



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

DETROIT FINANCIAL REVIEW COMMISSION

SCHOOL DISTRICT RESOLUTION 2020-3

**APPROVING THE COMMUNITY DISTRICT'S FEBRUARY 2020
CONTRACT REQUESTS**

WHEREAS, Public Act 181 of 2014, the Michigan Financial Review Commission Act (the "Act"), allows for the creation of the Detroit Financial Review Commission (the "Commission") within the Michigan Department of Treasury; and

WHEREAS, Section 6(1) of the Act empowers the Commission to provide oversight for the Detroit Public Schools Community District (the "Community District") beginning on June 2016; and

WHEREAS, Section 6(6) of the Act provides that during the period of oversight, the Commission review and approve the Community District's applicable contracts, as defined by Section 3(a) of the Act, and that an applicable contract does not take effect unless approved by the Commission; and

WHEREAS, at the Commission meeting on February 24, 2020, the Community District presented applicable contracts, attached as **Exhibit A** to this Resolution, for the Commission's review and approval.

NOW THEREFORE, be it resolved by the Detroit Financial Review Commission as follows:

1. That the Community District's February 24, 2020 contract requests, attached as **Exhibit A** to this Resolution but excluding any contracts a majority of Commission members present has agreed to exclude as noted in the minutes, are hereby approved.
2. That the minutes of the Detroit Financial Review Commission meeting at which this Resolution is adopted take notice of the adoption of this Resolution.
3. This Resolution shall have immediate effect.

Contract Requests

The following contracts are being provided to the Financial Review Commission (“FRC”) for review and approval. Contracts over \$750,000 or a two (2) year period must also be provided to the FRC for review and approval pursuant to section 6(6) of the Michigan Financial Review Commission Act. Please review the individual Action Items provided for more detailed information.

	Department	Contract Number	Description	Contract Request Type	Competitively Bid? If not a new contract, was the original contract competitively bid?	Lowest Bid? If not a New Contract, was the original contract the lowest bid?	DPSCD Approval Date	Comments
1	Finance	20-0065-C	<p>Contract Amount: \$405,500.00 Contract Period: March 1, 2020 – June 30, 2022 Source: General Funds Purpose: Worker’s Compensation Management Contractor: Sedgwick Location: 8125 Sedgwick Way, Memphis, Tennessee 38125</p>	New	Yes	No	<p>Academic Committee 02.03.2020</p> <p>Finance Committee 02.07.2020</p> <p>Board 02.12.2020</p> <p>Anticipated Approval FRC 02.24.2020</p>	<p>In October of 2019, RFP 20-0065 for worker’s compensation was issued via DemandStar and received five responses. While Sedgwick was not the lowest cost vendor, they have the capacity and experience to provide the service requested. For the past four years, York Risk Services (now Sedgwick) has administered the program through the Office of Finance and the Risk Management Department. The continuation of this contract with Sedgwick will allow for a seamless continuation of the current administration of workers’ compensation claims for the District.</p> <p>This request is for the term from March 1, 2020 – June 30, 2022 for a total amount not to exceed \$405,500. The amount does not meet the FRC threshold for review, but the contract was written for a term longer than two years.</p>
2	Operations	16-0382-C	<p>Contract Amount: \$1,900,000.00 Contract Period: July 1, 2019 – June 30, 2020 Source: General Funds Purpose: VoIP Telecommunication Services Contractor: Encore Technologies Location: 2000 Wade Hampton Blvd., Suite 210; Greenville, SC 29615</p>	Increase	Yes	Yes	<p>Academic Committee 02.03.2020</p> <p>Finance Committee 02.07.2020</p> <p>Board 02.12.2020</p> <p>Anticipated Approval FRC 02.24.2020</p>	<p>In June 2019, the Board and FRC approved the contract renewal with Encore Technologies in the amount of \$1,650,000. Through RFP 16-0382, Encore was selected by the Evaluation Committee based on its capability, experience, and competitive pricing.</p> <p>This request is to increase the current contract by \$250,000, bringing the total not to exceed value of the contract to \$1,900,000 for the fiscal year ending June 30, 2020.</p> <p>In August 2019, the district received notification that the telephone landline supplier, XO Communications, will discontinue services on its national network. This change in service has escalated the timeline to purchase the equipment needed to migrate the remaining 17 buildings to VoIP services, resulting in the increase in the contract amount.</p>

Contract Requests

The following contracts are being provided to the Financial Review Commission (“FRC”) for review and approval. Contracts over \$750,000 or a two (2) year period must also be provided to the FRC for review and approval pursuant to section 6(6) of the Michigan Financial Review Commission Act. Please review the individual Action Items provided for more detailed information.

	Department	Contract Number	Description	Contract Request Type	Competitively Bid? If not a new contract, was the original contract competitively bid?	Lowest Bid? If not a New Contract, was the original contract the lowest bid?	DPSCD Approval Date	Comments
3	IT	20-0059-C	<p>Contract Amount: \$1,000,000.00 Contract Period: July 1, 2019 – June 30, 2020 Source: General Fund Purpose: Technology Infrastructure Consultant and Audit Services Contractor: Plante & Moran, PLLC Location: 19176 Hall Road, Suite 300; Clinton Township, MI 48038</p>	Increase	Yes	Yes	<p>Academic Committee 02.03.2020</p> <p>Finance Committee 02.07.2020</p> <p>Board 02.12.2020</p> <p>Anticipated Approval FRC 02.24.2020</p>	<p>In July 2019, the Board and FRC approved renewing the audit services contract with Plante & Moran for \$800,000. Through RFP 20-0059, Plante & Moran was selected based on their capability, experience, and competitive pricing.</p> <p>In October 2019, the District issued an RFP for information technology consultation services. These services will improve the District’s unified communication systems, including public address (PA) systems, bells and clocks, Enhanced 911, mass communications, and assist in developing a cybersecurity framework. This request is to increase the current contract by \$200,000 to include information technology consulting services, bringing the total amount not to exceed \$1,000,000 for the fiscal year ending June 30, 2020.</p>

Contract Requests

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	Department	Contract Number	Description	Contract Request Type	Competitively Bid? If not a new contract, was the original contract competitively bid?	Lowest Bid? If not a New Contract, was the original contract the lowest bid?	DPSCD Approval Date	Comments
4	Curriculum And Instruction	19-0146-C	<p>Contract Amount: \$695,000.00 (not inclusive of FRC Contract item 5) Contract Period: February 24, 2020 – June 30, 2021 Source: General Funds Purpose: Social Studies Instructional Materials; ELA Instructional materials Contractor: Pearson Location: 221 River Street, 2nd Floor, Hoboken NJ</p>	Renewal	Yes	Yes	<p>Academic Committee 02.03.2020</p> <p>Finance Committee 02.07.2020</p> <p>Board 02.12.2020</p> <p>Anticipated Approval FRC 02.24.2020</p>	<p>In November 2018, RFP 19-0146 for high school ELA Curriculum was posted via DemandStar and received five responses. Pearson’s MyPerspectives Curriculum was selected for grades 9-12 English/Language Arts. This request includes replenishment of consumables for the MyPerspectives Curriculum and other District purchases in an amount not to exceed \$695,000.</p> <p>This amount is not inclusive of the purchases to be made under FRC Contract item 5, outlined below.</p>
5	Curriculum And Instruction	20-0081-C	<p>Contract Amount: \$3,300,000.00 Contract Period: February 24, 2020 – June 30, 2021 Source: General Funds Purpose: Social Studies Instructional Materials Contractor: McGraw Hill, Pearson, and Cengage Location: 8787 Orion Place, Columbus, OH 221 River Street, 2nd Floor, Hoboken NJ 5191 Natorp Blvd, Mason, OH</p>	New	Yes	No	<p>Academic Committee 02.03.2020</p> <p>Finance Committee 02.07.2020</p> <p>Board 02.12.2020</p> <p>Anticipated Approval FRC 02.24.2020</p>	<p>In Spring 2019, Michigan adopted new standards for Core Social Studies Curriculums. In November 2019, RFP 20-0081 for a core Social Studies Curriculum for grades 5-11 was distributed via DemandStar and received six responses.</p> <p>Three vendors were selected: McGraw Hill (grades 5 and 11), Pearson (grades 6, 7, 8, and 10), and Cengage (grade 9).</p> <p>The two lowest priced curriculum options were largely digital and required internet access which not all DPSCD families have at this time. This request is to provide new Social Studies Curriculum Materials and for Social Studies Professional Development Services in an amount not to exceed \$3.3M through June 30, 2021.</p>

Contract Requests

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6	Curriculum and Instruction	N/A	Contract Amount: \$1,262,500.00 Contract Period: July 1, 2019 – June 30, 2020 Source: General Funds and Title Funds Purpose: K-12 Instructional Materials Contractor: Scholastic, Inc. Location: 555 Broadway, New York City, New York	Increase	Yes	Yes	Academic Committee 02.03.2020 Finance Committee 02.07.2020 Board 02.12.2020 Anticipated Approval FRC 02.24.2020	<p>In May 2018, RFP 19-0016 for grades K-8 classroom libraries was issued via DemandStar and received four responses. Scholastic was the lowest price vendor.</p> <p>In April 2018, RFP 19-0006 for summer school materials for Rising 2nd and 3rd grade ELA/Literacy was issued via DemandStar and received three responses. Scholastic was the lowest priced vendor.</p> <p>In August 2019, RFP 20-0014 for grades 9-12 classroom libraries was issued via DemandStar and five responses were received. The award was split between Scholastic and Follett, the lowest priced vendors.</p> <p>This request is to replenish materials for K-12 classroom libraries, literacy materials for the 2020 summer school serving K-3 students, Montessori libraries, and contingency for additional District purchases in an amount not to exceed \$1,262,500 from Scholastic.</p>

Contract Requests

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7	Finance		Contract Amount: Paid from Proceeds Contract Period: N/A Source: N/A Purpose: Refund outstanding Capital Debt Contractor: JP Morgan Chase Location: 1450 Brickell, Floor 15, Miami, FL	New	Yes	N/A	Finance Committee 02.07.2020 Board 02.12.2020 Anticipated Approval FRC 02.24.2020	<p>In December 2019, an RFP was distributed to solicit bids for direct placement of 2010B, 2012A, and the balance of School Loan Revolving Fund. Nine responses were received for direct placement.</p> <p>Based upon the responses, JP Morgan Chase was selected as the highest scoring vendor for direct placement as their proposal would generate the greatest savings for the District.</p> <p>Final determination of Direct Placement or Negotiated Sale for each bond series will be made based on current market rates at the time of final approval that generate the greatest savings. Additionally 2015A and 2017 SLRF Refunding may also be considered for refunding if the market will generate net present value savings.</p>
8	Finance		Contract Amount: Paid from Proceeds Contract Period: N/A Source: N/A Purpose: Refund outstanding Capital Debt Contractor: Seibert Williams Shank & Co. Location: 100 Wall Street, 8 th Floor, New York, NY	New	Yes	N/A	Finance Committee 02.07.2020 Board 02.12.2020 Anticipated Approval FRC 02.24.2020	<p>In December 2019, an RFP was distributed to solicit bids for direct placement of 2010B, 2012A, and the balance of School Loan Revolving Fund. Fifteen responses were received for senior managing underwriting services.</p> <p>Based upon the responses, Siebert Williams Shank & Co. was selected as the highest scoring vendor for senior managing underwriting services based on their ability to generate the greatest savings through a public offering of the District’s debt.</p> <p>Final determination of Direct Placement or Negotiated Sale for each bond series will be made based on current market rates at the time of final approval that generate the greatest savings. Additionally 2015A and 2017 SLRF Refunding may also be considered for refunding if the market will generate net present value savings.</p>



Agenda Item Details

Meeting	Feb 12, 2020 - Regular Board Meeting
Category	13. Consent Agenda (Administrative Items)
Subject	13.18 Approval of Contract with Sedgwick Claims Management
Access	Public
Type	Action
Recommended Action	Motion to approve a two-year contract, with three one-year renewal options, with Sedgwick Claims Management for the period March 1, 2020 through June 30, 2022 in an amount not-to-exceed \$405,500.

Public Content

Recommendation:

That the School Board approve a two-year contract, with three one-year renewal options, with Sedgwick Claims Management for the period March 1, 2020 through June 30, 2022 in an amount not-to-exceed \$405,500.

Description and Background:

This item was recommended for approval by the Academic Committee on February 3, 2020 and the Finance Committee on February 7, 2020.

In 2016, the District completed an RFP for Workers' Compensation and General Liability claims management in order to remain self-insured. The District chose York Risk Services (now Sedgwick), who for the past four years has administered the program through the Office of Finance and the Risk Management Department. During this time, the District has remained significantly below national standards set by the Council of Great City Schools.

Metric	District	Council
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	(18-19)	Average (17-18)
Percent resulting in loss of employment	13%	18%
Cost per Claim	\$4,422.99	\$5,542.54

An RFP was issued for Workers' Compensation and General Liability Claims management, five responses were received. An Evaluation Committee was convened and determined that Sedgwick, formerly York Services and is the current provider, is able to provide the best service to meet the District's needs. This contract will continue to provide services to handle all administrative requirements of the District's Self-Insured Workers' Compensation program as well as the necessary requirements of DPSCD's liability program.

Gap Analysis:

The District is an authorized Self-Insurer by the State of Michigan. To continue this status, the District must have our Workers' Compensation claims handled by a licensed third-party administrator. If this relationship is not maintained, the District would lose its self-insured status with the State and be required to purchase standard coverage. This would result in a large increase in total expenditures for the District.

Previous Outcomes:

The District worked with Sedgwick (previously York) to improve system integrations to reduce costs and more effectively support staff. Through integrations with PeopleSoft, employees are now more quickly routed to the appropriate medical care treatment facility to determine eligibility.

Fiscal Year	Budget	Actual Spend
FY 2017	\$150,000	\$139,325
FY 2018	\$150,000	\$138,325
FY 2019	\$150,000	\$140,375
FY 2020	\$175,000	\$99,000* through 12/31/19
* Final FY 2019 expenditures are projected to be \$175,000.		

Expected Outcomes:

The continuation of this contract with Sedgwick will allow for a seamless continuation of the current administration of workers' compensation claims for the District.

Alignment to Strategic Plan:

Responsible Stewardship

Financial Impact:

\$405,500 from General Funds over two years

Bid Process: RFP 20-0065 was issued on Demandstar and received five (5) responses. Based on evaluation of the proposals Sedgwick was selected as the Workers' Compensation claims administrator. They have the capacity and experience to provide the service requested.

Contact for Item:

Name: Jeremy Vidito, Chief Financial Officer

Phone: 313-873-6194

Email: Jeremy.vidito@detroitk12.org

Administrative Content[ASU Group.pdf \(44,251 KB\)](#)[CompOne Administrators.pdf \(12,818 KB\)](#)[PMA Cost Sheet.xlsx \(21 KB\)](#)[PMA Management Corp Response 2019.pdf \(25,807 KB\)](#)[PMAMC SOC 1 \(SSAE 18\) Type II 2017.pdf \(443 KB\)](#)[Sedgwick Pricing Narrative.pdf \(824 KB\)](#)



Agenda Item Details

Meeting	Feb 12, 2020 - Regular Board Meeting
Category	13. Consent Agenda (Administrative Items)
Subject	13.19 Approval of Contract Amendment for Encore Technology Group
Access	Public
Type	Action
Recommended Action	Motion to approve the contract amendment for Encore Technology Group for Voice Over IP services for the period of July 1, 2019 to June 30, 2020 for an amount not-to-exceed \$250,000 for a total amount not-to-exceed \$1,900,000.

Public Content

Recommendation:

That the School Board approve the contract amendment for Voice Over IP services from Encore Technology Group for the period of July 1, 2019 to June 30, 2020 for an amount not-to-exceed \$250,000 for a total amount not-to-exceed \$1,900,000.

Description and Background:

This item was recommended for approval by the Academic Committee on February 3, 2020 and the Finance Committee on February 7, 2020.

This board item was approved by the School Board on June 18, 2019 in an amount not-to-exceed \$1,650,000 for a contract renewal with Encore Technology Group (Encore). The approved contract renewal allowed the District to ensure continuity of telecommunication services to the sixty District locations using Voice Over IP (VoIP) telecommunication services.

In August 2019, the District received a notification from XO Communications, the service provider for the 60 buildings planned for migration, stating they would discontinue services on their nationwide network. This change in service has escalated the District's project timeline to migrate all 60 buildings by June 30, 2020. The cost of this change to the District is \$250,000 and is reflected in this amendment request.

Gap Analysis:

Traditional Private Branch Exchange (PBX) systems and voice over copper service lines have been the backbone of the District's telecommunications infrastructure. This technology has become obsolete and the equipment is at its end of life at 60 locations across the District.

Previous Outcomes:

The District has implemented VoIP Voice Services in 42 schools. The new VoIP solution has proven to be much more reliable and cost effective over the traditional PBX solution that existed previously at these schools. The District has upgraded 43 out of the 60 buildings since July 2019.

School Year	Previous Expenditure	Services
2018-2019	\$1,500,000	VoIP services
2019-2020	\$1,650,000	VoIP services

Expected Outcomes:

With this contract amendment, the District will be able to migrate services and purchase the equipment needed to complete the remaining 17 buildings without an interruption in service. These voice services provide an essential communication and safety resource for staff and students.

Additionally, the District will complete the migration of all buildings to VoIP services which will enhance unified communications across the network and adhere to Enhanced 911 state compliance standards. The implementation of Enhanced 911 services district-wide will provide the exact location of an incident to emergency personnel such as fire, police or ambulatory services to increase safety and security at all district locations.

Alignment to Strategic Plan:

Responsible Stewardship

Financial Impact:

\$1,900,000 from General Fund

Bid Process: RFP 16-0382 was issued on DemandStar and received four response(s). Based on evaluation of the proposal, Encore Technology Group was selected as the supplier providing E-Rate compliant VoIP Services. They have the capability, experience, and competitive pricing to provide the services requested. Encore Technology Group's proposal is the lowest cost solution per bid specifications.

Contact for Item:

Name: Elizabeth Cutrona
Phone: 313-873-6205
Email: elizabeth.cutrona@detroitk12.org

[Encore Contract - Amendment Supplier Signed.pdf \(73 KB\)](#)

Administrative Content

[ATT VoIP RFP Response.pdf \(21,473 KB\)](#)

[Encore Bid Response.pdf \(22,534 KB\)](#)

[Jive Bid Response.pdf \(8,417 KB\)](#)

[VDS VoIP 16.0382.pdf \(10,356 KB\)](#)

**Agenda Item Details**

Meeting	Feb 12, 2020 - Regular Board Meeting
Category	13. Consent Agenda (Administrative Items)
Subject	13.20 Approval of Contract Amendment for Plante Moran
Access	Public
Type	Action
Recommended Action	Motion to approve the contract amendment for Plante Moran to include information technology consulting services for the period of March 1, 2020 through June 30, 2020 in an amount not-to-exceed \$1,000,000.

Public Content**Recommendation:**

That the School Board approve the contract amendment for Plante Moran in an additional amount of \$200,000 to include information technology consulting services for the period of March 1, 2020 through June 30, 2020 in an amount not-to-exceed \$1,000,000.

Description and Background:

This item was recommended for approval by the Academic Committee on February 3, 2020 and the Finance Committee on February 7, 2020.

Last year, the District engaged in a comprehensive technology audit to assess the current state of the technology infrastructure across all buildings. The results from the technology audit have been used to make decisions for key investments to improve the District's technology infrastructure.

A cybersecurity audit was also performed to provide:

- An assessment of the District's security posture in seven areas to identify gaps and provide detailed recommendations;

- An assessment of potential risks related to privacy and data security;
- Results from automated vulnerability scanning to identify known vulnerabilities; and
- Remediation strategies for risk mitigation.

To continue to build on the long-term planning and cybersecurity projects currently underway, the District has identified two areas of focus. First, the District plans to improve its unified communication systems, including public address (PA) systems, bells and clocks, mass communications, and Enhanced 911 (which improves the effectiveness and reliability of wireless 911 services by providing 911 dispatchers with additional information on wireless 911 calls). Second, it plans to develop a cybersecurity framework. In October 2019, the District issued a request for proposal for information technology consultation services to support these efforts resulting in one response from Plante Moran. Several viable firms responded stating they did not have the capacity to take on this work. Based on work previously performed, the proposal submitted by Plante Moran was recommended and accepted for approval. This contract amendment would include the cost of \$200,000 for the consultation services to the existing approved contract for \$800,00 for audit services.

Gap Analysis:

While the District understands the importance and gaps in its unified communications plans, it lacks the data and information required on a school-by-school basis to align its technology plan to facilities improvements and to maximize its budget on high-leverage investments. This is critical to effectively improve communications and safety throughout the District.

In addition, implementation of a cybersecurity framework will provide a strong and specific set of desired cybersecurity activities and outcomes. Adoption and implementation of a formal framework would provide the foundation for guiding the District in managing and reducing cybersecurity risks in a way that complements the District's existing cybersecurity operations and processes.

