

Local Emergency Financial Assistance Loan Board Meeting



September 16, 2021
2:00 P.M.

Richard H. Austin Building
State Treasurers' Board Room
430 West Allegan Street
Lansing, Michigan 48922

**LOCAL EMERGENCY
FINANCIAL ASSISTANCE
LOAN BOARD MEETING**

SEPTEMBER 16, 2021

2:00 P.M.

**RICHARD H. AUSTIN BUILDING
STATE TREASURERS'
BOARD ROOM
430 WEST ALLEGAN STREET
LANSING, MICHIGAN 48922**

1. AGENDA (PGS 3-4)
2. ALTERNATIVE DESIGNATIONS (PGS 5-6)
3. MINUTES - PRIOR MEETING (PGS 7-9)
4. ORDER 2021-1 DESIGNATION FOR CERTAIN PERSONS TO GIVE NOTICE OF MTGS (PGS 10-12)
5. ORDER 2021-2 PUBLIC COMMENT PERIOD (PGS 13-14)
6. SUMMARY MEMO - EMERGENCY LOAN FIXED INTEREST RATE REDUCTIONS (PGS 15-16)
7. INTEREST RATE REDUCTION APPLICATIONS AND AUTHORIZING RESOLUTION (PGS 17-119)
8. ORDER 2021-3 APPROVE OR DENY INTEREST RATE REDUCTIONS (PGS 120-127)
9. SUMMARY MEMO – PONTIAC SCL DIST EMERGENCY LN RESTRUCTURINGS (PGS 128-129)
10. PONTIAC SCL DIST APPLICATIONS AND AUTHORIZING RESOLUTIONS (PGS 130-167)
11. ORDER 2021-4 APPROVE OR DENY 2013-14 EMERG LOAN RESTRUCTURING (PGS 168-178)
12. ORDER 2021-5 APPROVE OR DENY 2014-15 EMERG LOAN RESTRUCTURING (PGS 179-189)

Local Emergency Financial Assistance Loan Board
Thursday, September 16, 2021
2:00 PM

Richard H. Austin Building
State Treasurers' Board Room, 1st Floor SE
430 West Allegan Street
Lansing, Michigan 48922

I. CALL TO ORDER

II. APPROVAL OF MINUTES

A. Approval of Local Emergency Financial Assistance Loan Board (ELB) minutes

1. October 22, 2019 Special Meeting Minutes

III. PUBLIC COMMENT

IV. NEW BUSINESS

A. Designation for certain persons to give notice of meetings

1. Designates certain Treasury staff to post Board meeting notices under the Open Meetings Act.
2. ELB Order 2021-1
 - a) Approval of Designations

B. Public comment period

3. Adopts a Board policy to allow each person up to two minutes to address the meeting.
4. ELB Order 2021-2
 - b) Approval of Policy Governing Public Comments

C. Emergency Loan Fixed Interest Rate Reduction

5. Reduce interest rates on 17 emergency loans.

6. ELB Order 2021-3
 - c) Approval of Interest Rate Reductions
 - d) Denial of Interest Rate Reductions

D. Restructured Emergency Loan Requests from the Pontiac School District

7. Restructure April 9, 2018 Second Amended and Restated Emergency Loan Note 2013-14 Series I \$10,000,000 and April 9, 2018 Amended and Restated Emergency Loan Note 2014-15 Series I \$9,995,000
8. ELB Order 2021-4
 - e) Approval of Restructured Emergency Loan 2013-14 Series I \$10,000,000
 - f) Denial of Restructured Emergency Loan 2013-14 Series I \$10,000,000
9. ELB Order 2021-5
 - g) Approval of Restructured Emergency Loan 2014-15 Series I \$9,995,000
 - h) Denial of Restructured Emergency Loan 2014-15 Series I \$9,995,000

V. ADJOURNMENT



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

ORLENE HAWKS
DIRECTOR

ALTERNATE DESIGNATION

FOR MEETINGS OF THE

LOCAL EMERGENCY FINANCIAL ASSISTANCE LOAN BOARD

Members of the Board:

I am hereby designating the person named below as my representative at any meeting of the Local Emergency Financial Assistance Loan Board, and to sign on my behalf any Order of this Board.

Name: Daniel C. Horn

Title: Director

Office Name: Finance and Administrative Services Bureau

Orlene Hawks

6-17-2021
Date

Signature

ALTERNATE DESIGNATION

FOR MEETINGS OF THE

LOCAL EMERGENCY FINANCIAL ASSISTANCE LOAN BOARD

Members of the Board:

I am hereby designating the person named below as my representative at any meeting of the Local Emergency Financial Assistance Loan Board, and to sign on my behalf any Order of this Board.

Name: Bethany Wicksall

Title: Deputy State Budget Director

Office Name: State Budget Office

6/28/21 _____

Date

 _____

Signature



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RACHAEL EUBANKS
STATE TREASURER

**LOCAL EMERGENCY FINANCIAL ASSISTANCE LOAN BOARD
MINUTES**

October 22, 2019 - 2:00 P.M.

Richard H. Austin Building
State Treasurers' Board Room, 1st Floor
430 West Allegan Street
Lansing, Michigan 48922

Members Present:

Joyce A. Parker, Deputy State Treasurer, State and Local Finance, Department of Treasury
Chris Kolb, State Budget Director, State Budget Office, Department of Technology, Management and Budget
LeAnn Droste, Director, Finance and Administrative Services, Department of Licensing and Regulatory Affairs

Others Present:

Navneet Adhi, Department of Treasury
Klein Allison, Office of the Attorney General
Nick Brousseau, Department of Treasury
Jake Brower, Department of Treasury
Harlan Goodrich, Department of Treasury
Sam Irrer, Department of Treasury
Scott Johnson, Benton Harbor Area Schools
Brian Lefler, Robert W. Baird
Veronica Miller, Department of Treasury
Kayla Rosen, Department of Treasury
Bill Sanders, Department of Treasury
Jeffrey Schwartz, Department of Treasury
Connor Sullivan, Robert W. Baird
Alan Szuma, Miller Canfield
Mike Wrobel, Department of Treasury

I. Call to Order

Joyce Parker called the meeting to order at 2:00 P.M.

II. Approval of Minutes

A motion was made by LeAnn Droste to approve the minutes from the special meeting of December 17, 2018, as presented. The motion was supported by Chris Kolb. The minutes were approved as presented.

III. Public Comment

None.

IV. Restructured Emergency Loan Requests from Benton Harbor Area Schools

Mike Wrobel, Department of Treasury, gave a summary of the requested emergency loan restructurings.

Scott Johnson, Chief Financial Officer, Benton Harbor Area Schools, spoke regarding the restructuring.

Alan Szuma, Miller Canfield, spoke regarding the restructuring.

Brian Lefler, Robert W. Baird, spoke regarding the restructuring.

V. Order 2019-1, Benton Harbor Area Schools, Approval to restructure their emergency loan note 2012-13 Series I.

Joyce Parker called for a motion regarding the Approval of Order 2019-1. A motion was made by LeAnn Droste. The motion was supported by Chris Kolb. The motion was unanimously approved by the Board. 3 ayes, 0 nays.

VI. Order 2019-2, Benton Harbor Area Schools, Approval to restructure their emergency loan note 2013-14 Series I.

Joyce Parker called for a motion regarding the Approval of Order 2019-2. A motion was made by Chris Kolb. The motion was supported by LeAnn Droste. The motion was unanimously approved by the Board. 3 ayes, 0 nays.

VII. Order 2019-3, Benton Harbor Area Schools, Approval to restructure their emergency loan note 2014-15 Series I.

Joyce Parker called for a motion regarding the Approval of Order 2019-3. A motion was made by LeAnn Droste. The motion was supported by Chris Kolb. The motion was unanimously approved by the Board. 3 ayes, 0 nays.

VIII. Order 2019-4, Benton Harbor Area Schools, Approval to restructure their emergency loan note 2015-16 Series I.

Joyce Parker called for a motion regarding the Approval of Order 2019-4. A motion was made by Chris Kolb. The motion was supported by LeAnn Droste. The motion was unanimously approved by the Board. 3 ayes, 0 nays.

IX. Order 2019-5, Benton Harbor Area Schools, Approval to restructure their emergency loan note 2016-17 Series I.

Joyce Parker called for a motion regarding the Approval of Order 2019-5. A motion was made by LeAnn Droste. The motion was supported by Chris Kolb. The motion was unanimously approved by the Board. 3 ayes, 0 nays.

The meeting was adjourned by Joyce Parker at 2:09 P.M.



Harlan Goodrich, Secretary
Local Emergency Financial Assistance Loan Board



Rachael Eubanks, State Treasurer
Local Emergency Financial Assistance Loan Board

Date Approved: 9/16/21



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RACHAEL EUBANKS
STATE TREASURER

LOCAL EMERGENCY FINANCIAL ASSISTANCE LOAN BOARD

ORDER 2021-1

DESIGNATION FOR CERTAIN PERSONS TO GIVE NOTICE OF MEETINGS OF THE LOCAL EMERGENCY FINANCIAL ASSISTANCE LOAN BOARD

WHEREAS, Section 5(1) of Public Act 267 of 1976, the Open Meetings Act, provides that “[a] meeting of a public body shall not be held unless public notice is given as provided in this section by a person designated by the public body”; And

WHEREAS, the Local Emergency Financial Assistance Loan Board had previously constructively authorized the Michigan Department of Treasury to designate a person to give notice of its meetings by reliance upon Section 2(1) of Public Act 243 of 1980, the Emergency Municipal Loan Act, which provides, in part, that the board shall exercise its prescribed statutory powers, duties, and functions independently of the department of treasury “[e]xcept for budgeting, procurement, and related functions of the board that shall be performed under the direction and supervision of the state treasurer”; And

WHEREAS, after consultation with the Michigan Department of Attorney General in response to *Davis v Local Emergency Financial Assistance Loan Board*, case no. 13-281-NZ, issued by the Ingham County Circuit Court on September 4, 2013, it is advisable under the circumstances that the Local Emergency Financial Assistance Loan Board formally designate one or more persons to give notice of its meetings; And

WHEREAS, although Section 2 of Public Act 243 of 1980, the Emergency Municipal Loan Act, enumerates the powers of the Local Emergency Financial Assistance Loan Board, among which is the power “to act by an order issued in the name of the board and signed by the members of the board,” the Attorney General concluded in Opinion No. 5183 (1977), that the “requirement that a person be ‘designated’ to carry out the posting of public notice means that such person be formally chosen by resolution noticed in the minutes of the public body.”

NOW THEREFORE, be it resolved by the Local Emergency Financial Assistance Loan Board as follows:

1. That the following persons employed by the Michigan Department of Treasury be, and the same hereby are, designated collectively, individually, or in any combination thereof, to give notice of meetings of the Local Emergency Financial Assistance Loan Board pursuant to Section 5(1) of Public Act 267 of 1976, the Open Meetings Act:
 - a. Mike Forward
 - b. Ron Leix
 - c. Danelle Gittus
 - d. Harlan Goodrich
 - e. Jeff Schwartz
 - f. Bill Sanders
 - g. Carla Robert
 - h. Rod Taylor
2. That, to the fullest extent permitted by law, the giving of any notice of a meeting of the Local Emergency Financial Assistance Loan Board by any of the foregoing persons, or by any other person previously so designated before the effective date of the Order approving this Resolution is valid to the same extent had the notice been given after the effective date of the Order approving this Resolution.

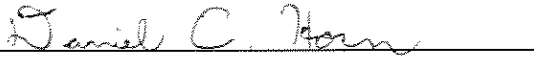
3. This Order shall have immediate effect.

IN WITNESS WHEREOF, the members of the Board, or their designees, have signed and executed this Order.

