goals one student at a time."

Chelsea

SCHOOL DISTRICT

Board / Administrative Offices
500 Washington Street
Chelsea, Michigan 48118

(734) 433-2208 Fax (734) 433-2218

November 15, 1999

Linda Rairigh
State of Michigan
Department of Treasury
Treasury Building
Lansing, MI 48922

Dear Ms. Rairigh:

This letter is in regards to Sinking Fund expenditures. We would like a written response from your department regarding the propriety of spending Sinking Fund money on the following specific planned projects:

- 1) Addition of sidewalks at the 500 Washington St. Site. The approximate cost for this will be \$ 18,000.
- 2) Addition of cooling capacity for the Main Data Distribution room at the High School. The approximate cost for this will be \$ 17,000.

Enclosed you will find more detail on the projects listed above. Please let me know if you have any questions.

Sincerely,



James Novak
Executive Director of Business and Operations

JN/mc

"Achieving educational goals one student at a time."

CHELSEA SCHOOL DISTRICT

OPERATIONS DEPARTMENT MEMO

To: Michelle Cowhy
From: Ron Livengood
Subject: Please submit the following project for approval by the Department of Treasury as an expenditure of the Chelsea School District Sinking Fund.
Date: 11/9/99

PROJECT: Additions of sidewalks on the 500 E. Washington St. Site

SCOPE OF WORK: The scope of work for this project includes the all the excavation work to prepare the site for the pouring of approximately 3800 SQ ft of sidewalk. The bid specification also requires the contractor to supply 100 Tons of topsoil to be place in the newly excavated areas.

COST: Estimated cost for this job was \$18,000. Competitive bids were taken. Six bids were received. The range of the bids was \$14,680 to \$28,800. The low bid was taken based upon references furnished by the contractor.

CHELSEA SCHOOL DISTRICT

OPERATIONS DEPARTMENT MEMO

To: Michelle Cowhy
From: Ron Livengood
Subject: Please submit the following project for approval by the Department of Treasury as an expenditure of the Chelsea School District Sinking Fund.
Date: 11/9/99

PROJECT: Addition of Cooling capacity for the Main Data Distribution room at the High School, 740 N. Freer Rd.

SCOPE OF WORK: The scope of work for this project includes supplying and installing air conditioning equipment for the cooling of the room that houses the Districts data distribution equipment. This work will include supplying and installing the actual cooling equipment, repairing of the roof where penetrations are made, and the electrification of all the equipment.

COST: Estimated cost \$17,000

STATE OF MICHIGAN



JOHN ENGLER, Governor
DEPARTMENT OF TREASURY
TREASURY BUILDING, LANSING, MICHIGAN 48922
MARK A. MURRAY, State Treasurer

81-4-040

August 6, 1999

Mr. James Novak, Executive Director of
Business and Operations
Chelsea School District
500 Washington Street
Chelsea, Michigan 48118

Dear Mr. Novak:

Thank you for your recent letter regarding the School Code Sinking Fund requirements. Pursuant to Department of Treasury Letter No. 01—95, you are requesting and opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the attached project list/letter, dated July 29, 1999, appears to meet the requirements of both the act and the numbered letter.

If I can assist further let me know.

Sincerely,

Mark Hilpert, Director
Bureau of Local Government Services

Attachment

Chelsea

SCHOOL DISTRICT

Board / Administrative Offices
500 Washington Street
Chelsea, Michigan 48118

(734) 433-2208 Fax (734) 433-2218

July 29, 1999

Linda Rairigh
State of Michigan
Department of Treasury
Treasury Building
Lansing, MI 48922

RECEIVED
Dept. of Treasury

JUL 30 1999

LOCAL AUDIT & FINANCE DIV.

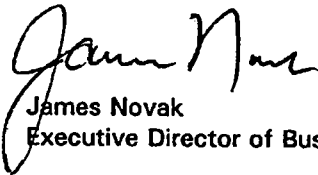
Dear Ms. Rairigh:

This letter is in regards to Sinking Fund expenditures. We would like a written response from your department regarding the propriety of spending Sinking Fund money on the following specific planned project:

- 1) Repairs to the Press Box at the competition Football Stadium.