Previous Outcomes:

In July 2019, the Board approved the audit services contract with Plante Moran for \$800,000. In addition to partnering with the District as its external auditor, Plante Moran conducted the technology audit and cybersecurity assessment during the 2018-2019 school year.

Fiscal Year	Actual Expenditures
FY 2017	\$661,665

FY 2018	\$770,652
FY 2019	\$735,455

Expected Outcomes:

The consultation and implementation services provided by Plante Moran will be focused on unified communications and developing a cybersecurity framework for the District. The unified communications project will include a report and recommendations based on an analysis of all District buildings related to key and critical systems including: PA Systems, bells and clocks, mass communications, and Enhanced 911.

This will include work necessary to:

1. Create an implementation plan, in coordination with other internal stakeholders, to comply with the Enhanced 911 state regulations for the District's telephone system.
2. Conduct an audit and analysis of the current PA announcement system for upgrade and integration into a unified communications solution.
3. Assist with the creation of scope of work, technical requirements, and specifications for equipment for purchases if needed.

The cybersecurity framework project will include expert consultation, time, and effort needed for successful completion. By June 2020, the District will be able to produce data-driven technology planning for unified communications as well as a cybersecurity framework.

Alignment to Strategic Plan

Responsible Stewardship

Financial Impact:

\$1,000,000 from General Fund

Bid Process: RFP 20-0059 was issued on DemandStar and received one (1) response. Based on evaluation of the proposal, Plante & Moran was selected as the supplier providing Technology Infrastructure Consultant Services. They have the capability, experience, and competitive pricing to provide the services requested.

Contact for Item:

Elizabeth Cutrona, Chief Strategy Officer

Phone: 313-873-6205

Email: elizabeth.cutrona@detroitk12.org

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Administrative Content

[19-0056-C_\(FY20\)_PLANTE_MORAN Audit.pdf \(1,298 KB\)](#)

[20-0003-C_\(FY20\)_PLANTE_MORAN AUP.pdf \(1,290 KB\)](#)

**Agenda Item Details**

Meeting	Feb 12, 2020 - Regular Board Meeting
Category	13. Consent Agenda (Administrative Items)
Subject	13.22 Approval of a Purchase from Pearson Education, Inc. for Grades 9-12 myPerspectives English Language Arts Instructional Materials for Student Consumables and Digital Courseware
Access	Public
Type	Action
Recommended Action	Motion to approve the Purchase from Pearson Education, Inc. for Grades 9-12 myPerspectives English Language Arts instructional materials for student consumables, digital courseware, and teacher guides in an amount not-to-exceed \$695,000.

Public Content**Recommendation:**

That the School Board approve the purchase from Pearson Education, Inc. for Grades 9-12 myPerspectives English Language Arts instructional materials of required student consumables, digital courseware, and teacher guides in an amount not-to-exceed \$695,000.

Description and Background:

This item was recommended for approval by the Academic Committee on February 3, 2020 and the Finance Committee on February 7, 2020.

In February of 2019, the Board approved the purchase of the new myPerspectives curriculum based on the Curriculum Audit in English Language Arts (ELA) and Mathematics. The audit revealed that the District's instructional materials prior to the adoption in 2019 were not aligned to the demands of the Common Core State Standards (CCSS). This purchase would be an annual replenishment of the instructional material that was previously purchased.

Gap Analysis:

Over the past school year, instructional material such as teacher additions were lost and damaged. Increases in enrollment has required the purchase of additional instructional materials. Additionally, new consumable student texts and digital resources for students have been developed in the past year that if purchased would contribute to student achievement.

Expected Outcomes:

The guidance and support for the ELA/Literacy adopted materials will continue to provide clear, concise curriculum mapping with explicit and scaffolded lessons. The development of instruction through professional development around the instructional materials will continue to build confidence in the District's core curriculum for school leaders and teachers. This confidence will increase the fidelity of year two implementation of curriculum materials, which will lead to the raising of student achievement. The District's strategic plan metrics and targets outline an expected 3.46 percentage points increase per year in proficiency.

Previous Outcomes:

Year	Board Approved Amount
2018-2019	\$635,000

Alignment to Strategic Plan

Outstanding Achievement

Financial Impact:

\$695,000 from General Fund, includes contingency for school based purchases

Bid Process: RFP 19-0146 was issued on Demandstar.com and received six responses from five vendors. Based on evaluation of the proposal, Pearson was selected as the supplier providing a highly aligned and comprehensive high school ELA program. They have the capability and experience to provide the services requested and provided the most competitive pricing.

Contact:

Name: Beth Gonzalez; Assistant Superintendent; Curriculum & Instruction

Phone: 313-873-4894

Email: beth.gonzalez@detroitk12.org

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19-0146-C_PEARSON_K12_LEARNING.pdf (3,028 KB)

Administrative Content

HMH.zip (4,072 KB)

Macmillan.zip (3,643 KB)

McGrawHill.zip (37,279 KB)

PCG.zip (12,542 KB)

Pearson.zip (12,153 KB)



Agenda Item Details

Meeting	Feb 12, 2020 - Regular Board Meeting
Category	13. Consent Agenda (Administrative Items)
Subject	13.23 Approval of a Purchase from Pearson Education, Inc., McGraw-Hill, and Cengage for Social Studies Instructional Materials
Access	Public
Type	Action
Recommended Action	Motion to approve a purchase from Pearson Educaiton, Inc., McGraw-Hill, and Cengage for social studies instructional materials for grades 5-11 in an amount not-to-exceed \$3,300,000.

Public Content

Recommendation:

That the School Board approve a purchase from Pearson Education, Inc., McGraw-Hill and Cengage for social studies instructional materials for grades 5-11 in an amount not-to-exceed \$3,300,000.

Description and Background:

This item was recommended for approval by the Academic Committee on February 3, 2020 and the Finance Committee on February 7, 2020.

In Spring 2019, the state adopted new standards resulting in two new courses and changes to existing courses. That, combined with shortages, resulted in a need for new materials.

The District was seeking a product to provide core instructional materials for the Grades 5-11 Social Studies program. The core program needs to: (1) align to the shifts and major features of the Common Core State Standards (CCSS), (2) include strategies to engage and support all learners (including race/ethnicity, exceptional students, and English language learners), (3) work to achieve

grade level standards, (4) be grounded in research, (5) include formative assessments, and (6) provide supplemental options for remediation and acceleration.

In November 2019, a Request For Proposals (RFP) was distributed to solicit core instructional materials. In total, six submissions were received. An evaluation committee of 31 teachers was convened over the course of five days in December and January. The District also convened an additional two community engagement and four student review sessions in January to gather feedback from student and community stakeholders to share with the evaluation committee on the final convening.

Committee members evaluated the texts that students would engage with to ensure that students would learn the content required by the state in manner that built knowledge, required discussion, analysis, and critical thinking. The committee unanimously agreed that Pearson Education, Inc. (Pearson) (Grades 6-8, and 10), McGraw-Hill (Grades 5 & 11), and Cengage (Grade 9) offered the most highly aligned curriculum that was the best fit for the District.

Through a structured and facilitated process, committee members were organized by grade level and reviewed all eligible core programs. Each product was evaluated in three initial non-negotiable areas and an additional five areas. Products were scored using a consistent rubric and process. Only teachers provided scoring for the materials' evaluation component of the RFP rubric.

Due to the high concentration of middle school social studies teachers providing instruction in two or more middle school grade levels, a decision was made, and supported by the committee to select a single vendor in Grades 6-8. A single vendor for grade levels where one teacher is provided to teach multiple courses will allow for a coherent professional learning & classroom experience for these educators and students.

The results of the evaluators' score sheets were tabulated by a core evaluation team.

Vendor Scores

The associated costs cover the print resources to support curriculum implementation. Purchases will be based on the number of students and teachers at each school site and will include a surplus allocation for each school and the District. The District will ensure that materials are delivered to schools on time or contract consequences will be applied.

Gap Analysis:

Across the district, there are a known number of textbook shortages in Social Studies in grades 5-11. All District materials were purchased before former EAA schools re-entered the district, creating strain on the already limited and dated resources. The current supply of textbooks do not allow one book per student. Additionally, textbooks are not aligned to the new standards and course requirements as outlined by the state, nor do they align to the Nation Framework for the Social Studies College, Career, and Civic Life (or C3) Framework.

The District recognizes that no one textbook can comprehensively cover the diverse history of our city, state, region, country, and world. As such, teachers sought after the best materials that were available to them, with the understanding that the district office would:

- Continue to use and expand Detroit History until it was present in all Social Studies course.
- Offer local civics instruction through civics courses.
- Continue to offer and expand The DBQ Project, a document-based questions set of supplemental materials, designed to engage students in deep thinking around compelling questions related to the core content area.
- Seek additional supplemental materials that brought in diverse, often untold perspectives in history as part of our commitment to ensure we are preparing our students to thrive in the future.
- Develop year-long curriculum guides to help teachers navigate core and supplemental teachers, and provide instructional and pacing guidance.

Previous Outcomes:

PSAT/SAT	% Advanced	% Proficient	% Partially Proficient
2017 M-STEP 5th Grade	0%	4%	40%
2017 M-STEP 8th Grade	1%	6%	26%
2017 M-STEP 11th Grade	1%	15%	54%
2018 M-STEP 5th Grade	1 %	3%	43%
2018 M-STEP 8th Grade	1%	6%%	28%
2018 M-STEP 11th Grade	2%	17%%	54%
2019 M-STEP 5th Grade	0%	3%	39%
2019 M-STEP 8th Grade	1%	6%	25%
2019 M-STEP 11th Grade	2%	16%	51%

Expected Outcomes:

The proposed Social Studies adoption will provide clear, concise curriculum mapping with explicit, scaffolded lessons. This will bring more confidence in the District's core curriculum from principals and teachers. This confidence will increase the fidelity of

implementation of curriculum materials, which will lead to raising student achievement. The District's strategic plan metrics and targets outline an expected two percentage points increase per year in proficiency.

Alignment to Strategic Plan:

Outstanding Achievement

Financial Impact:

\$3,300,000 would include the purchase of digital and print resources to support curriculum implementation; there will be an annual reoccurring cost that is estimated to be approximately \$636,000 paid from General Funds for a period of time of approximately five years.

RFP 20-0081 was issued on Demandstar and received 6 response(s). Based on evaluation of the proposal, Cengage, McGraw Hill, and Pearson were selected as the suppliers providing Social Studies core materials for Grades 5-11. They have the capability, experience, and competitive pricing to provide the services requested.

-

Administrative Content

[Cengage Learning Inc. Response to RFP 20-0081.pdf \(41,617 KB\)](#)

[Discovery Education response to RFP 20-0081.pdf \(6,578 KB\)](#)

[HMH Response_Detroit MI #20-0081 Social Studies Gr7-11 FINAL.pdf \(4,819 KB\)](#)

[McGraw Hill 20-0081 Proposal.pdf \(14,973 KB\)](#)

[Newsela 20-0081.pdf \(18,303 KB\)](#)

[Pearson 20-0081.pdf \(3,972 KB\)](#)

[Cengage_HS_Social Studies_Proposal_Pricing.xlsx \(23 KB\)](#)

[Cengage_MS Social Studies_Proposal_Pricing.xlsx \(15 KB\)](#)

[Discovery Education Price Proposal for RFP 20-0081.xlsx \(72 KB\)](#)

[McGrawHill 1-year standard Quote - Individual Pricing 1-15-2020.xls \(119 KB\)](#)

[Newsela Detroit - Best and Final .pdf \(92 KB\)](#)

[Pearson Pricing.xlsx \(15 KB\)](#)

[Discovery Education Price Proposal for RFP 20-0081.xlsx \(72 KB\)](#)



Agenda Item Details

Meeting	Feb 12, 2020 - Regular Board Meeting
Category	13. Consent Agenda (Administrative Items)
Subject	13.24 Approval of a Purchase from Scholastic, Inc. and Follett School Solutions for K-8 English Language Arts Materials and Core Literacy Instructional Materials
Access	Public
Type	Action
Recommended Action	Motion to approve a purchase from Scholastic Inc. and Follett School Solutions for replacement K-8 English Language Arts materials and core literacy materials in an amount not-to-exceed \$1,912,500.

Public Content

Recommendation:

That the School Board approve the purchase from Scholastic, Inc. for K-8 English Language Arts classroom libraries, summer school literacy material, Montessori libraries, and other District school based purchases in an amount not-to-exceed \$1,262,500 and the purchase from Follett School Solutions of novel selections for core literacy instructional materials in an amount not-to-exceed \$650,000 for a total amount not-to-exceed \$1,912,500.

Description and Background:

This item was recommended for approval by the Academic Committee on February 3, 2020 and the Finance Committee on February 7, 2020.

Beginning in Fall 2018, the District began using EL Education instructional materials and modules for grades K-8 English Language Arts (ELA) and Literacy. This curriculum provides core texts that are essential to delivering the module lessons. In addition to the core texts, EL Education provides a list of recommended texts for student independent reading. To support the volume of reading necessary for student growth, the District procured classroom libraries for all K-8 ELA/Literacy teachers in 2018. In the 2018-2019

school year, the District launched its Rise Up Read More campaign where students are rewarded Districtwide for independent reading using these texts. Further, the School Board previously approved the purchase of K-8 ELA/Literacy materials for classroom libraries from Scholastic Inc. at its July 10, 2018 Regular Board Meeting. This present item will purchase materials that require replacement, for example lost and damaged materials, from that original District purchase in Summer 2018.

Additionally, this item will purchase replenishment novels for core literacy instructional materials, and classroom libraries for Montessori. Furthermore, this item will purchase literacy materials for 2020 summer school serving K-3 students.

Gap Analysis:

These classroom libraries are necessary for successful implementation of the District adopted ELA/Literacy curriculum. To maintain all students' access to these texts, damaged and lost books need to be replaced for the 2020-2021 school year. In addition, the District needs to prepare for increases in enrollment and purchase additional books to meet the needs of larger classes and students new to the District.

Previous Outcomes:

Vendor	2016-2017	2017-2018	2018-2019	FY20 POs to date
Follett School Solutions	\$11,186	\$48,319	\$39,245	\$391,628
Scholastic Inc.	\$124,700	\$239,682	\$1,159,907	\$272,200

Expected Outcomes:

The replacement of classroom libraries and ELA/Literacy materials will demonstrate the District's commitment to systemic school improvement and providing teachers and students with the materials they need to be successful. This purchase will reinforce the District's core curriculum and encourage confidence among school leaders and teachers. This confidence will in turn increase the fidelity of implementation of curriculum materials districtwide, which is expected to lead to increasing student achievement. Specifically, the District's strategic plan metrics and targets outline an expected two points increase in proficiency.

Alignment to Strategic Plan:

Outstanding Achievement

Financial Impact:

\$1,912,500 from General and title funds.

Scholastic	
District Purchases	\$74,000
Enrollment Tests	\$66,000
HS Libraries	\$132,000
K8 Libraries	\$360,000
Summer School	\$370,000
Montessori Libraries	\$10,000
Contingency	<u>\$250,500</u>
	\$1,262,500
*Bold denotes items already purchased this fiscal year	

Follett	
District Purchases	\$18,886
Core Novels	\$47,307
Social Studies Texts	\$37,744
HS Libraries	

	\$200,892
PD Books for Staff	\$86,800
Core Novels	\$30,000
Contingency	<u>\$228,371</u>
	\$650,000
*Bold denotes items already purchased this fiscal year	

Bid Process: RFP 19-0016 was issued on Demandstar and received 4 response(s). Based on evaluation of the proposal, Scholastic was selected as the supplier providing the largest volume of text, at lowest cost per book.

Contact for Item:

Name: Beth Gonzalez, Assistant Superintendent of Curriculum & Instruction
 Phone: 313-873-4894
 Email: Beth.gonzalez@detroitk12.org

Administrative Content

[ARC.zip \(13,209 KB\)](#)
[Mackin 19-0016.zip \(16,077 KB\)](#)
[Open UP.zip \(10,029 KB\)](#)
[Scholastic.zip \(13,466 KB\)](#)



Agenda Item Details

Meeting	Feb 12, 2020 - Regular Board Meeting
Category	13. Consent Agenda (Administrative Items)
Subject	13.01 Adoption of a Resolution Authorizing the District to Complete Refunding of Detroit Public Schools Unlimited General Obligation Capital Debt
Type	Action
Recommended Action	Motion to adopt a Resolution authorizing the District to complete refunding of Detroit Public Schools unlimited general obligation capital dept.

Recommendation:

That the Board adopt a Resolution authorizing the District to complete refunding of Detroit Public Schools unlimited general obligation capital debt.

Description and Background:

This item was recommended for approval by the Academic Committee on February 3, 2020 and the Finance Committee on February 7, 2020.

As of June 30, 2019, Detroit Public Schools (DPS) debt consists of approximately \$1.50 billion of bonds outstanding, as well as a State School Loan Revolving Fund (“SLRF”) balance of \$153.40 million. Based on current property values and interest rates, the DPS is scheduled to repay the debt by 2052. Refunding the eligible debt will lock in lower interest rates, resulting in savings for the residents of Detroit by reducing debt payments and reducing the number of years to repay the debt.

Gap Analysis:

The residents of Detroit would pay more in capital debt tax millage (13 Mills).

Previous Outcomes:

In previous years, the District completed refunding in 2017 of School Loan Revolving Fund through Direct Placement. The District was able to secure an interest rate of 2.91% which was lower than the state required interest rate of 3%, thus saving money for the residents of Detroit. In October 2019, the Board authorized the District to issue RFP for direct placement and senior managing underwriting services for eligible debt.

Expected Outcomes:

The District will complete the refunding of eligible bonds by May 2020 through direct placement or negotiated sale. The District estimates it could save as much as \$92,503,930 based on market rates as of January 30, 2020, estimated costs provided by in vendor proposals. The savings are based on estimated SLRF interest rate of 3.5% and 1.25% taxable value growth in the city of Detroit.

Alignment to Strategic Plan:

Responsible Stewardship

Financial Impact:

There is no financial impact for Detroit Public Schools Community District. The refunding will reduce tax payments by City of Detroit residents.

In December 2019, an RFP was distributed to solicit bids for direct placement and senior managing underwriting services. Nine responses were received for direct placement and fifteen responses were received for senior managing underwriting services. Based upon the responses, JP Morgan was selected as the highest scoring vendor for direct placement and Siebert Williams Shank & Co. was selected as the highest scoring vendor for senior managing underwriting services.

Contact for Item:

Name: Jeremy Vidito, Chief Financial Officer

Phone: 313-873-6194

Email: jeremy.vidito@detroitk12.org

Resolution Authorizing 2020 Refunding Bonds, Series A and B (Public Offering)(35165434_8).pdf (2,560 KB)

Resolution Authorizing 2020 and 2022 Refunding Bonds (Placement)(35166094_7).pdf (3,194 KB)



February 5, 2020

Mr. Jeremy Vidito, CFO
Detroit Public Schools Community District
3011 West Grand Boulevard
Detroit, MI 48202

RE: School District of the City of Detroit - Proposed Refunding Bonds

Dear Jeremy:

As discussed, below is a summary of the process and recommended appointments for the sale of the School District of the City of Detroit's (the "District")'s pending unlimited tax general obligation State-qualified refunding bond issuances which may include all or a portion of one or more of the following existing debt issues:

- School Building and Site Bonds (UTGO), Series 2010B Build America Bonds (Taxable – Direct Payment Bonds) dated October 28, 2010
- School Loan Revolving Fund balance*
- School Building and Site Improvement Refunding Bonds (UTGO), Series 2012A dated March 27, 2012
- 2015 Refunding Bonds, dated March 12, 2015
- 2017C Bonds (Federally Taxable) dated September 14, 2017

A Request for Proposal was issued on December 6, 2019 for direct placement and senior managing underwriter proposals for the proposed refunding issuances, some of which could be issued on a tax-exempt basis, and others require a taxable issuance. On January 8, 2020 the District received proposals from 16 firms, including 9 direct placement options and 15 public sale senior managing underwriting proposals.

Direct Placement of 2012A Bonds with JP Morgan: Based on the proposals received, the direct placement of the refinancing of the 2012A bonds was determined to be the option that provides the maximum savings to the District, pending finalization of the terms and conditions. Two firms, JP Morgan and Morgan Stanley, were selected as finalist due to the proposed interest rates, estimated savings, and terms and conditions. After further clarification and negotiation process of the terms and conditions, the proposal of JP Morgan for the direct placement under their proposed Delayed Delivery Tax-exempt Term bond issuance of the 2012A bonds was determined to be the optimal proposal, producing the greatest savings to the District, producing an estimated Net Present Value savings as of January 30, 2020 of \$29,971,822**, as compared to the estimated Net Present Value savings of \$28,993,788** under the Morgan Stanley proposal.