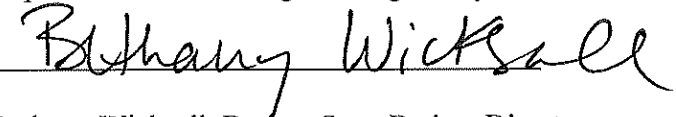
LOCAL EMERGENCY FINANCIAL ASSISTANCE
LOAN BOARD

By 

Rachael Eubanks, State Treasurer
Department of Treasury

By 

Daniel C. Horn, Director, Finance and
Administrative Services Bureau
As Designee for Orlene Hawks, Director
Department of Licensing and Regulatory Affairs

By 

Bethany Wicksall, Deputy State Budget Director
State Budget Office
As Designee for Brom Stibitz, Director
Department of Technology, Management,
and Budget

Date: September 16, 2021
Lansing, Michigan



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RACHAEL EUBANKS
STATE TREASURER

LOCAL EMERGENCY FINANCIAL ASSISTANCE LOAN BOARD

ORDER 2021-2

ADOPTION OF POLICY GOVERNING PUBLIC COMMENTS

WHEREAS, Section 3(5) of Public Act 267 of 1976, the Open Meetings Act, provides that “[a] person must be permitted to address a meeting of a public body under rules established and recorded by the public body”; And

WHEREAS, in order to ensure all members of the public have the opportunity to address the Local Emergency Financial Assistance Loan Board and to facilitate the orderly and efficient operation of its meetings, the following rules governing public comment have been recommended. NOW THEREFORE, be it ordered by the Local Emergency Financial Assistance Loan Board as follows:

1. That each person be allowed up to two (2) minutes to address the meeting.
2. That each person wishing to address the meeting identify himself/herself by name. If the person is representing an organization or group, the person is requested to indicate whether his/her comments or presentation represents the official view of the organization or group.
3. That the members of the Local Emergency Financial Assistance Loan Board may question speakers, but are not obligated to comment or answer questions in response to issues raised by the public.
4. This Order shall have immediate effect.

IN WITNESS WHEREOF, the members of the Board, or their designees, have signed and executed this Order.

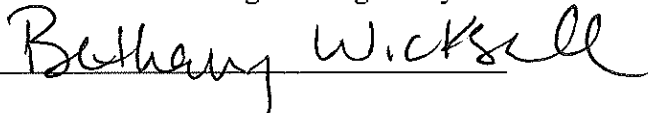
LOCAL EMERGENCY FINANCIAL ASSISTANCE
LOAN BOARD

By 

Rachael Eubanks, State Treasurer
Department of Treasury

By 

Daniel C. Horn, Director, Finance and
Administrative Services Bureau
As Designee for Orlene Hawks, Director
Department of Licensing and Regulatory Affairs

By 

Bethany Wicksall, Deputy State Budget Director
State Budget Office
As Designee for Brom Stibitz, Director
Department of Technology, Management,
and Budget

Date: September 16, 2021
Lansing, Michigan



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

DATE: August 16, 2021

TO: Local Emergency Financial Assistance Loan Board

FROM: Harlan Goodrich, Municipal Finance Manager, Michigan Department of Treasury

SUBJECT: Emergency Loan Fixed Interest Rate Reduction Program

Executive Summary

- There are 4 cities and 5 school districts with a total of 17 outstanding fixed interest rate emergency loans that have applied to the Board for a lower interest rate.
- The new interest rate will be determined the business day immediately preceding the Board meeting using the Municipal Market Data “AAA” rate that corresponds with the remaining average life of the loan or 10 years, whichever is greater, plus 25 basis points (0.25%), rounded up to the nearest 0.05%.
- Based on current rates this program would save municipalities approximately \$5.9 million in interest expense over 26 years (\$0.2 million to cities and \$5.7 million to school districts). This would also reduce Treasury’s common cash balance by \$5.9 million over 26 years.
- The new interest rate will become effective the day the loan’s first debt service payment after October 1, 2021 is due.
- When establishing the interest rate, the floor of 10 years is determined by statute.
- Using the average life to determine the corresponding interest rate is consistent with the treatment of “new money” loans.
- The remaining average life of the loans range between 10 and 23 years.
- The 25-basis point additional spread provides Treasury with coverage from market-based interest rate fluctuations on its common cash account from which the loans originate.
- We would not reduce interest rates for loans with less than \$10,000 in savings.
- All loans are secured with one or more of the following pledges: revenue sharing, local community stabilization authority revenue, operating taxes, or state aid. A cognovit is in place for 12 of the 17 loans.

Interest Reduction Example

Municipality	Savings
Allen Park, City of	\$14,541
Benton Harbor, City of	\$83,325
Hamtramck, City of	\$11,604
Highland Park, City of	\$100,685
Benton Harbor Area Schools (5)	\$916,917
Detroit, SD of the City of	\$865,600
Highland Park, SD of the City of (2)	\$715,443
Inkster, SD of the City of	\$951,970
Muskegon Heights, SD of the City of (4)	\$2,233,859
Total Interest Reduction	\$5,893,944
<i>Interest Rate = Municipal Market Data "AAA" rate that corresponds to the remaining average life as of August 16, 2021 with an interest rate floor of the 10-year rate per statute, plus 25 basis points, rounded up to the nearest 0.05%. Actual interest rates will be determined the business day prior to the Local Emergency Financial Assistance Loan Board meeting.</i>	

Michigan Department of Treasury
Bureau of Local Government and School Services
Emergency Municipal Loan Act - Public Act 243 of 1980

Emergency Loan Fixed Interest Rate Reduction Application

The Michigan Department of Treasury is allowing municipalities with a fixed interest rate emergency loan to apply to receive an amendment to their existing note that would lower the interest rate for the duration of the loan. This is a one-time only program. Interested municipalities shall email this application **AND** a certified resolution adopted by the governing body of the municipality approving the submission of the application to Treas_MunicipalFinance@michigan.gov by no later than **Friday, July 23, 2021 at 11:59PM**. No due date extensions will be given. Use the subject line "Emergency Loan Fixed Interest Rate Reduction Application." If you have more than one loan, you must submit a separate application **AND** separate resolution for **EACH** loan. Light blue cells are input cells. The Local Emergency Financial Assistance Loan Board is expected to meet in mid-September 2021 to consider approving the interest rate reductions. The actual new interest rate will not be determined until the business day immediately preceding the meeting using the Municipal Market Data "AAA" rate that corresponds with the remaining average life of the loan or 10 years, whichever is greater, plus 25 basis points (0.25%), rounded up to the nearest 0.05%. On the application below we have provided an illustration of potential interest savings using the applicable Municipal Market Data "AAA" rate as of May 21, 2021. The new interest rate would become effective the day the loan's first debt service payment after October 1, 2021 is due. For example, if you have debt service payments due November 1 and May 1, on November 1, 2021 you would make that payment as was originally scheduled. The new interest rate would begin November 1, 2021 and will result in a lower debt service payment starting on May 1, 2022 through final maturity. If the new interest rate is greater than your current interest rate **OR** the nominal interest savings throughout the remaining life of the loan is less than \$10,000 your application will be canceled and you will maintain your current interest rate with no action needed. We have also included 1) a list of required attorney opinion provisions and 2) a form of note amendment. Both the attorney opinion and note amendment will need to be provided at closing, which is expected in October 2021. Should you have any questions regarding the application process please email Treas_MunicipalFinance@michigan.gov.

Applicant - Loan, Remaining Average Life, Current Interest Rate

Allen Park, City of - 2013-14 Series I, Remaining Avg Life 10 Years, Current IR = 2.30%

[Click for definition of "Average Life."](#) Scroll down to bottom of screen and select "Accept."

Example new interest rate based on Municipal Market Data "AAA" rate as of May 21, 2021. Actual rate determined prior to Local Emergency Financial Assistance Loan Board meeting.

1.30%

Example nominal interest savings throughout the remaining life of the loan:

\$12,644.61

New interest rate begins:

January 1, 2022

First lower debt service payment with new interest rate:

July 1, 2022

- ☒ Yes, we would like to receive a lower interest rate on our emergency loan.
- ☒ Yes, we have included a certified resolution adopted by the governing body of the municipality, along with this application, as part of our submission to Treasury.
- ☒ Yes, we will use the templates provided to draft an attorney opinion and note amendment which we will bring to the closing.

Chief Administrative Officer or their Designee Name: Mark Kibby

Chief Administrative Officer or their Designee Signature:
(electronic signature accepted)



Date: June 1, 2021

Contact Person: Amanda Wertz

Contact Person Email Address: Awertz@cityoffallenpark.org

Due Date is Friday, July 23, 2021 at 11:59PM

FORM OF NOTE AMENDMENT

AGREEMENT TO AMEND
EMERGENCY LOAN NOTE
GENERAL OBLIGATION LIMITED TAX
2013-14 SERIES I
OF THE
CITY OF ALLEN PARK
COUNTY OF WAYNE
STATE OF MICHIGAN

THIS Agreement to Amend Emergency Loan Note General Obligation Limited Tax, issued by the City of Allen Park (the "Municipality"), County of Wayne, State of Michigan (the "Note"), is hereby agreed to by and between the Municipality and the State of Michigan, as registered owner, on this 10 day of August, 2021.

WHEREAS, the Municipality previously issued the Note pursuant to the provisions of the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended; and

WHEREAS, the Municipality and the State of Michigan desire to amend the Note in order to lower the interest rate and to authorize the redemption of the Note in any order of maturity as agreed to by the Municipality and the State of Michigan.

NOW THEREFORE, in consideration of the foregoing, the parties hereby agree as follows:

1. Amendment to Interest Rate. Beginning on the next scheduled payment date as established in the Note, the Note shall bear interest at a rate of an amount yet to be determined but will not exceed the current rate per annum.
2. Amendment to Application of Prepayments. The third full paragraph of the Note is hereby amended and restated in its entirety as follows:

The Issuer shall have the right to pay at any time or times prior to maturity, without penalty or premium, all or any portion of this note. Prepayments shall be credited to principal payments in any order, in whole or in part, as mutually agreed to by the Issuer and the State of Michigan.]

3. No Default. The Municipality represents and warrants that there are no outstanding or unresolved defaults under the Note or any of the other documents or undertakings of the Municipality relating to the emergency loan.
4. Note Otherwise Unchanged. Except as explicitly amended hereby, the Note remains unchanged and in full force and effect.

(Balance of this page intentionally left blank)

IN WITNESS WHEREOF, this Agreement to Amend the Note has been signed on behalf of the Municipality and the State of Michigan as of the date first above written.

CITY OF ALLEN PARK

By: Gail McLeod
Printed: GAIL MCLEOD
Title: MAYOR

By: Michael I. Mizzi
Printed: Michael I. Mizzi
Title: City Clerk

STATE OF MICHIGAN
as Registered Owner

By: _____
Printed: _____
Title: _____

Gail McLeod
Mayor

Michael I. Mizzi
City Clerk

Maureen C. Armstrong
Treasurer

CITY COUNCIL

Felice "Tony" Lalli
Mayor Pro-Tem

Dan Loyd

Pamela Sych

Matthew E. Valerius

Gary Schlack

Charles Blevins

City of Allen Park

15915 SOUTHFIELD ROAD
ALLEN PARK, MICHIGAN 48101
PHONE: 313-928-1400
FAX: 313-382-7946
www.cityofallenpark.org



At the Regular Meeting of the Allen Park City Council, Wayne County, Michigan, held on Tuesday, the 10th day of August 2021, Called to Order by Mayor McLeod at 6:00 P.M. the following resolution was proposed:

Motion by COUNCILMAN DAN LOYD
Supported by COUNCILMAN TONY LALLI

WHEREAS, the Municipality previously issued the Note pursuant to the provisions of the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended; and

WHEREAS, the Municipality and the State of Michigan desire to amend the Note in order to lower the interest rate and to authorize the redemption of the Note in any order of maturity as agreed to by the Municipality and the State of Michigan.

NOW THEREFORE, in consideration of the foregoing, the parties hereby agree as follows:

1. Amendment to Interest Rate. Beginning on the next scheduled payment date as established in the Note, the Note shall bear interest at a rate of an amount yet to be determined but will not exceed the current rate per annum.
2. Amendment to Application of Prepayments. The third full paragraph of the Note is hereby amended and restated in its entirety as follows:

The Issuer shall have the right to pay at any time or times prior to maturity, without penalty or premium, all or any portion of this note. Prepayments shall be credited to principal payments in any order, in whole or in part, as mutually agreed to by the Issuer and the State of Michigan.]

3. No Default. The Municipality represents and warrants that there are no outstanding or unresolved defaults under the Note or any of the other documents or undertakings of the Municipality relating to the emergency loan.
4. Note Otherwise Unchanged. Except as explicitly amended hereby, the Note remains unchanged and in full force and effect.

MOTION ADOPTED UNANOMOUSLY – 21-0810-146

CERTIFICATION

I, Michael I. Mizzi City Clerk of the City of Allen Park, County of Wayne, State of Michigan, do hereby certify that the foregoing is a true and correct copy of the Resolution adopted by the Allen Park City Council at the Regular Meeting held on Tuesday, the 10th day of August 2021, I further certify that the foregoing meeting was posted per the requirements of Public Acts 267 of 1976 (MCL 15.261 et seq.), Act 116 of 1954 (168.1 et seq.)