Enclosed you will find more detail on the project listed above. Please let me know if you have any questions.

Sincerely,



James Novak
Executive Director of Business and Operations

JN/mc

CHELSEA SCHOOL DISTRICT

OPERATIONS DEPARTMENT MEMO

RECEIVED
Dept. of Treasury

JUL 30 1999

LOCAL AUDIT & FINANCE DIV.

To: Michelle Cowhy
From: Ron Livengood
Subject: Please submit the following project for approval by the Department of Treasury as an expenditure of the Chelsea School District Sinking Fund.
Date: 7/26/99

PROJECT: Improvements to the Press Box at the competition Football Stadium
1999-01

SCOPE OF WORK: The scope of work for this project includes: the design work, documents and permits, and the complete rebuilding of the Press Box for our competition Football Stadium onto an existing foundation.

The press box was damaged by fire on 6/28/99, to the extent that the wooden 2nd floor of the building will have to be completely demolished and replaced. Our insurance company has determined the replacement value of the existing structure is \$16,462.

Chelsea School District is requesting approval for the portion of this project that is an improvement to our Press Box, including the design work associated with the improvement and reconstruction. Our Press box was a 2 story structure that was concrete block on the first floor and a wood frame construction for the 2nd floor. The new design utilizes the existing concrete block first floor, replaces the wooden structure for the 2nd floor, and adds a 3rd floor to the building.

The low bid to complete this work is \$24,750. The Chelsea School District considers the difference between the two amounts (the bid amount of \$24,750 less the insurance reimbursement of \$16,462 equals \$8,288) to be the amount of improvement that we are making to the press box facility.

We are requesting approval to pay for the improvement portion of this project with sinking fund revenue. The enhancements will improve the safety for the people using the press box, by eliminating the use of the roof for observation and filming. These activities will take place on the 3rd floor instead of the roof.

COST: Net cost for this project after the insurance payment is applied will be \$8,288 plus the design costs and inspections of \$2,000

81-4040



JOHN ENGLER, Governor
~~XXXXXXXXXXXX~~ State Treasurer
MARK A. MURRAY

STATE OF MICHIGAN

DEPARTMENT OF TREASURY

TREASURY BUILDING

LANSING, MICHIGAN 48922

March 5, 1999

James Novak, Executive Director
of Business and Operations
Chelsea School District
500 Washington Street
Chelsea, Michigan 48118

Dear Mr. Novak:

Thank you for your recent letter regarding the School Code Sinking Fund requirements. Pursuant to Department of Treasury Letter No. 01--95, you are requesting an opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the attached project list/letter, dated February 19, 1999, appears to meet the requirements of both the act and the numbered letter with the following exception and clarification:

1. Re-painting an existing facility is considered to be maintenance and is not an allowable expenditure from sinking fund money. Initial painting of new construction is an allowable use of sinking fund money.
2. "Modification" of equipment can not be approved without additional information. Specifically what modifications will be made? Is this an equipment purchase? Identify why this should be considered construction or repair and not equipping or maintaining. Without the additional information this project I can not determine if this is an allowable expenditure from sinking fund money and can not be approved.

If I can assist further, let me know.

Sincerely,

Mark A. Hilpert, Director
Bureau of Local Government Services

Attachment

Chelsea

SCHOOL DISTRICT

Board / Administrative Offices
500 Washington Street
Chelsea, Michigan 48118

(734) 433-2208 Fax (734) 433-2218

February 19, 1999

Linda Rairigh
State of Michigan
Department of Treasury
Treasury Building
Lansing, MI 48922

FEB 23 1999

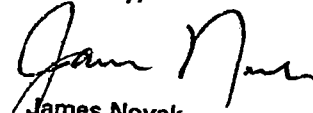
Dear Ms. Rairigh:

This letter is in regards to Sinking Fund expenditures. We would like a written response from your department regarding the propriety of spending Sinking Fund money on the following specific planned projects:

- 1) Painting of 5 rooms and 1 corridor in the Main building of the Washington Street Education Center Site. Estimated costs are \$13,000.
- 2) Modification of air handling equipment at Beach Middle School to accommodate upgrades of heating and air conditioning systems to allow for the newly remodeled area to be properly heated and cooled. Estimated costs are \$10,000.