**School Loan Revolving Fund balance to be refunded is anticipated to include the loan required to make the May, 2020 bond payments.*

***Savings is estimated based on interest rates as of January 30, 2020. Final savings will be based on final interest rates.*



555 Briarwood Circle
Suite 333
Ann Arbor, MI 48108
734.994.9700

pfm.com



Public Sale of SLRF Refunding: Additionally, JP Morgan also included a proposal for the taxable direct placement of District's School Loan Revolving Fund balance. Based on the interest rate spread information provided in the senior managing underwriter proposals, during the interview process, and based on PFM's experience, we believe a public issuance of the School Loan Revolving Fund ("SLRF") balance would produce a greater savings to the District (estimated to be as much as \$13,000,000** of additional savings based on January 30, 2020 estimated interest rates), and as such we recommend proceeding with a public sale at this time for the refunding of the SLRF balance. However, we recommend maintaining the flexibility to execute the SLRF refinancing using a direct placement in the bond authorizing documents with JP Morgan in the event the market changes prior to the issuance of the SLRF refunding, and the direct placement produces greater savings to the District.

Appointment of Siebert Williams Shank & Co. as Senior Managing Underwriter on Public Sale: 4 finalist were selected for interviews of the 15 senior managing underwriter proposals, based on their experience, qualifications, market knowledge, fees and quality of their proposals. Those firms included B of A Securities, JP Morgan Securities, Siebert Williams Shank & Co and Stifel. After completion of the interviews, the interviewed firms were scored by the selection committee comprised of District employees, and the firm receiving the highest score, Siebert Williams Shank & Co. was recommended to serve as Senior Managing Underwriter on the District's proposed public sale refunding bonds which are expected to include the taxable refunding of the School Loan Revolving Fund balance, and the tax-exempt refunding of the 2010B Build America Bonds, along with any other of the debt referenced above which is financially beneficial for the District based on the market conditions as of the time of sale. The District anticipates the appointment of co-managing underwriters to assist in the sale of the publicly issued bonds, with the initial recommendation of JP Morgan and Stifel. However, that will need to be finalized based on the final size of the bond issuance, market conditions, and input from the Senior Managing Underwriter.

***Savings is estimated based on interest rates as of January 30, 2020. Final savings will be based on final interest rates, along with the final School Loan Revolving Fund balance to be refunded which is anticipated to include the loan required to make the May, 2020 bond payments. Estimated savings will vary based on taxable value growth rate assumptions and SLRF interest rate assumptions.*



With the above recommendations, we expect there will be 3 separate and unique debt issuances, all of which we believe will have slightly different time requirements/limitations. However, we do anticipate the refunding issues will be completed within the next 4 to 5 months.

Should you have any questions or require additional information, please call. Again, thank you for the opportunity to continue to represent you on your financings.

Respectfully submitted,

Kari L. Blanchett
Managing Director

Cc: Jenice C. Mitchell Ford, General Counsel
Amanda VanDusen, Miller Canfield
Ronald Liscombe, Miller Canfield
Nate Watson, PFM



\$41,995,000
DETROIT PUBLIC SCHOOLS
County of Wayne, State of Michigan
2020 Refunding Bonds, Series A
(General Obligation - Unlimited Tax)

Levy Year	Payment Yr. End 30-Jun	Annual Debt Service Payment			Projected Millage Rate*		
		Before Refunding	After Refunding	Savings	Before Refunding	After Refunding	Savings
2019	2020	\$181,722,623	\$180,583,466	\$1,139,157	13.00	13.00	0.00
2020	2021	181,491,008	181,167,336	323,672	13.00	13.00	0.00
2021	2022	181,256,170	180,890,006	366,164	13.00	13.00	0.00
2022	2023	181,014,243	180,648,079	366,164	13.00	13.00	0.00
2023	2024	157,137,679	156,771,515	366,164	13.00	13.00	0.00
2024	2025	124,488,771	124,122,606	366,164	13.00	13.00	0.00
2025	2026	124,919,280	124,553,115	366,164	13.00	13.00	0.00
2026	2027	125,034,808	124,668,644	366,164	13.00	13.00	0.00
2027	2028	124,728,836	124,397,747	331,089	13.00	13.00	0.00
2028	2029	124,439,337	124,143,325	296,013	13.00	13.00	0.00
2029	2030	114,416,756	113,500,744	916,013	13.00	13.00	0.00
2030	2031	113,867,596	112,952,744	914,852	13.00	13.00	0.00
2031	2032	64,592,060	63,673,620	918,440	13.00	13.00	0.00
2032	2033	41,341,051	40,424,522	916,529	13.00	13.00	0.00
2033	2034	30,167,745	29,248,377	919,368	13.00	13.00	0.00
2034	2035	29,029,213	28,112,506	916,707	13.00	13.00	0.00
2035	2036	27,890,680	26,971,885	918,796	13.00	13.00	0.00
2036	2037	26,757,148	25,840,214	916,935	13.00	13.00	0.00
2037	2038	25,618,393	24,700,142	918,251	13.00	13.00	0.00
2038	2039	24,479,638	23,562,071	917,567	13.00	13.00	0.00
2039	2040	4,715,884	3,796,000	919,884	13.00	13.00	0.00
2040	2041	0	0	0	13.00	13.00	0.00
2041	2042	0	0	0	13.00	13.00	0.00
2042	2043	0	0	0	13.00	13.00	0.00
2043	2044	0	0	0	13.00	13.00	0.00
2044	2045	0	0	0	13.00	13.00	0.00
2045	2046	0	0	0	13.00	13.00	0.00
2046	2047	0	0	0	13.00	13.00	0.00
2047	2048	0	0	0	13.00	13.00	0.00
2048	2049	0	0	0	13.00	13.00	0.00
2049	2050	0	0	0	10.53	6.53	4.00
		<u>\$2,009,108,922</u>	<u>\$1,994,728,664</u>	<u>\$14,380,258</u>			

TOTAL CUMULATIVE SAVINGS: \$14,380,258

NET PRESENT VALUE (NPV) SAVINGS: \$11,084,585

NPV Savings as % of Bonds Refunded: 22.334%



\$41,995,000
DETROIT PUBLIC SCHOOLS
County of Wayne, State of Michigan
2022 Refunding Bonds (Forward Delivery)
(General Obligation - Unlimited Tax)

Levy Year	Payment Yr. End 30-Jun	Annual Debt Service Payment			Projected Millage Rate*		
		Before Refunding	After Refunding	Savings	Before Refunding	After Refunding	Savings
2019	2020	\$181,722,623	\$181,722,623	\$0	13.00	13.00	0.00
2020	2021	181,491,008	181,491,008	0	13.00	13.00	0.00
2021	2022	181,256,170	176,789,465	4,466,706	13.00	13.00	0.00
2022	2023	181,014,243	178,319,841	2,694,402	13.00	13.00	0.00
2023	2024	157,137,679	154,444,959	2,692,720	13.00	13.00	0.00
2024	2025	124,488,771	121,797,199	2,691,572	13.00	13.00	0.00
2025	2026	124,919,280	122,228,210	2,691,070	13.00	13.00	0.00
2026	2027	125,034,808	122,340,935	2,693,873	13.00	13.00	0.00
2027	2028	124,728,836	122,033,829	2,695,007	13.00	13.00	0.00
2028	2029	124,439,337	121,746,898	2,692,440	13.00	13.00	0.00
2029	2030	114,416,756	111,725,753	2,691,004	13.00	13.00	0.00
2030	2031	113,867,596	111,172,681	2,694,915	13.00	13.00	0.00
2031	2032	64,592,060	61,896,910	2,695,151	13.00	13.00	0.00
2032	2033	41,341,051	38,645,421	2,695,630	13.00	13.00	0.00
2033	2034	30,167,745	30,167,745	0	13.00	13.00	0.00
2034	2035	29,029,213	29,029,213	0	13.00	13.00	0.00
2035	2036	27,890,680	27,890,680	0	13.00	13.00	0.00
2036	2037	26,757,148	26,757,148	0	13.00	13.00	0.00
2037	2038	25,618,393	25,618,393	0	13.00	13.00	0.00
2038	2039	24,479,638	24,479,638	0	13.00	13.00	0.00
2039	2040	4,715,884	4,715,884	0	13.00	13.00	0.00
2040	2041	0	0	0	13.00	13.00	0.00
2041	2042	0	0	0	13.00	13.00	0.00
2042	2043	0	0	0	13.00	13.00	0.00
2043	2044	0	0	0	13.00	13.00	0.00
2044	2045	0	0	0	13.00	13.00	0.00
2045	2046	0	0	0	13.00	13.00	0.00
2046	2047	0	0	0	13.00	13.00	0.00
2047	2048	0	0	0	13.00	13.00	0.00
2048	2049	0	0	0	13.00	13.00	0.00
2049	2050	0	0	0	10.53	0.75	9.78
		<u>\$2,009,108,922</u>	<u>\$1,975,014,435</u>	<u>\$34,094,487</u>			<u>9.78</u>

TOTAL CUMULATIVE SAVINGS: \$34,094,487

NET PRESENT VALUE (NPV) SAVINGS: \$30,387,649

NPV Savings as % of Bonds Refunded: 13.212%



\$259,495,000
DETROIT PUBLIC SCHOOLS
County of Wayne, State of Michigan
2020 Refunding Bonds, Series B
(General Obligation - Unlimited Tax)
(Federally Taxable)

ESTIMATED COMPARISON OF BEFORE VS. AFTER 2020 REFUNDING BONDS

Levy Year	Payment Yr. End 30-Jun	Annual Debt Service Payment			Annual SLRF & 2020B Refunding Bond Activity				Projected Millage Rate*		
		Before Refunding	After Refunding	Savings	SLRF Accrued Int. Before	After Refunding	Savings	PV Savings**	Before Refunding	After Refunding	Savings
2019	2020	\$74,266,538	\$74,266,538	\$0	\$6,006,208	\$5,502,197	\$504,011	\$501,619	13.00	13.00	0.00
2020	2021	75,194,870	75,194,870	0	9,783,324	7,202,600	2,580,725	2,504,594	13.00	13.00	0.00
2021	2022	76,134,805	76,134,805	0	13,652,938	10,837,074	2,815,864	2,664,828	13.00	13.00	0.00
2022	2023	77,086,491	77,086,491	0	17,617,773	14,702,296	2,915,477	2,690,474	13.00	13.00	0.00
2023	2024	78,050,072	78,050,072	(0)	21,542,702	18,524,089	3,018,613	2,716,368	13.00	13.00	0.00
2024	2025	79,025,698	79,025,698	(0)	24,676,504	21,551,106	3,125,398	2,742,510	13.00	13.00	0.00
2025	2026	80,013,519	80,013,519	(0)	26,924,573	23,688,612	3,235,961	2,768,904	13.00	13.00	0.00
2026	2027	81,013,688	81,013,688	(0)	29,230,544	25,880,109	3,350,434	2,795,552	13.00	13.00	0.00
2027	2028	82,026,359	82,026,359	(0)	31,584,263	28,115,306	3,468,958	2,822,456	13.00	13.00	0.00
2028	2029	83,051,688	83,051,688	(0)	33,974,621	30,685,668	3,288,953	2,609,442	13.00	13.00	0.00
2029	2030	84,089,834	84,089,834	(0)	36,346,176	33,565,728	2,780,448	2,151,130	13.00	13.00	0.00
2030	2031	85,140,957	85,140,957	(0)	38,465,532	36,185,508	2,280,025	1,720,098	13.00	13.00	0.00
2031	2032	86,205,219	86,205,219	(0)	40,318,937	38,504,836	1,814,101	1,334,556	13.00	13.00	0.00
2032	2033	87,282,785	87,282,785	(0)	40,608,844	39,224,946	1,383,898	992,753	13.00	13.00	0.00
2033	2034	88,373,819	88,373,819	(0)	40,118,746	38,825,317	1,293,430	904,777	13.00	13.00	0.00
2034	2035	89,478,492	89,478,492	(0)	39,235,910	37,896,725	1,339,185	913,485	13.00	13.00	0.00
2035	2036	90,596,973	90,596,973	(0)	38,242,408	36,855,849	1,386,560	922,276	13.00	13.00	0.00
2036	2037	91,729,435	91,729,435	(0)	37,133,865	35,698,256	1,435,610	931,152	13.00	13.00	0.00
2037	2038	92,876,053	92,876,053	(0)	35,905,834	34,419,438	1,486,395	940,114	13.00	13.00	0.00
2038	2039	94,037,004	94,037,004	(0)	34,553,430	33,014,452	1,538,977	949,162	13.00	13.00	0.00
2039	2040	95,212,467	95,212,467	(0)	32,963,100	31,369,681	1,593,419	958,296	13.00	13.00	0.00
2040	2041	96,402,622	96,402,622	(0)	30,663,470	29,013,683	1,649,787	967,519	13.00	13.00	0.00
2041	2042	97,607,655	97,607,655	(0)	28,100,983	26,392,834	1,708,149	976,830	13.00	13.00	0.00
2042	2043	98,827,751	98,827,751	(0)	25,405,130	23,636,555	1,768,576	986,231	13.00	13.00	0.00
2043	2044	100,063,098	100,063,098	(0)	22,570,660	20,739,520	1,831,140	995,723	13.00	13.00	0.00
2044	2045	101,313,887	101,313,887	(0)	19,592,128	17,696,210	1,895,918	1,005,306	13.00	13.00	0.00
2045	2046	102,580,310	102,580,310	(0)	16,463,890	14,500,903	1,962,987	1,014,981	13.00	13.00	0.00
2046	2047	103,862,564	103,862,564	(0)	13,180,097	11,147,668	2,032,428	1,024,749	13.00	13.00	0.00
2047	2048	105,160,846	105,160,846	(0)	9,734,684	7,630,357	2,104,327	1,034,611	13.00	13.00	0.00
2048	2049	106,475,357	106,475,357	(0)	6,121,365	3,942,597	2,178,768	1,044,568	13.00	13.00	0.00
2049	2050	87,307,091	20,433,816	66,873,275	2,491,116	(613,637)	3,104,752	1,451,492	10.53	2.46	8.06
2050	2051	0	0	0	0	0	0	0	0.00	0.00	0.00
		\$2,770,487,948	\$2,703,614,673	\$66,873,275	\$803,209,757	\$736,336,482	\$66,873,275	\$48,036,560			

TOTAL CUMULATIVE SAVINGS: \$66,873,275

NET PRESENT VALUE (NPV) SAVINGS: \$48,036,560
NPV Savings as % of Bonds Refunded: 18.583%

SBLF/ SLRF Balance Repaid: \$258,491,000
MLRD: 2046

* Based on an 1.25% annual Taxable Value growth rate first year, 1.25% thereafter
* Based on an SLRF activity rate of 3.50%.
** Based on the 2020B Refunding Bonds All in TIC rate of 2.53%.

RESOLUTION AUTHORIZING
2020 REFUNDING BONDS
(UNLIMITED TAX GENERAL OBLIGATION) (TAXABLE),
2022 REFUNDING BONDS (UNLIMITED TAX GENERAL OBLIGATION)
AND BOND PURCHASE AGREEMENT RELATING THERETO

School District of the City of Detroit
County of Wayne, Michigan

Minutes of a regular meeting of the Board of Education (the “Board of Education”) of the Detroit Public Schools Community District (the “Community District”) acting on behalf of the School District of the City of Detroit, County of Wayne, Michigan (the “School District”) held in the School District on the 11th day of February, 2020, at 5:30 p.m., prevailing Eastern Time.

PRESENT: Angelique Peterson-Mayberry, Sonya May, Misha Stallworth, Dr. Deborah Hunter-Harvill, Bishop Corletta J. Vaughn

ABSENT: Members Dr. Iris Taylor, Georgia Lemmons

The following preamble and resolution were offered by Member Sonya Mays and supported by Member Misha Stallworth

WHEREAS, the School District was created under the provisions of The Revised School Code, Act 451, Public Acts of Michigan, 1976, as amended (“Act 451”) by the State of Michigan (the “State”), pursuant to which the School District has the power conferred upon it by Act 451, other applicable law, and the Michigan Constitution of 1963 (the “Constitution”), subject only to the limitations on the exercise of that power contained in the Constitution, or by statute of the State; and

WHEREAS, on June 21, 2016, Act 192, Public Acts of Michigan, 2016 (“Act 192”) amending Act 451, was enacted with immediate effect; and

WHEREAS, once Act 192 became effective, the School District became a qualifying school district under Section 12b of Act 451, and a community district was created for the same geographic area as the School District, to provide public educational services for residents of that geographic area under Section 383 of Act 451; and

WHEREAS, the Board of Education of the Community District is authorized to exercise the functions and responsibilities of the School District; and

WHEREAS, Act 34, Public Acts of Michigan, 2001, as amended (“Act 34”) and Act 192 permit the Board of Education to refund or advance refund all or part of the bonded indebtedness of the School District; and

WHEREAS, the School District has previously issued its 2012A School Building and Site Improvement Refunding Bonds (Unlimited Tax General Obligation), dated March 27, 2012 (the “Prior Bonds”); and

WHEREAS, the Prior Bonds maturing on or after May 1, 2023 are subject to optional redemption beginning on May 1, 2022; and

WHEREAS, based on the advice of the School District’s municipal advisor, interest rates are currently at or near historic lows; and

WHEREAS, the Community District determines that it is in the best interest of the School District to authorize the issuance and sale of bonds to a purchaser pursuant to a direct placement with a delayed delivery date to lock in interest rates in 2020, with the Bonds to be issued and delivered to the purchaser in 2022, the proceeds of which will be used to refund all or a portion of the Prior Bonds (the portion being refunded, the “Refunded Bonds”); and

WHEREAS, the School District’s debt millage rate is capped at 13 mills, and because the levy of such debt millage has not produced sufficient revenue to pay debt service on its qualified unlimited tax general obligation bonds, the School District has borrowed from the Michigan School Loan Revolving Fund (the “Fund”) to pay debt service on such bonds; and

WHEREAS, the outstanding balance of the School District’s Michigan School Loan Revolving Fund loans (the “Loans”) is projected to be approximately \$258,000,000 as of May 2, 2020; and

WHEREAS, the Community District determines that it is in the best interest of the School District to authorize the issuance and sale of bonds to a purchaser pursuant to a direct placement to refund all or a portion of its outstanding Loans to provide savings for taxpayers and reduce the amount of future borrowing from the Fund; and

WHEREAS, if, due to market conditions or Michigan Department of Treasury (“Department”) requirements, any of the refunding components becomes noneconomic or inefficient, or if the School District successfully executes a public offering at levels advantageous to the taxpayers, the Board of Education wishes to authorize an Authorized Officer (hereinafter defined) to proceed only with the portion of the refundings described above, if any, which allows the School District to maximize the benefits to the School District and its taxpayers; and

WHEREAS, the Community District has solicited proposals from and wishes to authorize the negotiation and sale of the Bonds to a purchaser within the parameters established by this Resolution.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. A. Bonds of the School District designated **2022 Refunding Bonds (Unlimited Tax General Obligation)** (the “2022 Bonds”) may be issued in one or more series, with appropriate designations, in the aggregate principal amount of not to exceed Two Hundred and Sixty Million Dollars (\$260,000,000), or such lesser amount as shall be determined by an Authorized Officer upon sale thereof for the purposes of refunding all or a portion of the Prior Bonds and paying the costs of issuance of the 2022 Bonds including costs of issuance payable

prior to the delivery of the Bonds. The 2022 Bonds shall consist of bonds registered as to principal and interest of the denomination of \$100,000 and integral multiples of \$5,000 in excess thereof, be dated as of the date of delivery or such other date as shall be determined by either the Superintendent or the Chief Financial Officer of the Community District (each, an “Authorized Officer”) at the time of sale of each issue of the Bonds, and numbered as determined by the Transfer Agent (hereinafter defined). The 2022 Bonds will mature on May 1 in the years and in the principal amounts as determined at the time of sale of such Bonds. The 2022 Bonds shall bear interest at fixed rate to be determined upon negotiated sale thereof to a purchaser through a direct placement, but in any event not exceeding a true interest cost of four percent (4.00%) per annum, payable semi-annually on May 1 and November 1 as determined by an Authorized Officer at the time of sale. The net present value savings to be realized by the School District from the refunding of the Prior Bonds shall be not less than 5.00% of the principal amount of the Refunded Bonds.

B. Bonds of the School District designated **2020 Refunding Bonds (Unlimited Tax General Obligation) (Taxable)** (the “2020 Bonds”, and together with the 2022 Bonds, the “Bonds”) may be issued in one or more series, with appropriate designations, in the aggregate principal amount of not to exceed Two Hundred and Ninety Million Dollars (\$290,000,000), or such lesser amount as shall be determined by an Authorized Officer upon sale thereof for the purposes of refunding all or a portion of the Loans and paying the costs of issuance. The issue shall consist of bonds registered as to principal and interest of the denomination of \$100,000 and integral multiples of \$5,000 in excess thereof, be dated as of the date of delivery or such other date as shall be determined by an Authorized Officer at the time of sale of the 2020 Bonds, and numbered as determined by the Transfer Agent. The 2020 Bonds shall mature on May 1 in the years and in the principal amounts as determined at the time of sale of the 2020 Bonds. The 2020 Bonds shall bear interest at a fixed rate to be determined upon negotiated sale thereof, but in any event not exceeding a true interest cost of three percent (3.00%) per annum, payable semi-annually on May 1 and November 1 as determined by an Authorized Officer at the time of sale. The net present value savings to be realized by the School District from the refunding of the Loans shall be not less than 3.00% of the projected debt service payable on the Loans in the absence of the refunding, based on Department guidelines.