Michael I. Mizzi – City Clerk

-August 18, 2021-

Michigan Department of Treasury
Bureau of Local Government and School Services
Emergency Municipal Loan Act - Public Act 243 of 1980

Emergency Loan Fixed Interest Rate Reduction Application

The Michigan Department of Treasury is allowing municipalities with a fixed interest rate emergency loan to apply to receive an amendment to their existing note that would lower the interest rate for the duration of the loan. This is a one-time only program. Interested municipalities shall email this application **AND** a certified resolution adopted by the governing body of the municipality approving the submission of the application to Treas_MunicipalFinance@michigan.gov by no later than **Friday, July 23, 2021 at 11:59PM**. No due date extensions will be given. Use the subject line "Emergency Loan Fixed Interest Rate Reduction Application." If you have more than one loan, you must submit a separate application **AND** separate resolution for **EACH** loan. Light blue cells are input cells. The Local Emergency Financial Assistance Loan Board is expected to meet in mid-September 2021 to consider approving the interest rate reductions. The actual new interest rate will not be determined until the business day immediately preceding the meeting using the Municipal Market Data "AAA" rate that corresponds with the remaining average life of the loan or 10 years, whichever is greater, plus 25 basis points (0.25%), rounded up to the nearest 0.05%. On the application below we have provided an illustration of potential interest savings using the applicable Municipal Market Data "AAA" rate as of May 21, 2021. The new interest rate would become effective the day the loan's first debt service payment after October 1, 2021 is due. For example, if you have debt service payments due November 1 and May 1, on November 1, 2021 you would make that payment as was originally scheduled. The new interest rate would begin November 1, 2021 and will result in a lower debt service payment starting on May 1, 2022 through final maturity. If the new interest rate is greater than your current interest rate **OR** the nominal interest savings throughout the remaining life of the loan is less than \$10,000 your application will be canceled and you will maintain your current interest rate with no action needed. We have also included 1) a list of required attorney opinion provisions and 2) a form of note amendment. Both the attorney opinion and note amendment will need to be provided at closing, which is expected in October 2021. Should you have any questions regarding the application process please email Treas_MunicipalFinance@michigan.gov.

Applicant - Loan, Remaining Average Life, Current Interest Rate

Benton Harbor, City of - 2013-14 Series I, Remaining Avg Life 10 Years, Current IR = 2.80%

[Click for definition of "Average Life." Scroll down to bottom of screen and select "Accept."](#)

Example new interest rate based on Municipal Market Data "AAA" rate as of May 21, 2021. Actual rate determined prior to Local Emergency Financial Assistance Loan Board meeting.

1.30%

Example nominal interest savings throughout the remaining life of the loan:

\$75,750.00

New interest rate begins:

November 1, 2021

First lower debt service payment with new interest rate:

May 1, 2022

- ☒ Yes, we would like to receive a lower interest rate on our emergency loan.
- ☒ Yes, we have included a certified resolution adopted by the governing body of the municipality, along with this application, as part of our submission to Treasury.
- ☒ Yes, we will use the templates provided to draft an attorney opinion and note amendment which we will bring to the closing.

Chief Administrative Officer or their Designee Name: Ellis Mitchell

Chief Administrative Officer or their Designee Signature:
(electronic signature accepted)

Ellis E. Mitchell

Date:

7/21/2021

Contact Person: Rhonda Hildebrand

Contact Person Email Address: rhonda.hildebrand@plantemoran.com

Due Date is Friday, July 23, 2021 at 11:59PM

MEMORANDUM

TO: Mayor and City Commission

FROM: Ellis Mitchell, City Manager

DATE: July 19, 2021

RE: Request to Submit to the Michigan Department of Treasury the Emergency Loan Fixed Interest Rate Reduction Application

ITEM BEFORE THE COMMISSION:

The item before the Commission is to approve the request to submit to the Michigan Department of Treasury the Emergency Loan Fixed Interest Rate Reduction Application.

RECOMMENDATION:

The Mayor and City Commission approve the request to submit the application to reduce the existing Emergency Loan interest rate currently at 2.8 percent to the Michigan Department of Treasury no later than Friday, July 23, 2021.

JUSTIFICATION:

The City of Benton Harbor's Emergency Loan of \$2,300,000 was issued at a fixed interest rate of 2.8 percent in 2014. There are eight years remaining on the loan and a lower rate will favorably impact the City. The Michigan Department of Treasury is allowing municipalities with a fixed rate emergency loan to apply to receive an amendment to their existing note that would lower the interest rate for the duration of the loan.

At this time, the amount of the interest rate reduction is unknown. The Local Emergency Financial Assistance Loan Board is expected to meet in mid-September 2021 to consider approving the interest rate reductions. The actual new rate will not be determined until the business day immediately preceding meeting. However, if the new interest rate is greater than the City's current rate or the savings throughout the remaining life of the loan is less than \$10,000, the application that is submitted will be canceled and the City will maintain their current rate of 2.8 percent.

FINANCIAL IMPACT:

If the City's interest rate is reduced below the current 2.8 percent, this will result in a favorable financial impact over the next eight years. However, the exact amount of savings can not be determined until the Local Emergency Financial Assistance Loan Board meets in mid-September 2021.

COMMISSION ACTION:

Mayor Muhammad	<input type="checkbox"/>	Com Henderson	<input type="checkbox"/>
Com. Seats	<input type="checkbox"/>	Com. Edwards	<input type="checkbox"/>
Com. Adams	<input type="checkbox"/>	Com. Henry	<input type="checkbox"/>
Com. Isom	<input type="checkbox"/>	Com. Haralson	<input type="checkbox"/>
Com. Singleton	<input type="checkbox"/>		

RESOLUTION

WHEREAS, the City of Benton Harbor's Emergency Loan of \$2,300,000.00 received in 2014 was issued at a fixed interest rate of 2.8 percent; and

WHEREAS, the payments for the loan are being made through June 2029 with eight additional years of interest and principal payments remaining; and

WHEREAS, the Michigan Department of Treasury is allowing municipalities with a fixed rate emergency loan to apply to receive an amendment to their existing note that would lower the interest rate for the duration of the loan; and

WHEREAS, this is a one-time program; and

WHEREAS, the Local Emergency Financial Assistance Loan Board is expected to meet in mid-September 2021 to consider approving the interest rate reductions; and

WHEREAS, the actual new interest rate will not be determined until the business day immediately preceding the meeting; and

WHEREAS, the new interest rate would become effective the day the loan's first debt service payment after October 1, 2021 is due; and

WHEREAS, if the interest rate decreases or results in a savings of more than \$10,0000 for the remaining life of the City's Emergency Loan the City will realize a favorable financial impact over the remaining eight years of the loan; and

NOW THEREFORE BE IT RESOLVED, that Mayor Muhammad and the Benton Harbor City Commission hereby authorize the City Manager to submit the Emergency Loan Fixed Interest Rate Reduction Application and all accompanying documents to satisfy the request, on or before the due date of Friday, July 23, 2021 at 11:59 p.m.

**CITY COMMISSION, BENTON HARBOR
BERRIEN COUNTY, MICHIGAN
Resolution # 071921-8**

ATTEST: Kimberly Thompson
Its Clerk

By: Marcus Muhammad
Its Mayor

CERTIFICATE

We, the Mayor (Marcus Muhammad) and City Clerk (Kimberly Thompson) of the City of Benton Harbor, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Commission held on July 19, 2021.

Michigan Department of Treasury
Bureau of Local Government and School Services
Emergency Municipal Loan Act - Public Act 243 of 1980

Emergency Loan Fixed Interest Rate Reduction Application

The Michigan Department of Treasury is allowing municipalities with a fixed interest rate emergency loan to apply to receive an amendment to their existing note that would lower the interest rate for the duration of the loan. This is a one-time only program. Interested municipalities shall email this application AND a certified resolution adopted by the governing body of the municipality approving the submission of the application to Treas_MunicipalFinance@michigan.gov by no later than Friday, July 23, 2021 at 11:59PM. No due date extensions will be given. Use the subject line "Emergency Loan Fixed Interest Rate Reduction Application." If you have more than one loan, you must submit a separate application AND separate resolution for EACH loan. Light blue cells are input cells. The Local Emergency Financial Assistance Loan Board is expected to meet in mid-September 2021 to consider approving the interest rate reductions. The actual new interest rate will not be determined until the business day immediately preceding the meeting using the Municipal Market Data "AAA" rate that corresponds with the remaining average life of the loan or 10 years, whichever is greater, plus 25 basis points (0.25%), rounded up to the nearest 0.05%. On the application below we have provided an illustration of potential interest savings using the applicable Municipal Market Data "AAA" rate as of May 21, 2021. The new interest rate would become effective the day the loan's first debt service payment after October 1, 2021 is due. For example, if you have debt service payments due November 1 and May 1, on November 1, 2021 you would make that payment as was originally scheduled. The new interest rate would begin November 1, 2021 and will result in a lower debt service payment starting on May 1, 2022 through final maturity. If the new interest rate is greater than your current interest rate OR the nominal interest savings throughout the remaining life of the loan is less than \$10,000 your application will be canceled and you will maintain your current interest rate with no action needed. We have also included 1) a list of required attorney opinion provisions and 2) a form of note amendment. Both the attorney opinion and note amendment will need to be provided at closing, which is expected in October 2021. Should you have any questions regarding the application process please email Treas_MunicipalFinance@michigan.gov.

Applicant - Loan, Remaining Average Life, Current Interest Rate

Benton Harbor, City of - 2013-14 Series I, Remaining Avg Life 10 Years, Current IR = 2.80%

[Click for definition of "Average Life."](#) Scroll down to bottom of screen and select "Accept."

Example new interest rate based on Municipal Market Data "AAA" rate as of May 21, 2021. Actual rate determined prior to Local Emergency Financial Assistance Loan Board meeting.

1.30%

Example nominal interest savings throughout the remaining life of the loan:

\$75,750.00

New interest rate begins:

November 1, 2021

First lower debt service payment with new interest rate:

May 1, 2022

- ☒ Yes, we would like to receive a lower interest rate on our emergency loan.
- ☒ Yes, we have included a certified resolution adopted by the governing body of the municipality, along with this application, as part of our submission to Treasury.
- ☒ Yes, we will use the templates provided to draft an attorney opinion and note amendment which we will bring to the closing.

Chief Administrative Officer or their Designee Name: Ellis Mitchell

Chief Administrative Officer or their Designee Signature:
(electronic signature accepted)

Date:

Contact Person: Rhonda Hildebrand

Contact Person Email Address: rhonda.hildebrand@plantemoran.com

Due Date is Friday, July 23, 2021 at 11:59PM

**Michigan Department of Treasury
Bureau of Local Government and School Services
Emergency Municipal Loan Act - Public Act 243 of 1980**

Emergency Loan Fixed Interest Rate Reduction Application

The Michigan Department of Treasury is allowing municipalities with a fixed interest rate emergency loan to apply to receive an amendment to their existing note that would lower the interest rate for the duration of the loan. This is a one-time only program. Interested municipalities shall email this application **AND** a certified resolution adopted by the governing body of the municipality approving the submission of the application to Treas_MunicipalFinance@michigan.gov by no later than **Friday, July 23, 2021 at 11:59PM**. No due date extensions will be given. Use the subject line "Emergency Loan Fixed Interest Rate Reduction Application." If you have more than one loan, you must submit a separate application **AND** separate resolution for **EACH** loan. Light blue cells are input cells. The Local Emergency Financial Assistance Loan Board is expected to meet in mid-September 2021 to consider approving the interest rate reductions. The actual new interest rate will not be determined until the business day immediately preceding the meeting using the Municipal Market Data "AAA" rate that corresponds with the remaining average life of the loan or 10 years, whichever is greater, plus 25 basis points (0.25%), rounded up to the nearest 0.05%. On the application below we have provided an illustration of potential interest savings using the applicable Municipal Market Data "AAA" rate as of May 21, 2021. The new interest rate would become effective the day the loan's first debt service payment after October 1, 2021 is due. For example, if you have debt service payments due November 1 and May 1, on November 1, 2021 you would make that payment as was originally scheduled. The new interest rate would begin November 1, 2021 and will result in a lower debt service payment starting on May 1, 2022 through final maturity. If the new interest rate is greater than your current interest rate **OR** the nominal interest savings throughout the remaining life of the loan is less than \$10,000 your application will be canceled and you will maintain your current interest rate with no action needed. We have also included 1) a list of required attorney opinion provisions and 2) a form of note amendment. Both the attorney opinion and note amendment will need to be provided at closing, which is expected in October 2021. Should you have any questions regarding the application process please email Treas_MunicipalFinance@michigan.gov.

