

MICHIGAN DEPARTMENT OF TREASURY BUREAU OF BOND FINANCE SCHOOL BOND QUALIFICATION AND LOAN PROGRAM

2011

Annual Report

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*Over 4,001 qualified
bonds issued since
inception of program.*

Program Overview

As authorized in the State's Constitution, and by Public Act 92 of 2005, the School Bond Qualification and Loan Program provide a state credit enhancement and loan mechanism for school district bond issues. The bonds must be qualified by the State Treasurer and the bond proceeds must be used for capital expenditure purposes. Bond proceeds cannot be used for maintenance and repair costs, employee salaries, or other operating expenses.

Bond issues that are qualified by the state are advantageous to school districts in at least two important aspects. First, a district that receives qualification will get a rating on the bonds equal to the state's credit rating, which will usually result in a lower interest rate and cost. The second advantage is that a district may borrow from the state an amount sufficient to enable the district to pay principal and interest requirements on its outstanding qualified bonds. A minimum debt millage must be levied before a district can borrow from the state.

Prior to requesting approval for state qualification, a district should have conducted a thorough study at the local level in order to determine the district's facility needs and means for financing those needs. The qualification process involves Treasury personnel meeting with the school district and its representatives (bond counsel, financial advisor, construction manager and architect) to discuss the bond issue and the projects being financed by the proceeds. During the qualification process, information including project construction costs, enrollment projections and debt service amortization schedules is reviewed and verified. An on-site inspection of existing facilities is conducted in order to evaluate the condition of the facilities and determine whether the proposed projects are warranted.

*Total school district
qualified debt
outstanding exceeds
\$14 billion.*

Upon determination that all qualification requirements have been fulfilled, preliminary qualification is authorized. Preliminary qualification enables a district to proceed with calling for an election and presenting the bonding proposition to the district's citizens. If a majority of the citizens vote in favor of the proposition, a district applies for final qualification. Upon approval of final qualification, an Order Qualifying Bonds is issued, which allows a district to proceed with selling the bonds to prospective investors.

The School Loan Revolving Fund (SLRF) was established to assist school districts with making debt service payments on state qualified bonds issued under the School Bond Qualification and Loan Program. Any money repaid by school districts on loans made from the SLRF is deposited back into the fund for future use, either to repay debt or make new loans.

In order to borrow from the SLRF for debt service needs, a district must levy a minimum of seven (7) debt mills and enter into a loan repayment agreement with the state. The loan approval process involves submitting an application to Treasury, which includes information pertaining to qualified bonds outstanding, debt service obligations, taxable valuation, debt mills, tax collections and a district's loan needs. Upon review and verification of information contained in the application, the loan needs are approved and funds are disbursed to the district before the debt service due date. Loan repayment starts when the debt millage a district is required to levy yields more than the amount that is required to pay its debt service obligations.

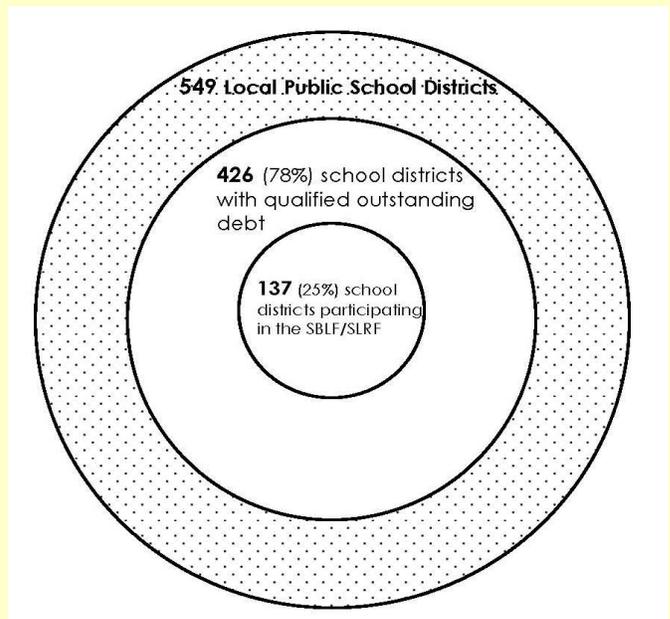
Since the inception of the School Bond Qualification and Loan Program, over 4,001 bond issues have been qualified. As of December 31, 2011, the total amount of principal outstanding exceeds \$14.0 billion. Current loans to school districts totaled approximately \$1.277 billion as of September 30, 2011.

Statewide Perspective

Of the 549 local public school districts in the state of Michigan, 426 had outstanding qualified bond debt and 137 were participating in the School Bond Loan Fund, School Loan Revolving Fund or both in 2011 (see Exhibit 1).

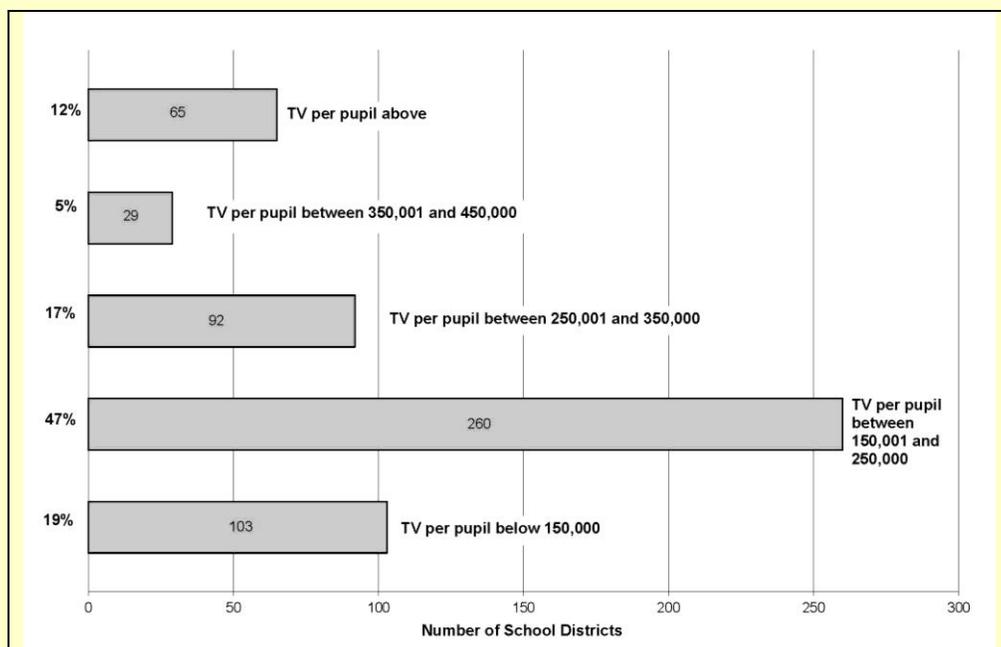
The 137 school districts that either have a current loan balance or expect to borrow from the loan program are geographically spread throughout the state. These districts are not concentrated in any particular area nor do they fall within a particular economic range. School districts in the loan program are made up of a wide range of characteristics.

Exhibit 1: School Districts in program



Since 1994, school district debt millages have been levied on taxable value of property within the respective districts. The taxable value of property statewide has grown at an average annual rate of 3.7 percent since 1994. The statewide average taxable value per pupil was \$221,667 in 2011. Exhibit 2 shows the distribution of all state school districts within various ranges of taxable value per pupil.

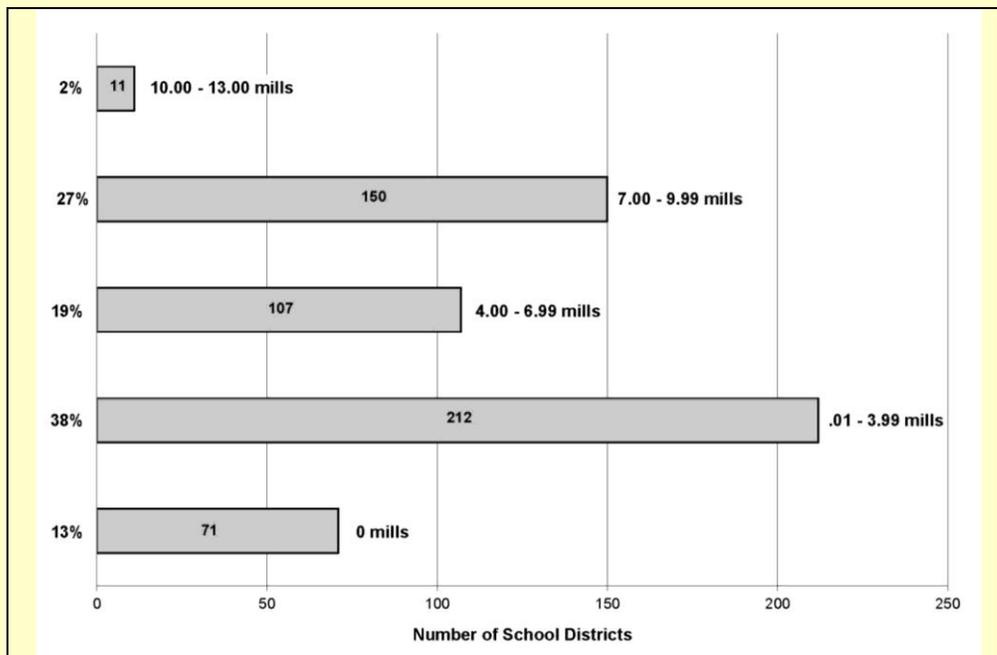
Exhibit 2: Taxable Value per Pupil



Source: Michigan Department of Treasury, Office of Revenue and Tax Analysis

Debt millages for qualified and non-qualified bond issues for school districts throughout the state range from zero to 13 mills. School districts that plan to borrow from the state to repay their qualified bond debt are required to levy between seven and 13 mills until the debt is repaid. Exhibit 3 outlines where all Michigan public school districts fall within a range of millage levies. In 2011, 71 school districts (13%) did not levy debt mills for qualified or non-qualified debt. The average debt millage levied statewide was 4.3 mills in 2011.