C. In the event that the School District, based on the advice of its municipal advisor, determines that the net present value savings associated with the refinancing of the Prior Bonds is not at least five percent (5.00%) of the principal amount of such series of the Refunded Bonds or the net present value savings from the refunding of the Loans is not at least 3.00% of the projected debt service payable on the Loans, the School District may defer or delay the issuance of Bonds for that purpose.

If the delivery of the Bonds of either series is delayed in whole or in part beyond the contemplated year of issuance due to market or other conditions, the dated date of the Bonds, the designation of the Bonds, the forms of the Bonds, the names of the funds established by this Resolution, the application of Bond proceeds and the first year of the tax levy with respect to the Bonds may be adjusted accordingly by an Authorized Officer to reflect the year of issue.

Interest on the Bonds shall be payable by check drawn on the Transfer Agent, mailed to the registered owner at the registered address, as shown on the registration books of the School District maintained by the Transfer Agent. Interest shall be payable to the registered owner of record as of the fifteenth day of the month prior to the payment date for each interest payment. The date of determination of registered owner for purposes of payment of interest as provided in

this paragraph may be changed by the School District to conform to market practice in the future. The principal of the Bonds shall be payable at a bank or trust company selected by an Authorized Officer, as registrar and transfer agent for the Bonds (the “Transfer Agent”) upon presentation and surrender of the appropriate Bond.

If requested by the purchaser, the Bonds may be issued in book-entry-only form through The Depository Trust Company in New York, New York.

The Bonds of any series may be issued as serial or term bonds or both and shall be subject to optional or mandatory redemption prior to maturity at the times and prices determined at the time of sale and in the manner as set forth provided in the forms of bond set forth in paragraph 5 of this resolution.

Unless waived by any registered owner of Bonds, official notice of redemption shall be given by the Transfer Agent on behalf of the School District. Such notice shall be dated and shall contain at a minimum the following information: original issue date; maturity dates; interest rates; CUSIP numbers, if any; certificate numbers (and in the case of partial redemption) the called amounts of each certificate; the redemption date; the redemption price; the place where Bonds called for redemption are to be surrendered for payment; and that interest on Bonds or portions thereof called for redemption shall cease to accrue from and after the redemption date.

In addition, further notice shall be given by the Transfer Agent in such manner as may be required or suggested by regulations or market practice at the applicable time, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed herein.

The Bonds shall be signed by the manual or facsimile signatures of the President and Secretary of the Board of Education on behalf of the School District. No bond of either series shall be valid until authenticated by an authorized representative of the Transfer Agent. The Bonds shall be delivered to the Transfer Agent for authentication and be delivered by it to the purchaser in accordance with instructions from the Treasurer of the Board of Education upon payment of the purchase price for the Bonds in accordance with the bid therefor when accepted. Executed blank Bonds for registration and issuance to transferees shall simultaneously, and from time to time thereafter as necessary, be delivered to the Transfer Agent for safekeeping.

2. Unless the School District establishes a Common Debt Retirement Fund as provided by law for all issues of bonds of like character of the School District, the Treasurer of the Board of education shall open a special depository account for each series of Bonds with a bank to be designated as applicable to each series of Bonds, the 2022 Refunding Bonds Debt Retirement Fund (the “2022 Debt Retirement Fund”) and the 2020 Refunding Bonds Debt Retirement Fund (the “2020 Debt Retirement Fund”, and together with the 2022 Debt Retirement Fund, the “Debt Retirement Fund”). All proceeds from taxes levied for the payment of the principal of, interest on and redemption price for the Bonds shall be deposited into the applicable Debt Retirement Fund or the Common Debt Retirement Fund, if one is established. Once applicable debt retirement funds are established, the moneys deposited in such funds shall be used solely for the purpose of paying the principal of, interest on and redemption price, if any, for the related series of Bonds. If the School District establishes a Common Debt Retirement Fund, the moneys deposited in that fund shall be used solely for the payment of the principal of and interest on the Bonds and other bonds of like character of the School District payable from the Common Debt Retirement Fund. The accrued interest, if any, received upon delivery of any

series of Bonds shall also be deposited in the appropriate debt retirement fund. Any net original issue premium received on sale and delivery of any series of Bonds shall be deposited in the appropriate fund consistent with state and federal law, and if required by federal tax law, may be used to reduce the principal amount of the 2022 Bonds issued.

3. The proceeds of the 2022 Bonds shall be used to pay the costs of issuance of the 2022 Bonds and to secure payment of the Refunded Bonds as provided in this paragraph. Upon receipt of the proceeds of sale of the 2022 Bonds, the accrued interest, if any, shall be deposited in the 2022 Debt Retirement Fund. From the proceeds of the 2022 Bonds there shall be set aside a sum sufficient to pay the costs of issuance of the 2022 Bonds in a fund designated the 2022 Refunding Bonds Costs of Issuance Fund (the “2022 Costs of Issuance Fund”) to be held by the 2022 Escrow Agent (defined below). Moneys in the 2022 Costs of Issuance Fund shall be used solely to pay expenses of issuance of the 2022 Bonds. Any amounts remaining in the 2022 Costs of Issuance Fund after payment of issuance expenses shall be transferred to the 2022 Debt Retirement Fund.

After setting aside funds to pay costs of issuance as provided above, the balance of the proceeds of the 2022 Bonds, together with any moneys transferred by the School District at the time of sale of the 2022 Bonds from the debt retirement fund for the Prior Bonds and any other available funds provided by the School District, shall be invested in direct obligations of or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America or other obligations the principal of and interest on which are fully secured by the foregoing (the “2022 Escrow Fund”) and used to pay principal of and interest on the Refunded Bonds. The 2022 Escrow Fund shall be held by a bank or trust company, as trustee and escrow agent (the “2022 Escrow Agent”), in trust pursuant to an Escrow Agreement (the “2022 Escrow Agreement”) which shall irrevocably direct the 2022 Escrow Agent to take all necessary steps to call for redemption the Refunded Bonds, including publication and mailing of redemption notices, on any date specified by the Authorized Officer on which the Refunded Bonds may be called for redemption. The investments held in the 2022 Escrow Fund shall be such that the principal and interest payments received thereon will be sufficient, without reinvestment, to pay the principal of and interest on the Refunded Bonds as they become due for redemption required by this paragraph, and the Authorized Officer is hereby authorized to select and retain on behalf of the School District an escrow agent to serve under the 2022 Escrow Agreement.

4. The proceeds of the 2020 Bonds shall be used to pay the costs of issuance of the 2020 Bonds, repay the Loans, and pay any other eligible issuance costs associated with the School District’s refunding plan as provided in this paragraph. Upon receipt of the proceeds of sale of the 2020 Bonds, the accrued interest, if any, shall be deposited in the appropriate account of the 2020 Debt Retirement Fund. From the proceeds of the 2020 Bonds there shall be set aside a sum sufficient to pay the costs of issuance of the 2020 Bonds any other eligible issuance costs associated with the School District’s refunding plan in a fund designated the 2020 Refunding Bonds Costs of Issuance Fund (the “2020 Costs of Issuance Fund”). Moneys in the 2020 Costs of Issuance Fund shall be used to pay expenses of issuance of the Bonds. Any amounts remaining in the 2020 Costs of Issuance Fund after payment of issuance expenses shall be transferred to the 2020 Debt Retirement Fund.

After setting aside funds to pay costs of issuance as provided above, the remaining balance of the proceeds of the 2020 Bonds shall be transferred to the Department in an amount sufficient to pay principal of and interest on the Loans as determined by an Authorized Officer at

the time of sale of the 2020 Bonds. If the proceeds allocated to refund the Loans are not transferred to the Department on the day of delivery of the 2020 Bonds, such proceeds (the "School Loan Escrow Funds") shall be held by a bank or trust company, as Trustee (the "Loan Trustee"), in trust pursuant to an Escrow Agreement (the "Loan Escrow") which shall irrevocably direct the Loan Trustee to take all necessary steps to notify and transfer to the Department the School Loan Escrow Funds on the date or dates established at the time of sale of the 2020 Bonds. Pending such transfer the investment held in the School Loan Escrow Funds shall be such that the principal and interest payments received thereon will be sufficient, without reinvestment, to pay the Loans on the date specified, and each Authorized Officer is hereby individually authorized to select and retain on behalf of the School District a trustee to serve under the Loan Escrow. Either Authorized Officer is authorized and directed to purchase or cause to be purchased escrow securities in an amount sufficient to fund the Loan Escrow.

5. The Bonds shall be in substantially the form of the following, as applicable:

FORM OF 2022 BOND

UNITED STATES OF AMERICA

STATE OF MICHIGAN

COUNTY OF WAYNE

SCHOOL DISTRICT OF THE CITY OF DETROIT

2022 REFUNDING BOND

(UNLIMITED TAX GENERAL OBLIGATION)

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF ORIGINAL ISSUE</u>	<u>CUSIP</u>
	_____ 1, 20__		

Registered Owner: [_____]

Principal Amount: _____ Dollars

School District of the City of Detroit, County of Wayne, State of Michigan (the "School District"), promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America on the Date of Maturity specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon (computed on the basis of a 360-day year consisting of twelve 30-day months) from the Date of Original Issue specified above or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on _____ 1, 20__ and semiannually thereafter. Principal of this bond is payable at the _____ office of _____, _____, Michigan, or such other transfer agent as the School District may hereafter designate by notice mailed to the registered owner hereof not less than sixty (60) days prior to any interest payment date (the "Transfer Agent"). Interest on this bond is payable by check or draft mailed by the Transfer Agent to the person or entity who is as of the 15th day of the month preceding each interest payment date, the registered owner, at the registered address.

This bond is one of a series of Bonds aggregating the principal sum of \$_____, issued under and in pursuance of the provisions of Act 451, Public Acts of Michigan, 1976, as amended, and Act 34, Public Acts of Michigan, 2001, as amended, and pursuant to a resolution of the Board of Education of the Detroit Public Schools Community District (the "Community District"), acting on the School District's behalf, adopted on February __, 2020 for the purposes of refunding a portion of the School District's 2012A School Building and Site Improvement Refunding Bonds (Unlimited Tax General Obligation).

The full faith, credit and resources of the School District are pledged for the payment hereof, and the School District is obligated to levy annually sufficient taxes to provide for the payments of the principal of and interest on the bonds of this issue as they mature, without limitation as to rate or amount.

[Bonds or portions of bonds in the denomination of \$100,000 and integral multiples of \$5,000 in excess thereof maturing in the years 20__ to 20__, inclusive, shall not be subject to redemption prior to maturity.]

[Bonds maturing in the years 20__ to 20__, inclusive, shall be subject to redemption prior to maturity, at the option of the School District, in any order of maturity, and by lot within a single maturity, on any date on or after _____, 20__. Bonds or portions thereof called for redemption shall be redeemed at par plus accrued interest to the date fixed for redemption.]

[Insert mandatory term bond redemption provisions, if needed]

Notice of redemption of any bond shall be given at least thirty (30) days and no more than sixty (60) days prior to the date fixed for redemption by mail to the registered owner or owners at the registered addresses shown on the registration books kept by the Transfer Agent. Bonds shall be called for redemption in the denomination of \$100,000 and integral multiples of \$5,000 in excess thereof, and Bonds of denominations of more than \$100,000 shall be treated as representing the number of bonds obtained by dividing the denomination of the bond by \$5,000, and such bonds may be redeemed in part. The notice of redemption for bonds redeemed in part shall state that upon surrender of the bond to be redeemed a new bond or bonds in aggregate principal amount equal to the unredeemed portion of the bond surrendered shall be issued to the registered holder thereof. No further interest shall accrue on the bonds or portions of bonds called for redemption after the date fixed for redemption, whether presented for redemption or not, provided funds are on hand with the Transfer Agent to redeem the same.

Any bond may be transferred by the registered owner, in person or by the registered owner's authorized attorney or legal representative, upon surrender of the bond to the Transfer Agent for cancellation, together with a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any bond is surrendered for transfer, the Transfer Agent shall authenticate and deliver a new bond or bonds, in like aggregate principal amount, interest rate and maturity. The Transfer Agent shall require the registered owner requesting the transfer to pay any tax or other governmental charge required to be paid with respect to the transfer. The Transfer Agent will not be required to (i) issue, register the transfer of or exchange any bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of bonds selected for redemption and ending at the close of business on the day of that mailing, or (ii) register the transfer of or exchange any bond selected for redemption in whole or in part, except the unredeemed portion of bonds being redeemed in part.

It is hereby certified and recited that all acts, conditions and things required to be done, exist and happen, precedent to and in the issuance of said series of bonds of which this is one, in order to make them valid and binding obligations of said School District have been done, exist and have happened in regular and due form and time as provided by law, and that the total indebtedness of said School District, including the series of bonds of which this is one, does not exceed any constitutional or statutory limitation.

This bond is not valid or obligatory for any purpose until the Transfer Agent's Certificate of Authentication on this bond has been executed by the Transfer Agent.

IN WITNESS WHEREOF, the School District of the City of Detroit, County of Wayne, State of Michigan, by the Board of Education of the Community District, acting on its behalf, has caused this bond to be signed in the name of the School District by the facsimile signature of the President and to be countersigned by the facsimile signature of the Secretary of the Board of Education of the Community District, all as of the Date of Original Issue.

SCHOOL DISTRICT OF THE CITY OF DETROIT
County of Wayne
State of Michigan

By the BOARD OF EDUCATION OF THE DETROIT PUBLIC
SCHOOLS COMMUNITY DISTRICT

By [Facsimile]
President

Countersigned:

 [Facsimile]
Secretary

[FORM OF TRANSFER AGENT'S CERTIFICATE OF AUTHENTICATION]

Certificate of Authentication

This bond is one of the Bonds described in the within-mentioned resolution.

Transfer Agent

By: _____

Authorized Signature

Date of Authentication: _____

FORM OF 2020 BOND

UNITED STATES OF AMERICA

STATE OF MICHIGAN
COUNTY OF WAYNE

SCHOOL DISTRICT OF THE CITY OF DETROIT

2020 REFUNDING BOND, SERIES __
(UNLIMITED TAX GENERAL OBLIGATION)
(TAXABLE)

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF ORIGINAL ISSUE</u>	<u>CUSIP</u>
	May 1, 20__		

School District of the City of Detroit, County of Wayne, State of Michigan (the "School District"), promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America on the Date of Maturity specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon from the Date of Original Issue specified above or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on _____ 1, 20__ and semiannually thereafter. Principal of this bond is payable at the _____ office of _____, _____, Michigan, or such other transfer agent as the School District may hereafter designate by notice mailed to the registered owner hereof not less than sixty (60) days prior to any interest payment date (the "Transfer Agent"). Interest on this bond is payable by check or draft mailed by the Transfer Agent to the person or entity who is as of the 15th day of the month preceding each interest payment date, the registered owner, at the registered address.

This bond is one of a series of Bonds aggregating the principal sum of \$_____, issued under and in pursuance of the provisions of Act 451, Public Acts of Michigan, 1976, as amended, and Act 34, Public Acts of Michigan, 2001, as amended, and pursuant to a resolution of the Board of Education of the Detroit Public Schools Community District (the "Community District"), acting on the School District's behalf, adopted on February 11, 2020 for the purposes of refunding [a portion of] the School District's outstanding Michigan School Loan Revolving Fund loans.

The full faith, credit and resources of the School District are pledged for the payment hereof, and the School District is obligated to levy annually sufficient taxes to provide for the payments of the principal of and interest on the bonds of this issue as they mature, without limitation as to rate or amount.

[Bonds or \$5,000 portions of bonds maturing in the years 20__ to 20__, inclusive, shall not be subject to redemption prior to maturity.]

[Bonds maturing in the years 20__ to 20__, inclusive, shall be subject to redemption prior to maturity, at the option of the School District, in any order of maturity, and by lot within a single maturity, on any date on or after _____, 20__. Bonds or portions thereof called for redemption shall be redeemed at par plus accrued interest to the date fixed for redemption.]

[Insert mandatory term bond redemption provisions, if needed]

Notice of redemption of any bond shall be given at least thirty (30) days and no more than sixty (60) days prior to the date fixed for redemption by mail to the registered owner or owners at the registered addresses shown on the registration books kept by the Transfer Agent. Bonds shall be called for redemption in multiples of \$5,000, and Bonds of denominations of more than \$5,000 shall be treated as representing the number of bonds obtained by dividing the denomination of the bond by \$5,000, and such bonds may be redeemed in part. The notice of

redemption for bonds redeemed in part shall state that upon surrender of the bond to be redeemed a new bond or bonds in aggregate principal amount equal to the unredeemed portion of the bond surrendered shall be issued to the registered holder thereof. No further interest shall accrue on the bonds or portions of bonds called for redemption after the date fixed for redemption, whether presented for redemption or not, provided funds are on hand with the Transfer Agent to redeem the same.

Any bond may be transferred by the registered owner, in person or by the registered owner's authorized attorney or legal representative, upon surrender of the bond to the Transfer Agent for cancellation, together with a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any bond is surrendered for transfer, the Transfer Agent shall authenticate and deliver a new bond or bonds, in like aggregate principal amount, interest rate and maturity. The Transfer Agent shall require the registered owner requesting the transfer to pay any tax or other governmental charge required to be paid with respect to the transfer. The Transfer Agent will not be required to (i) issue, register the transfer of or exchange any bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of bonds selected for redemption and ending at the close of business on the day of that mailing, or (ii) register the transfer of or exchange any bond selected for redemption in whole or in part, except the unredeemed portion of bonds being redeemed in part.

It is hereby certified and recited that all acts, conditions and things required to be done, exist and happen, precedent to and in the issuance of said series of bonds of which this is one, in order to make them valid and binding obligations of said School District have been done, exist and have happened in regular and due form and time as provided by law, and that the total indebtedness of said School District, including the series of bonds of which this is one, does not exceed any constitutional or statutory limitation.

This bond is not valid or obligatory for any purpose until the Transfer Agent's Certificate of Authentication on this bond has been executed by the Transfer Agent.

IN WITNESS WHEREOF, the School District of the City of Detroit, County of Wayne, State of Michigan, by the Board of Education of the Community District, acting on its behalf, has caused this bond to be signed in the name of the School District by the facsimile signature of the President and to be countersigned by the facsimile signature of the Secretary of the Board of Education of the Community District, all as of the Date of Original Issue.

SCHOOL DISTRICT OF THE CITY OF DETROIT
County of Wayne
State of Michigan

By the BOARD OF EDUCATION OF THE DETROIT PUBLIC
SCHOOLS COMMUNITY DISTRICT

By _____ [Facsimile] _____
President

Countersigned:
_____[Facsimile]_____
Secretary

[FORM OF TRANSFER AGENT'S CERTIFICATE OF AUTHENTICATION]

Certificate of Authentication

This bond is one of the Bonds described in the within-mentioned resolution.

Transfer Agent

By: _____
Authorized Signature

Date of Authentication: _____

6. Commencing with the fiscal year beginning July 1 after each series of the Bonds are delivered, it shall be the duty of the School District to levy a tax annually in an amount sufficient so that the estimated collections therefrom will be sufficient to pay promptly when due the principal of and interest becoming due on the Bonds, which tax levies shall not be subject to limitation as to rate or amount.

7. The School District has considered the option of selling the Bonds through a competitive sale and a negotiated sale and, pursuant to the requirements of Act 34, Public Acts of Michigan, 2001, as amended, and based on the advice of the School District's municipal advisor, determines that a negotiated sale of the Bonds provides the School District with greater flexibility in structuring bond maturities and the timing of the sale of the Bonds, and will enable the School District to lock in savings to the advantage of the School District and its taxpayers.

8. The School District hereby authorizes each Authorized Officer to negotiate the terms of and award the sale of each series of the Bonds to JPMorgan Chase & Co. (the "Purchaser") pursuant to a bond purchase agreement and a sale order subject to the parameters set forth in this Resolution and the terms of a proposal from the Purchaser dated January 8, 2020 as updated on January 31, 2020 and February 4, 2020. The bond purchase agreement may provide for delayed delivery of the Bonds. The Purchaser shall provide an Investor Letter substantially in the form attached hereto as Exhibit A, with such changes as are necessary and desirable and not materially adverse to the School District. Each Authorized Officer is individually authorized to execute and deliver the bond purchase agreements on behalf of the School District without further approval of this Board of Education.

In the event the terms of sale of either series of Bonds cannot be finalized with JPMorgan Chase & Co, each Authorized Officer is hereby authorized to negotiate the terms of and award the sale of either series of the Bonds to Morgan Stanley pursuant to a bond purchase agreement and a sale order subject to the parameters set forth in this Resolution and the terms of the proposal from Morgan Stanley dated January 8, 2020 and updated on January 31, 2020 and February 4, 2020. In such event, all other provisions of the preceding paragraph and this Resolution would apply to Morgan Stanley with equal effect.