Please let me know if you have any questions.

Sincerely,



James Novak
Executive Director of Business and Operations

JN/mc



JOHN ENGLER, Governor
DOUGLAS B. ROBERTS, State Treasurer

STATE OF MICHIGAN

DEPARTMENT OF TREASURY

TREASURY BUILDING

LANSING, MICHIGAN 48922

81-4040

November 23, 1998

Mr. James Novak
Executive Director of Business and Operations
Chelsea School District
500 Washington Street
Chelsea, Michigan 48118

Dear Mr. Novak:

Thank you for your recent letter regarding the School Code Sinking Fund requirements. Pursuant to Department of Treasury Letter No. 01--95, you are requesting an opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the attached project list/letter, dated November 13, 1998, appears to meet the requirements of both the act and the numbered letter.

If I can assist further, let me know.

Sincerely,

A handwritten signature in cursive script, reading "Mark A. Hilpert".

Mark A. Hilpert, Director
Bureau of Local Government Services

Attachment

Chelsea

SCHOOL DISTRICT

Board / Administrative Offices
500 Washington Street
Chelsea, Michigan 48118

(734) 433-2208 Fax (734) 433-2218

November 13, 1998

Linda Rairigh
State of Michigan
Department of Treasury
Treasury Building
Lansing, MI 48922

Dear Ms. Rairigh:

This letter is to follow up on a conversation we had a few weeks ago regarding the Chelsea School District Sinking Fund and the expenditures that are allowed to be expended from this fund. As we discussed, we would like a written response from your department regarding the propriety of spending Sinking Fund money on specific planned projects.

The following are expenditures that we discussed on the phone:

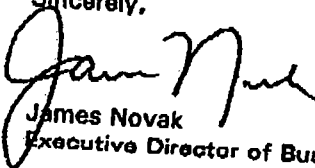
- 1) United Enviro-Tech, Inc. - Asbestos removal and disposal at Beach Middle School for \$ 81,239.00. There will also be additional smaller expenses relating to asbestos removal.
- 2) Decorative Flooring Services, Inc. - Removal of old flooring and installation of new floor coverings for Community Education classrooms which may possibly be used in the future for K-12 classrooms in the amount of \$ 28,636.35.

We would also like to obtain your approval for a few additional items to be paid out of the Sinking Fund:

- 1) There is a drainage problem on Freer Road in the area of two new district schools, Pierce Lake Elementary and Chelsea High School. The Washtenaw County Drain Commission is proposing that the Chelsea School District absorb part of the expense involved in repairing and replacing drains. The total cost of the project is estimated at \$650,000 to \$700,000. It is not yet determined the amount that the Drain Commission will be asking the District to be contributing, but we are estimating our portion to be \$200,000 to \$300,000.
- 2) Nova Environmental, Inc. - Asbestos and lead testing at the old High School site in various buildings in the amount of \$ 6,207.50.

Please let me know if you have any questions.

Sincerely,



James Novak
Executive Director of Business and Operations

JN/mc

"Achieving educational goals one student at a time."

STATE OF MICHIGAN



JOHN ENGLER, Governor
DEPARTMENT OF TREASURY
TREASURY BUILDING, LANSING, MICHIGAN 48922
MARK A. MURRAY, State Treasurer

80-4-140

August 25, 1999

Mr. Daniel C. Pratley, Superintendent
Lawton Community Schools
880 Second Street
Lawton, Michigan 49065-9783

Dear Mr. Pratley:

Thank you for your recent letters regarding the School Code Sinking Fund requirements. Pursuant to Department of Treasury Letter No. 01—95, you are requesting and opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the attached project lists/letters, dated July 29, 1999 and clarified August 12, 1999, appear to meet the requirements of both the act and the numbered letter *with the following exceptions*:

Communications – cabling at high school and PA system at the middle school – Public address systems in general have been determined to be equipment with the following clarification: wiring, installation costs and built into the wall speakers are an acceptable use of sinking fund money. Mount on the wall and stand alone equipment expenditures are considered to be equipment and are not an acceptable use of sinking fund money. Cabling costs are acceptable uses of sinking fund money.