Exhibit 3: Millage Levy Range



Source: Michigan Department of Treasury, Bureau of Local Government Services

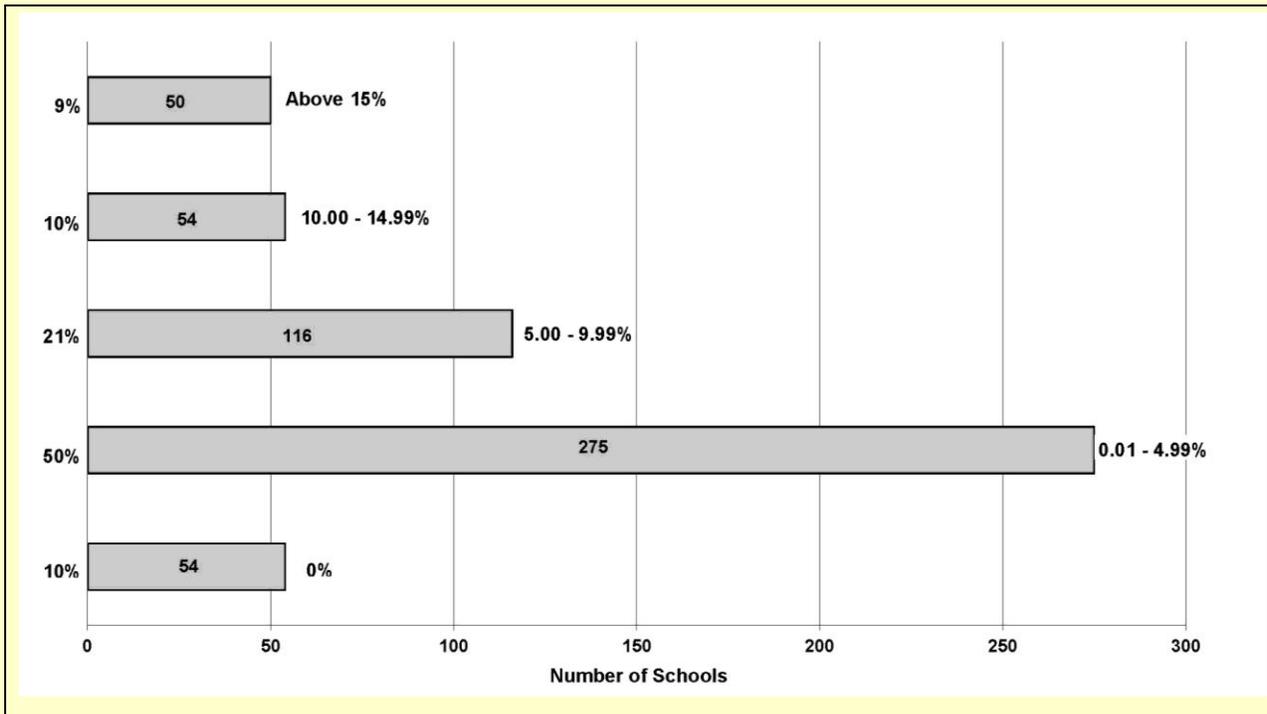
School District Debt

The total amount of outstanding school district debt, including Qualified, Non-qualified and Limited Tax Bonds was \$16.8 billion on December 31, 2011. The amount of School Bond Loan Fund and School Loan Revolving Fund Loans outstanding was \$1.277 billion on September 30, 2011. Non-qualified and limited tax bonds may also be issued by a school district to pay for capital improvement projects. These types of bonds do not go through the state qualified bond approval process. Information on non-qualified and limited tax bonds was obtained from the Municipal Advisory Council of Michigan

Taking these different types of debt into consideration, the statewide average debt per student was \$12,456 and the statewide average debt per district was \$33 million in 2011.

The amount of outstanding debt carried by Michigan school districts divided by a district's taxable value results in debt to taxable value percentages ranging from zero to 29 percent. The largest percentage of school districts within the state has a debt to taxable value ratio less than five percent. Exhibit 4 shows the statewide debt to taxable value distribution.

Exhibit 4: Statewide Debt to Taxable Value Range



Source: Michigan Department of Treasury, Office of Revenue and Tax Analysis
Municipal Advisory Council of Michigan

The amount of qualified bonded debt issued by school districts decreased slightly in 2011. Exhibit 5 shows the amount of new qualified bonds issued, retired, and outstanding for each of the last 20 years. Exhibit 6 shows future projected annual debt service requirements for debt outstanding as of December 31, 2011.

Exhibit 5: Bonds Issued, Retired, and Outstanding				Exhibit 6: Projected Debt Service			
School District Qualified Bonds Bonds Issued, Retired and Outstanding 01/01/1992 through 12/31/2011				School District Qualified Bonds Projected Qualified Annual Debt Service Based on Participants as of December 31			
Year Ended December 31,	Bonds Issued	Bonds Retired	Bonds Outstanding End of Period	Year Ending December 31,	Projected Debt Service as of 12/31/09	Projected Debt Service as of 12/31/10	Projected Debt Service as of 12/31/11
1992	905,581,000	515,814,000	3,536,536,000	2012	1,394,306,278	1,461,408,817	1,479,650,637
1993	1,342,324,000	1,060,471,000	3,818,389,000	2013	1,362,916,694	1,460,609,021	1,472,986,014
1994	637,941,000	374,957,000	4,081,373,000	2014	1,339,090,279	1,434,954,492	1,445,554,130
1995	1,323,230,000	403,283,000	5,001,320,000	2015	1,267,140,398	1,397,865,505	1,410,596,367
1996	1,614,572,000	345,120,000	6,270,772,000	2016	1,235,486,098	1,354,133,801	1,377,972,676
1997	1,606,035,000	580,502,000	7,296,305,000	2017	1,185,882,629	1,305,161,853	1,322,717,261
1998	2,063,971,000	1,183,925,000	8,176,351,000	2018	1,146,102,399	1,262,651,372	1,279,248,192
1999	1,231,975,000	649,709,000	8,758,617,000	2019	1,090,195,258	1,205,358,223	1,229,928,011
2000	1,382,605,000	367,432,000	9,773,790,000	2020	1,026,944,732	1,139,444,198	1,163,541,323
2001	2,220,670,000	779,747,000	11,214,713,000	2021	933,708,702	1,035,475,725	1,070,528,680
2002	1,979,005,000	991,323,000	12,202,395,000	2022	864,535,065	936,424,222	987,197,229
2003	1,907,676,000	1,244,500,000	12,865,571,000	2023	768,201,565	840,274,796	901,537,239
2004	2,329,065,000	1,394,257,000	13,800,379,000	2024	704,686,400	776,740,728	828,794,041
2005	2,944,895,000	3,239,162,000	13,506,112,000	2025	648,285,109	721,957,141	777,421,416
2006	1,681,970,000	1,255,152,000	13,932,930,000	2026	587,347,129	691,346,928	748,793,088
2007	1,439,200,000	1,339,119,000	14,033,011,000	2027	532,496,166	675,719,899	720,469,606
2008	1,375,595,000	1,357,529,000	14,051,077,000	2028	471,546,522	541,982,036	591,336,960
2009	973,595,000	893,635,000	14,131,037,000	2029	435,626,732	507,169,950	535,169,687
2010	1,326,155,000	1,085,798,000	14,372,394,000	2030	352,602,945	411,666,597	437,826,598
2011	773,600,000	1,132,136,000	14,012,858,000	2031	299,997,106	351,831,303	373,607,920
				2032	208,908,024	262,520,080	278,494,367
				2033	154,276,526	206,322,376	218,994,470
				2034	123,276,520	173,478,049	186,556,824
				2035	90,373,195	138,268,805	146,859,655
				2036	76,564,752	99,533,406	108,019,831
				2037	64,591,573	86,501,005	94,906,580
				2038	39,707,900	60,665,201	68,982,301
				2039	28,420,246	48,671,721	56,901,571
				2040		18,564,793	26,692,831
				2041			8,016,137
				Total	18,433,114,940	20,606,681,743	21,349,190,542

Source: Municipal Advisory Council of Michigan

Source: Municipal Advisory Council of Michigan

2011 Qualified School Bond Election Results

School districts are required to hold qualified school bond elections on one of four regular elections dates in February, May, August or November. Under limited circumstances, school districts may hold an election on one of a select number of special election dates as an alternative.

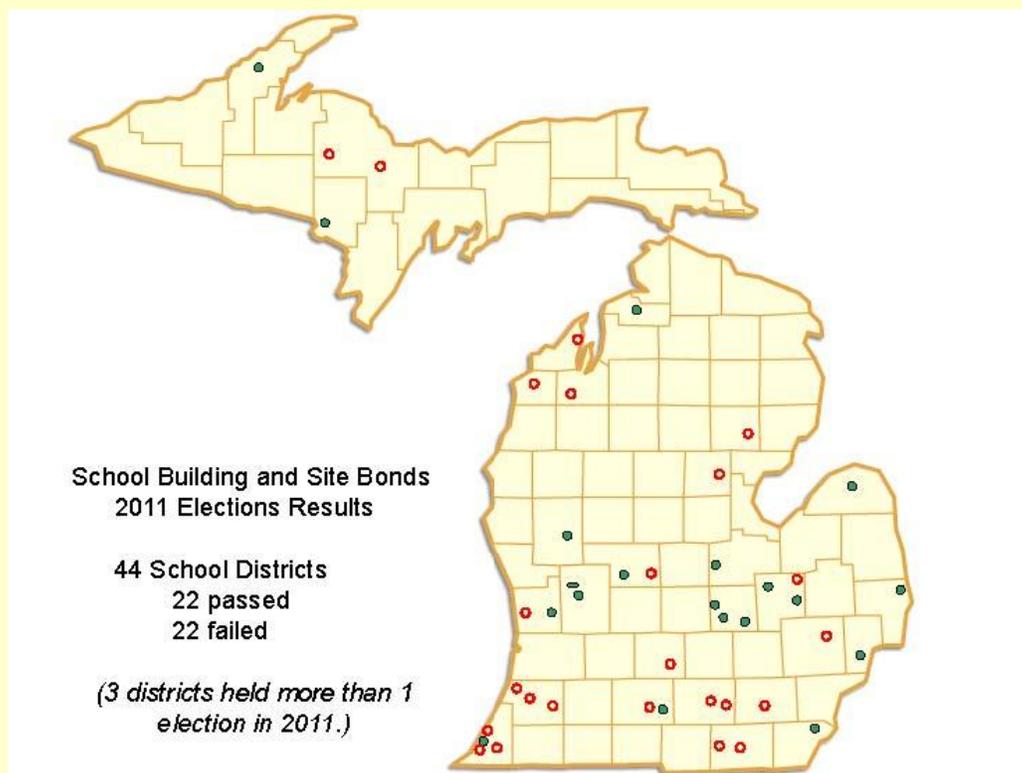
Forty-seven qualified school bond elections were held in 2011. Twenty-two of these elections resulted in at least one passed proposal for a district, which make the overall passing rate 46.8 percent. Twenty-five elections failed.

Forty-five different school districts held elections in 2011, with two districts, Hudson Area Schools and Republic-Michigamme Schools holding two separate elections in 2011.

Fifty separate proposals appeared on the ballot and 23 passed, resulting in an overall 46 percent proposal passing rate.

The amount of bonds voted on was \$1.012 billion with \$332 million approved, resulting in a passing rate of 32.76 percent (based on dollar amount). Exhibit 7 shows the geographic location and outcome of the school districts that held elections in 2011. See Appendix A for a detailed listing of qualified school bond election results and Appendix B for election results by proposal over a 20 year period.

Exhibit 7: 2011 Election Result Map



Historically, the amount of qualified bonds voted on and passed by the electorate peaked at nearly \$2 billion in 1994. The amount has declined in recent years. Exhibit 8 outlines the bonds voted between 1991 and 2011.