9. The determination as to whether a series of Bonds will be issued, whether a bond purchase agreement will be signed pursuant to this resolution and whether the Bonds will be issued solely or in part to refund all or a portion of the Prior Bonds or will be issued solely or in part to refund the Loans shall be determined by an Authorized Officer at the time of sale, based on the advice of the School District's municipal advisor.

10. Either Authorized Officer is hereby individually authorized to adjust the final Bond details to the extent necessary or convenient to complete the transactions authorized in this Resolution, and in pursuance of the foregoing is authorized to exercise the authority and make the determinations authorized pursuant to Section 315(1)(d) of Act 34, including but not limited to, determinations regarding interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, redemption rights, the place of delivery and payment, designation of series, and other matters, all subject to the parameters established in this Resolution. Either Authorized Officer may, without further direction from the Board of Education, execute a sale order and a bond purchase agreement evidencing the final terms of Bonds and make any of the determinations, covenants and elections authorized by this Resolution pursuant to the order approving the sale of a series of Bonds, provided that the final

terms of a series of Bonds shall be within the parameters set forth in this Resolution.

11. The representation of the School District by Miller, Canfield, Paddock and Stone, P.L.C. as bond counsel is hereby confirmed and approved, notwithstanding Miller, Canfield's periodic representation in unrelated matters of the Purchaser and other potential parties to the transactions contemplated by this Resolution.

12. The School District hereby confirms the appointment PFM Financial Advisors, LLC to act as municipal advisor with respect to the Bonds.

13. The officers, agents and employees of the Community District, on behalf of the School District, are authorized to take all other actions necessary and convenient to facilitate sale of each series of Bonds, including (i) filing Security Reports with the Michigan Department of Treasury pursuant to Act 34 for each series of Bonds, (ii) submitting an application and any other documentation for final qualification under the School Bond Qualification, Approval, and Loan Act, Act 92, Public Acts of Michigan, 2005, as amended, (iii) executing necessary documents, certificates and agreements and (iv) making such submissions and filing such information with the Financial Review Commission as may be necessary to obtain its approval to issue the Bonds pursuant to Act 181, Public Acts of Michigan, 2014, as amended.

Each Authorized Officer is hereby authorized to file applications with and to pay the related fees, if any, to the Department at his or her discretion under Act 34 for an Order or Orders of Approval to issue the Bonds, and apply for such waivers or other Treasury approvals as necessary to implement the issuance, delivery and security for the Bonds. Each Authorized Officer is hereby specifically authorized in his or her discretion, in accordance with Bulletin 10 under Act 34, to apply to the Department for an exemption to issue bonds without obtaining an investment grade rating pursuant to Section 323 of Act 34.

14. Either Authorized Officer is authorized on behalf of the School District to approve completed Applications for Final Qualification of the Bonds, in substantially the form attached hereto as Exhibit B, with such changes as an Authorized Officer shall deem necessary to conform the Applications to the final terms of each series of the Bonds, and to sign one or more loan agreements and any other documents that may be required by each loan agreement. The Secretary of the Board of Education is hereby authorized and directed to execute and cause to be submitted to the Department the completed Application for Final Qualification of each series of the Bonds.

15. The School District hereby covenants that, to the extent permitted by law, it shall take all actions within its control necessary to maintain the exclusion of the interest on the 2022 Bonds from adjusted gross income for federal income purposes under the Internal Revenue Code of 1986, as amended (the "Code") including but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure and investment of bond proceeds and moneys deemed to be bond proceeds.

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

AYES: Members: Angelique Peterson-Mayberry, Sonya May, Misha Stallworth, Dr. Deborah Hunter-Harvill, Bishop Corletta J. Vaughn

NAYS: Members: _____

RESOLUTION DECLARED ADOPTED.

Misha Stallworth
Secretary

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the Board of Education of the Detroit Public Schools Community District acting on behalf of the School District of the City of Detroit, County of Wayne, State of Michigan, at a regular meeting held on February 11, 2020, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.



Secretary

EXHIBIT A
FORM OF INVESTOR LETTER

_____ (the “Purchaser”), is the purchaser of the [\$ _____ 2020 Refunding Bonds (Unlimited Tax General Obligation) (Taxable)] [\$ _____ 2022 Refunding Bonds (Unlimited Tax General Obligation)] (the “Bonds”), issued by the School District of the City of Detroit, County of Wayne, State of Michigan (the “School District”).

This Certificate is delivered pursuant to the requirements of a certain bond purchase agreement between the Purchaser and the School District dated as of _____, [2020/2022] (the “Agreement”). Capitalized terms used but not defined herein have the meanings set forth in the Agreement.

The Purchaser does hereby certify, represent and warrant to the School District as follows:

1. The Purchaser is a “qualified institutional buyer” as defined in Rule 144A promulgated under the Securities Act of 1933, as amended (the “Securities Act”). In connection with its business the Purchaser holds an extensive portfolio of investment securities, has experience in the municipal bond market, and is capable of evaluating the merits and risks of purchase of the Bonds.

2. The Purchaser understands that the Bonds are payable in the manner set forth in the resolution (the “Resolution”) adopted on February 11, 2020 by the Board of Education of the Detroit Public Schools Community District, acting on behalf of the School District, authorizing the issuance of the Bonds, and has received and reviewed to its satisfaction copies of the Resolution and all principal documents relating to the Bonds.

3. The Purchaser has been provided access to the records and financial statements of the School District, and has been provided the opportunity to ask questions of, and receive answers from, the Community District concerning the School District and the terms and conditions of the Bonds and to obtain any additional information necessary to verify the accuracy of the information obtained. The Purchaser considers the information it has received sufficient to make the investment decision to purchase the Bonds.

4. The Purchaser understands that no official statement, prospectus, offering, circular, or other comprehensive offering statement is being provided with respect to the Bonds.

5. The Purchaser acknowledges that in connection with purchase of the Bonds, it has performed its own investigation of the risks involved in purchasing the Bonds for its own portfolio and is not relying on any other person to have conducted such investigation.

6. The Purchaser understands that the Bonds have not been registered under the Securities Act or the Michigan Uniform Securities Act, because the Bonds are exempt from such registration requirements. The Bonds have not been registered or may not be otherwise qualified

for sale under the “Blue Sky” laws or regulations of any state, will not be listed on any stock or other securities exchange, will carry no rating from any rating service, may not be readily marketable, and, therefore, the Purchaser may have to bear the economic risk of ownership of the Bonds for an indefinite period of time.

7. The Purchaser is purchasing the Bonds for its own account for investment and not with a present view to resale or distribution. The Purchaser will not sell or re-offer the Bonds, or sell participation interests in the Bonds, except in the event that (i) such sale or re-offering complies with federal securities laws and regulations and (ii) any subsequent purchaser, assignee or transferee shall deliver to the School District prior to such assignment an Investment Letter substantially identical to this Investment Letter.

8. The Purchaser acknowledges that Miller, Canfield, Paddock and Stone, P.L.C. (“Miller Canfield”) has acted only as the School District’s bond counsel in connection with this transaction; and has obtained such information and examined such records as it deemed necessary for the issuance of its opinion concerning the validity of the Bonds. However, the Purchaser further acknowledges that Miller Canfield has not reviewed, or performed any investigation of, the adequacy of the financial information pertaining to the business of the School District, if any, disclosed by the School District to the Purchaser.

9. The Purchaser certifies that, to its knowledge, it is not an “Iran linked business” within the meaning of the Iran Economic Sanctions Act, Act 517 of the Public Acts of Michigan of 2012.

[PURCHASER]

By _____
Its _____

Dated: [_____, 2020

EXHIBIT B
FORM OF FINAL QUALIFICATION APPLICATION

[SEE ATTACHED]

Reset Form

Michigan Department of Treasury
Form 3451 (Rev. 03-13)

Application No. SBL

Application for Final Qualification of Bonds
for Participation in the Michigan School Bond Qualification and Loan Program

Issued under authority of Public Act 92 of 2005, as amended.

Legal Name of School District School District of the City of Detroit	District Code Number 82010	Telephone Number (313) 873-4149	
Address 3011 West Grand Boulevard	City Detroit	County Wayne	ZIP Code 48202-3096
Name of Person Responsible for Preparation of this Application Dr. Nikolai Vitti		Title Superintendent	

CERTIFICATION

I, the undersigned, Secretary of the Board of Education, do certify hereby that the following constitutes a true and complete copy of a resolution adopted by the Board of Education of this School District, at a

regular **or** special meeting held on the 11 day of February, 2020,

and that the meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with Act 267 of the Public Acts of 1976 (Open Meetings Act).

Name of Secretary (Print or Type) Misha Stallworth	Signature of Secretary	Date
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PARTICIPANTS

Secretary, Board of Education Misha Stallworth	Superintendent of Schools Dr. Nikolai Vitti
Treasurer, Board of Education Sonya Mays	Architectural Firm N/A
Bond Counsel Miller, Canfield, Paddock and Stone, P.L.C.	Construction Manager N/A
Financial Advisor PFM Financial Advisors LLC	Paying Agent
Senior Underwriter JPMorgan Chase Bank, N.A.	

SALE TYPE

Competitive Bid Negotiated Sale

RESOLUTION

A meeting was called to order by _____, President.

Present: Members _____

Absent: Member _____

The following preamble and resolution were offered by Member _____ and supported by Member _____.

BACKGROUND

1. Act 92 of the Public Acts of Michigan, 2005, as amended, ("Act 92") enacted pursuant to Article IX, Section 16, of the Michigan Constitution of 1963, provides the procedure, terms and conditions for the final qualification of bonds for participation in the School Bond Qualification and Loan Program.
2. This district has taken all necessary actions to comply with all legal and procedural requirements for final qualification of this bond issue.

ACTION OF THE BOARD

1. The district hereby applies for final qualification of bonds by the State Treasurer for the purpose of:
 - Financing the school construction **and/or**
 - Refinancing existing debt as described in this application.
2. The bonds of the district qualified by the State Treasurer will conform to all the requirements of law pertaining generally to school bonds and specifically to school bonds qualified under Section 16, Article IX of the 1963 Michigan Constitution, Act 92, and Act 112, Public Acts of 1961, as amended.
3. Any moneys obtained through the sale of the qualified bonds of the district as herein proposed will be used only for the purpose of:
 - Financing the projects described in the application for preliminary qualification of bonds numbered SBL _____ **/and/ or**
 - Refinancing existing qualified debt and for no other purpose unless such change of purpose is permitted by law and has the prior approval of the State Treasurer.
4. The district agrees to annually certify and levy its debt millage tax by filing an Annual Loan Activity Statement in accordance with the requirements of Act 92 and to determine the amounts, if any, to be borrowed from or repaid to the School Loan Revolving Fund ("SLRF"). The district agrees to deposit proceeds of debt millage upon receipt into an account established solely for debt service with the appointed banking institution as defined in Section 9. The district agrees to comply with the provisions of Act 92 governing the periodic recalculation of its millage, the adjustment of its millage levy when necessary, and the repayment of funds to the SLRF, where applicable.
5. The district agrees to enter into a loan agreement and file all necessary applications for qualified loans from the SLRF along with all supporting information for repayment to the SLRF within statutory application dates and in accordance with forms and procedures as prescribed by the State Treasurer. The (insert title of authorized school district official(s)) Superintendent or Chief Financial Officer are/is authorized and directed to execute and deliver the loan agreement and any other documents that may be required by the loan agreement on behalf of the district. The district covenants to comply with the terms of any applicable qualified loan agreement it is now or may be a party to, including the provisions related to its millage levy.
6. The district agrees to take actions and refrain from taking actions as necessary to maintain the tax-exempt status of tax-exempt debt issued by the State of Michigan or the Michigan Finance Authority for the purpose of financing the School Bond Loan Fund or the School Loan Revolving Fund as defined in P.A. 227 of 1985, as amended.
7. The district agrees that if these bonds are issued as tax exempt bonds, it will use the proceeds of these bonds only for the purposes that are allowed for tax exempt bonds and that none of such proceeds will be used for more than the first advance refunding of any original bond issued after 1985, nor more than the second advance refunding of any original bond issued before 1986, and the district further agrees that proceeds of bonds issued as Qualified Zone Academy Bonds, Qualified School Construction Bonds, Build America Bonds or Recovery Zone Economic Development Bonds[will only be used for the purposes that are allowed for such bonds.
8. The district agrees to use any funds borrowed from the SLRF only for the payment of principal and interest on qualified bonds that is immediately payable to bondholders and not to fund escrow or sinking funds.

9. The district agrees to appoint a banking institution that performs paying agent services in general, and to execute a signed agreement that provides, at a minimum, the following procedures:
 - a. If the district has not established an irrevocable escrow account with a qualified escrow agent, the district agrees to submit debt service payments for its qualified bonds in immediately available funds to its banking institution no less than five business days prior to the debt service due date, and agrees not to withdraw, or cause a debit to be drawn against, such funds except to pay debt service.
 - b. The district agrees to use an existing or establish a new interest bearing, money market or investment account with the banking institution that performs paying agent services for the subject bonds, that allows the district to provide written investment instructions for the investment of collected funds on hand preceding the debt service due date.
 - c. The paying agent will implement notification procedures that provide that if sufficient funds for full payment of debt service do not reach the banking institution five business days prior to the debt service payment due date, the paying agent will notify the district of the amount of insufficient funds four business days prior to the debt service payment due date. In the event that the district does not immediately resolve the insufficient funds situation, the paying agent will notify the Michigan Department of Treasury of the delinquency three business days before the payment due date.
 - d. The district agrees to furnish written notification to the paying agent and the Department of Treasury of any bonds that have been refunded.
10. The district agrees to deposit all federal interest credits received with respect to its qualified bonds issued as direct credit type bonds into the debt retirement fund payable for such bonds.
11. The district requests that the State Treasurer increase its computed millage if at any time the full amount of any tax credit related to direct credit type bonds is not received or the amount of debt service on its qualified bonds increases for any reason and the current computed millage is not sufficient to repay all outstanding qualified loans by the final mandatory repayment date.
12. The district agrees that if Treasury determines that the district will not be able to make all or part of the debt service payment, Treasury will process an emergency loan from the SLRF. If the district incurs an emergency loan it shall be a legal debt of the district and the State Treasurer shall bill the school district for the amount paid and the school district shall remit the amount to the state.
13. The board directs the school district administration to report any failure to perform as a result of this application. In the event that the district fails to perform any actions as identified in this application or required by law, the district will submit to the State Treasurer a board approved resolution which indicates the actions taken and procedures implemented to assure future compliance.
14. The district board members have read this application, approved all statements and representations contained herein as true to the best knowledge and belief of said board, and authorized the Secretary of the Board of Education to sign this Final Application and submit same to the State Treasurer for his or her review and approval.

Ayes: Members _____

Nays: Members _____

BOND DETAIL

1. PURPOSE: Specify the purpose of bond issue exactly as stated on the ballot and as it is to be cited in the Order Qualifying Bonds (or attach an official copy).

For the purposes of refunding all or a portion of the outstanding balance of the School District's Michigan School Loan Revolving Fund loans and paying the costs of issuance.

2. ELECTION DATA:

- a. Date of election: _____
- b. Attach a copy of the Certified Official Canvass of Election (if not already on file).

3. FINAL MATURITY SCHEDULE:

- a. Total amount of this issue \$ _____
- b. Due date annually for principal payments: May 1st
- c. Due date semi-annually for interest payments: May 1st/Nov 1st
- d. Attach a copy of the bond amortization and millage impact schedules.

4. DEBT AMOUNTS:

- a. Amount of this bond issue \$ _____
- b. Total amount of bonded debt prior to this issue \$ _____
- c. Total amount of bonds being refunded \$ _____
- d. Total amount of proposed and existing debt (4a + b - c) \$ _____

5. PROPERTY VALUATION: Taxable valuation as of this date \$ _____

6. CHANGES IN FINANCIAL STRUCTURE: Specify any changes in financial structure since Preliminary Qualification or original Order Qualifying Bonds was approved:

N/A

7. Bond Type(s) (Check all that apply):

- Fixed Rate
- Variable Rate
- Tax Exempt
- Taxable
- Qualified Zone Academy Bond

Reset Form

Michigan Department of Treasury
Form 3451 (Rev. 03-13)

Application No. SBL

Application for Final Qualification of Bonds for Participation in the Michigan School Bond Qualification and Loan Program

Issued under authority of Public Act 92 of 2005, as amended.

Legal Name of School District School District of the City of Detroit	District Code Number 82010	Telephone Number (313) 873-4149	
Address 3011 West Grand Boulevard	City Detroit	County Wayne	ZIP Code 48202-3096
Name of Person Responsible for Preparation of this Application Dr. Nikolai Vitti		Title Superintendent	

CERTIFICATION

I, the undersigned, Secretary of the Board of Education, do certify hereby that the following constitutes a true and complete copy of a resolution adopted by the Board of Education of this School District, at a

regular or special meeting held on the 11 day of February, 2020,

and that the meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with Act 267 of the Public Acts of 1976 (Open Meetings Act).

Name of Secretary (Print or Type) Misha Stallworth	Signature of Secretary	Date
-------------------------------------------------------	------------------------	------

PARTICIPANTS

Secretary, Board of Education Misha Stallworth	Superintendent of Schools Dr. Nikolai Vitti
Treasurer, Board of Education Sonya Mays	Architectural Firm N/A
Bond Counsel Miller, Canfield, Paddock and Stone, P.L.C.	Construction Manager N/A
Financial Advisor PFM Financial Advisors LLC	Paying Agent
Senior Underwriter JPMorgan Chase Bank, N.A.	

SALE TYPE

Competitive Bid Negotiated Sale

RESOLUTION

A meeting was called to order by _____, President.

Present: Members _____

Absent: Member _____

The following preamble and resolution were offered by Member _____ and supported by Member _____.

BACKGROUND

1. Act 92 of the Public Acts of Michigan, 2005, as amended, ("Act 92") enacted pursuant to Article IX, Section 16, of the Michigan Constitution of 1963, provides the procedure, terms and conditions for the final qualification of bonds for participation in the School Bond Qualification and Loan Program.
2. This district has taken all necessary actions to comply with all legal and procedural requirements for final qualification of this bond issue.

ACTION OF THE BOARD

1. The district hereby applies for final qualification of bonds by the State Treasurer for the purpose of:
 - Financing the school construction **and/or**
 - Refinancing existing debt as described in this application.
2. The bonds of the district qualified by the State Treasurer will conform to all the requirements of law pertaining generally to school bonds and specifically to school bonds qualified under Section 16, Article IX of the 1963 Michigan Constitution, Act 92, and Act 112, Public Acts of 1961, as amended.
3. Any moneys obtained through the sale of the qualified bonds of the district as herein proposed will be used only for the purpose of:
 - Financing the projects described in the application for preliminary qualification of bonds numbered SBL _____ **/and/ or**
 - Refinancing existing qualified debt and for no other purpose unless such change of purpose is permitted by law and has the prior approval of the State Treasurer.
4. The district agrees to annually certify and levy its debt millage tax by filing an Annual Loan Activity Statement in accordance with the requirements of Act 92 and to determine the amounts, if any, to be borrowed from or repaid to the School Loan Revolving Fund ("SLRF"). The district agrees to deposit proceeds of debt millage upon receipt into an account established solely for debt service with the appointed banking institution as defined in Section 9. The district agrees to comply with the provisions of Act 92 governing the periodic recalculation of its millage, the adjustment of its millage levy when necessary, and the repayment of funds to the SLRF, where applicable.
5. The district agrees to enter into a loan agreement and file all necessary applications for qualified loans from the SLRF along with all supporting information for repayment to the SLRF within statutory application dates and in accordance with forms and procedures as prescribed by the State Treasurer. The (insert title of authorized school district official(s)) Superintendent or Chief Financial Officer are/is authorized and directed to execute and deliver the loan agreement and any other documents that may be required by the loan agreement on behalf of the district. The district covenants to comply with the terms of any applicable qualified loan agreement it is now or may be a party to, including the provisions related to its millage levy.
6. The district agrees to take actions and refrain from taking actions as necessary to maintain the tax-exempt status of tax-exempt debt issued by the State of Michigan or the Michigan Finance Authority for the purpose of financing the School Bond Loan Fund or the School Loan Revolving Fund as defined in P.A. 227 of 1985, as amended.
7. The district agrees that if these bonds are issued as tax exempt bonds, it will use the proceeds of these bonds only for the purposes that are allowed for tax exempt bonds and that none of such proceeds will be used for more than the first advance refunding of any original bond issued after 1985, nor more than the second advance refunding of any original bond issued before 1986, and the district further agrees that proceeds of bonds issued as Qualified Zone Academy Bonds, Qualified School Construction Bonds, Build America Bonds or Recovery Zone Economic Development Bonds[will only be used for the purposes that are allowed for such bonds.
8. The district agrees to use any funds borrowed from the SLRF only for the payment of principal and interest on qualified bonds that is immediately payable to bondholders and not to fund escrow or sinking funds.