Applicant - Loan, Remaining Average Life, Current Interest Rate

Hamtramck, City of - 2013-14 Series I, Remaining Avg Life 10 Years, Current IR = 2.30%

[Click for definition of "Average Life." Scroll down to bottom of screen and select "Accept."](#)

Example new interest rate based on Municipal Market Data "AAA" rate as of May 21, 2021. Actual rate determined prior to Local Emergency Financial Assistance Loan Board meeting.

1.30%

Example nominal interest savings throughout the remaining life of the loan:

\$10,091.28

New interest rate begins:


December 1, 2021

First lower debt service payment with new interest rate:

June 1, 2022

- ☒ Yes, we would like to receive a lower interest rate on our emergency loan.
- ☒ Yes, we have included a certified resolution adopted by the governing body of the municipality, along with this application, as part of our submission to Treasury.
- ☒ Yes, we will use the templates provided to draft an attorney opinion and note amendment which we will bring to the closing.

Chief Administrative Officer or their Designee Name: Kathleen A. Angerer

Chief Administrative Officer or their Designee Signature: 
(electronic signature accepted)

Date: July 14, 2021

Contact Person: Kathleen A. Angerer

Contact Person Email Address: kangerer@hamtramckcity.com

Due Date is Friday, July 23, 2021 at 11:59PM

RESOLUTION 2021-92
ADOPTING AGREEMENT TO AMEND EMERGENCY LOAN NOTE HAMTRAMCK, CITY OF – 2013-14, SERIES I

WHEREAS, the City of Hamtramck, Wayne County, Michigan, has determined that the State of Michigan is offering a one-time program that would lower interest rates on Hamtramck's Emergency Loan Note; and

WHEREAS, this will lower Hamtramck's current loan and the city would benefit from this program; and

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Hamtramck, Wayne County, Michigan and that the city manager is hereby authorized to apply for amendment to the Emergency Loan Note.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HAMTRAMCK, WAYNE COUNTY, MICHIGAN THIS 13th DAY OF JULY 2021.

AYES: Lasley, Almasmari, Choudhury, Al-Marsoumi, Alsomiri, Hassan

NAYS:

ABSENT:

ATTEST:


Rana Faraj, City Clerk



Michigan Department of Treasury
Bureau of Local Government and School Services
Emergency Municipal Loan Act - Public Act 243 of 1980

Emergency Loan Fixed Interest Rate Reduction Application

The Michigan Department of Treasury is allowing municipalities with a fixed interest rate emergency loan to apply to receive an amendment to their existing note that would lower the interest rate for the duration of the loan. This is a one-time only program. Interested municipalities shall email this application **AND** a certified resolution adopted by the governing body of the municipality approving the submission of the application to Treas_MunicipalFinance@michigan.gov by no later than **Friday, July 23, 2021 at 11:59PM**. No due date extensions will be given. Use the subject line "Emergency Loan Fixed Interest Rate Reduction Application." If you have more than one loan, you must submit a separate application **AND** separate resolution for **EACH** loan. Light blue cells are input cells. The Local Emergency Financial Assistance Loan Board is expected to meet in mid-September 2021 to consider approving the interest rate reductions. The actual new interest rate will not be determined until the business day immediately preceding the meeting using the Municipal Market Data "AAA" rate that corresponds with the remaining average life of the loan or 10 years, whichever is greater, plus 25 basis points (0.25%), rounded up to the nearest 0.05%. On the application below we have provided an illustration of potential interest savings using the applicable Municipal Market Data "AAA" rate as of May 21, 2021. The new interest rate would become effective the day the loan's first debt service payment after October 1, 2021 is due. For example, if you have debt service payments due November 1 and May 1, on November 1, 2021 you would make that payment as was originally scheduled. The new interest rate would begin November 1, 2021 and will result in a lower debt service payment starting on May 1, 2022 through final maturity. If the new interest rate is greater than your current interest rate **OR** the nominal interest savings throughout the remaining life of the loan is less than \$10,000 your application will be canceled and you will maintain your current interest rate with no action needed. We have also included 1) a list of required attorney opinion provisions and 2) a form of note amendment. Both the attorney opinion and note amendment will need to be provided at closing, which is expected in October 2021. Should you have any questions regarding the application process please email Treas_MunicipalFinance@michigan.gov.

Applicant - Loan, Remaining Average Life, Current Interest Rate

Highland Park, City of - 2013-14 Series I, Remaining Avg Life 10 Years, Current IR = 2.45%

[Click for definition of "Average Life."](#) Scroll down to bottom of screen and select "Accept."

Example new interest rate based on Municipal Market Data "AAA" rate as of May 21, 2021. Actual rate determined prior to Local Emergency Financial Assistance Loan Board meeting.

1.30%

Example nominal interest savings throughout the remaining life of the loan:

\$89,067.50

New interest rate begins:

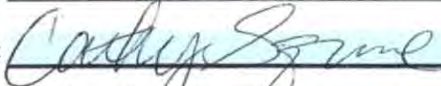
November 1, 2021

First lower debt service payment with new interest rate:

May 1, 2022

- ☒ Yes, we would like to receive a lower interest rate on our emergency loan.
- ☐ Yes, we have included a certified resolution adopted by the governing body of the municipality, along with this application, as part of our submission to Treasury.
- ☐ Yes, we will use the templates provided to draft an attorney opinion and note amendment which we will bring to the closing.

Chief Administrative Officer or their Designee Name: Cathy Square, City Administrator

Chief Administrative Officer or their Designee Signature: 
(electronic signature accepted)

Date: 7-6-2020

Contact Person: Cathy Square

Contact Person Email Address: csquare@highlandparkmi.gov

Due Date is Friday, July 23, 2021 at 11:59PM

**RESOLUTION AUTHORIZING
SECOND AMENDMENT OF
EMERGENCY LOAN NOTE (GENERAL OBLIGATION LIMITED TAX) 2013-14
SERIES I**

**City of Highland Park
County of Wayne, State of Michigan**

Minutes of a regular meeting of the City Council of the City of Highland Park, County of Wayne, State of Michigan, held on July 6, 2021, at 7:00 p.m., prevailing Eastern Time.

PRESENT: Members: Clyburn, Patrick, Jackson, Bates and Armstrong

ABSENT: Members: 0

The following preamble and resolution were offered by Member Patrick and supported by Member Armstrong

WHEREAS, on September 25, 2014, pursuant to the provisions of the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended ("Act 243"), the City of Highland Park, County of Wayne, State of Michigan (the "City") received a loan (the "Loan") from the Local Emergency Financial Assistance Loan Board (the "Board"), which loan was evidenced by a note designated Emergency Loan Note (General Obligation Limited Tax) 2013-14 Series 1 (the "Original 2014 Note"); and

WHEREAS, on December 18, 2018, the City amended the Original 2014 Note to provide for the redemption of principal installments of the 2014 Note (the "Amendment to the 2014 Note" and together with the Original 2014 Note, the "2014 Note") in any order of maturity as agreed to by the City and the State of Michigan (the "State"); and

WHEREAS, the City previously entered into that certain Amended and Restated Debt Retirement Trust Agreement, dated as of August 1, 2018, as supplemented (the "Trust Agreement"), by and between the City and U.S. Bank National Association (the "Trustee") in order to secure and provide for the repayment of certain debt of the City secured by revenue sharing payments; and

WHEREAS, the Board has offered the City the opportunity to apply to the Board, make filings with the Michigan Department of Treasury (the "Department"), and to take such other actions necessary to amend the 2014 Note to provide for a reduction in the interest rate thereon, if permitted under Act 243; and

WHEREAS, in connection with the execution of the Second Amendment to the 2014 Note (as defined herein), the City desires to authorize certain officers of the City to take certain actions

and to execute such documents as may be necessary and make filings with the Department and the Board.

NOW, THEREFORE, BE IT ORDERED AND RESOLVED by the City Council of the City of Highland Park, that:

Section 1. Application to Amend the 2014 Note. The Mayor, the City Administrator, and the Finance Director of the City (each, an "Authorized Officer") are each authorized and directed to submit one or more applications to the Board, make filings with the Michigan Department of Treasury, and to take such other actions necessary for the approval to amend the Loan and the 2014 Note to provide for a reduction in the interest rate on the 2014 Note and/or to restructure the debt service payment schedule on the 2014 Note.

Section 2. Execution and Delivery. The amendment to the 2014 Note (the "Second Amendment to the 2014 Note") shall be executed by the Mayor and the City Clerk on behalf of the City, and the fully executed Second Amendment to the 2014 Note shall be delivered to State in accordance with its delivery instructions.

Section 3. Form of Second Amendment to 2014 Note. The Second Amendment to the 2014 Note shall be memorialized in substantially the form of agreement attached hereto as Exhibit A, with such modifications, additions, changes and deletions as may be required by the Board and approved by an Authorized Officer.

Section 4. Amended Emergency Loan Agreement. The City hereby acknowledges that the Second Amendment of the 2014 Note may require the amendment of the underlying loan (the "Loan") to evidence the terms of the Second Amended 2014 Note. Each Authorized Officer is hereby authorized and directed to execute an amendment to the loan agreement (the "Amended Emergency Loan Agreement") pursuant to an Order of the Board (the "Order"), which Order and Amended Emergency Loan Agreement may contain terms and conditions of the Loan as amended. Each Authorized Officer is hereby authorized to accept such terms and conditions if he/she determines that accepting such terms and conditions is in the best interest of the City, and once accepted, such terms and conditions of any such Order and Amended Emergency Loan Agreement shall be binding on the City.

Section 5. Authorization of Other Actions. Notwithstanding anything herein to the contrary, the Authorized Officers, City Clerk, City Attorney and any other officials or employees of the City are each hereby authorized and ordered to take such action or execute such documents and certificates as may be necessary or desirable and in the best interest of the City in connection with the amendment delivery of the Note. Each Authorized Officer is hereby authorized to agree to such amendments to the Trust Agreement and/or the schedules and exhibits thereto in order to memorialize the terms of the Second Amendment to the 2014 Note.

Section 6. Note Counsel. The appointment of the law firm of Miller, Canfield, Paddock and Stone, P.L.C. of Detroit, Michigan as Note Counsel for the amendment of the 2014 Note is hereby ratified and confirmed notwithstanding the periodic representation by Miller,

Canfield, Paddock and Stone, P.L.C. in unrelated matters of the State and other parties and potential parties, if any, to the issuance of the Note.


Section 7. Municipal Advisor. The appointment of Robert W. Baird & Co., Incorporated, to act as Municipal Advisor to the City with respect to the amendment of the 2014 Note is hereby ratified and confirmed.

Section 8. Rescission. 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: Clyburn, Patrick, Jackson, Bates & Armstrong

NAYS: Members: 0

RESOLUTION DECLARED ADOPTED.


Cidia Wicker-Brown
Deputy City Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Highland Park, County of Wayne , State of Michigan, at a regular meeting held on July 6, 2021, 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 Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.


Cidia Wicker-Brown
Deputy City Clerk

Approved as to Legal Form

/s/William R. Ford
William R. Ford
City Attorney

EXHIBIT A

FORM OF NOTE AMENDMENT

**AGREEMENT TO AMEND
EMERGENCY LOAN NOTE
(General Obligation Limited Tax)
2013-14 Series I
OF THE CITY OF HIGHLAND PARK
COUNTY OF WAYNE
STATE OF MICHIGAN**

THIS Agreement to Amend Emergency Loan Note (General Obligation Limited Tax) 2013-14 Series I, issued by the City of Highland Park (the "Municipality"), County of Wayne, State of Michigan (the "Note"), is hereby agreed to by and between the Municipality and the State of Michigan, as registered owner, on this ____ day of _____, 2021.

WHEREAS, the Municipality previously issued the Note pursuant to the provisions of the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended; and

WHEREAS, on December 18, 2018, the City amended the Note to provide for the redemption of principal installments of the Note in any order of maturity as agreed to by the City and the State of Michigan (the "State"); and

WHEREAS, the Municipality and the State of Michigan desire to amend the Note for a second time in order to lower the interest rate.

NOW THEREFORE, in consideration of the foregoing, the parties hereby agree as follows:

1. Amendment to Interest Rate. Beginning on the next scheduled payment date as established in the Note, the Note shall bear interest at a rate of ____% per annum.
2. No Default. The Municipality represents and warrants that there are no outstanding or unresolved defaults under the Note or any of the other documents or undertakings of the Municipality relating to the emergency loan.
3. Note Otherwise Unchanged. Except as explicitly amended hereby, the Note remains unchanged and in full force and effect.