Exhibit 8: Qualified Bonds Voted and Passed

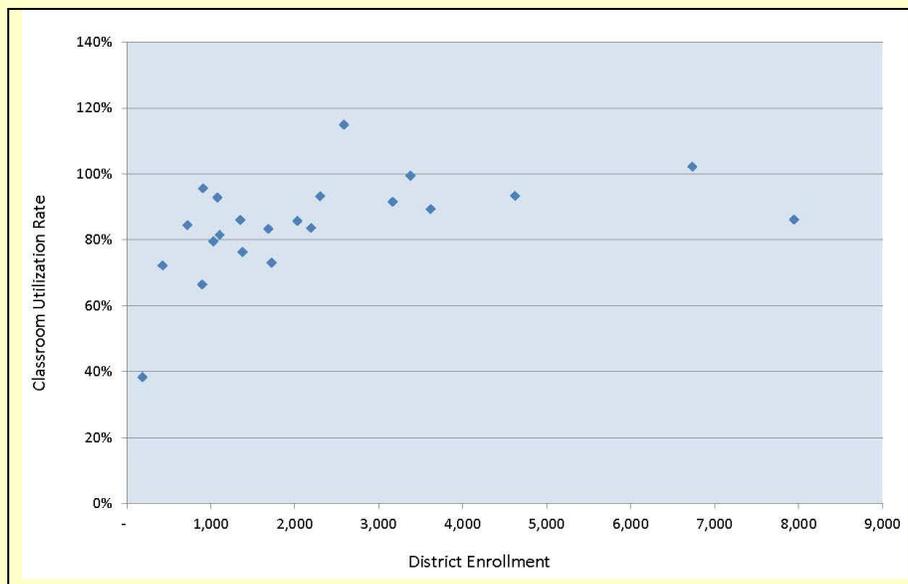
Qualified Bonds Voted and Passed (01/01/91 Through 12/31/11)					
Year	Amount Voted	Amount Passed	% Passed	Amount Failed	% Failed
1991	1,441,814,000	710,749,000	49.3%	731,065,000	50.7%
1992	788,735,000	309,105,000	39.2%	479,630,000	60.8%
1993	654,245,000	216,945,000	33.2%	437,300,000	66.8%
1994*	2,832,150,000	1,999,005,000	70.6%	833,145,000	29.4%
1995	2,786,800,000	1,251,560,000	44.9%	1,535,240,000	55.1%
1996	2,376,910,000	1,295,165,000	54.5%	1,081,745,000	45.5%
1997	2,636,355,000	1,351,025,000	51.2%	1,285,330,000	48.8%
1998	2,232,145,000	798,860,000	35.8%	1,433,285,000	64.2%
1999	1,925,695,000	958,170,000	49.8%	967,525,000	50.2%
2000	2,477,835,000	1,399,280,000	56.5%	1,078,555,000	43.5%
2001	2,340,900,000	1,318,400,000	56.3%	1,022,500,000	43.7%
2002	1,736,530,000	1,042,285,000	60.0%	694,245,000	40.0%
2003	2,474,505,000	987,480,000	39.9%	1,487,025,000	60.1%
2004	2,448,705,000	1,632,915,000	66.7%	815,790,000	33.3%
2005	1,389,650,000	569,090,000	41.0%	820,560,000	59.0%
2006	1,629,320,000	510,490,000	31.3%	1,118,830,000	68.7%
2007	1,418,720,000	709,835,000	50.0%	708,885,000	50.0%
2008	849,170,010	535,195,000	63.0%	313,975,010	37.0%
2009	1,504,805,000	1,096,620,000	72.9%	408,185,000	27.1%
2010	1,118,395,000	698,275,000	62.4%	420,120,000	37.6%
2011	1,012,240,000	331,635,000	32.8%	680,605,000	67.2%
Totals	\$38,075,624,010	19,722,084,000	51.8%	18,353,540,010	48.2%

*The 1994 total includes one issue in the amount of \$1,500,000,000 (Detroit Public Schools).

2011 Enrollment and Utilization

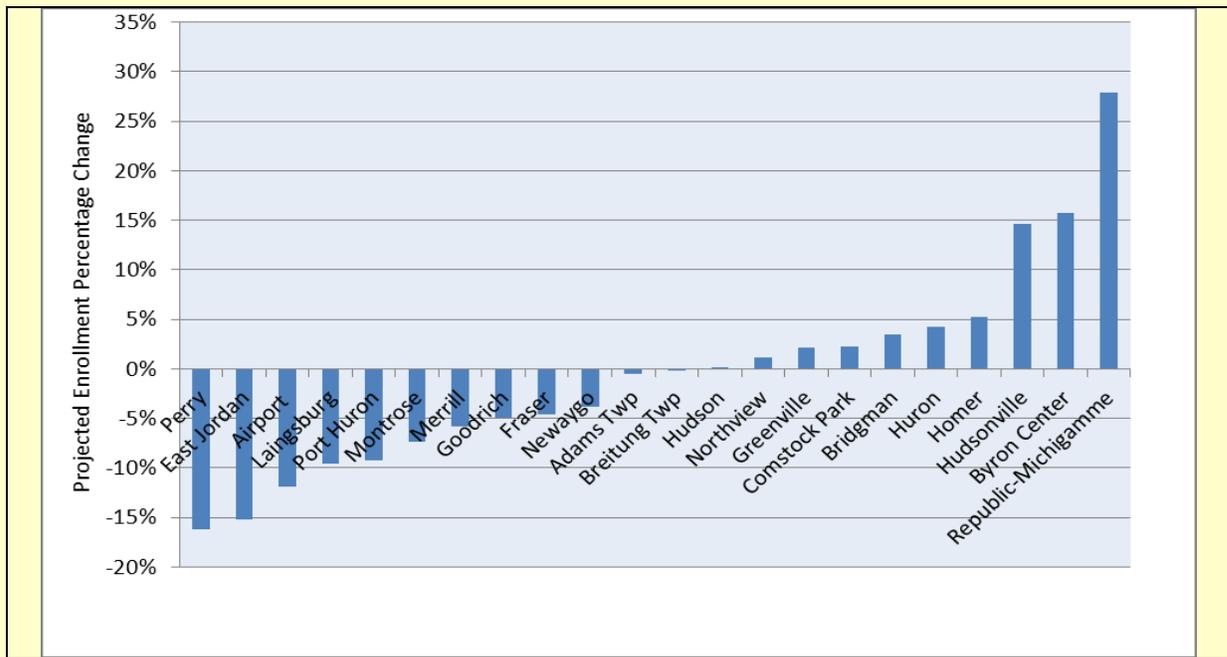
Classroom utilization is a key factor in determining the need for new school buildings or additions. Utilization rates are based on grade-level classroom capacity standards and five-year enrollment projections. Classroom utilization rates for the 22 school districts that passed proposals in 2011 ranged from 38 percent to 115 percent. The average overall classroom utilization rate for these districts was 85 percent. Exhibit 9 illustrates that the average utilization rates for each of the 22 school districts that passed elections in 2011 compared to the districts' total enrollment.

Exhibit 9: Classroom Utilization Rates Based on District Enrollment



Five year enrollment projections for the 22 districts that passed bond proposals in 2011 indicated that enrollment was expected to decrease on average by 0.56 percent. The highest enrollment projection increase of 28 percent was expected in Republic-Michigamme and the largest projected decrease of 16 percent was expected in Perry Public School District. Exhibit 10 shows the projected five year enrollment change for the districts that passed elections in 2011.

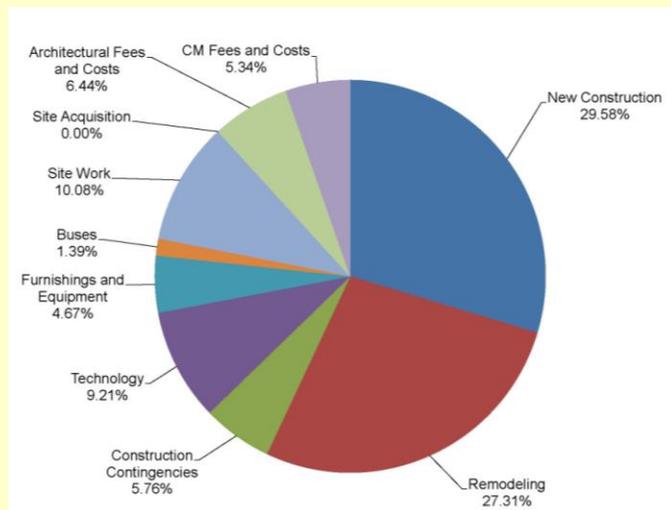
Exhibit 10: Five Year Projected Enrollment Change for School Districts With Passed Proposals in 2011



Where is the Money Going?

The highest percentage of school construction costs is typically related to remodeling and new construction. Qualified bond proceeds can also be used to fund site work, furniture and equipment, technology, and site acquisition costs. Related design, construction manager, and construction contingency fees may also be charged to the bond. Exhibit 11 shows the average budget costs for each school district that approved a bond election in 2011.

Exhibit 11: Average Budget Costs per District for Passed Proposals in 2011



The average amount of election and issuance costs for the elections that passed in 2011 was \$325,741, which was 2.11 percent of the total estimated project costs. The average cost per square foot of new construction related to new buildings was \$166 in 2011. A total of two new school buildings were planned for elections that were approved in 2011. The average total cost for the new buildings was \$20.3 million.

Final Qualification Statistics

After a school district passes a qualified bond election, it may issue bonds "qualified" by the State Treasurer. Some districts opt to issue these "building and site" bonds in series. Twenty-six school districts issued qualified building and site bonds in 2011.

Thirty-six school districts took advantage of the opportunity to refund outstanding bonds for new debt at more favorable interest rates in 2011. By refunding outstanding debt school districts realized a total net present value savings of approximately \$32 million.

Exhibit 12 shows the number of building and site, refunding, and combination bond issues over a ten year period. See Appendix C for a list of qualified bonds issued in 2011 by district.

Approximately \$785 million in qualified bonds were issued in 2011.

Exhibit 12: 10 Years of Qualified Bond Issues

Qualified Bond Issues 2002 - 2011				
	Building & Site	Refunding	Combination Building & Site and Refunding	Total New Qualified Bond Issues
2002	43	34	4	81
2003	20	86	6	112
2004	42	57	7	106
2005	20	186	2	208
2006	33	85	3	121
2007	26	51	2	79
2008	33	56	4	93
2009	24	54	0	78
2010	69	32	0	101
2011	26	38	1	65

Qualified school bonds may be sold through a negotiated or competitive sale. In 2011, there were 56 negotiated sales and 9 competitive sales.

American Recovery and Reinvestment Act Bond Initiatives

Two new types of financing options were introduced as part of the American Recovery and Reinvestment Act of 2009 (ARRA). These new types of tax-credit bonds provided financial assistance to school districts in the form of reduced interest costs. Authorization expired at the end of 2011.

States and large local public school districts were allocated a limited amount of financing authorization for "Qualified School Construction Bonds" (QSCBs). QSCBs can be issued by school districts to fund the construction or rehabilitation of a public school facility or for the acquisition of land intended for a school building site. Eleven districts issued QSCBs totaling \$112.56 million in 2011.

Qualified Loans to School Districts

A total of \$177.2 million was loaned to school districts in fiscal year 2010/2011 and as of September 30, 2011, 140 school districts were participating in the School Loan Revolving Fund. Of the 137 participating school districts, 116 were in the "borrowing" mode and 21 were in the "repayment" mode. Exhibit 13 demonstrates the loan and repayment activity over a 10 year period. See Appendix D for a detailed listing of qualified school loans receivable as of September 30, 2011.