Water softener replacement at high school – Water softeners are equipment and are not allowable expenditures from sinking fund money.

Middle school gym fold-up backboards and rims – These are determined to be equipment and are not allowable expenditures from sinking fund money.

If I can assist further let me know.

Sincerely,

Mark Hilpert, Director
Bureau of Local Government Services

Attachment

c: Patrick J. Berardo; Thrun, Maatsch and Nordberg

www.treasury.state.mi.us



Lawton Community Schools

880 Second Street • Lawton, Michigan 49065-9783 • Fax (616) 624-6489

Daniel C. Pratley, Ph.D.
Superintendent
(616) 624-4931

Greg Smith
Director of Operations
(616) 624-7291

Donna Wotta
Business Manager
(616) 624-4661

Jeanne Roe
Food Service Director
(616) 624-4931, Ext. 4435

August 12, 1999

Linda Rairigh, Manager
Local Audit and Finance Division
Department of Treasury
Treasury Building
Lansing, MI 48922

AUG 16 1999

Dear Ms. Rairigh:

The following response is being made to the questions you raised in a letter dated August 3, 1999 to our attorney Pat Berardo at Thrun, Maatsch and Nordberg in regards to our upcoming Sinking Fund issue.

1. All lighting is fixture replacement not bulbs
2. Electrical upgrades refers to new electrical receptacles as needed in the whole district and any service panels as needed.
3. The high school track upgrade refers to the installation of an 8-lane rubber or all weather track, complete with utilities under the track as needed and all necessary site work, replacing the football field back in the middle of the track.
4. High school science lab upgrade means providing an enclosed area in our now open space high school with walls and doors, and individual HVAC systems in each area.
5. Fuel tank upgrades refers to providing a roof and fuel containment around an existing above ground tank.
6. Water softener upgrade refers to repair not replacement
7. Middle school elevator upgrades are repairs
8. Middle School Gym lights are fixture replacements.

Hopefully this will clarify the questions you raised.

Sincerely,

Daniel C. Pratley, Ph.D.
Superintendent

cc: Patrick Berardo, Thrun, Maatsch and Nordberg

STATE OF MICHIGAN



JOHN ENGLER, Governor

DEPARTMENT OF TREASURY
TREASURY BUILDING, LANSING, MICHIGAN 48922
MARK A. MURRAY, State Treasurer

August 3, 1999

Mr. Patrick J. Berardo
Thrun, Maatsch and Nordberg
P.O. Box 40699
Lansing, Michigan 48901-7899

Dear Mr. Berardo:

Thank you for your recent letter on behalf of Lawton Community Schools, regarding the School Code Sinking Fund requirements. However, we need additional information regarding some of the items listed before an opinion can be given. Specifically, I need more detailed information for those items that list upgrading to be done. Will the upgrading consist of construction only or will furnishing and equipping be included? Does the gym light replacement refer to new fixtures or bulbs? What is included in "remodeling high school science lab"?

We will respond to your request after this additional information is received.
Thank you.

Sincerely,

A handwritten signature in cursive script, appearing to read "Linda".

Linda Rairigh, Manager
Local Audit and Finance Division

C: Dan Pratley, Superintendent; Lawton Community Schools

THRUN, MAATSCH AND NORDBERG, P.C.

ATTORNEYS AND COUNSELORS AT LAW
SUITE 500, 501 SOUTH CAPITOL AVENUE

P.O. BOX 40699

LANSING, MI 48901-7899

(517) 484-8000

ROBERT M. THRUN
PATRICK J. BERARDO
JOE D. MOSIER
DONALD J. BONATO
G. MICHAEL WHITE
MICHAEL A. ESCHELBACH
KEVIN S. HARTY
MICHAEL S. FARRELL
GORDON W. VAN WIEREN, JR.
BEVERLY J. BONNING

MARTHA J. MARCERO
C. GEORGE JOHNSON
PHILIP A. ERICKSON
LISA L. SWEN
JEFFREY J. SOLES
TIMOTHY R. WINSHIP
ROY H. HENLEY
ROBERT G. HUBER
MICHAEL D. GRESSENS
CHRISTOPHER J. IAMARINO

FRED H. THRUN
1996-1970
CAROLINE W. THRUN
1997-1993
OF COUNSEL
JAMES T. MAATSCH
DAVID OLMSTEAD
FAX: (517) 484-0041
FAX: (517) 484-0061

July 29, 1999

RECEIVED
Dept. of Treasury

JUL 30 1999

LOCAL AUDIT & FINANCE DIV.