(Balance of this page intentionally left blank)

EXHIBIT A

IN WITNESS WHEREOF, this Agreement to Amend the Note has been signed on behalf of the Municipality and the State of Michigan as of the date first above written.

CITY OF HIGHLAND PARK, COUNTY OF
WAYNE, STATE OF MICHIGAN

By: _____
Printed: Hubert Yopp
Title: Mayor

By: _____
Printed: Brenda Green
Title: City Clerk

STATE OF MICHIGAN
as Registered Owner

By: _____
Printed: _____
Title: _____

EXHIBIT A

**Michigan Department of Treasury
Bureau of Local Government and School Services
Emergency Municipal Loan Act - Public Act 243 of 1980**

Emergency Loan Fixed Interest Rate Reduction Application

The Michigan Department of Treasury is allowing municipalities with a fixed interest rate emergency loan to apply to receive an amendment to their existing note that would lower the interest rate for the duration of the loan. This is a one-time only program. Interested municipalities shall email this application **AND** a certified resolution adopted by the governing body of the municipality approving the submission of the application to Treas_MunicipalFinance@michigan.gov by no later than **Friday, July 23, 2021 at 11:59PM**. No due date extensions will be given. Use the subject line "Emergency Loan Fixed Interest Rate Reduction Application." If you have more than one loan, you must submit a separate application **AND** separate resolution for **EACH** loan. Light blue cells are input cells. The Local Emergency Financial Assistance Loan Board is expected to meet in mid-September 2021 to consider approving the interest rate reductions. The actual new interest rate will not be determined until the business day immediately preceding the meeting using the Municipal Market Data "AAA" rate that corresponds with the remaining average life of the loan or 10 years, whichever is greater, plus 25 basis points (0.25%), rounded up to the nearest 0.05%. On the application below we have provided an illustration of potential interest savings using the applicable Municipal Market Data "AAA" rate as of May 21, 2021. The new interest rate would become effective the day the loan's first debt service payment after October 1, 2021 is due. For example, if you have debt service payments due November 1 and May 1, on November 1, 2021 you would make that payment as was originally scheduled. The new interest rate would begin November 1, 2021 and will result in a lower debt service payment starting on May 1, 2022 through final maturity. If the new interest rate is greater than your current interest rate **OR** the nominal interest savings throughout the remaining life of the loan is less than \$10,000 your application will be canceled and you will maintain your current interest rate with no action needed. We have also included 1) a list of required attorney opinion provisions and 2) a form of note amendment. Both the attorney opinion and note amendment will need to be provided at closing, which is expected in October 2021. Should you have any questions regarding the application process please email Treas_MunicipalFinance@michigan.gov.

Applicant - Loan, Remaining Average Life, Current Interest Rate

Benton Harbor Area Schools - 2012-13 Series I, Remaining Avg Life 10 Years, Current IR = 1.80%

[Click for definition of "Average Life." Scroll down to bottom of screen and select "Accept."](#)

Example new interest rate based on Municipal Market Data "AAA" rate as of May 21, 2021. Actual rate determined prior to Local Emergency Financial Assistance Loan Board meeting.

1.30%

Example nominal interest savings throughout the remaining life of the loan:

\$24,625.00

New interest rate begins:

November 1, 2021

First lower debt service payment with new interest rate:

May 1, 2022

☒

Yes, we would like to receive a lower interest rate on our emergency loan.

☒

Yes, we have included a certified resolution adopted by the governing body of the municipality, along with this application, as part of our submission to Treasury.

☒

Yes, we will use the templates provided to draft an attorney opinion and note amendment which we will bring to the closing.

Chief Administrative Officer or their Designee Name: **Scott Johnson, Chief Financial Officer**

Chief Administrative Officer or their Designee Signature:
(electronic signature accepted)

Scott E. Johnson

Date:

7/14/2021

Contact Person: **Scott Johnson**

Contact Person Email Address: **scott.johnson@bhas.org**

Due Date is Friday, July 23, 2021 at 11:59PM

Benton Harbor Area Schools, Berrien County, Michigan (the "District" or "Issuer")

A Special meeting of the board of education of the District (the "Board") was held:

☐ in the _____, within the boundaries of the District,

☒ electronically through Zoom with identification number 857-6313-0043

on the 22nd day of June, 2021, at 5:30 o'clock in the p.m. (the "Meeting")

The Meeting was called to order by Dashuna Robinson, President.

Present: Members Dashuna Robinson, Matthew Bradley, Reinaldo Tripplett, Angel Crayton, Trenton Bowens, Stephanie Rockette-Martin, Lue Buchana

Absent: Members None

The following preamble and resolution were offered by Member Rockette-Martin and supported by Member Buchana:

WHEREAS:

1. Pursuant to the Emergency Municipal Loan Act, 198 PA 243, MCL 141.931, *et seq.*, as amended ("Act 243"), the Issuer previously authorized and issued its Benton Harbor Area Schools Amended and Restated Emergency Loan Note (General Obligation - Limited Tax) 2012-13 Series I (the "Obligation").

2. The State of Michigan through the Michigan Department of Treasury (the "State") has offered an opportunity for municipalities with fixed interest rate emergency loans to apply to receive amendments to their existing notes that would lower the interest rates for the duration of such loans and to amend how prepayments by a municipality are applied toward such loans.

3. The Obligation qualifies for the interest rate reduction and prepayment revision opportunity described above.

4. It is in the best interests of the District to submit an application to seek a rate reduction and prepayment revision for the Obligation.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Issuer hereby authorizes the administration of the Issuer to submit the required application to the Michigan Department of Treasury to seek an interest rate reduction and prepayment revision for the Obligation.

2. A separate application shall be made for each outstanding Obligation, which application shall be submitted not later than July 23, 2021, or such other deadline as designated by the State.

3. The Issuer hereby authorizes and approves the use of the form of the agreement to amend emergency loan note attached hereto as Exhibit A (the "Note Amendment").

4. The Obligation, as amended by a Note Amendment, shall remain a valid and binding general obligation of the Issuer and, except as expressly set forth in the Note Amendment, shall remain unchanged and in full force and effect.

5. Other than the Obligation itself, by this resolution and by issuance of a Note Amendment, the Issuer does not and does not intend to modify, amend or otherwise change any agreement contained in the transcript for the Obligation.

6. By this resolution and by issuance of a Note Amendment, the Issuer does not and does not intend to modify, amend or otherwise disturb the taxation of taxable property within the geographic boundaries of the Issuer, subject to applicable constitutional, statutory and charter tax rate limitations.

7. The Superintendent of Schools, Chief Financial Officer and Board President are each is authorized to approve and accept an interest rate reduction and to execute and deliver a Note Amendment related to the Obligation and any other documents necessary to complete the transaction including, but not limited to, any certificates, representations, or related documents. To the extent permitted by the State of Michigan, such documents may be executed using electronic or facsimile signatures, with such electronic or facsimile signatures having the same legal effect and enforceability as a manual signature. The Vice President, Secretary or Treasurer of the Board of Education may approve and accept an such an interest rate reduction and sign and deliver such documents in the absence of the Superintendent of Schools, Chief Financial Officer or Board President.

8. The Issuer hereby appoints Thrun Law Firm, P.C.. as legal counsel to represent the Issuer in relation to the matters described herein.

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

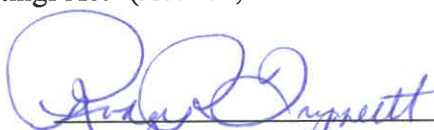
Ayes: Members Robinson, Bradley, Tripplett, Crayton, Bowens, Rockette-martin,
Buchana

Nays: Members None

Resolution declared adopted.


Secretary, Board of Education

The undersigned duly qualified and acting Secretary of the Board of Education of Benton Harbor Area Schools, Berrien County, Michigan, hereby certifies that the foregoing constitutes a true and complete copy of a resolution adopted by the Board at the Meeting, the original of which is part of the Board's minutes. The undersigned further certifies that notice of the Meeting was given to the public pursuant to the provisions of the "Open Meetings Act" (Act 267, Public Acts of Michigan, 1976, as amended).


Secretary, Board of Education

CJI/klg

EXHIBIT A

FORM OF NOTE AMENDMENT

**AGREEMENT TO AMEND
AMENDED AND RESTATED EMERGENCY LOAN NOTE
(GENERAL OBLIGATION - LIMITED TAX)
2012-13 SERIES I
OF THE
BENTON HARBOR AREA SCHOOLS
COUNTY OF BERRIEN
STATE OF MICHIGAN**

THIS Agreement to Amend the Amended and Restated Emergency Loan Note (General Obligation - Limited Tax) 2012-13 Series I, issued by Benton Harbor Area Schools (the "Municipality"), County of Berrien, State of Michigan (the "Note"), is hereby agreed to by and between the Municipality and the State of Michigan, as registered owner, on this _____ day of _____, 2021.

WHEREAS, the Municipality previously issued the Note pursuant to the provisions of the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended; and

WHEREAS, the Municipality and the State of Michigan desire to amend the Note in order to lower the interest rate and to authorize the redemption of the Note in any order of maturity as agreed to by the Municipality and the State of Michigan.

NOW THEREFORE, in consideration of the foregoing, the parties hereby agree as follows:

1. Amendment to Interest Rate. Beginning on the next scheduled payment date as established in the Note, the Note shall bear interest at a rate of ____% per annum.
2. Amendment to Application of Prepayments. The _____ full paragraph of the Note is hereby amended and restated in its entirety as follows:

The Issuer shall have the right to pay at any time or times prior to maturity, without penalty or premium, all or any portion of this note. Prepayments shall be credited to principal payments in any order, in whole or in part, as mutually agreed to by the Issuer and the State of Michigan.

3. No Default. The Municipality represents and warrants that there are no outstanding or unresolved defaults under the Note or any of the other documents or undertakings of the Municipality relating to the emergency loan.
4. Note Otherwise Unchanged. Except as explicitly amended hereby, the Note remains unchanged and in full force and effect.

(Balance of this page intentionally left blank)

IN WITNESS WHEREOF, this Agreement to Amend the Note has been signed on behalf of the Municipality and the State of Michigan as of the date first above written.

BENTON HARBOR AREA SCHOOLS
COUNTY OF BERRIEN
STATE OF MICHIGAN

By: _____
Printed: _____
Title: _____

By: _____
Printed: _____
Title: _____

STATE OF MICHIGAN
as Registered Owner

By: _____
Printed: _____
Title: _____

**Michigan Department of Treasury
Bureau of Local Government and School Services
Emergency Municipal Loan Act - Public Act 243 of 1980**

Emergency Loan Fixed Interest Rate Reduction Application

The Michigan Department of Treasury is allowing municipalities with a fixed interest rate emergency loan to apply to receive an amendment to their existing note that would lower the interest rate for the duration of the loan. This is a one-time only program. Interested municipalities shall email this application **AND** a certified resolution adopted by the governing body of the municipality approving the submission of the application to Treas_MunicipalFinance@michigan.gov by no later than **Friday, July 23, 2021 at 11:59PM**. No due date extensions will be given. Use the subject line "Emergency Loan Fixed Interest Rate Reduction Application." If you have more than one loan, you must submit a separate application **AND** separate resolution for **EACH** loan. Light blue cells are input cells. The Local Emergency Financial Assistance Loan Board is expected to meet in mid-September 2021 to consider approving the interest rate reductions. The actual new interest rate will not be determined until the business day immediately preceding the meeting using the Municipal Market Data "AAA" rate that corresponds with the remaining average life of the loan or 10 years, whichever is greater, plus 25 basis points (0.25%), rounded up to the nearest 0.05%. On the application below we have provided an illustration of potential interest savings using the applicable Municipal Market Data "AAA" rate as of May 21, 2021. The new interest rate would become effective the day the loan's first debt service payment after October 1, 2021 is due. For example, if you have debt service payments due November 1 and May 1, on November 1, 2021 you would make that payment as was originally scheduled. The new interest rate would begin November 1, 2021 and will result in a lower debt service payment starting on May 1, 2022 through final maturity. If the new interest rate is greater than your current interest rate **OR** the nominal interest savings throughout the remaining life of the loan is less than \$10,000 your application will be canceled and you will maintain your current interest rate with no action needed. We have also included 1) a list of required attorney opinion provisions and 2) a form of note amendment. Both the attorney opinion and note amendment will need to be provided at closing, which is expected in October 2021. Should you have any questions regarding the application process please email Treas_MunicipalFinance@michigan.gov.