Exhibit 13: Loan Activity Summary

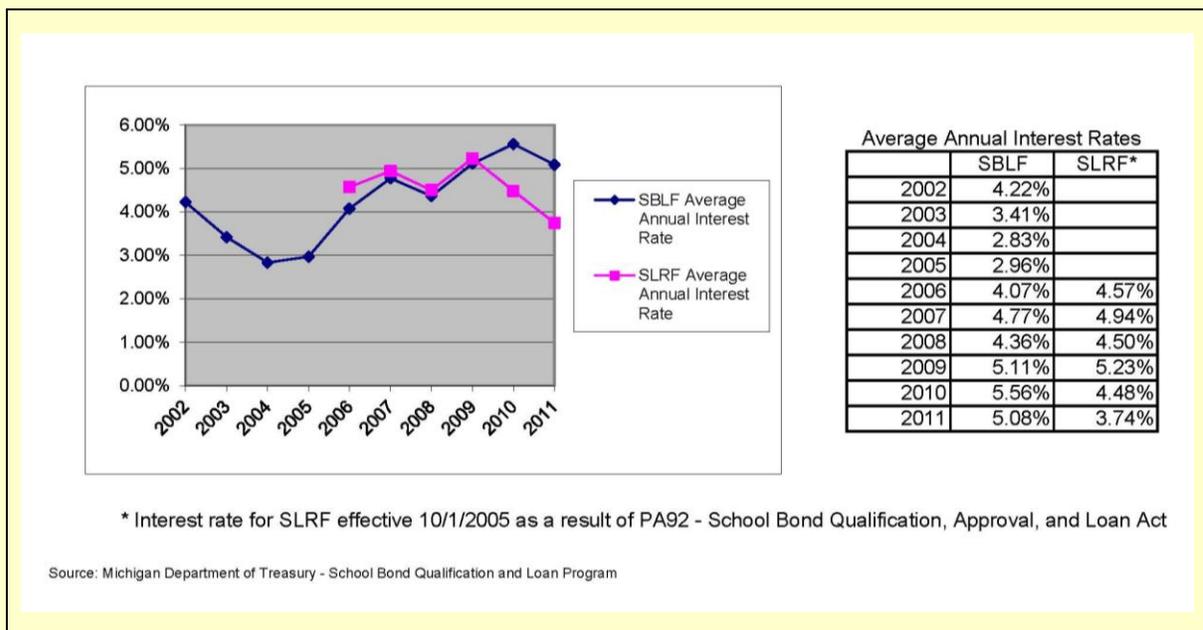
School Bond Loan and School Loan Revolving Fund Activity Summary				
Fiscal Year	November Loans Processed	May Loans Processed	Total Loans Processed	Total Loan Repayments Received
2002	\$ 25,041,821	\$ 51,319,862	\$ 76,361,683	\$ 7,745,270
2003	\$ 24,140,902	\$ 58,149,357	\$ 82,290,259	\$ 13,705,797
2004	\$ 23,761,446	\$ 95,124,781	\$ 118,886,227	\$ 10,029,980
2005	\$ 21,760,950	\$ 58,806,954	\$ 80,567,904	\$ 16,755,724
2006	\$ 18,597,500	\$ 63,097,122	\$ 81,694,622	\$ 35,530,205
2007	\$ 18,529,003	\$ 52,412,711	\$ 70,941,714	\$ 51,142,722
2008	\$ 18,558,416	\$ 42,995,326	\$ 61,553,742	\$ 54,380,320
2009	\$ 16,120,645	\$ 59,984,144	\$ 76,104,789	\$ 49,225,377
2010	\$ 19,150,380	\$ 66,832,648	\$ 85,983,028	\$ 62,037,364
2011	\$ 20,766,041	\$ 156,441,742	\$ 177,207,783	\$ 15,267,688
Average	\$ 20,642,710.40	\$ 70,516,464.70	\$ 91,159,175.10	\$ 31,582,044.76

Source: School Bond Qualification and Loan Program

Estimates show that school districts will borrow approximately \$168 million from the School Loan Revolving Fund in fiscal year 2011/2012 and repay approximately \$6 million. See Appendix D for a projection of future school district borrowing and repaying activity and Appendix E for projected qualified school loan fund balances.

The interest rate charged on outstanding loans during fiscal year 2010/2011 ranged from 5.00 to 5.375 percent for SBLF balances and 3.00 to 4.80 percent for SLRF balances. Exhibit 14 reflects the average annual interest rates applied to school districts' outstanding qualified loan balances for the School Bond Loan Fund (SBLF) and the School Loan Revolving Fund (SLRF) over a 10 year period. The interest rate used to calculate interest expense on SBLF loans is the average annual cost of funds based on the average rate paid by the state on general obligation debt issued to finance the loan program and computed to the nearest 1/8th of one percent. The interest rate used to calculate interest expense on SLRF loans is the greater of three percent or the average annual cost of funds based on the average rate paid by the Michigan Municipal Bond Authority on debt issued to finance the loan program plus 0.125 percent. The average annual interest rates are reported on the state's fiscal year.

Exhibit 14: Annual Loan Interest Rates



State Debt Issued to Finance Qualified Loans

Act 112 of 1961 authorizes the state to issue bonds or notes to provide funds for making loans to school districts for payment of principal and interest on qualified school bonds. From 1956 to 2006 and again from 2009 to 2011, the state issued general obligation school loan bonds and notes to finance loans to school districts which enabled them to pay principal and interest on their qualified school debt. The school loan bonds are general obligation debt of the state, and the full faith and credit of the state have been pledged to the payment of the principal and interest on the bonds. The amount of state obligation debt outstanding on these bonds was \$865.7 million on December 31, 2011. See Appendix H for a historical listing of state debt issued for qualified school loans.

School Loan Revolving Fund

The School Loan Revolving Fund (SLRF) was established by 2005 PA 93 (Act 93). This fund is used to finance qualified loans to school districts as approved by the state and for other purposes as specified in the act including paying the costs to administer the fund. Loan repayments will be deposited back into the SLRF and used to pay debt service or make new loans to school districts.

The outstanding principal balance of SLRF bonds was \$535 million at December 31, 2011.

Appendix A

Qualified Election Results-2011

Tuesday, February 22, 2011

<i>School District</i>	<i>Proposal</i>	<i>Amount</i>	<i>Yes Votes</i>	<i>No Votes</i>	<i>Result</i>
Airport Community School District	1	\$11,515,000	1017	1004	Pass
Beaverton Rural Schools	1	\$12,100,000	343	1028	Fail
Comstock Park Public Schools	1	\$21,530,000	962	576	Pass
Comstock Park Public Schools	2	\$7,790,000	853	681	Pass
Eaton Rapids Public Schools	1	\$25,080,000	1030	1098	Fail
Fraser Public Schools	1	\$19,900,000	1635	1477	Pass
Goodrich Area Schools	1	\$15,400,000	955	855	Pass
Homer Community Schools	1	\$18,000,000	425	360	Pass
Huron School District	1	\$6,605,000	1003	947	Pass
Lake Orion Community Schools	1	\$25,530,000	3200	3926	Fail
Montrose Community Schools	1	\$14,600,000	793	457	Pass
Perry Public School District	1	\$2,990,000	518	347	Pass
Republic-Michigamme Schools	1	\$4,470,000	154	183	Fail
River Valley School District	1	\$13,730,000	789	1042	Fail
Saline Area Schools	1	\$22,000,000	2040	2563	Fail
Sand Creek Community Schools	1	\$1,050,000	95	104	Fail
<i>Total Proposals This Date:</i>	16				

Tuesday, May 03, 2011

<i>School District</i>	<i>Proposal</i>	<i>Amount</i>	<i>Yes Votes</i>	<i>No Votes</i>	<i>Result</i>
Adams Township School District	1	\$1,715,000	202	35	Pass
Breitung Township Schools	1	\$5,580,000	944	615	Pass
Breitung Township Schools	2	\$1,570,000	586	971	Fail
Buchanan Community Schools	1	\$31,000,000	634	961	Fail
Carson City-Crystal Area Schools	1	\$27,220,000	482	1173	Fail
East Jordan Public Schools	1	\$1,580,000	291	161	Pass
Greenville Public Schools	1	\$14,570,000	1506	1348	Pass
Hudson Area Schools	1	\$8,500,000	476	490	Fail

Appendix A

Tuesday, May 03, 2011

<i>School District</i>	<i>Proposal</i>	<i>Amount</i>	<i>Yes Votes</i>	<i>No Votes</i>	<i>Result</i>
Hudsonville Public School District	1	\$82,000,000	2634	1748	Pass
Lakeshore School District (Berrien)	1	\$103,560,000	1950	3814	Fail
Lakeville Community Schools	1	\$11,200,000	729	1111	Fail
Mattawan Consolidated School	1	\$88,000,000	610	1047	Fail
Port Huron Area School District	1	\$22,780,000	3730	3572	Pass
South Haven Public Schools	1	\$47,500,000	1109	1861	Fail
West Branch-Rose City Area Schools	1	\$17,700,000	425	2938	Fail
West Ottawa Public School District	1	\$25,935,000	2032	4731	Fail
Total Proposals This Date:	16				

Tuesday, August 02, 2011

<i>School District</i>	<i>Proposal</i>	<i>Amount</i>	<i>Yes Votes</i>	<i>No Votes</i>	<i>Result</i>
Center Line Public Schools	1	\$44,970,000	747	869	Fail
Manistee Area Schools	1	\$14,000,000	792	1523	Fail
Total Proposals This Date:	2				

Tuesday, November 08, 2011

<i>School District</i>	<i>Proposal</i>	<i>Amount</i>	<i>Yes Votes</i>	<i>No Votes</i>	<i>Result</i>
Bangor Public Schools (Van Buren)	1	\$8,480,000	359	421	Fail
Bridgman Public Schools	1	\$1,770,000	701	404	Pass
Buckley Community Schools	1	\$6,735,000	136	171	Fail
Byron Area Schools	1	\$13,450,000	578	1244	Fail
Byron Center Public Schools	1	\$23,600,000	2274	1062	Pass
Hudson Area Schools	1	\$7,250,000	725	651	Pass
Laingsburg Community School District	1	\$5,850,000	472	355	Pass
Marquette Area Public Schools	1	\$29,220,000	1605	3522	Fail
Mattawan Consolidated School	1	\$59,900,000	1379	1471	Fail
Merrill Community Schools	1	\$7,755,000	489	354	Pass
Napoleon Community Schools	1	\$21,800,000	892	1156	Fail
Newaygo Public School District	1	\$3,000,000	779	693	Pass
Northview Public School District	1	\$31,610,000	1732	1697	Pass

Appendix A

Tuesday, November 08, 2011

<i>School District</i>	<i>Proposal</i>	<i>Amount</i>	<i>Yes Votes</i>	<i>No Votes</i>	<i>Result</i>
Northview Public School District	2	\$11,910,000	1712	1714	Fail
Republic-Michigamme Schools	1	\$4,245,000	321	214	Pass
Tekonsha Community Schools	1	\$3,995,000	232	372	Fail
<i>Total Proposals This Date:</i>	16				
<i>Total Amount Passed:</i>		\$331,635,000			<i>Passed Proposals:</i> 23
<i>Total Amount Voted:</i>		\$1,012,240,000			<i>Total Proposals:</i> 50
<i>Amount Pass Rate:</i>		32.76%			<i>Proposal Pass Rate:</i> 46.00%

Forty-seven elections were held in 2011. Twenty-two elections had at least one passed proposal, resulting in a 47% passing rate by election. (Note: 3 school districts held more than 1 election in 2011.)