Mrs. Linda Rairigh
Department of Treasury
Municipal Finance Division
Fourth Floor, Treasury Building
Lansing, Michigan 48922

Re: Building and Site Sinking Fund Expenditure Proposals - Lawton Community Schools

Dear Mrs. Rairigh:

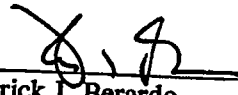
Enclosed is a list of proposed expenditures for a Building and Site Sinking Fund to be voted in the Lawton School District. On behalf of the Superintendent, may I ask that you review the proposed expenditures and provide guidance as to whether they comply with your guidelines.

If any further information is required, please feel free to call.

Very truly yours,

THRUN, MAATSCH AND NORDBERG, P.C.

By


Patrick J. Berardo
(517) 374-8827

PJB/kmh

cc: Dan Pratley, Superintendent of Schools

S:\USERS\KMH\PJB\072799.11

Roofs throughout the district:	\$ 98,000
Heating and cooling systems:	\$263,000
Interior door replacements:	\$ 14,000
Lighting:	\$111,000
Communications - cabling at high school and	
PA system at the middle school:	\$ 34,000
Double hung windows at the middle school:	\$260,225
Electrical upgrades:	\$ 87,000
Upgrades to high school track:	\$200,000
Remodeling high school science lab:	\$ 20,000
Upgrades to fuel tanks:	\$10,000
Underground sprinkling systems:	\$ 4,000
Water softener replacement at high school:	\$ 3,000
Exterior door replacements:	\$15,000
Replace high school drive:	\$40,000
Elem rubber roof replacement:	\$105,000
Middle school elevator upgrades:	\$16,000
Middle school gym fold-up backboards and rims:	\$ 13,000
Middle school gym light replacement:	\$12,500
New door hardware and rekeying - district wide:	\$30,000
Flooring:	\$15,000
Middle School Chimney repair:	\$30,000
Total	\$1,380,725

RECEIVED
Dept. of Treasury

JUL 30 1999

LOCAL AUDIT & FINANCE DIV.

63-4-280



JOHN ENGLER, Governor
DOUGLAS B. ROBERTS, State Treasurer

STATE OF MICHIGAN

DEPARTMENT OF TREASURY

TREASURY BUILDING

LANSING, MICHIGAN 48922

July 15, 1998

Mr. Patrick M. Higdon
Pollard & Albertson
505 North Woodward Avenue, Suite 2300
Bloomfield Hills, Michigan 48304

Dear Mr. Higdon:

Thank you for your recent letter on behalf of Oak Park School District regarding the School Code Sinking Fund requirements. Pursuant to Department of Treasury Letter No. 01--95, you are requesting an opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the attached project list/letter, dated July 2, 1998, appears to meet the requirements of both the act and the numbered letter, *with the clarification that the remodeling projects mentioned are construction remodeling only and will not include equipment or furniture.*

If I can assist further, let me know.

Sincerely,

A handwritten signature in dark ink, appearing to read "Mark A. Hilpert".

Mark A. Hilpert, Director
Bureau of Local Government Services

Attachment

LAW OFFICES
POLLARD & ALBERTSON, P.C.

505 NORTH WOODWARD AVENUE, SUITE 2300

BLOOMFIELD HILLS, MICHIGAN 48304

TELEPHONE (248) 258-2850

FACSIMILE (248) 258-2851

PAPC@prodigy.net

DENNIS R. POLLARD
WILLIAM G. ALBERTSON
DOUGLASS A. WITTERS
RICHARD E. KROOPNICK
NEIL H. GOODMAN
ROBERT NYOVICH
PATRICK M. HIGDON

JAMES M. CROWLEY
ANN L. VANDERLAAN
JOSEPH C. BENNETT
LAURA M. HALLAHAN
DANA L. ABRAHAMS
WILLIAM H. HACKEL III

OF COUNSEL
THOMAS V. GILES
JEFFREY T. STEWART

July 2, 1998

Ms. Linda Rairigh, Manager
Local Audit Finance Division
Michigan Department of Treasury
Fourth Floor Treasury Building
Lansing, Michigan 48922