9. The district agrees to appoint a banking institution that performs paying agent services in general, and to execute a signed agreement that provides, at a minimum, the following procedures:
 - a. If the district has not established an irrevocable escrow account with a qualified escrow agent, the district agrees to submit debt service payments for its qualified bonds in immediately available funds to its banking institution no less than five business days prior to the debt service due date, and agrees not to withdraw, or cause a debit to be drawn against, such funds except to pay debt service.
 - b. The district agrees to use an existing or establish a new interest bearing, money market or investment account with the banking institution that performs paying agent services for the subject bonds, that allows the district to provide written investment instructions for the investment of collected funds on hand preceding the debt service due date.
 - c. The paying agent will implement notification procedures that provide that if sufficient funds for full payment of debt service do not reach the banking institution five business days prior to the debt service payment due date, the paying agent will notify the district of the amount of insufficient funds four business days prior to the debt service payment due date. In the event that the district does not immediately resolve the insufficient funds situation, the paying agent will notify the Michigan Department of Treasury of the delinquency three business days before the payment due date.
 - d. The district agrees to furnish written notification to the paying agent and the Department of Treasury of any bonds that have been refunded.
10. The district agrees to deposit all federal interest credits received with respect to its qualified bonds issued as direct credit type bonds into the debt retirement fund payable for such bonds.
11. The district requests that the State Treasurer increase its computed millage if at any time the full amount of any tax credit related to direct credit type bonds is not received or the amount of debt service on its qualified bonds increases for any reason and the current computed millage is not sufficient to repay all outstanding qualified loans by the final mandatory repayment date.
12. The district agrees that if Treasury determines that the district will not be able to make all or part of the debt service payment, Treasury will process an emergency loan from the SLRF. If the district incurs an emergency loan it shall be a legal debt of the district and the State Treasurer shall bill the school district for the amount paid and the school district shall remit the amount to the state.
13. The board directs the school district administration to report any failure to perform as a result of this application. In the event that the district fails to perform any actions as identified in this application or required by law, the district will submit to the State Treasurer a board approved resolution which indicates the actions taken and procedures implemented to assure future compliance.
14. The district board members have read this application, approved all statements and representations contained herein as true to the best knowledge and belief of said board, and authorized the Secretary of the Board of Education to sign this Final Application and submit same to the State Treasurer for his or her review and approval.

Ayes: Members _____

Nays: Members _____

BOND DETAIL

- 1. PURPOSE: Specify the purpose of bond issue exactly as stated on the ballot and as it is to be cited in the Order Qualifying Bonds (or attach an official copy).

For the purposes of refunding all or a portion of the 2012A School Building and Site Improvement Refunding Bonds (Unlimited Tax General Obligation), dated March 27, 2012 and paying the costs of issuance.

- 2. ELECTION DATA:

- a. Date of election: _____
- b. Attach a copy of the Certified Official Canvass of Election (if not already on file).

- 3. FINAL MATURITY SCHEDULE:

- a. Total amount of this issue \$ _____
- b. Due date annually for principal payments: May 1st
- c. Due date semi-annually for interest payments: May 1st/Nov 1st
- d. Attach a copy of the bond amortization and millage impact schedules.

- 4. DEBT AMOUNTS:

- a. Amount of this bond issue \$ _____
- b. Total amount of bonded debt prior to this issue \$ _____
- c. Total amount of bonds being refunded \$ _____
- d. Total amount of proposed and existing debt (4a + b - c) \$ _____

- 5. PROPERTY VALUATION: Taxable valuation as of this date \$ _____

- 6. CHANGES IN FINANCIAL STRUCTURE: Specify any changes in financial structure since Preliminary Qualification or original Order Qualifying Bonds was approved:

N/A

- 7. Bond Type(s) (Check all that apply):

- Fixed Rate
- Variable Rate
- Tax Exempt
- Taxable
- Qualified Zone Academy Bond

RESOLUTION AUTHORIZING
2020 REFUNDING BONDS, SERIES A (UNLIMITED TAX GENERAL OBLIGATION)
AND 2020 REFUNDING BONDS, SERIES B (UNLIMITED TAX GENERAL OBLIGATION)
(TAXABLE)

School District of the City of Detroit
County of Wayne, Michigan

Minutes of a regular meeting of the Board of Education (the “Board of Education”) of the Detroit Public Schools Community District (the “Community District”) acting on behalf of the School District of the City of Detroit, County of Wayne, Michigan (the “School District”) held in the School District on the 11th day of February, 2020, at 5:30 p.m., prevailing Eastern Time.

PRESENT: Angelique Peterson-Mayberry, Sonya May, Misha Stallworth, Dr. Deborah Hunter-Harvill, Bishop Corletta J. Vaughn

ABSENT: Members Dr. Iris Taylor, Georgia Lemmons

The following preamble and resolution were offered by Member Sonya Mays
and supported by Member Misha Stallworth.

WHEREAS, the School District was created under the provisions of The Revised School Code, Act 451, Public Acts of Michigan, 1976, as amended (“Act 451”) by the State of Michigan (the “State”), pursuant to which the School District has the power conferred upon it by Act 451, other applicable law, and the Michigan Constitution of 1963 (the “Constitution”), subject only to the limitations on the exercise of that power contained in the Constitution, or by statute of the State; and

WHEREAS, on June 21, 2016, Act 192, Public Acts of Michigan, 2016 (“Act 192”) amending Act 451, was enacted with immediate effect; and

WHEREAS, once Act 192 became effective, the School District became a qualifying school district under Section 12b of Act 451, and a community district (the “Community District”) was created for the same geographic area as the School District, to provide public educational services for residents of that geographic area under Section 383 of Act 451; and

WHEREAS, the Board of Education of the Community District is authorized to exercise the functions and responsibilities of the School District; and

WHEREAS, Act 34, Public Acts of Michigan, 2001, as amended (“Act 34”) and Act 192 permit the Board of Education to refund or advance refund all or part of the bonded indebtedness of the School District; and

WHEREAS, the School District has previously issued its School Building and Site Bonds (Unlimited Tax General Obligation), Series 2010B, Build America Bonds (Taxable – Direct Payment Bonds), dated October 28, 2010 (the “2010 Bonds”); and

WHEREAS, the Board of Education determines that it may be in the best interest of the School District to refund all or a portion of the outstanding 2010 Bonds (the portion being refunded, the “2010 Refunded Bonds”); and

WHEREAS, the School District has previously issued its 2012A School Building and Site Improvement Refunding Bonds (Unlimited Tax General Obligation), dated March 27, 2012 (the “2012 Bonds”); and

WHEREAS, the Board of Education determines that it may be in the best interest of the School District to advance refund all or a portion of the 2012 Bonds on a taxable basis (the portion being refunded, the “2012 Refunded Bonds”); and

WHEREAS, the School District has previously issued its 2015 Refunding Bonds (Unlimited Tax General Obligation), dated March 12, 2015 (the “2015 Bonds”); and

WHEREAS, the Board of Education determines that it may be in the best interest of the School District to advance refund all or a portion of the 2015 Bonds (the portion being refunded, the “2015 Refunded Bonds”), on a taxable basis; and

WHEREAS, the School District has previously issued its 2017 Refunding Bond (Unlimited Tax General Obligation) (Taxable), dated September 14, 2017 (the “2017 Bonds” and together with the 2010 Bonds, the 2012 Bonds and the 2015 Bonds, the “Prior Bonds”); and

WHEREAS, the Board of Education determines that it may be in the best interest of the School District to advance refund all or a portion of the 2017 Bonds on a taxable basis (the portion being refunded, the “2017 Refunded Bonds” and together with the 2010 Refunded Bonds, the 2012 Refunded Bonds and the 2015 Refunded Bonds, the “Refunded Bonds”); and

WHEREAS, the School District’s debt millage rate is capped at 13 mills, and because the levy of such debt millage has not produced sufficient revenue to pay debt service on its qualified unlimited tax general obligation bonds, the School District has borrowed from the Michigan School Loan Revolving Fund (the “Fund”) to pay debt service on such bonds; and

WHEREAS, the outstanding balance of the School District’s Michigan School Loan Revolving Fund loans (the “Loans”) is projected to be approximately \$258,000,000 as of May 2, 2020; and

WHEREAS, the Community District, on behalf of the School District, wishes to issue bonds to refund all or a portion of its outstanding Loans to provide savings for taxpayers and reduce the amount of future borrowing from the Fund; and

WHEREAS, if, due to market conditions or Michigan Department of Treasury (“Department”) requirements, any of the refunding components becomes noneconomic or inefficient, or if the School District successfully executes a bond purchase agreement for a direct placement of a refunding of the 2012 Bonds or the Loans, the Board of Education wishes to

authorize the Authorized Officer (hereinafter defined) to proceed only with the portion of the refundings described above which allows the School District to maximize the benefits to the School District and its taxpayers; and

WHEREAS, the Community District, on behalf of the School District, has solicited proposals from underwriters for the refunding of the Refunded Bonds and the Loans; and

WHEREAS, the Community District has determined, based on the advice of its municipal advisor, that the proposal of Siebert Williams Shank & Co., L.L.C. to serve as senior managing underwriter for the Bonds best meets the needs of the School District; and

WHEREAS, the Community District desires, on behalf of the School District, to negotiate and award the sale of the Bonds to Siebert Williams Shank & Co., L.L.C. (the "Underwriter") within the parameters established by this Resolution.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Bonds of the School District designated **2020 Refunding Bonds, Series A (Unlimited Tax General Obligation)** (the "Series A Bonds") may be issued in one or more series, with appropriate designations, in the aggregate principal amount of not to exceed Fifty-Three Million Dollars (\$53,000,000), or such lesser amount as shall be determined by the Superintendent or Chief Financial Officer of the Community District (each an "Authorized Officer") upon sale thereof for the purpose of refunding or advance refunding all or a portion of the outstanding 2010 Bonds. The Series A Bonds shall consist of bonds registered as to principal and interest of the denomination of \$5,000 or integral multiples thereof, be dated as of the date of delivery or such other date as shall be determined by an Authorized Officer at the time of sale of the Series A Bonds, and numbered as determined by the Transfer Agent (hereinafter defined). The Series A Bonds shall mature on May 1 or November 1, or both, in the principal amounts as determined by an Authorized Officer at the time of sale. The Series A Bonds shall bear interest at a fixed rate to be determined upon negotiated sale thereof, but in any event not exceeding a true interest cost of three and three quarters percent (3.75%) per annum, payable semi-annually on May 1 and November 1 as determined by an Authorized Officer at the time of sale. The net present value savings to be realized by the School District shall be not less than 5.00% of the principal amount of the 2010 Refunded Bonds.

Bonds of the School District designated **2020 Refunding Bonds, Series B (Unlimited Tax General Obligation) (Taxable)** (the "Series B Bonds", and together with the Series A Bonds, the "Bonds") may be issued in one or more series, with appropriate designations, in the aggregate principal amount of not to exceed Eight Hundred Fifty Million Dollars (\$850,000,000), or such lesser amount as shall be determined by an Authorized Officer upon sale thereof for the purposes of refunding all or a portion of the Loans and all or any portion of the 2012 Bonds, 2015 Bonds and 2017 Bonds. The Series B Bonds shall consist of bonds registered as to principal and interest of the denomination of \$5,000 or integral multiples thereof, be dated as of the date of delivery or such other date as shall be determined by an Authorized Officer at the time of sale of the Series B Bonds, and numbered as determined by the Transfer Agent. The Series B Bonds will mature on May 1 or November 1, or both, in the years and in the principal amounts as determined at the time of sale of the Series B Bonds. The Series B Bonds shall bear interest at a fixed rate to be determined upon negotiated sale thereof, but in any event not exceeding a true interest cost of three and three quarters percent (3.75%) per annum, payable semi-annually on May 1 and November 1 as determined by an Authorized Officer at the time of sale. The net present value savings to be realized by the School District from the refunding of

the 2012 Bonds, 2015 Bonds and 2017 Bonds shall be not less than 5.00% of the principal amount of the 2012 Refunded Bonds, 2015 Bonds and 2017 Bonds, respectively. The net present value savings to be realized by the School District from the refunding of the Loans shall be not less than 5.00% of the projected debt service payable on the Loans in the absence of the refunding, based on Department guidelines.

The underwriter's discount shall not exceed 0.50% of the principal amount of the Bonds.

In the event that the Community District, based on the advice of its municipal advisor, determines that the net present value savings associated with the refinancing of any series of the Prior Bonds is not at least five percent (5.00%) of the principal amount of such series of the Refunded Bonds or the net present value savings from the refunding of the Loans is not at least 5.00% of the projected debt service payable on the Loans, the School District may defer or delay the issuance of Bonds for that purpose.

If the delivery of the Bonds of either series is delayed in whole or in part beyond the year 2020 due to market or other conditions, the dated date of the Bonds, the designation of the Bonds, the forms of the Bonds and continuing disclosure undertaking, the names of the funds established by this Resolution, the application of Bond proceeds and the first year of the tax levy with respect to the Bonds may be adjusted accordingly by an Authorized Officer to reflect the year of issue.

Interest on the Bonds shall be payable by check drawn on the Transfer Agent, mailed to the registered owner at the registered address, as shown on the registration books of the School District maintained by the Transfer Agent. Interest shall be payable to the registered owner of record as of the fifteenth day of the month prior to the payment date for each interest payment. The date of determination of registered owner for purposes of payment of interest as provided in this paragraph may be changed by the School District to conform to market practice in the future. The principal of the Bonds shall be payable at a bank or trust company selected by an Authorized Officer, as registrar and transfer agent for the Bonds (the "Transfer Agent") upon presentation and surrender of the appropriate Bond.

The Bonds may be issued in book-entry-only form through The Depository Trust Company in New York, New York.

The Bonds of any series may be issued as serial or term bonds or both and shall be subject to optional or mandatory redemption prior to maturity at the times and prices determined at the time of sale and in the manner as set forth provided in the form of bond set forth in paragraph 5 of this Resolution.

Unless waived by any registered owner of Bonds of this series to be redeemed, official notice of redemption shall be given by the Transfer Agent on behalf of the School District. Such notice shall be dated and shall contain at a minimum the following information: original issue date; maturity dates; interest rates; CUSIP numbers, if any; certificate numbers (and in the case of partial redemption) the called amounts of each certificate; the redemption date; the redemption price; the place where Bonds called for redemption are to be surrendered for payment; and that interest on Bonds or portions thereof called for redemption shall cease to accrue from and after the redemption date.

In addition, further notice shall be given by the Transfer Agent in such manner as may be required or suggested by regulations or market practice at the applicable time, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed herein.

The Bonds shall be signed by the manual or facsimile signatures of the President and Secretary of the Board of Education of the Community District, on behalf of the School District. No bond of either series shall be valid until authenticated by an authorized representative of the Transfer Agent. The Bonds shall be delivered to the Transfer Agent for authentication and be delivered by it to the purchaser in accordance with instructions from the Treasurer of the Board of Education upon payment of the purchase price for the Bonds in accordance with the bid therefor when accepted. Executed blank Bonds for registration and issuance to transferees shall simultaneously, and from time to time thereafter as necessary, be delivered to the Transfer Agent for safekeeping.

2. Unless the Community District, on behalf of the School District, establishes a Common Debt Retirement Fund as provided by law for all issues of bonds of like character of the School District, the Treasurer shall open a special depository account for each series of Bonds with a bank to be designated as applicable to each series of Bonds, the 2020 Refunding Bonds Debt Retirement Fund, Series A (the "Series A Debt Retirement Fund") and the 2020 Refunding Bonds Debt Retirement Fund, Series B (the "Series B Debt Retirement Fund", and together with the Series A Debt Retirement fund, the "Debt Retirement Fund"). All proceeds from taxes levied for the payment of the principal of, interest on and redemption price for the Bonds shall be deposited into the applicable Debt Retirement Fund or the Common Debt Retirement Fund, if one is established. Once the applicable debt retirement funds are established, the moneys deposited in such funds shall be used solely for the purpose of paying the principal of, interest on and redemption price, if any, for the related series of Bonds. If the School District establishes a Common Debt Retirement Fund, the moneys deposited in that fund shall be used solely for the payment of the principal of and interest on the Bonds and other bonds of like character of the School District payable from the Common Debt Retirement Fund. The accrued interest, if any, received upon delivery of any series of Bonds shall also be deposited in the appropriate debt retirement fund. Any net original issue premium received on sale and delivery of any series of Bonds shall be deposited in the appropriate fund consistent with state and federal law, and if required by federal tax law, may be used to reduce the principal amount of the Series A Bonds issued.

3. The proceeds of the Series A Bonds shall be used to pay the costs of issuance of the Series A Bonds and to secure payment of the 2010 Refunded Bonds as provided in this paragraph. Upon receipt of the proceeds of sale of the Series A Bonds, the accrued interest, if any, shall be deposited in the appropriate account of the Series A Debt Retirement Fund. From the proceeds of the Series A Bonds there shall be set aside a sum sufficient to pay the costs of issuance of the Series A Bonds in a fund designated the 2020 Refunding Bonds, Series A Costs of Issuance Fund (the "Series A Costs of Issuance Fund") to be held by the Series A Escrow Agent (defined below). Moneys in the Series A Costs of Issuance Fund shall be used solely to pay expenses of issuance of the Series A Bonds. Any amounts remaining in the Series A Costs of Issuance Fund after payment of issuance expenses shall be transferred to the Series A Debt Retirement Fund.

After setting aside funds to pay costs of issuance as provided above, the balance of the

proceeds of the Series A Bonds, together with any moneys transferred by the School District at the time of sale of the Series A Bonds from the debt retirement fund for the 2010 Bonds and any other available funds provided by the School District, shall be invested in direct obligations of or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America or other obligations the principal of and interest on which are fully secured by the foregoing (the "Series A Escrow Fund") and used to pay principal of and interest on the 2010 Refunded Bonds. The Series A Escrow Fund shall be held by a bank or trust company, as trustee and escrow agent (the "Series A Escrow Agent"), in trust pursuant to an Escrow Agreement (the "Series A Escrow Agreement") which shall irrevocably direct the Series A Escrow Agent to take all necessary steps to call for redemption the 2010 Refunded Bonds specified by the Authorized Officer upon sale of the Series A Bonds, including publication and mailing of redemption notices, on any date specified by the Authorized Officer on which the 2010 Refunded Bonds may be called for redemption. The investments held in the Series A Escrow Fund shall be such that the principal and interest payments received thereon will be sufficient, without reinvestment, to pay the principal of and interest on the 2010 Refunded Bonds as they become due pursuant to maturity or the call for redemption required by this paragraph, and the Authorized Officer is hereby authorized to select and retain on behalf of the School District an escrow agent to serve under the Series A Escrow Agreement.

4. The proceeds of the Series B Bonds shall be used to pay the costs of issuance of the Series B Bonds, repay the Loans, secure payment of the 2012 Refunded Bonds, 2015 Refunded Bonds and 2017 Refunded Bonds, and pay any other eligible issuance costs associated with the School District's refunding plan as provided in this paragraph. Upon receipt of the proceeds of sale of the Series B Bonds, the accrued interest, if any, shall be deposited in the appropriate account of the Series B Debt Retirement Fund. From the proceeds of the Series B Bonds, there shall be set aside a sum sufficient to pay the costs of issuance in a fund designated the 2020 Refunding Bonds, Series B Costs of Issuance Fund (the "Series B Costs of Issuance Fund") to be held by the Series B Escrow Agent. Moneys in the Series B Costs of Issuance Fund shall be used to pay costs of issuance. Any amounts remaining in the Series B Costs of Issuance Fund after payment of issuance expenses shall be transferred to the Series B Debt Retirement Fund.

After setting aside funds to pay costs of issuance as provided above, the remaining balance of the proceeds of the Series B Bonds shall be:

(a) transferred to the Department in an amount sufficient to pay principal of and interest on the Loans as determined by an Authorized Officer at the time of sale of the Series B Bonds. If the proceeds allocated to refund the Loans are not transferred to the Department on the day of delivery of the Series B Bonds, such proceeds (the "School Loan Escrow Funds") shall be held by a bank or trust company, as Trustee (the "Loan Trustee"), in trust pursuant to an Escrow Agreement (the "Loan Escrow") which shall irrevocably direct the Loan Trustee to take all necessary steps to notify and transfer to the Department the School Loan Escrow Funds on the date or dates established at the time of sale of the Series B Bonds. Pending such transfer the investment held in the School Loan Escrow Funds shall be such that the principal and interest payments received thereon will be sufficient, without reinvestment, to pay the Loans on the date specified, and each Authorized Officer is hereby individually authorized to select and retain on behalf of the School District a trustee to serve under the Loan Escrow. Either Authorized Officer is authorized and directed to purchase or cause to be purchased escrow securities in an amount sufficient to fund the Loan Escrow.