Applicant - Loan, Remaining Average Life, Current Interest Rate

Benton Harbor Area Schools - 2013-14 Series I, Remaining Avg Life 14 Years, Current IR = 2.65%

[Click for definition of "Average Life." Scroll down to bottom of screen and select "Accept."](#)

Example new interest rate based on Municipal Market Data "AAA" rate as of May 21, 2021. Actual rate determined prior to Local Emergency Financial Assistance Loan Board meeting.

1.40%

Example nominal interest savings throughout the remaining life of the loan:

\$220,000.01

New interest rate begins:

November 1, 2021

First lower debt service payment with new interest rate:

May 1, 2022

☒ Yes, we would like to receive a lower interest rate on our emergency loan.

☒ Yes, we have included a certified resolution adopted by the governing body of the municipality, along with this application, as part of our submission to Treasury.

☒ Yes, we will use the templates provided to draft an attorney opinion and note amendment which we will bring to the closing.

Chief Administrative Officer or their Designee Name: **Scott Johnson, Chief Financial Officer**

Chief Administrative Officer or their Designee Signature:
(electronic signature accepted)



Date:



Contact Person: **Scott Johnson**

Contact Person Email Address: **scott.johnson@bhas.org**

Due Date is Friday, July 23, 2021 at 11:59PM

Benton Harbor Area Schools, Berrien County, Michigan (the "District" or "Issuer")

A Special meeting of the board of education of the District (the "Board") was held:

☐ in the _____, within the boundaries of the District,

☒ electronically through Zoom with identification number 857-6313-0043

on the 22nd day of June, 2021, at 5:30 o'clock in the p.m. (the "Meeting")

The Meeting was called to order by Dashuna Robinson, President.

Present: Members Dashuna Robinson, Matthew Bradley, Reinaldo Tripplett, Angel Crayton, Trenton Bowens, Stephanie Rockette-Martin, Lue Buchana

Absent: Members None

The following preamble and resolution were offered by Member Rockette-Martin and supported by Member Buchana:

WHEREAS:

1. Pursuant to the Emergency Municipal Loan Act, 198 PA 243, MCL 141.931, *et seq*, as amended ("Act 243"), the Issuer previously authorized and issued its Benton Harbor Area Schools Amended and Restated Emergency Loan Note (General Obligation - Limited Tax) 2013-14 Series I (the "Obligation").

2. The State of Michigan through the Michigan Department of Treasury (the "State") has offered an opportunity for municipalities with fixed interest rate emergency loans to apply to receive amendments to their existing notes that would lower the interest rates for the duration of such loans and to amend how prepayments by a municipality are applied toward such loans.

3. The Obligation qualifies for the interest rate reduction and prepayment revision opportunity described above.

4. It is in the best interests of the District to submit an application to seek a rate reduction and prepayment revision for the Obligation.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Issuer hereby authorizes the administration of the Issuer to submit the required application to the Michigan Department of Treasury to seek an interest rate reduction and prepayment revision for the Obligation.

2. A separate application shall be made for each outstanding Obligation, which application shall be submitted not later than July 23, 2021, or such other deadline as designated by the State.

3. The Issuer hereby authorizes and approves the use of the form of the agreement to amend emergency loan note attached hereto as Exhibit A (the "Note Amendment").

4. The Obligation, as amended by a Note Amendment, shall remain a valid and binding general obligation of the Issuer and, except as expressly set forth in the Note Amendment, shall remain unchanged and in full force and effect.

5. Other than the Obligation itself, by this resolution and by issuance of a Note Amendment, the Issuer does not and does not intend to modify, amend or otherwise change any agreement contained in the transcript for the Obligation.

6. By this resolution and by issuance of a Note Amendment, the Issuer does not and does not intend to modify, amend or otherwise disturb the taxation of taxable property within the geographic boundaries of the Issuer, subject to applicable constitutional, statutory and charter tax rate limitations.

7. The Superintendent of Schools, Chief Financial Officer and Board President are each is authorized to approve and accept an interest rate reduction and to execute and deliver a Note Amendment related to the Obligation and any other documents necessary to complete the transaction including, but not limited to, any certificates, representations, or related documents. To the extent permitted by the State of Michigan, such documents may be executed using electronic or facsimile signatures, with such electronic or facsimile signatures having the same legal effect and enforceability as a manual signature. The Vice President, Secretary or Treasurer of the Board of Education may approve and accept an such an interest rate reduction and sign and deliver such documents in the absence of the Superintendent of Schools, Chief Financial Officer or Board President.


8. The Issuer hereby appoints Thrun Law Firm, P.C.. as legal counsel to represent the Issuer in relation to the matters described herein.

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

Ayes: Members Robinson, Bradley, Tripplett, Crayton, Bowens, Rockette-Martin,
Buchana

Nays: Members None

Resolution declared adopted.


Secretary, Board of Education

The undersigned duly qualified and acting Secretary of the Board of Education of Benton Harbor Area Schools, Berrien County, Michigan, hereby certifies that the foregoing constitutes a true and complete copy of a resolution adopted by the Board at the Meeting, the original of which is part of the Board's minutes. The undersigned further certifies that notice of the Meeting was given to the public pursuant to the provisions of the "Open Meetings Act" (Act 267, Public Acts of Michigan, 1976, as amended).


Secretary, Board of Education

CJI/klg

EXHIBIT A

FORM OF NOTE AMENDMENT

**AGREEMENT TO AMEND
AMENDED AND RESTATED EMERGENCY LOAN NOTE
(GENERAL OBLIGATION - LIMITED TAX)
2013-14 SERIES I
OF THE
BENTON HARBOR AREA SCHOOLS
COUNTY OF BERRIEN
STATE OF MICHIGAN**

THIS Agreement to Amend the Amended and Restated Emergency Loan Note (General Obligation - Limited Tax) 2013-14 Series I, issued by Benton Harbor Area Schools (the "Municipality"), County of Berrien, State of Michigan (the "Note"), is hereby agreed to by and between the Municipality and the State of Michigan, as registered owner, on this _____ day of _____, 2021.

WHEREAS, the Municipality previously issued the Note pursuant to the provisions of the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended; and

WHEREAS, the Municipality and the State of Michigan desire to amend the Note in order to lower the interest rate and to authorize the redemption of the Note in any order of maturity as agreed to by the Municipality and the State of Michigan.

NOW THEREFORE, in consideration of the foregoing, the parties hereby agree as follows:

1. Amendment to Interest Rate. Beginning on the next scheduled payment date as established in the Note, the Note shall bear interest at a rate of ____% per annum.
2. Amendment to Application of Prepayments. The _____ full paragraph of the Note is hereby amended and restated in its entirety as follows:

The Issuer shall have the right to pay at any time or times prior to maturity, without penalty or premium, all or any portion of this note. Prepayments shall be credited to principal payments in any order, in whole or in part, as mutually agreed to by the Issuer and the State of Michigan.

3. No Default. The Municipality represents and warrants that there are no outstanding or unresolved defaults under the Note or any of the other documents or undertakings of the Municipality relating to the emergency loan.
4. Note Otherwise Unchanged. Except as explicitly amended hereby, the Note remains unchanged and in full force and effect.

(Balance of this page intentionally left blank)

IN WITNESS WHEREOF, this Agreement to Amend the Note has been signed on behalf of the Municipality and the State of Michigan as of the date first above written.

BENTON HARBOR AREA SCHOOLS
COUNTY OF BERRIEN
STATE OF MICHIGAN

By: _____
Printed: _____
Title: _____

By: _____
Printed: _____
Title: _____

STATE OF MICHIGAN
as Registered Owner

By: _____
Printed: _____
Title: _____

**Michigan Department of Treasury
Bureau of Local Government and School Services
Emergency Municipal Loan Act - Public Act 243 of 1980**

Emergency Loan Fixed Interest Rate Reduction Application

The Michigan Department of Treasury is allowing municipalities with a fixed interest rate emergency loan to apply to receive an amendment to their existing note that would lower the interest rate for the duration of the loan. This is a one-time only program. Interested municipalities shall email this application **AND** a certified resolution adopted by the governing body of the municipality approving the submission of the application to Treas_MunicipalFinance@michigan.gov by no later than **Friday, July 23, 2021 at 11:59PM**. No due date extensions will be given. Use the subject line "Emergency Loan Fixed Interest Rate Reduction Application." If you have more than one loan, you must submit a separate application **AND** separate resolution for **EACH** loan. Light blue cells are input cells. The Local Emergency Financial Assistance Loan Board is expected to meet in mid-September 2021 to consider approving the interest rate reductions. The actual new interest rate will not be determined until the business day immediately preceding the meeting using the Municipal Market Data "AAA" rate that corresponds with the remaining average life of the loan or 10 years, whichever is greater, plus 25 basis points (0.25%), rounded up to the nearest 0.05%. On the application below we have provided an illustration of potential interest savings using the applicable Municipal Market Data "AAA" rate as of May 21, 2021. The new interest rate would become effective the day the loan's first debt service payment after October 1, 2021 is due. For example, if you have debt service payments due November 1 and May 1, on November 1, 2021 you would make that payment as was originally scheduled. The new interest rate would begin November 1, 2021 and will result in a lower debt service payment starting on May 1, 2022 through final maturity. If the new interest rate is greater than your current interest rate **OR** the nominal interest savings throughout the remaining life of the loan is less than \$10,000 your application will be canceled and you will maintain your current interest rate with no action needed. We have also included 1) a list of required attorney opinion provisions and 2) a form of note amendment. Both the attorney opinion and note amendment will need to be provided at closing, which is expected in October 2021. Should you have any questions regarding the application process please email Treas_MunicipalFinance@michigan.gov.

Applicant - Loan, Remaining Average Life, Current Interest Rate

Benton Harbor Area Schools - 2014-15 Series I, Remaining Avg Life 11 Years, Current IR = 2.35%

[Click for definition of "Average Life." Scroll down to bottom of screen and select "Accept."](#)

Example new interest rate based on Municipal Market Data "AAA" rate as of May 21, 2021. Actual rate determined prior to Local Emergency Financial Assistance Loan Board meeting.

1.35%

Example nominal interest savings throughout the remaining life of the loan:

\$152,900.00

New interest rate begins:

November 1, 2021

First lower debt service payment with new interest rate:

May 1, 2022

☒

Yes, we would like to receive a lower interest rate on our emergency loan.

☒

Yes, we have included a certified resolution adopted by the governing body of the municipality, along with this application, as part of our submission to Treasury.

☒

Yes, we will use the templates provided to draft an attorney opinion and note amendment which we will bring to the closing.

Chief Administrative Officer or their Designee Name: **Scott Johnson, Chief Financial Officer**

Chief Administrative Officer or their Designee Signature:
(electronic signature accepted)

Scott E. Johnson

Date:

7/14/2021

Contact Person: **Scott Johnson**

Contact Person Email Address: **scott.johnson@bhas.org**

Due Date is Friday, July 23, 2021 at 11:59PM

Benton Harbor Area Schools, Berrien County, Michigan (the "District" or "Issuer")

A Special meeting of the board of education of the District (the "Board") was held:

☐ in the _____, within the boundaries of the District,

☒ electronically through Zoom with identification number 857-6313-0043

on the 22nd day of June, 2021, at 5:30 o'clock in the p.m. (the "Meeting")

The Meeting was called to order by Dashuna Robinson, President.

Present: Members Dashuna Robinson, Matthew Bradley, Reinaldo Tripplett, Angel Crayton, Trenton Bowens, Stephanie Rockette-Martin, Lue Buchana

Absent: Members None

The following preamble and resolution were offered by Member Rockette-Martin and supported by Member Buchana:

WHEREAS:

1. Pursuant to the Emergency Municipal Loan Act, 198 PA 243, MCL 141.931, *et seq*, as amended ("Act 243"), the Issuer previously authorized and issued its Benton Harbor Area Schools Amended and Restated Emergency Loan Note (General Obligation - Limited Tax) 2014-15 Series I (the "Obligation").

2. The State of Michigan through the Michigan Department of Treasury (the "State") has offered an opportunity for municipalities with fixed interest rate emergency loans to apply to receive amendments to their existing notes that would lower the interest rates for the duration of such loans and to amend how prepayments by a municipality are applied toward such loans.

3. The Obligation qualifies for the interest rate reduction and prepayment revision opportunity described above.

4. It is in the best interests of the District to submit an application to seek a rate reduction and prepayment revision for the Obligation.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Issuer hereby authorizes the administration of the Issuer to submit the required application to the Michigan Department of Treasury to seek an interest rate reduction and prepayment revision for the Obligation.

2. A separate application shall be made for each outstanding Obligation, which application shall be submitted not later than July 23, 2021, or such other deadline as designated by the State.