Appendix B

Qualified School Bond
Election Results by Proposal
(01/01/91 through 12/31/11)

	Jan		Feb		Mar		Apr		May		Jun		Jul		Aug		Sep		Oct		Nov		Dec		Total		% Passed
	V	P	V	P	V	P	V	P	V	P	V	P	V	P	V	P	V	P	V	P	V	P	V	P	V	P	
1991	2	2	10	4	3	1	5	3	0	0	11	5	0	0	1	1	33	14	2	1	11	6	9	2	87	39	44.8%
1992	0	0	5	1	7	2	12	3	1	0	22	8	0	0	0	0	26	11	1	1	0	0	5	2	79	28	35.4%
1993	5	3	7	4	7	2	2	0	0	0	11	2	0	0	0	0	23	11	1	0	1	1	2	1	59	24	40.7%
1994	0	0	4	1	7	3	14	6	0	0	12	5	0	0	0	0	37	11	0	0	1	1	19	7	94	34	36.2%
1995	1	1	10	5	36	14	16	6	6	0	26	12	0	0	0	0	63	33	7	3	5	5	12	5	182	84	46.2%
1996	9	4	12	6	20	5	8	6	3	3	32	17	0	0	1	0	71	35	2	2	2	2	4	3	164	83	50.6%
1997	5	2	8	6	27	7	10	6	3	2	31	18	0	0	0	0	54	17	2	2	2	0	7	4	149	64	43.0%
1998	1	0	10	2	9	3	3	2	1	1	29	13	0	0	0	0	45	18	1	1	0	0	8	4	107	44	41.1%
1999	1	0	3	1	15	9	3	3	2	1	37	14	0	0	3	1	39	18	4	2	5	4	5	3	117	56	47.9%
2000	0	0	2	0	18	9	7	2	0	0	33	12	0	0	1	0	55	33	1	1	0	0	0	0	117	57	48.7%
2001	0	0	6	5	20	4	5	4	2	1	20	16	0	0	1	1	44	29	0	0	5	3	5	4	108	67	62.0%
2002	0	0	8	2	14	9	3	1	2	2	14	4	0	0	0	0	37	27	0	0	0	0	5	4	83	49	59.0%
2003	0	0	3	0	8	2	5	1	0	0	16	13	0	0	0	0	35	9	0	0	2	1	1	0	70	26	37.1%
2004	0	0	0	0	15	6	7	4	1	1	26	16	0	0	3	3	15	13	0	0	0	0	4	2	71	45	63.4%
2005	0	0	3	1	0	0	0	0	25	10	0	0	0	0	4	0	5	2	1	0	20	10	0	0	58	23	39.7%
2006	0	0	10	2	0	0	0	0	42	20	0	0	0	0	0	0	3	2	0	0	4	2	0	0	59	26	44.1%
2007	0	0	9	3	0	0	0	0	33	14	0	0	0	0	6	5	4	2	0	0	16	8	0	0	68	32	47.1%
2008	3	1	0	0	0	0	0	0	30	18	0	0	0	0	9	4	1	1	0	0	1	1	0	0	44	25	56.8%
2009	0	0	9	6	0	0	0	0	24	17	0	0	0	0	0	0	0	0	0	0	17	12	0	0	50	35	70.0%
2010	0	0	12	9	0	0	0	0	22	15	0	0	0	0	7	4	2	2	0	0	7	3	0	0	50	33	66.0%
2011	0	0	16	9	0	0	0	0	16	6	0	0	0	0	2	0	0	0	0	0	16	8	0	0	50	23	46.0%
Totals:	27	13	147	67	206	76	100	47	213	111	320	155	0	0	38	19	592	288	22	13	115	67	86	41	1866	897	48.1%
% Passed	48.1%		45.6%		36.9%		47.0%		52.1%		48.4%		0.0%		50.0%		48.6%		59.1%		58.3%		47.7%		48.1%		

Appendix C

Qualified Bonds Issued in 2011

School District	Bond Amount	Bond Type	Issue Date
Adams Township School District	\$ 1,715,000	School Building & Site	6/29/2011
Airport Community School District	\$ 1,875,000	School Building & Site	7/26/2011
Airport Community School District	\$ 5,000,000	School Building & Site	5/11/2011
Airport Community School District	\$ 4,640,000	School Building & Site	9/29/2011
Breitung Township Schools	\$ 5,580,000	School Building & Site	6/30/2011
Charlotte Public Schools	\$ 15,000,000	School Building & Site	2/16/2011
Comstock Park Public Schools	\$ 15,000,000	School Building & Site	5/18/2011
Comstock Park Public Schools	\$ 14,320,000	School Building & Site	5/18/2011
East Detroit Public Schools	\$ 7,710,000	School Building & Site	5/3/2011
Fraser Public Schools	\$ 7,000,000	School Building & Site	5/11/2011
Fraser Public Schools	\$ 12,900,000	School Building & Site	5/11/2011
Godwin Heights Public Schools	\$ 2,600,000	School Building & Site	6/28/2011
Goodrich Area Schools	\$ 15,400,000	School Building & Site	5/11/2011
Grand Haven Area Public Schools	\$ 13,380,000	School Building & Site	6/21/2011
Greenville Public Schools	\$ 14,570,000	School Building & Site	6/23/2011
Homer Community Schools	\$ 15,000,000	School Building & Site	5/18/2011
Homer Community Schools	\$ 3,000,000	School Building & Site	5/18/2011
Hudsonville Public School District	\$ 79,850,000	School Building & Site	6/28/2011
Huron School District	\$ 6,605,000	School Building & Site	5/5/2011
Montrose Community Schools	\$ 1,800,000	School Building & Site	5/17/2011
Montrose Community Schools	\$ 12,800,000	School Building & Site	5/17/2011
Oakridge Public Schools	\$ 8,430,000	School Building & Site	1/27/2011
Onsted Community Schools	\$ 1,200,000	School Building & Site	9/1/2011
Perry Public School District	\$ 2,990,000	School Building & Site	5/4/2011
Suttons Bay Public Schools	\$ 1,700,000	School Building & Site	3/17/2011
Utica Community Schools	\$ 14,250,000	School Building & Site	2/11/2011
Total School Building & Site Bonds Issued	\$ 284,315,000		
Anchor Bay School District	\$ 41,905,000	Refunding	9/14/2011
Bridgeport-Spaulling Community School District	\$ 5,530,000	Refunding	9/27/2011
Center Line Public Schools	\$ 5,920,000	Refunding	9/28/2011
Charlevoix Public Schools	\$ 12,655,000	Refunding	8/8/2011
Climax-Scotts Community Schools	\$ 1,210,000	Refunding	8/24/2011
Constantine Public School District	\$ 4,850,000	Refunding	12/29/2011
Corunna Public School District	\$ 3,455,000	Refunding	2/10/2011
East Grand Rapids Public Schools	\$ 8,750,000	Refunding	3/2/2011
East Lansing School District	\$ 2,355,000	Refunding	9/14/2011
Ferndale Public Schools	\$ 16,575,000	Refunding	9/7/2011
Genesee School District	\$ 5,665,000	Refunding	9/8/2011
Gobles Public School District	\$ 2,080,000	Refunding	12/29/2011
Grand Haven Area Public Schools	\$ 2,755,000	Refunding	3/2/2011
Grant Public School District	\$ 4,845,000	Refunding	12/20/2011
Greenville Public Schools	\$ 4,705,000	Refunding	3/31/2011
Hartland Consolidated Schools	\$ 30,035,000	Refunding	9/15/2011
Hartland Consolidated Schools	\$ 36,960,000	Refunding	3/24/2011
Hazel Park City School District	\$ 25,500,000	Refunding	11/30/2011
Howell Public Schools	\$ 21,525,000	Refunding	3/31/2011
Howell Public Schools	\$ 9,895,000	Refunding	9/29/2011
Huron Valley Schools	\$ 28,640,000	Refunding	8/30/2011
Lake Fenton Community Schools	\$ 5,595,000	Refunding	6/29/2011

Appendix C

Lakeshore School District (Berrien)	\$ 10,135,000	Refunding	3/23/2011
Lincoln Consolidated School District	\$ 4,370,000	Refunding	8/23/2011
Manchester Community Schools	\$ 5,565,000	Refunding	3/24/2011
Manistee Area Schools	\$ 15,790,000	Refunding	9/27/2011
Montague Area Public Schools	\$ 3,525,000	Refunding	8/25/2011
Northville Public Schools	\$ 5,625,000	Refunding	9/7/2011
Portland Public School District	\$ 8,290,000	Refunding	9/28/2011
Pottersville Public Schools	\$ 7,150,000	Refunding	3/30/2011
Romulus Community Schools	\$ 19,600,000	Refunding	9/28/2011
South Lyon Community Schools	\$ 3,875,000	Refunding	3/24/2011
Walled Lake Consolidated Schools	\$ 49,485,000	Refunding	3/2/2011
Waterford School District	\$ 22,680,000	Refunding	3/30/2011
Western School District	\$ 3,845,000	Refunding	10/12/2011
Whitehall District Schools	\$ 7,610,000	Refunding	9/14/2011
Williamston Community Schools	\$ 3,375,000	Refunding	9/13/2011
Willow Run Community Schools	\$ 22,785,000	Refunding	9/29/2011
Total Refunding Bonds Issued	\$ 475,110,000		
Port Huron Area School District	\$ 25,300,000	Combination	6/29/2011
Total Combination Bonds Issued	\$ 25,300,000		
Total Qualified Bonds Issued in 2011	\$ 784,725,000		

Appendix D

MICHIGAN SCHOOL BOND QUALIFICATION AND LOAN PROGRAM

Projected Activity

(Actual Districts Borrowing / Repaying)