(b) deposited in the Escrow Fund for the 2012 Bonds, the 2015 Bonds and the 2017 Bonds and invested in direct obligations of or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America or other obligations the principal of and interest on which are fully secured by the foregoing (the "Series B Escrow Fund") and used to pay principal of and interest on the 2012 Refunded Bonds, 2015 Refunded Bonds and 2017 Refunded Bonds, respectively. The Series B Escrow Fund shall be held by a bank or trust company, as trustee and escrow agent (the "Series B Escrow Agent"), in trust pursuant to an Escrow Agreement (the "Series B Escrow Agreement") which shall irrevocably direct the Series B Escrow Agent to take all necessary steps to call for redemption 2012 Refunded Bonds, 2015 Refunded Bonds and 2017 Refunded Bonds on the dates and in the amounts specified by the Authorized Officer upon sale of the Series B Bonds, including publication and mailing of redemption notices, on any date specified by the Authorized Officer on which the 2012 Refunded Bonds, 2015 Refunded Bonds and 2017 Refunded Bonds may be called for redemption. The investments held in the Series B Escrow Fund shall be such that the principal and interest payments received thereon will be sufficient, without reinvestment, to pay the principal of and interest on the 2012 Refunded Bonds, the 2015 Refunded Bonds and the 2017 Refunded Bonds as they become due pursuant to maturity or the call for redemption required by this paragraph, and the Authorized Officer is hereby authorized to select and retain on behalf of the School District an escrow agent to serve under the Series B Escrow Agreement.

5. The Series A Bonds and the Series B Bonds shall be in substantially the following forms, respectively:

FORM OF SERIES A BONDS

UNITED STATES OF AMERICA

STATE OF MICHIGAN
COUNTY OF WAYNE

SCHOOL DISTRICT OF THE CITY OF DETROIT

2020 REFUNDING BOND, SERIES A
(UNLIMITED TAX GENERAL OBLIGATION)

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF ORIGINAL ISSUE</u>	<u>CUSIP</u>
	May 1, 20__		

Registered Owner: [_____]

Principal Amount: _____ Dollars

School District of the City of Detroit, County of Wayne, State of Michigan (the "School District") promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America on the Date of Maturity specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon (computed on the basis of a 360-day year consisting of twelve 30-day months) from the Date of Original Issue specified above, or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on _____, 20__ and semiannually thereafter. Principal of this bond is payable at the corporate trust office of _____, or such other transfer agent as the School District may hereafter designate by notice mailed to the registered owner hereof not less than 60 days prior to any interest payment date (the "Transfer Agent"). Interest on this bond is payable by check or draft mailed by the Transfer Agent to the person or entity who or which is as of the 15th day of the month preceding each interest payment date, the registered owner, at the registered address. For the prompt payment of this bond, both principal and interest, the full faith and credit of the School District is hereby irrevocably pledged.

This bond is one of a series of bonds of even date of original issue aggregating the principal sum of \$ _____, (the "Bonds"). The Bonds are issued under and in pursuance of the provisions of Act 451, Public Acts of Michigan, 1976, as amended, and Act 34, Public Acts of Michigan, 2001, as amended, and pursuant to a resolution duly adopted by the Board of Education of the Detroit Public Schools Community District (the "Community District") acting on the School District's behalf, on February __, 2020 for the purpose of refunding a portion of the School District's outstanding School Building and Site Bonds (Unlimited Tax General Obligation), Series 2010B, Build America Bonds (Taxable – Direct Payment Bonds).

This bond and the interest hereon are payable from the Debt Retirement Fund of the School District for this issue, and the School District is obligated to levy annually sufficient taxes without limitation as to rate or amount to provide for the payment of the principal of and interest on these bonds as they mature.

Bonds or \$5,000 portions of bonds maturing in the years 20__ to 20__, inclusive, shall not be subject to redemption prior to maturity.

Bonds maturing in the years 20__ to 20__, inclusive, shall be subject to redemption prior to maturity, at the option of the School District, in any order of maturity, and by lot within a single maturity, on any date on or after _____, 20__. Bonds or portions thereof called for redemption shall be redeemed at par plus accrued interest to the date fixed for redemption.

[Insert mandatory term bond redemption provisions, if needed]

Notice of redemption of any bond shall be given at least 30 days and not more than 60 days prior to the date fixed for redemption by mail to the registered holder or holders at the registered addresses shown on the registration books kept by the Transfer Agent. Bonds shall be called for redemption in multiples of \$5,000, and bonds of denominations of more than \$5,000 shall be treated as representing the number of bonds obtained by dividing the denomination of the bond by \$5,000, and such bonds may be redeemed in part. The notice of redemption for bonds redeemed in part shall state that upon surrender of the bond to be redeemed a new bond or bonds in aggregate principal amount equal to the unredeemed portion of the bond surrendered shall be issued to the registered holder thereof. No further interest shall accrue on the bonds or portions of bonds called for redemption after the date fixed for redemption, whether presented for redemption or not, provided funds are on hand with the Transfer Agent to redeem the same.

Any bond may be transferred by a registered owner, in person or by the registered owner's authorized attorney or legal representative, upon surrender of the bond to the Transfer Agent for cancellation, together with a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any bond is surrendered for transfer, the Transfer Agent shall authenticate and deliver a new bond or bonds, in like aggregate principal amount, interest rate and maturity. The Transfer Agent shall require the owner requesting the transfer to pay any tax or other governmental charge required to be paid with respect to the transfer. The Transfer Agent will not be required to (i) issue, register the transfer of or exchange any bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of bonds selected for redemption and ending at the close of business on the day of that mailing, or (ii) register the transfer of or exchange any bond selected for redemption in whole or in part, except the unredeemed portion of bonds being redeemed in part.

It is hereby certified and recited that all acts, conditions and things required to be done, exist and happen, precedent to and in the issuance of this bond and the series of bonds of which this is one, in order to make them valid and binding obligations of the School District have been done, exist and have happened in regular and due form and time as provided by law, and that the total indebtedness of the School District, including this bond and the series of bonds of which this is one, does not exceed any constitutional or statutory limitation.

This bond is not valid or obligatory for any purpose until the Transfer Agent's Certificate of Authentication on this bond has been executed by the Transfer Agent.

IN WITNESS WHEREOF, the School District of the City of Detroit, County of Wayne, State of Michigan, by the Board of Education of the Community District, acting on its behalf, has caused this bond to be signed in the name of the School District by the facsimile signature of the President and to be countersigned by the facsimile signature of the Secretary of the Board of Education of the Community District, all as of the Date of Original Issue.

SCHOOL DISTRICT OF THE CITY OF DETROIT
County of Wayne
State of Michigan

By the BOARD OF EDUCATION OF THE DETROIT PUBLIC
SCHOOLS COMMUNITY DISTRICT

By [Facsimile]
President

Countersigned:

 [Facsimile]
Secretary

[FORM OF TRANSFER AGENT'S CERTIFICATE OF AUTHENTICATION]

Certificate of Authentication

This bond is one of the bonds described in the within-mentioned resolution.

Transfer Agent

By _____
Authorized Signature

Date of Authentication _____

FORM OF SERIES B BONDS

UNITED STATES OF AMERICA

STATE OF MICHIGAN
COUNTY OF WAYNE

SCHOOL DISTRICT OF THE CITY OF DETROIT

2020 REFUNDING BOND, SERIES B
(UNLIMITED TAX GENERAL OBLIGATION)
(TAXABLE)

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF ORIGINAL ISSUE</u>	<u>CUSIP</u>
	May 1, 20__		

Registered Owner: [_____]

Principal Amount: _____ Dollars

School District of the City of Detroit, County of Wayne, State of Michigan (the "School District"), promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America on the Date of Maturity specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon from the Date of Original Issue specified above or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on ____ 1, 20__ and semiannually thereafter. Principal of this bond is payable at the _____ office of _____, _____, Michigan, or such other transfer agent as the School District may hereafter designate by notice mailed to the registered owner hereof not less than sixty (60) days prior to any interest payment date (the "Transfer Agent"). Interest on this bond is payable by check or draft mailed by the Transfer Agent to the person or entity who is as of the 15th day of the month preceding each interest payment date, the registered owner, at the registered address.

This bond is one of a series of Bonds aggregating the principal sum of \$_____, issued under and in pursuance of the provisions of Act 451, Public Acts of Michigan, 1976, as amended, and Act 34, Public Acts of Michigan, 2001, as amended, and pursuant to a resolution of the Board of Education of the Detroit Public Schools Community District (the "Community District"), acting on the School District's behalf, adopted on February __, 2020 for the purposes of refunding [[a portion of] the School District's 2012A School Building and Site Improvement Refunding Bonds (Unlimited Tax General Obligation), [a portion of] the School District's 2015 Refunding Bonds (Unlimited Tax General Obligation), [a portion of] the School District's 2017 Refunding Bond (Unlimited Tax General Obligation) (Taxable), and [a portion of] the School District's outstanding Michigan School Loan Revolving Fund loans.]

The full faith, credit and resources of the School District are pledged for the payment hereof, and the School District is obligated to levy annually sufficient taxes to provide for the payments of the principal of and interest on the bonds of this issue as they mature, without limitation as to rate or amount.

[Bonds or \$5,000 portions of bonds maturing in the years 20__ to 20__, inclusive, shall not be subject to redemption prior to maturity.]

[Bonds maturing in the years 20__ to 20__, inclusive, shall be subject to redemption prior to maturity, at

the option of the School District, in any order of maturity, and by lot within a single maturity, on any date on or after _____, 20___. Bonds or portions thereof called for redemption shall be redeemed at par plus accrued interest to the date fixed for redemption.]

[Insert mandatory term bond redemption provisions, if needed]

Notice of redemption of any bond shall be given at least thirty (30) days and no more than sixty (60) days prior to the date fixed for redemption by mail to the registered owner or owners at the registered addresses shown on the registration books kept by the Transfer Agent. Bonds shall be called for redemption in multiples of \$5,000, and Bonds of denominations of more than \$5,000 shall be treated as representing the number of bonds obtained by dividing the denomination of the bond by \$5,000, and such bonds may be redeemed in part. The notice of redemption for bonds redeemed in part shall state that upon surrender of the bond to be redeemed a new bond or bonds in aggregate principal amount equal to the unredeemed portion of the bond surrendered shall be issued to the registered holder thereof. No further interest shall accrue on the bonds or portions of bonds called for redemption after the date fixed for redemption, whether presented for redemption or not, provided funds are on hand with the Transfer Agent to redeem the same.

Any bond may be transferred by the registered owner, in person or by the registered owner's authorized attorney or legal representative, upon surrender of the bond to the Transfer Agent for cancellation, together with a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any bond is surrendered for transfer, the Transfer Agent shall authenticate and deliver a new bond or bonds, in like aggregate principal amount, interest rate and maturity. The Transfer Agent shall require the registered owner requesting the transfer to pay any tax or other governmental charge required to be paid with respect to the transfer. The Transfer Agent will not be required to (i) issue, register the transfer of or exchange any bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of bonds selected for redemption and ending at the close of business on the day of that mailing, or (ii) register the transfer of or exchange any bond selected for redemption in whole or in part, except the unredeemed portion of bonds being redeemed in part.

It is hereby certified and recited that all acts, conditions and things required to be done, exist and happen, precedent to and in the issuance of said series of bonds of which this is one, in order to make them valid and binding obligations of said School District have been done, exist and have happened in regular and due form and time as provided by law, and that the total indebtedness of said School District, including the series of bonds of which this is one, does not exceed any constitutional or statutory limitation.

This bond is not valid or obligatory for any purpose until the Transfer Agent's Certificate of Authentication on this bond has been executed by the Transfer Agent.

IN WITNESS WHEREOF, the School District of the City of Detroit, County of Wayne, State of Michigan, by the Board of Education of the Community District, acting on its behalf, has caused this bond to be signed in the name of the School District by the facsimile signature of the President and to be countersigned by the facsimile signature of the Secretary of the Board of Education of the Community District, all as of the Date of Original Issue.

SCHOOL DISTRICT OF THE CITY OF DETROIT
County of Wayne
State of Michigan

By the BOARD OF EDUCATION OF THE DETROIT PUBLIC
SCHOOLS COMMUNITY DISTRICT

By _____ [Facsimile] _____
President

Countersigned:

_____[Facsimile]_____
Secretary

[FORM OF TRANSFER AGENT'S CERTIFICATE OF AUTHENTICATION]

Certificate of Authentication

This bond is one of the Bonds described in the within-mentioned resolution.

Transfer Agent

By: _____

Authorized Signature

Date of Authentication: _____

6. Commencing with the fiscal year beginning July 1, 2020, it shall be the duty of the School District to levy a tax annually in an amount sufficient so that the estimated collections therefrom will be sufficient to pay promptly when due the principal of and interest becoming due on the Bonds, which tax levies shall not be subject to limitation as to rate or amount.

7. The School District has considered the option of selling the Bonds through a competitive sale and a negotiated sale and, pursuant to the requirements of Act 34, Public Acts of Michigan, 2001, as amended, and based on the advice of the School District's municipal advisor, and after seeking and reviewing proposals from underwriters, determines that a negotiated sale of the Bonds provides the School District with greater flexibility in structuring bond maturities and the timing of the sale of the Bonds, and will enable the School District to better market the Bonds to the advantage of the School District and its taxpayers.

8. The School District appoints Siebert Williams Shank & Co., L.L.C. to serve as senior managing underwriter for the Bonds (the "Underwriter"), and the Authorized Officer is authorized to negotiate and award the sale of the Bonds to the Underwriter pursuant to one or more bond purchase agreements and sale orders subject to the parameters set forth in this Resolution. Each Authorized Officer is individually authorized to execute and deliver the bond purchase agreement on behalf of the School District without further approval of this Board of Education.

9. The determination as to which series of Bonds will be issued and as to whether the Bonds will be issued solely or in part to refund all or a portion of the Prior Bonds or will be issued solely or in part to refund the Loans shall be determined by an Authorized Officer at the time of sale, based on the advice of the School District's municipal advisor.

10. Each Authorized Officer is hereby authorized to cause preliminary and final official statements describing the Bonds to be prepared and circulated to prospective purchasers of the Bonds, apply for bond ratings from such municipal bond rating agencies as is deemed appropriate, and apply for and purchase a policy of municipal bond insurance, within the limitations provided in Act 34, if deemed appropriate by the municipal advisor and bond counsel.

11. Either Authorized Officer is hereby authorized to approve any preliminary and final official statements relating to the Bonds. Either Authorized Officer is authorized to execute and deliver the final Official Statement relating to the Bonds on behalf of the School District. Either Authorized Officer is authorized to approve, execute and deliver any amendments and supplements to the Official Statement necessary to assure that the statements therein are, and as of the time the Bonds are delivered to the Underwriter will be true, and that it does not contain any untrue statement of a material fact and does not omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

12. The School District hereby covenants, in accordance with the provisions of Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission (the "SEC"), if applicable, to provide or cause to be provided the information set forth in Exhibit A attached hereto as such Exhibit may be revised by an Authorized Officer as required by Rule 15c2-12 prior to delivery of the Bonds.

13. The School District hereby covenants that, to the extent permitted by law, it shall take all actions within its control necessary to maintain the exclusion of the interest on the Series A Bonds from adjusted gross income for federal income purposes under the Internal Revenue

Code of 1986, as amended (the “Code”) including but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure and investment of bond proceeds and moneys deemed to be bond proceeds. In the event the Series B Bonds are issued on a tax exempt basis, the covenant set forth in this paragraph shall also apply to the Series B Bonds.

14. Either Authorized Officer is hereby individually authorized to adjust the final Bond details to the extent necessary or convenient to complete the transaction authorized in this Resolution, and in pursuance of the foregoing is authorized to exercise the authority and make the determinations authorized pursuant to Section 315(1)(d) of Act 34, including but not limited to, determinations regarding interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, redemption rights, the place of delivery and payment, designation of series, and other matters, all subject to the parameters established in this Resolution. Either Authorized Officer may execute a sale order evidencing the final terms of the Bonds and make any of the determinations, covenants and elections authorized by this Resolution pursuant to the an order approving the sale of the Bonds, provided that the final terms of the Bonds shall be within the parameters set forth in this Resolution.

15. The representation of the School District by Miller, Canfield, Paddock and Stone, P.L.C. as bond counsel is hereby confirmed and approved, notwithstanding Miller, Canfield’s periodic representation in unrelated matters of the Underwriter and other potential parties to the transactions contemplated by this Resolution.

16. The School District hereby appoints PFM Financial Advisors, LLC to act as municipal advisor with respect to the Bonds.

17. The officers, agents and employees of the Community District, on behalf of the School District, are authorized to take all other actions necessary and convenient to facilitate sale of the Bonds, including (i) filing Security Reports with the Michigan Department of Treasury pursuant to Act 34 for each series of Bonds, (ii) such other actions as may be required for qualification under the School Bond Qualification, Approval, and Loan Act, Act 92, Public Acts of Michigan, 2005, as amended, (iii) executing necessary documents, certificates and agreements and (iv) making such submissions and filing such information with the Financial Review Commission as may be necessary to obtain its approval to issue the Bonds pursuant to Act 181, Public Acts of Michigan, 2014, as amended.

Each Authorized Officer is hereby authorized to file applications with and to pay the related fees, if any, to the Michigan Department of Treasury at his or her discretion under Act 34 for an Order or Orders of Approval to issue all or a portion of the Bonds, and apply for such waivers or other Treasury approvals as necessary to implement the issuance, delivery and security for the Bonds.

18. Either Authorized Officer is authorized on behalf of the School District to approve completed Applications for Final Qualification of the Bonds, in substantially the form attached hereto as Exhibit B, with such changes as an Authorized Officer shall deem necessary to conform the Application to the final terms of each series of the Bonds, and to sign one or more loan agreements and any other documents that may be required by each loan agreement. The Secretary of the Board of Education is hereby authorized and directed to execute and cause to be submitted to the Michigan Department of Treasury the completed Application for Final Qualification for each series of the Bonds.

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

AYES: Members: Angelique Peterson-Mayberry, Sonya Mays, Misha Stallworth Dr.
Deborah Hunter-Harvill, Bishop Corletta J. Vaughn

NAYS: Members _____

RESOLUTION DECLARED ADOPTED.



Misha Stallworth, Secretary

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the Board of Education of the Detroit Public Schools Community District acting on behalf of the School District of the City of Detroit, County of Wayne, State of Michigan, at a regular meeting held on February 11, 2020, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

 _____

Misha Stallworth, Secretary

EXHIBIT A

FORM OF CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the “Undertaking”) is executed and delivered by the Board of Education of the Detroit Public Schools Community District on behalf of The School District of the City of Detroit, County of Wayne, State of Michigan (the “School District”), in connection with the issuance of its [2020 Refunding Bonds, Series A (Unlimited Tax General Obligation) and 2020 Refunding Bonds, Series B (Unlimited Tax General Obligation) (Taxable)] (together, the “Bonds”). The School District covenants and agrees for the benefit of the Bondholders, as hereinafter defined, as follows:

(a) *Definitions.* The following terms used herein shall have the following meanings:

“Audited Financial Statements” means the annual audited financial statement pertaining to the School District prepared by an individual or firm of independent certified public accountants as required by Act 2, Public Acts of Michigan, 1968, as amended, which presently requires preparation in accordance with generally accepted accounting principles.

“Bondholders” shall mean the registered owner of any Bond or any person (a) with the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bond (including any person holding a Bond through a nominee, depository or other intermediary) or (b) treated as the owner of any Bond for federal income tax purposes.

“EMMA” shall mean the MSRB’s Electronic Municipal Market Access District, or such other District, Internet Web site, or repository hereafter prescribed by the MSRB for the submission of electronic filings pursuant to the Rule.

“Financial Obligation” means “financial obligation” as such term is defined in the Rule.

“MSRB” means the Municipal Securities Rulemaking Board.

“Rule” means Rule 15c2-12 promulgated by the SEC pursuant to the Securities Exchange Act of 1934, as amended, as in effect on the date of this Undertaking, including any official interpretations thereof issued either before or after the date of this Undertaking which are applicable to this Undertaking.

“SEC” means the United States Securities and Exchange Commission.

(b) *Continuing Disclosure.* The School District hereby agrees, in accordance with the provisions of the Rule, to provide or cause to be provided to the MSRB through EMMA, on or before the last day of the 6th month after the end of the fiscal year of the School District, the following annual financial information and operating data, commencing with the fiscal year ended June 30, 2020, in an electronic format as

prescribed by the MSRB:

(1) Updates of the numerical financial information and operating data included in the official statement of the School District relating to the Bonds (the “Official Statement”) appearing in the Tables in the Official Statement as described below: [Headings to be conformed to Official Statement when available.]

- a. Pension Fund Contributions;
- b. Operating Tax Levy and collections;
- c. State School Aid Revenue;
- d. General Fund Budget;
- e. General Fund Revenues and Expenditures;
- f. Historical SEV/Taxable Valuations;
- g. District Tax Rates;
- h. Direct and Overlapping Debt; and
- i. Debt Ratios.

(2) The Audited Financial Statements. provided, however, that if the Audited Financial Statements are not available by the date specified above, they shall be provided when available and unaudited financial statements will be filed by such date and the Audited Financial Statements will be filed as soon as available

Such annual financial information and operating data described above are expected to be provided directly by the School District or by specific reference to documents available to the public through EMMA or filed with the SEC.

If the fiscal year of the School District is changed, the School District shall send a notice of such change to the MSRB through EMMA, prior to the earlier of the ending date of the fiscal year prior to such change or the ending date of the fiscal year as changed.