RECEIVED
OF TREASURY
JUL 08 1998
MICHIGAN DEPARTMENT OF TREASURY

Re: *Oak Park School District*
Section 1212 Sinking Fund

Dear Linda:

This correspondence is prepared in order to request your approval regarding the use of Section 1212 Sinking Fund proceeds for the following projects:

1. Erecting an addition to Bus Garage
2. Remodeling the Large Group Instruction Room at Rossevelt Middle School
3. Remodeling Girls and Boys restrooms in ALL buildings (replace plumbing)
4. Remodeling Shower Rooms at Roosevelt Middle School (replace plumbing)
5. Replace ALL windows in Oak Park High, Lessenger, Pepper and Einstein Schools
6. Replace damaged classroom doors, door frames and outside doors and frames in ALL buildings
7. Replace rotten facial wood structures with vinyl in ALL buildings

Ms. Linda Rairigh, Manager
Local Audit Finance Division
Michigan Department of Treasury
July 2, 1998
Page 2

8. Wiring and cabling for computer for computer labs at Key, Roosevelt and Oak Park High

We have attached for your review a copy of the March 3, 1997 Special Election Ballot Proposal for the Sinking Fund Millage which was approved by the voters of the Oak Park School District.

We are of the opinion that these projects are appropriate under Section 1212 of the School Code and in compliance with the Department of Treasury letter number 01-95. It is my understanding that you will secure the Department of Treasury's position relative to the use of Section 1212 proceeds for the above referenced projects and forward a copy of that position to me.

As always, we appreciate your assistance.

Very truly yours,

POLLARD & ALBERTSON, P.C.


Patrick M. Higdon

PMH/vlw
Enclosure

cc: Audrey Walker

35554-1

634-250



JOHN ENGLER, Governor
DOUGLAS B. ROBERTS, State Treasurer

STATE OF MICHIGAN

DEPARTMENT OF TREASURY

TREASURY BUILDING

LANSING, MICHIGAN 48922

February 23, 1998

Mr. Patrick Higdon
Pollard & Albertson, P.C.
505 North Woodward Avenue, Suite 2300
Bloomfield Hills, Michigan 48304

Dear Mr. Higdon:

Thank you for your recent letter on behalf of Oak Park School District regarding the School Code Sinking Fund requirements. Pursuant to Department of Treasury Letter No. 01-95, you are requesting an opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the Interpretations of the Department of Treasury.

In my opinion, the use of sinking funds for science lab teaching stations (excluding movable parts), as indicated in your letter of February 5, 1998, meets the requirements of both the act and the numbered letter.

If I can assist further, let me know.

Sincerely,

A handwritten signature in cursive script that reads "Nancy M. Taylor".

Nancy M. Taylor
Deputy Treasurer

c: Audrey Walker; Oak Park School District

Attachment

LAW OFFICES
POLLARD & ALBERTSON, P.C.

505 NORTH WOODWARD AVENUE, SUITE 2300
BLOOMFIELD HILLS, MICHIGAN 48304

DENNIS R. POLLARD
WILLIAM G. ALBERTSON
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PATRICK M. HIGDON

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E. PATRICK MURRAY
LAURA M. HALLAHAN
DANA L. ABRAHAMS
WILLIAM H. HACKEL III

OF COUNSEL
THOMAS V. GILES

February 5, 1998

Ms. Linda Rairigh, Manager
Local Audit Finance Division
Michigan Department of Treasury
Fourth Floor Treasury Building
Lansing, Michigan 48922

RECEIVED
DEPT. OF TREASURY
FEB 09 1998
LOCAL AUDIT & FINANCE DIV.

Re: ***Oak Park School District
Section 1212 Sinking Fund***

Dear Linda:

This correspondence is prepared in order to request your approval regarding the use of Section 1212 Sinking Fund proceeds for the payment of remodeling various science classrooms by removing obsolete and hazardous science stations. We have attached for your review a copy of the March 3, 1997 Special Election Ballot Proposal for the Sinking Fund Millage which was approved by the voters of the Oak Park School District.