As of 04/16/12

Year	Total Borrowed	Interest Repaid	Principal Repaid	Total Repayment	Loan Cashflow	Accrued Interest	Loan Balance
					Initial Balance as of 09/30		\$ 1,239,226,487
2012	167,929,463	4,078,513	1,964,321	6,042,834	-161,886,629	61,626,210	1,456,038,220
2013	178,958,554	3,526,908	3,736,893	7,263,801	-171,694,753	72,801,849	1,700,534,935
2014	182,520,014	4,295,019	3,278,235	7,573,254	-174,946,760	85,026,682	1,960,508,480
2015	168,442,231	7,324,831	4,703,406	12,028,237	-156,413,994	98,025,355	2,214,947,931
2016	164,972,134	10,100,388	5,039,315	15,139,703	-149,832,431	110,747,331	2,475,527,794
2017	151,985,726	13,610,135	4,736,678	18,346,813	-133,638,913	123,776,326	2,732,943,119
2018	127,935,018	19,009,971	3,788,414	22,798,385	-105,136,633	136,647,092	2,974,726,930
2019	107,845,343	23,444,639	5,059,734	28,504,373	-79,340,970	148,736,284	3,202,804,274
2020	88,831,025	31,822,005	6,764,363	38,586,368	-50,244,657	160,140,160	3,413,189,148
2021	63,042,239	54,337,688	10,757,146	65,094,834	2,052,595	170,659,402	3,581,796,005
2022	44,532,011	64,734,035	20,585,051	85,319,086	40,787,075	179,089,748	3,720,098,717
2023	27,335,769	87,156,933	25,727,012	112,883,945	85,548,176	186,004,878	3,820,555,456
2024	19,696,436	100,403,412	24,470,754	124,874,166	105,177,730	191,027,721	3,906,405,471
2025	18,724,606	110,325,412	33,096,374	143,421,786	124,697,180	195,320,220	3,977,028,529
2026	16,643,746	139,636,274	46,044,184	185,680,458	169,036,712	198,851,379	4,006,843,206
2027	5,116,066	165,778,556	48,203,137	213,981,693	208,865,627	200,342,110	3,998,319,698
2028	3,906,406	196,677,347	40,305,568	236,982,915	233,076,509	199,915,937	3,965,159,130
2029	2,924,253	206,339,987	53,295,371	259,635,358	256,711,105	198,257,910	3,906,705,935
2030	2,276,305	226,646,102	79,282,634	305,928,736	303,652,431	195,335,253	3,798,388,746
2031	1,073,627	230,684,098	99,663,339	330,347,437	329,273,810	189,919,397	3,659,034,335
2032	721,182	288,656,329	107,280,774	395,937,103	395,215,921	182,951,673	3,446,770,076
2033	581,570	267,255,988	132,719,094	399,975,082	399,393,512	172,338,470	3,219,715,026
2034	414,128	206,958,137	189,690,708	396,648,845	396,234,717	160,985,571	2,984,466,026
2035	0	219,161,694	116,905,555	336,067,249	336,067,249	149,223,271	2,797,622,033
2036	0	218,845,926	58,966,093	277,812,019	277,812,019	139,881,075	2,659,691,074
2037	0	216,033,055	54,184,662	270,217,717	270,217,717	132,984,525	2,522,457,878
2038	0	207,877,172	65,511,562	273,388,734	273,388,734	126,122,870	2,375,192,001
2039	0	189,166,569	72,489,116	261,655,685	261,655,685	118,759,576	2,232,295,890
2040	0	181,256,038	63,743,616	244,999,654	244,999,654	111,614,775	2,098,911,006
2041	0	170,440,302	84,105,386	254,545,688	254,545,688	104,945,533	1,949,310,850
2042	0	161,908,113	80,693,557	242,601,670	242,601,670	97,465,526	1,804,174,697
2043	0	154,878,498	61,610,720	216,489,218	216,489,218	90,208,720	1,677,894,195
2044	0	147,262,407	55,936,017	203,198,424	203,198,424	83,894,696	1,558,590,463
2045	0	116,410,915	67,306,653	183,717,568	183,717,568	77,929,510	1,452,802,404
2046	0	105,423,489	64,502,979	169,926,468	169,926,468	72,640,109	1,355,516,047
2047	0	99,120,002	69,141,158	168,261,160	168,261,160	67,775,793	1,255,030,672
2048	0	91,169,453	71,793,048	162,962,501	162,962,501	62,751,525	1,154,819,694
2049	0	81,776,535	72,650,786	154,427,321	154,427,321	57,740,976	1,058,133,345
2050	0	80,240,786	28,334,091	108,574,877	108,574,877	52,906,659	1,002,465,125
2051	0	72,901,517	24,914,969	97,816,486	97,816,486	50,123,249	954,771,885
2052	0	55,041,901	33,136,648	88,178,549	88,178,549	47,738,587	914,331,922
2053	0	45,695,804	39,448,571	85,144,375	85,144,375	45,716,590	874,904,134
2054	0	44,852,390	42,846,316	87,698,706	87,698,706	43,745,201	830,950,623

Average Growth Rate: .23
 Number of Mills Levied: 7.76
 Assumed Interest Rate: 5.00

Participating Districts
 Borrowing 117
 Repaying 20
 Total 139

Year 1 - 5: uses 5 year average
 Year 6 - end: uses 3%

*Current projections indicate loans will not be repaid until 2011.

Appendix E

**Projected Qualified School Loan Fund Balances
Based on Participants as of December 31**

Year	Projected Loan Balance as of 12/31/09	Projected Loan Balance as of 12/31/10	Projected Loan Balance as of 4/16/12
2012	1,236,714,698	1,389,408,050	1,456,038,220
2013	1,308,811,798	1,572,049,612	1,700,534,935
2014	1,363,819,349	1,749,484,731	1,960,508,480
2015	1,376,101,124	1,902,689,891	2,214,947,931
2016	1,371,967,107	2,042,435,445	2,475,527,794
2017	1,342,905,864	2,157,236,139	2,732,943,119
2018	1,302,777,449	2,249,973,199	2,974,726,930
2019	1,247,858,968	2,323,675,733	3,202,804,274
2020	1,181,812,513	2,376,891,089	3,413,189,148
2021	1,112,958,694	2,396,699,595	3,581,796,005
2022	1,045,720,307	2,399,108,757	3,720,098,717
2023	965,678,317	2,382,192,947	3,820,555,456
2024	875,122,294	2,350,728,701	3,906,405,471
2025	777,295,740	2,307,105,732	3,977,028,529
2026	679,052,082	2,233,793,764	4,006,843,206
2027	599,739,509	2,158,597,865	3,998,319,698
2028	535,355,629	2,064,742,856	3,965,159,130
2029	473,357,662	1,957,865,558	3,906,705,935
2030	414,766,411	1,853,062,503	3,798,388,746
2031	359,926,965	1,726,901,873	3,659,034,335
2032	306,307,324	1,591,727,773	3,446,770,076
2033	265,534,384	1,471,927,005	3,219,715,026
2034	227,685,809	1,343,897,673	2,984,466,026
2035	184,748,335	1,208,402,919	2,797,622,033
2036	149,077,669	1,070,774,377	2,659,691,074
2037	116,316,996	929,344,042	2,522,457,878
2038	91,951,359	791,856,421	2,375,192,001
2039	72,925,401	649,959,623	2,232,295,890
2040	56,534,839	533,523,667	2,098,911,006
2041	41,421,280	469,406,863	1,949,310,850
2042	26,000,509	417,613,968	1,804,174,697
2043	5,774,388	380,105,608	1,677,894,195
2044	-	341,019,395	1,558,590,463
2045	-	301,576,795	1,452,802,404
2046	-	263,334,564	1,355,516,047
2047	-	237,622,508	1,255,030,672
2048	-	214,903,351	1,154,819,694
2049	-	193,958,075	1,058,133,345
2050	-	173,379,879	1,002,465,125
2051	-	161,095,311	954,771,885
2052	-	147,567,908	914,331,922
2053	-	132,716,669	874,904,134
2054	-	116,455,980	830,950,623
2055	-	105,310,245	787,485,074
2056	-	93,982,529	752,504,143
2057	-	81,590,629	740,986,046
2058	-	68,066,403	734,407,412
2059	-	53,337,854	726,191,008
2060	-	37,328,920	716,215,681
2061	-	23,162,138	704,353,040
2062	-	9,256,349	690,467,065
2063	-	-	674,413,682
2064	-	-	656,040,330
2065	-	-	635,185,488
2066	-	-	611,678,196
2067	-	-	587,734,242
2068	-	-	573,646,466
2069	-	-	557,550,067
2070	-	-	*
Number of Participants	136	140	137
Average TV Growth	4.68%	2.49%	0.23%
Average Millage Levied	7.79	7.76	7.76
Loan Interest Rate	5.00%	5.00%	5.00%

TV Growth Assumptions:
Year 1 - 5: 5 Year Avg
After 5 Years: 3%

* Current projections indicate that the outstanding loan balance will not be paid off until 2111.

Appendix F

SCHOOL BOND QUALIFICATION AND LOAN PROGRAM
Outstanding SBLF & SLRF Balances By District
Three Years Ending June 30

Date: 04/20/12

District	Years in fund	2009	2010	2011	2011 Status
Adams Twp	17	\$ 1,929,135.53	\$ 1,993,266.02	\$ 2,040,040.28	Borrowing
Allegan	13	\$ 6,596,454.21	\$ 6,573,187.55	\$ 6,396,853.85	Paid
Allen Park	8	\$ 10,225,793.47	\$ 11,963,149.01	\$ 13,946,498.91	Borrowing
Allendale	4	\$ 7,135,763.19	\$ 12,004,616.03	\$ 17,870,867.15	Borrowing
Alma	7	\$ 1,094,337.98	\$ 1,152,277.40	\$ 1,200,742.57	Borrowing
Almont	25	\$ 5,851,942.64	\$ 6,223,229.57	\$ 6,709,490.87	Borrowing
Anchor Bay	15	\$ 31,320,193.50	\$ 37,119,426.21	\$ 44,072,958.19	Borrowing
Armada	15	\$ 9,615,668.33	\$ 10,763,409.99	\$ 12,245,824.35	Borrowing
Ashley	15	\$ 487,652.79	\$ 599,546.90	\$ 701,412.08	Borrowing
Avondale	13	\$ 15,839,876.41	\$ 17,238,998.68	\$ 20,499,455.42	Borrowing
Baraga	31	\$ 3,965,507.88	\$ 3,840,251.11	\$ 3,490,772.10	Repaying
Bath	38	\$ 2,955,646.06	\$ 2,680,363.68	\$ 2,519,790.09	Repaying
Beal City	15	\$ 964,510.33	\$ 969,382.89	\$ 969,391.84	Repaying
Belding	1	\$ 4,240,393.47	\$ 0.00	\$ 1,995,733.62	Borrowing
Bellevue	4	\$ 601,672.20	\$ 1,732,468.54	\$ 2,211,451.95	Borrowing
Bendle	6	\$ 685,003.85	\$ 971,323.69	\$ 1,333,519.22	Borrowing
Bloomington	10	\$ 3,125,337.64	\$ 3,953,113.78	\$ 4,641,363.88	Borrowing
Brandon	16	\$ 19,131,479.16	\$ 22,898,899.81	\$ 27,785,541.16	Borrowing
Bullock Creek	10	\$ 241,239.92	\$ 0.00	\$ 0.00	Paid
Byron Center	16	\$ 14,374,843.06	\$ 14,874,191.56	\$ 15,575,577.99	Borrowing
Caledonia	10	\$ 6,972,210.80	\$ 8,090,116.69	\$ 9,687,659.34	Borrowing
Carrollton	16	\$ 4,266,827.59	\$ 4,550,593.74	\$ 4,569,808.39	Repaying
Cedar Springs	17	\$ 9,684,082.73	\$ 10,487,004.30	\$ 11,410,484.25	Borrowing
CentralMontem	12	\$ 2,319,727.86	\$ 2,199,663.18	\$ 2,106,521.96	Repaying
Charlotte	1	\$ 6,751,397.71	\$ 0.00	\$ 0.00	Borrowing
Chassell Twp	21	\$ 698,303.85	\$ 546,872.69	\$ 347,982.37	Repaying
Chelsea	16	\$ 362,443.82	\$ 383,110.84	\$ 402,922.91	Borrowing
Chippewa Valy	45	\$ 86,466,869.12	\$ 99,956,466.26	\$ 120,945,750.62	Borrowing
Clarkston	14	\$ 18,177,803.11	\$ 21,776,861.11	\$ 26,922,525.98	Borrowing
Climax-Scotts	18	\$ 1,488,407.02	\$ 1,440,768.52	\$ 1,383,916.46	Repaying
Clintondale	46	\$ 24,214,346.92	\$ 28,257,220.75	\$ 32,580,570.01	Borrowing
ComstockPark	20	\$ 12,982,537.59	\$ 13,546,279.46	\$ 14,120,719.79	Borrowing
Coopersville	5	\$ 4,419,741.94	\$ 7,462,629.51	\$ 11,394,575.56	Borrowing
Decatur	1	\$ 1,366,474.46	\$ 0.00	\$ 0.00	Borrowing
Detroit	7	\$ 10,130,729.20	\$ 7,048,042.28	\$ 48,711,002.88	Borrowing
DeWitt	2	\$ 4,982,729.51	\$ 825,211.47	\$ 2,686,128.42	Borrowing
Dexter	13	\$ 14,945,615.00	\$ 15,791,999.01	\$ 17,135,424.06	Borrowing
Dollar Bay	13	\$ 50,664.65	\$ 0.00	\$ 0.00	Paid
Dundee	11	\$ 1,231,642.00	\$ 305,482.51	\$ 0.00	Paid
East G.Rapids	11	\$ 9,391,291.45	\$ 11,634,088.24	\$ 13,828,565.31	Borrowing
East Lansing	10	\$ 2,763,507.96	\$ 2,293,650.41	\$ 2,264,059.39	Borrowing
Eaton Rapids	5	\$ 697,746.92	\$ 0.00	\$ 0.00	Borrowing
Ecorse	14	\$ 25,598,796.32	\$ 28,729,297.54	\$ 31,461,048.29	Borrowing
Ferndale	15	\$ 1,888,823.23	\$ 960,810.74	\$ 402,677.45	Paid
Flat Rock	16	\$ 6,859,900.96	\$ 7,895,612.39	\$ 9,292,851.80	Borrowing
Fowlerville	31	\$ 18,258,126.95	\$ 21,738,561.15	\$ 24,412,664.91	Borrowing
Fremont	1	\$ 0.00	\$ 0.00	\$ 522,985.75	Borrowing
GalesburgAug	10	\$ 370,706.69	\$ 298,894.59	\$ 224,053.25	Paid
Genesee	23	\$ 3,788,966.27	\$ 4,086,495.06	\$ 4,379,895.55	Borrowing
Gladstone	14	\$ 902,924.88	\$ 353,255.63	\$ 0.00	Paid
Gobles	9	\$ 3,816,586.78	\$ 4,313,093.38	\$ 4,811,426.88	Borrowing
Godfrey-Lee	14	\$ 2,387,026.05	\$ 2,669,969.90	\$ 3,044,000.01	Borrowing