(c) *Notice of Failure to Disclose.* The School District agrees to provide or cause to be provided, in a timely manner, to the MSRB through EMMA, in an electronic format as prescribed by the MSRB, notice of a failure by the School District to provide the annual financial information with respect to the School District described in subsection (b) above on or prior to the dates set forth in subsection (b) above.

(d) *Occurrence of Events.* The School District agrees to provide or cause to be provided to the MSRB through EMMA, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of any of the following events listed in (b)(5)(i)(C) of the Rule with respect to the Bonds:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial

- difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
 - (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
 - (7) modifications to rights of holders of the Bonds, if material;
 - (8) bond calls, if material, and tender offers;
 - (9) defeasances;
 - (10) release, substitution, or sale of property securing repayment of the Bonds, if material;
 - (11) rating changes;
 - (12) bankruptcy, insolvency, receivership or similar event of the Issuer, which is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer;
 - (13) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
 - (14) appointment of a successor or additional trustee or the change of name of a trustee, if material;
 - (15) incurrence of a Financial Obligation of the School District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the School District, any of which affect security holders, if material; or
 - (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the Financial Obligation of the School District, any of which reflect financial difficulties.

(e) *Materiality Determined Under Federal Securities Laws.* The School District agrees that its determination of whether any event listed in subsection (d) is material shall be made in accordance with federal securities laws.

(f) *Identifying Information.* All documents provided to the MSRB through EMMA shall be accompanied by the identifying information prescribed by the MSRB.

(g) *Termination of Reporting Obligation.* The obligation of the School District to provide annual financial information and notices of material events, as set forth above, shall be terminated if and when the School District no longer remains an “obligated person” with respect to the Bonds within the meaning of the Rule, including upon legal defeasance of all Bonds.

(h) *Benefit of Bondholders.* The School District agrees that its undertaking pursuant to the Rule set forth in this Undertaking is intended to be for the benefit of the Bondholders and shall be enforceable by any Bondholder; provided that, the right to enforce the provisions of this Undertaking shall be limited to a right to obtain specific enforcement of the School District’s obligations hereunder and any failure by the School District to comply with the provisions of this Undertaking shall not constitute a default or an event of default with respect to the Bonds.

(i) *Amendments to the Undertaking.* Amendments may be made in the specific types of information provided or the format of the presentation of such information to the extent deemed necessary or appropriate in the judgment of the School District, provided that the School District agrees that any such amendment will be adopted procedurally and substantively in a manner consistent with the Rule, including any interpretations thereof by the SEC, which, to the extent applicable, are incorporated herein by reference. Such interpretations currently include the requirements that (a) the amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the School District or the type of activities conducted thereby, (b) the undertaking, as amended, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, and (c) the amendment does not materially impair the interests of Bondholders, as determined by parties unaffiliated with the School District (such as independent legal counsel), but such interpretations may be changed in the future. If the accounting principles to be followed by the School District in the preparing of the Audited Financial Statements are modified, the annual financial information for the year in which the change is made shall present a comparison between the financial statements as prepared on the prior basis and the statements as prepared on the new basis, and otherwise shall comply with the requirements of the Rule, in order to provide information to investors to enable them to evaluate the ability of the School District to meet its obligations. A notice of the change in accounting principles shall be sent to the MSRB through EMMA.

IN WITNESS WHEREOF, the School District has caused this Undertaking to be executed by its authorized officer.

DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT,
acting on behalf of THE SCHOOL DISTRICT OF THE CITY OF
DETROIT
County of Wayne
State of Michigan

By _____

Its: _____

EXHIBIT B
FORM OF FINAL QUALIFICATION APPLICATIONS

[SEE ATTACHED]

Reset Form

Michigan Department of Treasury
Form 3451 (Rev. 03-13)

Application No. SBL

**Application for Final Qualification of Bonds
for Participation in the Michigan School Bond Qualification and Loan Program**

Issued under authority of Public Act 92 of 2005, as amended.

Legal Name of School District School District of the City of Detroit	District Code Number 82010	Telephone Number (313) 873-4149	
Address 3011 West Grand Boulevard	City Detroit	County Wayne	ZIP Code 48202-3096
Name of Person Responsible for Preparation of this Application Dr. Nikolai Vitti		Title Superintendent	

CERTIFICATION

I, the undersigned, Secretary of the Board of Education, do certify hereby that the following constitutes a true and complete copy of a resolution adopted by the Board of Education of this School District, at a

regular or special meeting held on the 11 day of February, 2020,

and that the meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with Act 267 of the Public Acts of 1976 (Open Meetings Act).

Name of Secretary (Print or Type) Misha Stallworth	Signature of Secretary	Date
-------------------------------------------------------	------------------------	------

PARTICIPANTS

Secretary, Board of Education Misha Stallworth	Superintendent of Schools Dr. Nikolai Vitti
Treasurer, Board of Education Sonya Mays	Architectural Firm N/A
Bond Counsel Miller, Canfield, Paddock and Stone, P.L.C.	Construction Manager N/A
Financial Advisor PFM Financial Advisors LLC	Paying Agent
Senior Underwriter Siebert Williams Shank & Co., L.L.C.	

SALE TYPE

Competitive Bid Negotiated Sale

RESOLUTION

A meeting was called to order by _____, President.

Present: Members _____

Absent: Member _____

The following preamble and resolution were offered by Member _____ and supported by Member _____.

BACKGROUND

1. Act 92 of the Public Acts of Michigan, 2005, as amended, ("Act 92") enacted pursuant to Article IX, Section 16, of the Michigan Constitution of 1963, provides the procedure, terms and conditions for the final qualification of bonds for participation in the School Bond Qualification and Loan Program.
2. This district has taken all necessary actions to comply with all legal and procedural requirements for final qualification of this bond issue.

ACTION OF THE BOARD

1. The district hereby applies for final qualification of bonds by the State Treasurer for the purpose of:
 Financing the school construction **and/or**
 Refinancing existing debt as described in this application.
2. The bonds of the district qualified by the State Treasurer will conform to all the requirements of law pertaining generally to school bonds and specifically to school bonds qualified under Section 16, Article IX of the 1963 Michigan Constitution, Act 92, and Act 112, Public Acts of 1961, as amended.
3. Any moneys obtained through the sale of the qualified bonds of the district as herein proposed will be used only for the purpose of:
 Financing the projects described in the application for preliminary qualification of bonds numbered SBL _____ **/and/ or**
 Refinancing existing qualified debt and for no other purpose unless such change of purpose is permitted by law and has the prior approval of the State Treasurer.
4. The district agrees to annually certify and levy its debt millage tax by filing an Annual Loan Activity Statement in accordance with the requirements of Act 92 and to determine the amounts, if any, to be borrowed from or repaid to the School Loan Revolving Fund ("SLRF"). The district agrees to deposit proceeds of debt millage upon receipt into an account established solely for debt service with the appointed banking institution as defined in Section 9. The district agrees to comply with the provisions of Act 92 governing the periodic recalculation of its millage, the adjustment of its millage levy when necessary, and the repayment of funds to the SLRF, where applicable.
5. The district agrees to enter into a loan agreement and file all necessary applications for qualified loans from the SLRF along with all supporting information for repayment to the SLRF within statutory application dates and in accordance with forms and procedures as prescribed by the State Treasurer. The (insert title of authorized school district official(s)) Superintendent or Chief Financial Officer are/is authorized and directed to execute and deliver the loan agreement and any other documents that may be required by the loan agreement on behalf of the district. The district covenants to comply with the terms of any applicable qualified loan agreement it is now or may be a party to, including the provisions related to its millage levy.
6. The district agrees to take actions and refrain from taking actions as necessary to maintain the tax-exempt status of tax-exempt debt issued by the State of Michigan or the Michigan Finance Authority for the purpose of financing the School Bond Loan Fund or the School Loan Revolving Fund as defined in P.A. 227 of 1985, as amended.
7. The district agrees that if these bonds are issued as tax exempt bonds, it will use the proceeds of these bonds only for the purposes that are allowed for tax exempt bonds and that none of such proceeds will be used for more than the first advance refunding of any original bond issued after 1985, nor more than the second advance refunding of any original bond issued before 1986, and the district further agrees that proceeds of bonds issued as Qualified Zone Academy Bonds, Qualified School Construction Bonds, Build America Bonds or Recovery Zone Economic Development Bonds[will only be used for the purposes that are allowed for such bonds.
8. The district agrees to use any funds borrowed from the SLRF only for the payment of principal and interest on qualified bonds that is immediately payable to bondholders and not to fund escrow or sinking funds.

9. The district agrees to appoint a banking institution that performs paying agent services in general, and to execute a signed agreement that provides, at a minimum, the following procedures:
 - a. If the district has not established an irrevocable escrow account with a qualified escrow agent, the district agrees to submit debt service payments for its qualified bonds in immediately available funds to its banking institution no less than five business days prior to the debt service due date, and agrees not to withdraw, or cause a debit to be drawn against, such funds except to pay debt service.
 - b. The district agrees to use an existing or establish a new interest bearing, money market or investment account with the banking institution that performs paying agent services for the subject bonds, that allows the district to provide written investment instructions for the investment of collected funds on hand preceding the debt service due date.
 - c. The paying agent will implement notification procedures that provide that if sufficient funds for full payment of debt service do not reach the banking institution five business days prior to the debt service payment due date, the paying agent will notify the district of the amount of insufficient funds four business days prior to the debt service payment due date. In the event that the district does not immediately resolve the insufficient funds situation, the paying agent will notify the Michigan Department of Treasury of the delinquency three business days before the payment due date.
 - d. The district agrees to furnish written notification to the paying agent and the Department of Treasury of any bonds that have been refunded.
10. The district agrees to deposit all federal interest credits received with respect to its qualified bonds issued as direct credit type bonds into the debt retirement fund payable for such bonds.
11. The district requests that the State Treasurer increase its computed millage if at any time the full amount of any tax credit related to direct credit type bonds is not received or the amount of debt service on its qualified bonds increases for any reason and the current computed millage is not sufficient to repay all outstanding qualified loans by the final mandatory repayment date.
12. The district agrees that if Treasury determines that the district will not be able to make all or part of the debt service payment, Treasury will process an emergency loan from the SLRF. If the district incurs an emergency loan it shall be a legal debt of the district and the State Treasurer shall bill the school district for the amount paid and the school district shall remit the amount to the state.
13. The board directs the school district administration to report any failure to perform as a result of this application. In the event that the district fails to perform any actions as identified in this application or required by law, the district will submit to the State Treasurer a board approved resolution which indicates the actions taken and procedures implemented to assure future compliance.
14. The district board members have read this application, approved all statements and representations contained herein as true to the best knowledge and belief of said board, and authorized the Secretary of the Board of Education to sign this Final Application and submit same to the State Treasurer for his or her review and approval.

Ayes: Members _____

Nays: Members _____

BOND DETAIL

1. PURPOSE: Specify the purpose of bond issue exactly as stated on the ballot and as it is to be cited in the Order Qualifying Bonds (or attach an official copy).

For the purposes of refunding all or a portion of the the outstanding School Building and Site Bonds (Unlimited Tax General Obligation), Series 2010B, Build America Bonds (Taxable - Direct Payment Bonds), dated October 28, 2010 and paying the costs of issuance.

2. ELECTION DATA:

- a. Date of election: _____
- b. Attach a copy of the Certified Official Canvass of Election (if not already on file).

3. FINAL MATURITY SCHEDULE:

- a. Total amount of this issue \$ _____
- b. Due date annually for principal payments: May 1st
- c. Due date semi-annually for interest payments: May 1st/Nov 1st
- d. Attach a copy of the bond amortization and millage impact schedules.

4. DEBT AMOUNTS:

- a. Amount of this bond issue \$ _____
- b. Total amount of bonded debt prior to this issue \$ _____
- c. Total amount of bonds being refunded \$ _____
- d. Total amount of proposed and existing debt (4a + b - c) \$ _____

5. PROPERTY VALUATION: Taxable valuation as of this date \$ _____

6. CHANGES IN FINANCIAL STRUCTURE: Specify any changes in financial structure since Preliminary Qualification or original Order Qualifying Bonds was approved:

N/A

7. Bond Type(s) (Check all that apply):

- Fixed Rate
- Variable Rate
- Tax Exempt
- Taxable
- Qualified Zone Academy Bond

Reset Form

Michigan Department of Treasury
Form 3451 (Rev. 03-13)

Application No. SBL

Application for Final Qualification of Bonds for Participation in the Michigan School Bond Qualification and Loan Program

Issued under authority of Public Act 92 of 2005, as amended.

Legal Name of School District School District of the City of Detroit	District Code Number 82010	Telephone Number (313) 873-4149	
Address 3011 West Grand Boulevard	City Detroit	County Wayne	ZIP Code 48202-3096
Name of Person Responsible for Preparation of this Application Dr. Nikolai Vitti		Title Superintendent	

CERTIFICATION

I, the undersigned, Secretary of the Board of Education, do certify hereby that the following constitutes a true and complete copy of a resolution adopted by the Board of Education of this School District, at a

regular or special meeting held on the 11 day of February, 2020,

and that the meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with Act 267 of the Public Acts of 1976 (Open Meetings Act).

Name of Secretary (Print or Type) Misha Stallworth	Signature of Secretary	Date
--------------------------------------------------------------	------------------------	------

PARTICIPANTS

Secretary, Board of Education Misha Stallworth	Superintendent of Schools Dr. Nikolai Vitti
Treasurer, Board of Education Sonya Mays	Architectural Firm N/A
Bond Counsel Miller, Canfield, Paddock and Stone, P.L.C.	Construction Manager N/A
Financial Advisor PFM Financial Advisors LLC	Paying Agent
Senior Underwriter Siebert Williams Shank & Co., L.L.C.	

SALE TYPE

<input type="checkbox"/> Competitive Bid	<input checked="" type="checkbox"/> Negotiated Sale
------------------------------------------	-----------------------------------------------------

RESOLUTION

A meeting was called to order by _____, President.

Present: Members _____

Absent: Member _____

The following preamble and resolution were offered by Member _____ and supported by Member _____.

BACKGROUND

1. Act 92 of the Public Acts of Michigan, 2005, as amended, ("Act 92") enacted pursuant to Article IX, Section 16, of the Michigan Constitution of 1963, provides the procedure, terms and conditions for the final qualification of bonds for participation in the School Bond Qualification and Loan Program.
2. This district has taken all necessary actions to comply with all legal and procedural requirements for final qualification of this bond issue.

ACTION OF THE BOARD

1. The district hereby applies for final qualification of bonds by the State Treasurer for the purpose of:
 Financing the school construction **and/or**
 Refinancing existing debt as described in this application.
2. The bonds of the district qualified by the State Treasurer will conform to all the requirements of law pertaining generally to school bonds and specifically to school bonds qualified under Section 16, Article IX of the 1963 Michigan Constitution, Act 92, and Act 112, Public Acts of 1961, as amended.
3. Any moneys obtained through the sale of the qualified bonds of the district as herein proposed will be used only for the purpose of:
 Financing the projects described in the application for preliminary qualification of bonds numbered SBL_____ **/and/ or**
 Refinancing existing qualified debt and for no other purpose unless such change of purpose is permitted by law and has the prior approval of the State Treasurer.
4. The district agrees to annually certify and levy its debt millage tax by filing an Annual Loan Activity Statement in accordance with the requirements of Act 92 and to determine the amounts, if any, to be borrowed from or repaid to the School Loan Revolving Fund ("SLRF"). The district agrees to deposit proceeds of debt millage upon receipt into an account established solely for debt service with the appointed banking institution as defined in Section 9. The district agrees to comply with the provisions of Act 92 governing the periodic recalculation of its millage, the adjustment of its millage levy when necessary, and the repayment of funds to the SLRF, where applicable.
5. The district agrees to enter into a loan agreement and file all necessary applications for qualified loans from the SLRF along with all supporting information for repayment to the SLRF within statutory application dates and in accordance with forms and procedures as prescribed by the State Treasurer. The (insert title of authorized school district official(s)) Superintendent or Chief Financial Officer are/is authorized and directed to execute and deliver the loan agreement and any other documents that may be required by the loan agreement on behalf of the district. The district covenants to comply with the terms of any applicable qualified loan agreement it is now or may be a party to, including the provisions related to its millage levy.
6. The district agrees to take actions and refrain from taking actions as necessary to maintain the tax-exempt status of tax-exempt debt issued by the State of Michigan or the Michigan Finance Authority for the purpose of financing the School Bond Loan Fund or the School Loan Revolving Fund as defined in P.A. 227 of 1985, as amended.
7. The district agrees that if these bonds are issued as tax exempt bonds, it will use the proceeds of these bonds only for the purposes that are allowed for tax exempt bonds and that none of such proceeds will be used for more than the first advance refunding of any original bond issued after 1985, nor more than the second advance refunding of any original bond issued before 1986, and the district further agrees that proceeds of bonds issued as Qualified Zone Academy Bonds, Qualified School Construction Bonds, Build America Bonds or Recovery Zone Economic Development Bonds will only be used for the purposes that are allowed for such bonds.
8. The district agrees to use any funds borrowed from the SLRF only for the payment of principal and interest on qualified bonds that is immediately payable to bondholders and not to fund escrow or sinking funds.

9. The district agrees to appoint a banking institution that performs paying agent services in general, and to execute a signed agreement that provides, at a minimum, the following procedures:
 - a. If the district has not established an irrevocable escrow account with a qualified escrow agent, the district agrees to submit debt service payments for its qualified bonds in immediately available funds to its banking institution no less than five business days prior to the debt service due date, and agrees not to withdraw, or cause a debit to be drawn against, such funds except to pay debt service.
 - b. The district agrees to use an existing or establish a new interest bearing, money market or investment account with the banking institution that performs paying agent services for the subject bonds, that allows the district to provide written investment instructions for the investment of collected funds on hand preceding the debt service due date.
 - c. The paying agent will implement notification procedures that provide that if sufficient funds for full payment of debt service do not reach the banking institution five business days prior to the debt service payment due date, the paying agent will notify the district of the amount of insufficient funds four business days prior to the debt service payment due date. In the event that the district does not immediately resolve the insufficient funds situation, the paying agent will notify the Michigan Department of Treasury of the delinquency three business days before the payment due date.
 - d. The district agrees to furnish written notification to the paying agent and the Department of Treasury of any bonds that have been refunded.
10. The district agrees to deposit all federal interest credits received with respect to its qualified bonds issued as direct credit type bonds into the debt retirement fund payable for such bonds.
11. The district requests that the State Treasurer increase its computed millage if at any time the full amount of any tax credit related to direct credit type bonds is not received or the amount of debt service on its qualified bonds increases for any reason and the current computed millage is not sufficient to repay all outstanding qualified loans by the final mandatory repayment date.
12. The district agrees that if Treasury determines that the district will not be able to make all or part of the debt service payment, Treasury will process an emergency loan from the SLRF. If the district incurs an emergency loan it shall be a legal debt of the district and the State Treasurer shall bill the school district for the amount paid and the school district shall remit the amount to the state.
13. The board directs the school district administration to report any failure to perform as a result of this application. In the event that the district fails to perform any actions as identified in this application or required by law, the district will submit to the State Treasurer a board approved resolution which indicates the actions taken and procedures implemented to assure future compliance.
14. The district board members have read this application, approved all statements and representations contained herein as true to the best knowledge and belief of said board, and authorized the Secretary of the Board of Education to sign this Final Application and submit same to the State Treasurer for his or her review and approval.

Ayes: Members _____

Nays: Members _____

BOND DETAIL

- 1. PURPOSE: Specify the purpose of bond issue exactly as stated on the ballot and as it is to be cited in the Order Qualifying Bonds (or attach an official copy).

For the purposes of refunding all or a portion of the outstanding balance of the School District's Michigan School Loan Revolving Fund loans and all or a portion of the 2012A School Building and Site Improvement Refunding Bonds (Unlimited Tax General Obligation), dated March 27, 2012, 2015 Refunding Bonds (Unlimited Tax General Obligation), dated March 12, 2015 and 2017 Refunding Bond (Unlimited Tax General Obligation) (Taxable), dated September 14, 2017 and paying the costs of issuance.

- 2. ELECTION DATA:

- a. Date of election: _____
- b. Attach a copy of the Certified Official Canvass of Election (if not already on file).

- 3. FINAL MATURITY SCHEDULE:

- a. Total amount of this issue \$ _____
- b. Due date annually for principal payments: May 1st
- c. Due date semi-annually for interest payments: May 1st/Nov 1st
- d. Attach a copy of the bond amortization and millage impact schedules.

- 4. DEBT AMOUNTS:

- a. Amount of this bond issue \$ _____
- b. Total amount of bonded debt prior to this issue \$ _____
- c. Total amount of bonds being refunded \$ _____
- d. Total amount of proposed and existing debt (4a + b - c) \$ _____

- 5. PROPERTY VALUATION: Taxable valuation as of this date \$ _____

- 6. CHANGES IN FINANCIAL STRUCTURE: Specify any changes in financial structure since Preliminary Qualification or original Order Qualifying Bonds was approved:

N/A

- 7. Bond Type(s) (Check all that apply):

- Fixed Rate
- Variable Rate
- Tax Exempt
- Taxable
- Qualified Zone Academy Bond