3. The Issuer hereby authorizes and approves the use of the form of the agreement to amend emergency loan note attached hereto as Exhibit A (the "Note Amendment").

4. The Obligation, as amended by a Note Amendment, shall remain a valid and binding general obligation of the Issuer and, except as expressly set forth in the Note Amendment, shall remain unchanged and in full force and effect.

5. Other than the Obligation itself, by this resolution and by issuance of a Note Amendment, the Issuer does not and does not intend to modify, amend or otherwise change any agreement contained in the transcript for the Obligation.

6. By this resolution and by issuance of a Note Amendment, the Issuer does not and does not intend to modify, amend or otherwise disturb the taxation of taxable property within the geographic boundaries of the Issuer, subject to applicable constitutional, statutory and charter tax rate limitations.

7. The Superintendent of Schools, Chief Financial Officer and Board President are each is authorized to approve and accept an interest rate reduction and to execute and deliver a Note Amendment related to the Obligation and any other documents necessary to complete the transaction including, but not limited to, any certificates, representations, or related documents. To the extent permitted by the State of Michigan, such documents may be executed using electronic or facsimile signatures, with such electronic or facsimile signatures having the same legal effect and enforceability as a manual signature. The Vice President, Secretary or Treasurer of the Board of Education may approve and accept an such an interest rate reduction and sign and deliver such documents in the absence of the Superintendent of Schools, Chief Financial Officer or Board President.

8. The Issuer hereby appoints Thrun Law Firm, P.C.. as legal counsel to represent the Issuer in relation to the matters described herein.

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

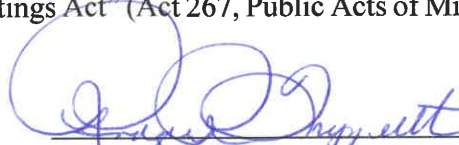
Ayes: Members Robinson, Bradley, Tripplett, Crayton, Bowens, Rockette-Martin,
Buchana

Nays: Members None

Resolution declared adopted.


Secretary, Board of Education

The undersigned duly qualified and acting Secretary of the Board of Education of Benton Harbor Area Schools, Berrien County, Michigan, hereby certifies that the foregoing constitutes a true and complete copy of a resolution adopted by the Board at the Meeting, the original of which is part of the Board's minutes. The undersigned further certifies that notice of the Meeting was given to the public pursuant to the provisions of the "Open Meetings Act" (Act 267, Public Acts of Michigan, 1976, as amended).


Secretary, Board of Education

CJI/klg

EXHIBIT A

FORM OF NOTE AMENDMENT

**AGREEMENT TO AMEND
AMENDED AND RESTATED EMERGENCY LOAN NOTE
(GENERAL OBLIGATION - LIMITED TAX)
2014-15 SERIES I
OF THE
BENTON HARBOR AREA SCHOOLS
COUNTY OF BERRIEN
STATE OF MICHIGAN**

THIS Agreement to Amend the Amended and Restated Emergency Loan Note (General Obligation - Limited Tax) 2014-15 Series I, issued by Benton Harbor Area Schools (the "Municipality"), County of Berrien, State of Michigan (the "Note"), is hereby agreed to by and between the Municipality and the State of Michigan, as registered owner, on this ____ day of _____, 2021.

WHEREAS, the Municipality previously issued the Note pursuant to the provisions of the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended; and

WHEREAS, the Municipality and the State of Michigan desire to amend the Note in order to lower the interest rate and to authorize the redemption of the Note in any order of maturity as agreed to by the Municipality and the State of Michigan.

NOW THEREFORE, in consideration of the foregoing, the parties hereby agree as follows:

1. Amendment to Interest Rate. Beginning on the next scheduled payment date as established in the Note, the Note shall bear interest at a rate of ____% per annum.
2. Amendment to Application of Prepayments. The _____ full paragraph of the Note is hereby amended and restated in its entirety as follows:

The Issuer shall have the right to pay at any time or times prior to maturity, without penalty or premium, all or any portion of this note. Prepayments shall be credited to principal payments in any order, in whole or in part, as mutually agreed to by the Issuer and the State of Michigan.

3. No Default. The Municipality represents and warrants that there are no outstanding or unresolved defaults under the Note or any of the other documents or undertakings of the Municipality relating to the emergency loan.
4. Note Otherwise Unchanged. Except as explicitly amended hereby, the Note remains unchanged and in full force and effect.

(Balance of this page intentionally left blank)

IN WITNESS WHEREOF, this Agreement to Amend the Note has been signed on behalf of the Municipality and the State of Michigan as of the date first above written.

BENTON HARBOR AREA SCHOOLS
COUNTY OF BERRIEN
STATE OF MICHIGAN

By: _____
Printed: _____
Title: _____

By: _____
Printed: _____
Title: _____

STATE OF MICHIGAN
as Registered Owner

By: _____
Printed: _____
Title: _____

**Michigan Department of Treasury
Bureau of Local Government and School Services
Emergency Municipal Loan Act - Public Act 243 of 1980**

Emergency Loan Fixed Interest Rate Reduction Application

The Michigan Department of Treasury is allowing municipalities with a fixed interest rate emergency loan to apply to receive an amendment to their existing note that would lower the interest rate for the duration of the loan. This is a one-time only program. Interested municipalities shall email this application **AND** a certified resolution adopted by the governing body of the municipality approving the submission of the application to Treas_MunicipalFinance@michigan.gov by no later than **Friday, July 23, 2021 at 11:59PM**. No due date extensions will be given. Use the subject line "Emergency Loan Fixed Interest Rate Reduction Application." If you have more than one loan, you must submit a separate application **AND** separate resolution for **EACH** loan. Light blue cells are input cells. The Local Emergency Financial Assistance Loan Board is expected to meet in mid-September 2021 to consider approving the interest rate reductions. The actual new interest rate will not be determined until the business day immediately preceding the meeting using the Municipal Market Data "AAA" rate that corresponds with the remaining average life of the loan or 10 years, whichever is greater, plus 25 basis points (0.25%), rounded up to the nearest 0.05%. On the application below we have provided an illustration of potential interest savings using the applicable Municipal Market Data "AAA" rate as of May 21, 2021. The new interest rate would become effective the day the loan's first debt service payment after October 1, 2021 is due. For example, if you have debt service payments due November 1 and May 1, on November 1, 2021 you would make that payment as was originally scheduled. The new interest rate would begin November 1, 2021 and will result in a lower debt service payment starting on May 1, 2022 through final maturity. If the new interest rate is greater than your current interest rate **OR** the nominal interest savings throughout the remaining life of the loan is less than \$10,000 your application will be canceled and you will maintain your current interest rate with no action needed. We have also included 1) a list of required attorney opinion provisions and 2) a form of note amendment. Both the attorney opinion and note amendment will need to be provided at closing, which is expected in October 2021. Should you have any questions regarding the application process please email Treas_MunicipalFinance@michigan.gov.

Applicant - Loan, Remaining Average Life, Current Interest Rate

Benton Harbor Area Schools - 2015-16 Series I, Remaining Avg Life 14 Years, Current IR = 1.75%

[Click for definition of "Average Life." Scroll down to bottom of screen and select "Accept."](#)

Example new interest rate based on Municipal Market Data "AAA" rate as of May 21, 2021. Actual rate determined prior to Local Emergency Financial Assistance Loan Board meeting.

1.40%

Example nominal interest savings throughout the remaining life of the loan:

\$163,992.50

New interest rate begins:

November 1, 2021

First lower debt service payment with new interest rate:

May 1, 2022

☒ Yes, we would like to receive a lower interest rate on our emergency loan.

☒ Yes, we have included a certified resolution adopted by the governing body of the municipality, along with this application, as part of our submission to Treasury.

☒ Yes, we will use the templates provided to draft an attorney opinion and note amendment which we will bring to the closing.

Chief Administrative Officer or their Designee Name: **Scott Johnson, Chief Financial Officer**

Chief Administrative Officer or their Designee Signature:
(electronic signature accepted)



Date:

7/14/2021

Contact Person: **Scott Johnson**

Contact Person Email Address: **scott.johnson@bhas.org**

Due Date is Friday, July 23, 2021 at 11:59PM

Handwritten text, possibly a signature or date, located near the bottom center of the page.

Benton Harbor Area Schools, Berrien County, Michigan (the "District" or "Issuer")

A Special meeting of the board of education of the District (the "Board") was held:

☐ in the _____, within the boundaries of the District,

☒ electronically through Zoom with identification number 857 6313 0043

on the 22nd day of June, 2021, at 5:30 o'clock in the p.m. (the "Meeting")

The Meeting was called to order by Dashuna Robinson, President.

Present: Members Dashuna Robinson, Matthew Bradley, Reinaldo Tripplett, Angel Crayton, Trenton Bowens, Stephanie Rockette-Martin, Lue Buchana

Absent: Members

The following preamble and resolution were offered by Member Rockette-Martin and supported by Member Buchana:

WHEREAS:

1. Pursuant to the Emergency Municipal Loan Act, 198 PA 243, MCL 141.931, *et seq*, as amended ("Act 243"), the Issuer previously authorized and issued its Benton Harbor Area Schools Emergency Loan Note (General Obligation - Limited Tax) 2015-16 Series I (the "Obligation").

2. The State of Michigan through the Michigan Department of Treasury (the "State") has offered an opportunity for municipalities with fixed interest rate emergency loans to apply to receive amendments to their existing notes that would lower the interest rates for the duration of such loans and to amend how prepayments by a municipality are applied toward such loans.

3. The Obligation qualifies for the interest rate reduction and prepayment revision opportunity described above.

4. It is in the best interests of the District to submit an application to seek a rate reduction and prepayment revision for the Obligation.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Issuer hereby authorizes the administration of the Issuer to submit the required application to the Michigan Department of Treasury to seek an interest rate reduction and prepayment revision for the Obligation.

2. A separate application shall be made for each outstanding Obligation, which application shall be submitted not later than July 23, 2021, or such other deadline as designated by the State.

3. The Issuer hereby authorizes and approves the use of the form of the agreement to amend emergency loan note attached hereto as Exhibit A (the "Note Amendment").

4. The Obligation, as amended by a Note Amendment, shall remain a valid and binding general obligation of the Issuer and, except as expressly set forth in the Note Amendment, shall remain unchanged and in full force and effect.

5. Other than the Obligation itself, by this resolution and by issuance of a Note Amendment, the Issuer does not and does not intend to modify, amend or otherwise change any agreement contained in the transcript for the Obligation.

6. By this resolution and by issuance of a Note Amendment, the Issuer does not and does not intend to modify, amend or otherwise disturb the taxation of taxable property within the geographic boundaries of the Issuer, subject to applicable constitutional, statutory and charter tax rate limitations.

7. The Superintendent of Schools, Chief Financial Officer and Board President are each is authorized to approve and accept an interest rate reduction and to execute and deliver a Note Amendment related to the Obligation and any other documents necessary to complete the transaction including, but not limited to, any certificates, representations, or related documents. To the extent permitted by the State of Michigan, such documents may be executed using electronic or facsimile signatures, with such electronic or facsimile signatures having the same legal effect and enforceability as a manual signature. The Vice President, Secretary or Treasurer of the Board of Education may approve and accept an such an interest rate reduction and sign and deliver such documents in the absence of the Superintendent of Schools, Chief Financial Officer or Board President.

8. The Issuer hereby appoints Thrun Law Firm, P.C.. as legal counsel to represent the Issuer in relation to the matters described herein.

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


Ayes: Members Robinson, Bradley, Tripplett, Crayton, Bowens, Rockette-Martin,
Buchana

Nays: Members None

Resolution declared adopted.


Secretary, Board of Education

The undersigned duly qualified and acting Secretary of the Board of Education of Benton Harbor Area Schools, Berrien County, Michigan, hereby certifies that the foregoing constitutes a true and complete copy of a resolution adopted by the Board at the Meeting, the original of which is part of the Board's minutes. The undersigned further certifies that notice of the Meeting was given to the public pursuant to the provisions of the "Open Meetings Act" (Act 267, Public Acts of Michigan, 1976, as amended).


Secretary, Board of Education

CJI/klg

EXHIBIT A

FORM OF NOTE AMENDMENT

AGREEMENT TO AMEND
EMERGENCY LOAN NOTE
(GENERAL OBLIGATION - LIMITED TAX)
2015-16 SERIES I
OF THE
BENTON HARBOR AREA SCHOOLS
COUNTY OF BERRIEN
STATE OF MICHIGAN

THIS Agreement to Amend the Emergency Loan Note (General Obligation - Limited Tax) 2015-16 Series I, issued by Benton Harbor Area Schools (the "Municipality"), County of Berrien, State of Michigan (the "Note"), is hereby agreed to by and between the Municipality and the State of Michigan, as registered owner, on this ____ day of _____, 2021.