We are of the opinion that these projects are appropriate under Section 1212 of the School Code and in compliance with the Department of Treasury letter number 01-95. It is my understanding that you will secure the Department of Treasury's position relative to the use of Section 1212 proceeds for the above referenced projects and forward a copy of that position to me.

As always, we appreciate your assistance.

Very truly yours,

POLLARD & ALBERTSON, P.C.


Patrick M. Higdon

PMH/djw
Enclosure
cc: Audrey Walker

32102-1



CLAWSON

Public Schools

Learning Today, Leading Tomorrow

www.clawson.k12.mi.us

State of Michigan
Department of Treasury
Attn: Linda Rairigh
Treasury Building
Lansing, MI 48922

April 15, 2002

Dear Ms. Rairigh,

The School District of the City of Clawson currently levies its tax base for sinking fund projects. We are requesting approval to expend our sinking funds to purchase new faucets for our sinks in the bathrooms throughout the district.

We are in need of new faucets to replace those that are severely antiquated and/or non operational. I am also under the understanding that those things expensed from the sinking fund must be completed through an outside contractor.

Please accept this letter as a request for approval to expend funds on the above-mentioned project. I am also requesting guidance as to whether the project must be completed by an outside contractor. If additional information is needed, please feel free to contact me at (248) 655-4409

Sincerely,

Sherri A. Smith
Director of Business Services

NCA Accredited by the North Central Association of Colleges and Schools

ADMINISTRATIVE OFFICES 248.655.4400
626 Phillips 248.655.4425 Main Fax
Clawson, MI 48017 248.655.4422 Supt. Fax

RECEIVED
Dept. of Treasury

APR 23 2002

MI AUDIT & FINANCE



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

JOHN ENGLER
GOVERNOR

DOUGLAS B. ROBERTS
STATE TREASURER

September 6, 2002

Ms. Sherri A. Smith, Director of Business Services
Clawson Public Schools
626 Phillips Ave
Clawson, Michigan 48017

Dear Ms. Smith:

Thank you for your letter regarding the School Code Sinking fund requirements. You are requesting an opinion regarding whether specific expenditures comply with the restrictions in Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the items listed in your correspondence dated January 22, 2002, DO NOT meet the requirements of the Act. The starter system and scoreboard have been determined to be equipment and are therefore not authorized uses of sinking fund money.

If I can assist further let me know.

Sincerely,

A handwritten signature in cursive script that reads "Frederick Headen".

Frederick Headen, Acting Director
Bureau of Local Government Services

Attachment



CLAWSON

Public Schools

Learning Today, Leading Tomorrow

www.clawson.k12.mi.us

NCA Accredited by the North Central Association of Colleges and Schools

ADMINISTRATIVE OFFICES	248.655.4400
626 Phillips	248.655.4425 Main Fax
Clawson, MI 48017	248.655.4422 Supt. Fax

State of Michigan
Department of Treasury
Attn: Linda Rairigh
Treasury Building
Lansing, MI 48922

RECEIVED
Dept. of Treasury

JAN 25 2002

NCAI AUDIT & FINANCE

January 22, 2002

Dear Ms. Rairigh,

The School District of the City of Clawson currently levies its tax base for sinking fund projects. We are requesting approval to expend our sinking funds to purchase a new starter system and scoreboard for our swimming pool. The current system is non functional; therefore, our swim programs are forced to utilize stopwatches which do not accurately time the competitors.

Improvements to the pool area were sacrificed for other "more important" projects during the planning phase of our 1998 bond project; therefore, this project fell to the wayside. Our swimming pool is utilized for curriculum and extracurricular activities, which definitely enhance our students' educations.