Appendix F

**SCHOOL BOND QUALIFICATION AND LOAN PROGRAM
Outstanding SBLF & SLRF Balances By District
Three Years Ending June 30**

Date: 04/20/12

District	Years in fund	2009	2010	2011	2011 Status
Goodrich	1	\$ 5,364,942.47	\$ 0.00	\$ 0.00	Borrowing
Grant	21	\$ 242,527.90	\$ 0.00	\$ 0.00	Paid
Grass Lake	10	\$ 2,219,064.49	\$ 2,614,296.52	\$ 3,329,747.91	Borrowing
Greenville	17	\$ 5,756,692.37	\$ 4,538,933.73	\$ 3,266,682.59	Repaying
Hancock	24	\$ 4,401,247.11	\$ 4,710,793.41	\$ 4,968,427.52	Borrowing
Harper Creek	10	\$ 8,496,754.89	\$ 10,135,247.42	\$ 11,904,671.66	Borrowing
Harper Woods	6	\$ 3,341,560.74	\$ 4,350,903.88	\$ 5,378,952.24	Borrowing
Hartford	16	\$ 770,625.18	\$ 350,932.22	\$ 0.00	Paid
Hartland	40	\$ 19,622,227.28	\$ 24,463,333.37	\$ 30,333,624.18	Borrowing
Haslett	44	\$ 13,607,856.76	\$ 15,696,145.95	\$ 17,675,261.97	Borrowing
Hazel Park	9	\$ 9,646,752.85	\$ 11,280,693.44	\$ 12,903,954.09	Borrowing
Hesperia	3	\$ 184,569.20	\$ 1,111,162.72	\$ 2,022,218.44	Borrowing
Holly	1	\$ 0.00	\$ 0.00	\$ 564,962.88	Borrowing
Holt	20	\$ 7,352,607.43	\$ 6,717,464.19	\$ 6,565,176.54	Repaying
Holton	5	\$ 124,455.38	\$ 184,322.96	\$ 227,610.59	Borrowing
Hopkins	15	\$ 6,893,734.84	\$ 7,895,531.81	\$ 9,002,972.22	Borrowing
Houghton-Port	24	\$ 5,562,091.17	\$ 6,293,788.77	\$ 7,093,319.51	Borrowing
Hudsonville	17	\$ 3,458,228.52	\$ 2,194,018.33	\$ 0.00	Borrowing
Inkster	47	\$ 27,586,556.79	\$ 29,136,327.53	\$ 31,441,311.85	Borrowing
Ionia	24	\$ 12,826,632.07	\$ 13,866,727.87	\$ 15,223,964.17	Borrowing
Jonesville	12	\$ 244,722.27	\$ 774,994.18	\$ 1,087,576.29	Borrowing
Kent City	13	\$ 4,607,653.44	\$ 5,101,154.22	\$ 5,675,062.02	Borrowing
L'Anse Creuse	6	\$ 9,197,172.22	\$ 14,114,739.57	\$ 25,368,412.67	Borrowing
Laingsburg	20	\$ 6,011,850.08	\$ 6,251,711.71	\$ 6,547,193.92	Borrowing
Lake Orion	11	\$ 18,280,622.41	\$ 19,586,665.48	\$ 22,993,488.84	Borrowing
Lakewood	2	\$ 0.00	\$ 0.00	\$ 160,899.92	Borrowing
Lawrence	13	\$ 1,845,288.36	\$ 1,802,431.11	\$ 1,766,467.64	Repaying
Lawton	10	\$ 4,914,674.67	\$ 5,502,400.49	\$ 6,042,531.78	Borrowing
Leslie	17	\$ 4,982,983.80	\$ 4,629,217.57	\$ 4,344,209.41	Repaying
Lincoln	1	\$ 9,504,119.43	\$ 0.00	\$ 2,493,441.76	Borrowing
Lowell	2	\$ 0.00	\$ 874,150.53	\$ 1,929,317.71	Borrowing
Manchester	10	\$ 7,384,437.67	\$ 8,462,170.62	\$ 9,465,049.67	Borrowing
Manton	10	\$ 135,425.78	\$ 47,162.99	\$ 0.00	Paid
Marysville	4	\$ 260,786.33	\$ 1,848,638.04	\$ 3,710,949.26	Borrowing
Mendon	7	\$ 1,273,913.83	\$ 1,557,351.69	\$ 1,812,884.26	Borrowing
Merrill	15	\$ 4,304,110.20	\$ 4,305,787.20	\$ 4,276,360.46	Repaying
Mid Peninsula	3	\$ 143,747.40	\$ 347,256.92	\$ 504,367.80	Borrowing
Milan	12	\$ 8,411,986.36	\$ 13,377,565.35	\$ 17,652,915.26	Borrowing
Montague	14	\$ 5,512,988.73	\$ 6,951,438.75	\$ 8,631,102.35	Borrowing
Montrose	1	\$ 957,927.46	\$ 773,401.02	\$ 0.00	Borrowing
MorleyStanwd	15	\$ 141,738.56	\$ 0.00	\$ 0.00	Paid
Mt Clemens	9	\$ 11,826,520.00	\$ 13,330,949.99	\$ 15,121,814.02	Borrowing
MuskegonHeigh	13	\$ 2,905,652.44	\$ 3,067,337.94	\$ 3,217,427.47	Repaying
New Haven	6	\$ 4,270,969.28	\$ 6,296,857.83	\$ 8,454,974.52	Borrowing
New Lothrop	4	\$ 121,176.36	\$ 488,470.05	\$ 914,055.82	Borrowing
North Branch	19	\$ 4,054,441.88	\$ 5,699,711.38	\$ 7,383,824.37	Borrowing
North Muskgn	8	\$ 2,630,098.59	\$ 3,096,220.82	\$ 3,903,819.83	Borrowing
Norway Vulcan	20	\$ 631,814.62	\$ 315,542.81	\$ 0.00	Paid
Oakridge	13	\$ 1,468,936.74	\$ 1,400,855.03	\$ 1,322,395.65	Borrowing
Olivet	21	\$ 6,356,758.41	\$ 7,366,373.22	\$ 8,323,704.26	Borrowing
Orchard View	8	\$ 5,257,933.80	\$ 6,269,704.16	\$ 7,430,659.58	Borrowing
Otsego	7	\$ 3,568,993.65	\$ 4,978,111.65	\$ 6,506,907.64	Borrowing

Appendix F

SCHOOL BOND QUALIFICATION AND LOAN PROGRAM
Outstanding SBLF & SLRF Balances By District
Three Years Ending June 30

Date: 04/20/12

District	Years in fund	2009	2010	2011	2011 Status
Ovid-Elsie	9	\$ 3,692,044.94	\$ 4,234,767.70	\$ 4,694,877.23	Borrowing
Oxford	16	\$ 31,798,201.77	\$ 33,080,078.99	\$ 36,762,160.78	Borrowing
Parchment	4	\$ 654,061.85	\$ 1,176,014.11	\$ 1,659,392.58	Borrowing
Paw Paw	16	\$ 10,929,091.69	\$ 11,642,562.42	\$ 12,484,897.51	Borrowing
Pennfield	7	\$ 3,255,066.19	\$ 3,961,495.69	\$ 4,773,670.49	Borrowing
Perry	20	\$ 8,818,580.00	\$ 9,447,469.29	\$ 10,219,920.00	Borrowing
Pewamo-West	14	\$ 3,310,151.26	\$ 3,458,691.02	\$ 3,547,174.60	Repaying
Pinckney	13	\$ 7,465,739.25	\$ 0.00	\$ 2,653,249.73	Borrowing
Plainwell	9	\$ 5,013,082.90	\$ 6,543,819.58	\$ 8,050,701.63	Borrowing
Portland	10	\$ 6,476,474.91	\$ 6,946,652.46	\$ 7,258,995.93	Borrowing
Potterville	11	\$ 3,666,437.27	\$ 3,719,815.12	\$ 3,692,723.29	Repaying
Ravenna	3	\$ 56,470.53	\$ 795,741.02	\$ 1,555,760.17	Borrowing
Reeths-Puffer	16	\$ 13,804,640.24	\$ 14,576,032.71	\$ 15,908,840.06	Borrowing
River Rouge	18	\$ 17,602,831.84	\$ 18,631,866.91	\$ 19,982,993.41	Borrowing
Saline	11	\$ 23,425,896.11	\$ 26,004,939.74	\$ 27,585,989.21	Repaying
Saranac	22	\$ 9,382,641.45	\$ 9,936,867.53	\$ 10,448,099.73	Borrowing
Schoolcraft	1	\$ 3,884,024.92	\$ 0.00	\$ 0.00	Borrowing
Shepherd	3	\$ 0.00	\$ 271,417.96	\$ 820,504.03	Borrowing
Springport	14	\$ 1,026,638.61	\$ 1,084,778.10	\$ 1,058,205.51	Repaying
St Johns	1	\$ 506,945.17	\$ 0.00	\$ 0.00	Borrowing
St Louis	17	\$ 2,682,140.95	\$ 2,672,151.01	\$ 2,526,455.59	Repaying
Standish Ster	13	\$ 646,694.19	\$ 280,680.75	\$ 0.00	Paid
Sturgis	11	\$ 7,253,448.93	\$ 7,655,109.41	\$ 8,025,695.19	Borrowing
Superior Cent	21	\$ 1,961,493.82	\$ 1,786,437.81	\$ 1,575,546.42	Repaying
Swan Valley	14	\$ 4,763,225.71	\$ 4,414,856.66	\$ 4,077,071.65	Repaying
Tecumseh	11	\$ 5,872,138.82	\$ 6,250,468.41	\$ 6,932,889.43	Borrowing
Thornpple Kel	15	\$ 11,538,820.48	\$ 13,613,991.27	\$ 15,740,491.47	Borrowing
UnionvilleSeb	9	\$ 369,152.02	\$ 336,462.90	\$ 325,354.76	Borrowing
Van Dyke	1	\$ 0.00	\$ 0.00	\$ 1,275,355.69	Borrowing
Vestaburg	2	\$ 0.00	\$ 266,681.17	\$ 759,351.62	Borrowing
Wayland Union	17	\$ 12,386,116.75	\$ 15,188,833.27	\$ 18,327,885.79	Borrowing
Webberville	22	\$ 2,232,780.01	\$ 2,713,868.19	\$ 3,284,126.08	Borrowing
Western	14	\$ 686,301.94	\$ 0.00	\$ 0.00	Paid
White Cloud	10	\$ 3,838,128.79	\$ 4,222,602.74	\$ 4,594,273.29	Borrowing
Whitehall	8	\$ 160,834.88	\$ 193.04	\$ 0.00	Paid
WhitmoreLake	8	\$ 7,975,777.36	\$ 9,767,191.96	\$ 11,929,413.30	Borrowing
Williamston	15	\$ 14,793,917.26	\$ 16,374,530.62	\$ 18,220,699.26	Borrowing
Willow Run	27	\$ 22,528,211.45	\$ 23,412,488.89	\$ 24,837,558.73	Borrowing
Total Amount		\$ 951,746,187.43	\$ 1,023,821,708.16	\$ 1,229,792,503.81	
Total # of Districts With Balances		135	124	122	