Please accept this letter as a request for approval to expend funds on the above-mentioned project. If additional information is needed, please feel free to contact me at (248) 655-4409

Sincerely,

Sherri A. Smith
Director of Business Services

Cc: Dave Laferle, Mike McGraw, and Jim Pinsoneault

STATE OF MICHIGAN



JOHN ENGLER, Governor

DEPARTMENT OF TREASURY

TREASURY BUILDING, LANSING, MICHIGAN 48922
MARK A. MURRAY, State Treasurer

79-4-110

July 12, 1999

Mr. Larry J. Lethorn, Superintendent
Reese Public Schools
9535 Center Street
Reese, Michigan 48757

Dear Mr. Lethorn:

Thank you for your recent letter regarding the School Code Sinking Fund requirements. Pursuant to Department of Treasury Letter No. 01—95, you are requesting an opinion regarding whether specific expenditures comply with the restrictions in both Section 1212 of the School Code and the interpretations of the Department of Treasury.

In my opinion, the attached project list/letter, dated June 16, 1999, appears to meet the requirements of both the act and the numbered letter with the following clarifications:

1. Lab stations — These are acceptable sinking fund expenditures except for the purchase of movable parts. The movable parts are considered to be equipment or furniture and are not allowable from sinking fund money.
2. Playground equipment — Equipment can not be purchased from sinking fund money. Playground *structures* are an acceptable use of sinking fund money. A playground structure includes structures that require design work; site preparation; an estimated life of at least 20 years; are built in compliance with federal guidelines; are constructed (not portable or snap together); and are intended to be a permanent structure. This will not include equipment that is used as a part of the structure, such as swings, slides ropes, nets and rubber or other items that are detachable and/or must be replaced on a regular basis. Single pieces of equipment, even if permanently attached to the ground, such as swing sets, slides, merry-go-rounds and teeter totters, are not considered to be a structure, but are equipment.

If I can assist further let me know.

Sincerely,

Mark Hilpert, Director
Bureau of Local Government Services

Attachment

REESE PUBLIC SCHOOLS

9535 Center Street
Reese, Michigan 48757

Phone - 517-868-9864
Fax - 517-868-4446

6/16/99

Ms. Linda Rairigh
Department of Treasury
Treasury Building
Lansing, MI 48922

RECEIVED
DEPT OF TREASURY

JUN 21 1999

Dear Ms. Rairigh:

LOCAL AUDIT & FINANCE DIV

On June 14, 1999, the Reese Public Schools had their Sinking Fund renewed for five more years. The following are the targeted projects to be accomplished over the next five years with the revenue from the Sinking Fund.

Projects:

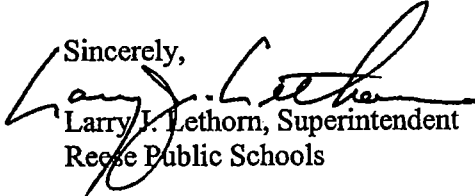
1. Re-roofing project at the middle school. This re-roofing project will begin phase 1 to re-roof the middle school.
2. Remodel the sixth grade science room. This will involve the removal of the current lab stations, existing plumbing, electrical system, and permanent cabinets. The lab stations will be replaced with a permanent station that is state-of-the-art (please refer to brochure), new plumbing and fixtures, new electrical wiring and receptacles and new cabinets.
3. Remove the old siding on the upper part of the middle school gym, and replace with new steel siding.
4. Remove the single pane windows on the south side of the middle school and replace with a thermo pane window. Remove the remaining single pane windows at the elementary, and replace with thermo panes. This will complete the window replacement project at the elementary that was started in 1998.
5. Construct a new bus parking lot and maintenance building. Currently the buses are parked in the elementary's parking lot and there is now place to work on buses if the weather is bad.
6. Pulverize existing asphalt and resurface the high school driveway. The new surface would consist of a 2" course layer and a 2" finish coat or possibly heavier due to traffic use.
7. Remove and replace the existing storm drain in the middle school parking lot with a larger one. Currently, there is only a 6" drain and during any significant rain fall it does not drain properly.
8. Remodel the football field. Tear up the existing turf, put crown on field, install an irrigation system, re-seed, and install new bleachers on the visitors side of the field.
9. Construct a new concession stand, restroom facility, and team rooms.
10. Construct a restroom and concession stand at the softball and track complex.

11. Install irrigation systems on the softball and baseball outfields.
12. Remodel elementary playground. Remove old equipment, grade area for better drainage, and install new aged appropriate playground equipment.

If further information is needed please let me know.

Your prompt response will be much appreciated.

Sincerely,



Larry J. Lethorn, Superintendent
Reese Public Schools