Appendix G

MICHIGAN SCHOOL BOND QUALIFICATION AND LOAN PROGRAM

Outstanding SBLF/SLRF Loans By Year as of June 30 (in Millions)

Year	Annualized Interest Rate- SBLF	Annualized Interest Rate- SLRF	Districts with Outstanding Loans	Principal Balance	Interest Balance	Total Balance
1962	-----	----	3	\$0.2	-----	-----
1963	-----	----	2	\$0.2	-----	-----
1964	-----	----	2	\$0.5	-----	-----
1965	-----	----	6	\$0.9	-----	-----
1966	-----	----	18	\$3.1	-----	-----
1967	-----	----	37	\$8.2	-----	-----
1968	-----	----	44	\$14.3	-----	-----
1969	-----	----	58	\$22.6	-----	-----
1970	-----	----	59	\$28.8	-----	-----
1971	-----	----	69	\$35.6	-----	-----
1972	-----	----	75	\$42.7	-----	-----
1973	-----	----	84	\$51.0	-----	-----
1974	-----	----	91	\$61.8	-----	-----
1975	-----	----	98	\$70.1	-----	-----
1976	-----	----	94	\$78.0	-----	-----
1977	-----	----	95	\$86.1	-----	-----
1978	-----	----	86	\$90.7	-----	-----
1979	-----	----	84	\$94.7	-----	-----
1980	-----	----	72	\$91.2	\$21.8	\$113.0
1981	-----	----	68	\$88.9	\$24.2	\$113.0
1982	5.375%	----	60	\$85.7	\$25.1	\$110.8
1983	6.000%	----	49	\$80.7	\$27.9	\$108.6
1984	6.250%	----	46	\$79.6	\$30.0	\$109.6
1985	6.500%	----	44	\$77.2	\$32.1	\$109.3
1986	7.120%	----	41	\$75.1	\$36.1	\$111.2
1987	7.500%	----	37	\$75.3	\$41.8	\$117.1
1988	7.250%	----	37	\$74.4	\$44.6	\$119.0
1989	7.250%	----	40	\$74.4	\$47.7	\$122.1
1990	6.875%	----	49	\$78.0	\$50.2	\$128.2
1991	6.000%	----	53	\$82.9	\$53.0	\$135.9
1992	5.225%	----	33	\$13.0	\$0.3	\$13.3
1993	3.510%	----	41	\$35.3	\$1.0	\$36.3
1994	2.850%	----	42	\$55.1	\$2.2	\$57.3
1995	3.670%	----	48	\$77.5	\$4.6	\$82.1
1996	5.470%	----	66	\$108.8	\$9.5	\$118.3
1997	5.500%	----	90	\$153.1	\$15.9	\$169.1
1998	5.434%	----	105	\$214.7	\$25.5	\$240.3
1999	5.125%	----	111	\$284.3	\$38.7	\$323.0
2000	5.102%	----	117	\$346.6	\$54.7	\$401.3
2001	4.945%	----	130	\$410.2	\$73.7	\$483.9
2002	4.217%	----	140	\$483.2	\$92.3	\$575.5
2003	3.413%	----	145	\$556.6	\$106.2	\$662.8
2004	2.828%	----	146	\$527.5	\$84.8	\$612.3
2005	2.964%	----	143	\$601.1	\$94.0	\$695.2
2006	4.074%	4.562%	144	\$657.4	\$113.7	\$771.1
2007	4.742%	4.892%	137	\$712.0	\$135.5	\$847.5
2008	4.495%	4.612%	138	\$721.5	\$152.6	\$874.1
2009	4.725%	4.863%	135	\$770.8	\$180.9	\$951.7
2010	5.655%	5.137%	124	\$805.5	\$218.3	\$1,023.8
2011	5.176%	3.792%	122	\$968.2	\$261.6	\$1,229.8

Appendix H

**History of State Debt Issued
to Fund Qualified Loans to School Districts
6/30/1956 through 12/31/2011**

Debt Title	Type of Debt	Issue Date	Amount	Debt Outstanding as of 12-31-11
(Not Available)	Notes	6/30/1956	\$ 46,058	\$ -
(Not Available)	Notes	6/30/1957	\$ 564,669	\$ -
(Not Available)	Notes	6/30/1964	\$ 360,000	\$ -
(Not Available)	Notes	6/30/1965	\$ 500,000	\$ -
(Not Available)	Notes	6/30/1966	\$ 4,000,000	\$ -
(Not Available)	Notes	6/30/1967	\$ 26,000,000	\$ -
(Not Available)	Notes	6/30/1970	\$ 16,000,000	\$ -
Series I - 1971	Bonds	7/1/1971	\$ 57,500,000	\$ -
Series III - 1973	Bonds	12/1/1973	\$ 25,000,000	\$ -
Series III - 1975	Bonds	12/1/1975	\$ 15,000,000	\$ -
Series IV - 1978	Bonds	3/1/1978	\$ 20,000,000	\$ -
Series V - 1981	Bonds	4/15/1981	\$ 14,000,000	\$ -
Series VI - 1986	Bonds	4/15/1986	\$ 7,500,000	\$ -
Series 1988A	Notes	4/29/1988	\$ 300,000	\$ -
Series 1988B	Notes	10/31/1988	\$ 1,500,000	\$ -
Series 1989A	Notes	4/28/1989	\$ 1,900,000	\$ -
Series 1989B	Notes	10/26/1989	\$ 1,700,000	\$ -
Series 1990A	Notes	4/26/1990	\$ 2,025,000	\$ -
Series 1990B	Notes	10/24/1990	\$ 2,975,000	\$ -
Series 1991A	Notes	4/30/1991	\$ 4,450,000	\$ -
Series 1991B	Notes	10/31/1991	\$ 2,910,000	\$ -
Series 1992A	Notes	4/29/1992	\$ 11,800,000	\$ -
Series 1992B	Notes	10/29/1992	\$ 19,700,000	\$ -
Series 1993A	Notes	4/29/1993	\$ 34,600,000	\$ -
Series 1993B	Notes	10/28/1993	\$ 40,950,000	\$ -
Series 1994A	Notes	4/28/1994	\$ 55,800,000	\$ -
Series 1994B	Notes	10/11/1994	\$ 65,000,000	\$ -
Series 1995A	Notes	4/6/1995	\$ 85,000,000	\$ -
Series 1995	Bonds	8/1/1995	\$180,000,000	\$ -
Series 1998	Bonds	8/28/1998	\$160,000,000	\$ -
Series 2000	Notes	04/24/00	\$ 44,500,000	\$ -
Series 2001A	Multi-Modal Bonds	4/12/2001	\$ 81,300,000	\$ -
Series 2001	Refunding Bonds	5/30/2001	\$ 85,295,000	\$ 52,220,000
Series 2001B	Multi-Modal Bonds	10/2/2001	\$ 1,245,000	\$ -
Series 2001C	Multi-Modal Bonds	10/18/2001	\$ 45,880,000	\$ -
Series 2002A	Multi-Modal Bonds	4/23/2002	\$ 50,600,000	\$ -
Series 2002	Refunding Bonds	7/9/2002	\$ 85,125,000	\$ 68,690,000
Series 2002B	Multi-Modal Bonds	10/19/2002	\$ 47,300,000	\$ -
Series 2003A	Multi-Modal Bonds	4/22/2003	\$ 61,530,000	\$ -
Series 2003B	Multi-Modal Bonds	5/29/2003	\$ 3,250,000	\$ -
Series 2003C	Multi-Modal Bonds	5/29/2003	\$ 4,685,000	\$ -
Series 2003D	Multi-Modal Bonds	10/23/2003	\$ 23,880,000	\$ -
Series 2003E	Multi-Modal Bonds	10/23/2003	\$ 27,150,000	\$ -
Series 2004A	Multi-Modal Bonds	4/22/2004	\$203,150,000	\$ -
Series 2004B	Multi-Modal Bonds	4/22/2004	\$ 35,130,000	\$ -
Series 2004C	Multi-Modal Bonds	10/21/2004	\$ 22,005,000	\$ -
Series 2005A	Multi-Modal Bonds	4/21/2005	\$ 59,185,000	\$ -
Series 2005B	Multi-Modal Bonds	9/21/2005	\$362,510,000	\$ -
Series 2005C	Multi-Modal Bonds	9/21/2005	\$113,090,000	\$ -
Series 2006A	Multi-Modal Bonds	4/19/2006	\$ 66,830,000	\$ -
Series 2008A	Refunding Bonds	11/6/2008	\$142,970,000	\$ 116,035,000
Series 2009A	Refunding & New Money Bonds	4/14/2009	\$204,080,000	\$ 204,080,000
Series 2009B	Refunding & New Money Bonds	5/26/2009	\$189,442,697	\$ 100,742,954
Series 2010A	Bonds	4/22/2010	\$ 60,000,000	\$ 60,000,000
Series 2010B	Refunding & New Money Bonds	10/20/2010	\$ 83,825,000	\$ 83,825,000
Series 2011A	Bonds	4/20/2011	\$150,000,000	\$ 150,000,000
Series 2011B	Bonds	10/19/2011	\$ 30,110,000	\$ 30,110,000
				<u>\$ 865,702,954</u>

Bond proceeds were used for loans to school districts, refunding debt, debt service payments and bond issuance costs.

This schedule does not include bonds issued by the MFA to fund loans.
The balance of outstanding MFA debt is \$535 million as of December 31, 2011.