WHEREAS, the Municipality previously issued the Note pursuant to the provisions of the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended; and

WHEREAS, the Municipality and the State of Michigan desire to amend the Note in order to lower the interest rate and to authorize the redemption of the Note in any order of maturity as agreed to by the Municipality and the State of Michigan.

NOW THEREFORE, in consideration of the foregoing, the parties hereby agree as follows:

1. Amendment to Interest Rate. Beginning on the next scheduled payment date as established in the Note, the Note shall bear interest at a rate of ____% per annum.
2. Amendment to Application of Prepayments. The _____ full paragraph of the Note is hereby amended and restated in its entirety as follows:

The Issuer shall have the right to pay at any time or times prior to maturity, without penalty or premium, all or any portion of this note. Prepayments shall be credited to principal payments in any order, in whole or in part, as mutually agreed to by the Issuer and the State of Michigan.

3. No Default. The Municipality represents and warrants that there are no outstanding or unresolved defaults under the Note or any of the other documents or undertakings of the Municipality relating to the emergency loan.
4. Note Otherwise Unchanged. Except as explicitly amended hereby, the Note remains unchanged and in full force and effect.

(Balance of this page intentionally left blank)

IN WITNESS WHEREOF, this Agreement to Amend the Note has been signed on behalf of the Municipality and the State of Michigan as of the date first above written.

BENTON HARBOR AREA SCHOOLS
COUNTY OF BERRIEN
STATE OF MICHIGAN

By: _____
Printed: _____
Title: _____

By: _____
Printed: _____
Title: _____

STATE OF MICHIGAN
as Registered Owner

By: _____
Printed: _____
Title: _____

Michigan Department of Treasury
Bureau of Local Government and School Services
Emergency Municipal Loan Act - Public Act 243 of 1980

Emergency Loan Fixed Interest Rate Reduction Application

The Michigan Department of Treasury is allowing municipalities with a fixed interest rate emergency loan to apply to receive an amendment to their existing note that would lower the interest rate for the duration of the loan. This is a one-time only program. Interested municipalities shall email this application **AND** a certified resolution adopted by the governing body of the municipality approving the submission of the application to Treas_MunicipalFinance@michigan.gov by no later than **Friday, July 23, 2021 at 11:59PM**. No due date extensions will be given. Use the subject line "Emergency Loan Fixed Interest Rate Reduction Application." If you have more than one loan, you must submit a separate application **AND** separate resolution for **EACH** loan. Light blue cells are input cells. The Local Emergency Financial Assistance Loan Board is expected to meet in mid-September 2021 to consider approving the interest rate reductions. The actual new interest rate will not be determined until the business day immediately preceding the meeting using the Municipal Market Data "AAA" rate that corresponds with the remaining average life of the loan or 10 years, whichever is greater, plus 25 basis points (0.25%), rounded up to the nearest 0.05%. On the application below we have provided an illustration of potential interest savings using the applicable Municipal Market Data "AAA" rate as of May 21, 2021. The new interest rate would become effective the day the loan's first debt service payment after October 1, 2021 is due. For example, if you have debt service payments due November 1 and May 1, on November 1, 2021 you would make that payment as was originally scheduled. The new interest rate would begin November 1, 2021 and will result in a lower debt service payment starting on May 1, 2022 through final maturity. If the new interest rate is greater than your current interest rate **OR** the nominal interest savings throughout the remaining life of the loan is less than \$10,000 your application will be canceled and you will maintain your current interest rate with no action needed. We have also included 1) a list of required attorney opinion provisions and 2) a form of note amendment. Both the attorney opinion and note amendment will need to be provided at closing, which is expected in October 2021. Should you have any questions regarding the application process please email Treas_MunicipalFinance@michigan.gov.

Applicant - Loan, Remaining Average Life, Current Interest Rate

Benton Harbor Area Schools - 2016-17 Series I, Remaining Avg Life 14 Years, Current IR = 1.85%

[Click for definition of "Average Life." Scroll down to bottom of screen and select "Accept."](#)

Example new interest rate based on Municipal Market Data "AAA" rate as of May 21, 2021. Actual rate determined prior to Local Emergency Financial Assistance Loan Board meeting.

1.40%

Example nominal interest savings throughout the remaining life of the loan:

\$263,565.00

New interest rate begins:

November 1, 2021

First lower debt service payment with new interest rate:


May 1, 2022

☒ Yes, we would like to receive a lower interest rate on our emergency loan.

☒ Yes, we have included a certified resolution adopted by the governing body of the municipality, along with this application, as part of our submission to Treasury.

☒ Yes, we will use the templates provided to draft an attorney opinion and note amendment which we will bring to the closing.

Chief Administrative Officer or their Designee Name: **Scott Johnson, Chief Financial Officer**

Chief Administrative Officer or their Designee Signature: 
(electronic signature accepted)

Date: **7/14/2021**

Contact Person: **Scott Johnson**

Contact Person Email Address: **scott.johnson@bhas.org**

Due Date is Friday, July 23, 2021 at 11:59PM

Benton Harbor Area Schools, Berrien County, Michigan (the “District” or “Issuer”)

A Special meeting of the board of education of the District (the “Board”) was held:

☐ in the _____, within the boundaries of the District,

☒ electronically through Zoom with identification number 857-6313-0043

on the 22nd day of June, 2021, at 5:30 o’clock in the p.m. (the “Meeting”)

The Meeting was called to order by Dashuna Robinson , President.

Present: Members Dashuna Robinson, Matthew Bradley, Reinaldo Tripplett, Angel Crayton, Trenton Bowens, Stephanie Rockette-Martin, Lue Buchana

Absent: Members None

The following preamble and resolution were offered by Member Rockette-Martin and supported by Member Buchana:

WHEREAS:

1. Pursuant to the Emergency Municipal Loan Act, 198 PA 243, MCL 141.931, *et seq*, as amended (“Act 243”), the Issuer previously authorized and issued its Benton Harbor Area Schools Emergency Loan Note (General Obligation - Limited Tax) 2016-17 Series I (the “Obligation”).

2. The State of Michigan through the Michigan Department of Treasury (the “State”) has offered an opportunity for municipalities with fixed interest rate emergency loans to apply to receive amendments to their existing notes that would lower the interest rates for the duration of such loans and to amend how prepayments by a municipality are applied toward such loans.

3. The Obligation qualifies for the interest rate reduction and prepayment revision opportunity described above.

4. It is in the best interests of the District to submit an application to seek a rate reduction and prepayment revision for the Obligation.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Issuer hereby authorizes the administration of the Issuer to submit the required application to the Michigan Department of Treasury to seek an interest rate reduction and prepayment revision for the Obligation.

2. A separate application shall be made for each outstanding Obligation, which application shall be submitted not later than July 23, 2021, or such other deadline as designated by the State.

3. The Issuer hereby authorizes and approves the use of the form of the agreement to amend emergency loan note attached hereto as Exhibit A (the “Note Amendment”).

4. The Obligation, as amended by a Note Amendment, shall remain a valid and binding general obligation of the Issuer and, except as expressly set forth in the Note Amendment, shall remain unchanged and in full force and effect.

5. Other than the Obligation itself, by this resolution and by issuance of a Note Amendment, the Issuer does not and does not intend to modify, amend or otherwise change any agreement contained in the transcript for the Obligation.

6. By this resolution and by issuance of a Note Amendment, the Issuer does not and does not intend to modify, amend or otherwise disturb the taxation of taxable property within the geographic boundaries of the Issuer, subject to applicable constitutional, statutory and charter tax rate limitations.

7. The Superintendent of Schools, Chief Financial Officer and Board President are each is authorized to approve and accept an interest rate reduction and to execute and deliver a Note Amendment related to the Obligation and any other documents necessary to complete the transaction including, but not limited to, any certificates, representations, or related documents. To the extent permitted by the State of Michigan, such documents may be executed using electronic or facsimile signatures, with such electronic or facsimile signatures having the same legal effect and enforceability as a manual signature. The Vice President, Secretary or Treasurer of the Board of Education may approve and accept an such an interest rate reduction and sign and deliver such documents in the absence of the Superintendent of Schools, Chief Financial Officer or Board President.

8. The Issuer hereby appoints Thrun Law Firm, P.C.. as legal counsel to represent the Issuer in relation to the matters described herein.

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

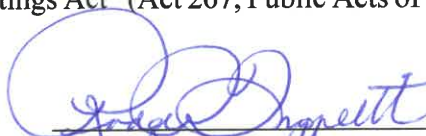
Ayes: Members Robinson, Bradley, Tripplett, Crayton, Bowens, Rockette-Martin,
Buchana

Nays: Members None

Resolution declared adopted.


Secretary, Board of Education

The undersigned duly qualified and acting Secretary of the Board of Education of Benton Harbor Area Schools, Berrien County, Michigan, hereby certifies that the foregoing constitutes a true and complete copy of a resolution adopted by the Board at the Meeting, the original of which is part of the Board's minutes. The undersigned further certifies that notice of the Meeting was given to the public pursuant to the provisions of the "Open Meetings Act" (Act 267, Public Acts of Michigan, 1976, as amended).


Secretary, Board of Education

CJI/klg

EXHIBIT A

FORM OF NOTE AMENDMENT

AGREEMENT TO AMEND
EMERGENCY LOAN NOTE
(GENERAL OBLIGATION - LIMITED TAX)
2016-17 SERIES I
OF THE
BENTON HARBOR AREA SCHOOLS
COUNTY OF BERRIEN
STATE OF MICHIGAN

THIS Agreement to Amend the Emergency Loan Note (General Obligation - Limited Tax) 2016-17 Series I, issued by Benton Harbor Area Schools (the "Municipality"), County of Berrien, State of Michigan (the "Note"), is hereby agreed to by and between the Municipality and the State of Michigan, as registered owner, on this ____ day of _____, 2021.

WHEREAS, the Municipality previously issued the Note pursuant to the provisions of the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended; and

WHEREAS, the Municipality and the State of Michigan desire to amend the Note in order to lower the interest rate and to authorize the redemption of the Note in any order of maturity as agreed to by the Municipality and the State of Michigan.

NOW THEREFORE, in consideration of the foregoing, the parties hereby agree as follows:

1. Amendment to Interest Rate. Beginning on the next scheduled payment date as established in the Note, the Note shall bear interest at a rate of ____% per annum.
2. Amendment to Application of Prepayments. The _____ full paragraph of the Note is hereby amended and restated in its entirety as follows:

The Issuer shall have the right to pay at any time or times prior to maturity, without penalty or premium, all or any portion of this note. Prepayments shall be credited to principal payments in any order, in whole or in part, as mutually agreed to by the Issuer and the State of Michigan.

3. No Default. The Municipality represents and warrants that there are no outstanding or unresolved defaults under the Note or any of the other documents or undertakings of the Municipality relating to the emergency loan.
4. Note Otherwise Unchanged. Except as explicitly amended hereby, the Note remains unchanged and in full force and effect.

(Balance of this page intentionally left blank)

IN WITNESS WHEREOF, this Agreement to Amend the Note has been signed on behalf of the Municipality and the State of Michigan as of the date first above written.

BENTON HARBOR AREA SCHOOLS
COUNTY OF BERRIEN
STATE OF MICHIGAN

By: _____
Printed: _____
Title: _____

By: _____
Printed: _____
Title: _____

STATE OF MICHIGAN
as Registered Owner

By: _____
Printed: _____
Title: _____

Michigan Department of Treasury
Bureau of Local Government and School Services
Emergency Municipal Loan Act - Public Act 243 of 1980

Emergency Loan Fixed Interest Rate Reduction Application

The Michigan Department of Treasury is allowing municipalities with a fixed interest rate emergency loan to apply to receive an amendment to their existing note that would lower the interest rate for the duration of the loan. This is a one-time only program. Interested municipalities shall email this application **AND** a certified resolution adopted by the governing body of the municipality approving the submission of the application to Treas_MunicipalFinance@michigan.gov by no later than **Friday, July 23, 2021 at 11:59PM**. No due date extensions will be given. Use the subject line "Emergency Loan Fixed Interest Rate Reduction Application." If you have more than one loan, you must submit a separate application **AND** separate resolution for **EACH** loan. Light blue cells are input cells. The Local Emergency Financial Assistance Loan Board is expected to meet in mid-September 2021 to consider approving the interest rate reductions. The actual new interest rate will not be determined until the business day immediately preceding the meeting using the Municipal Market Data "AAA" rate that corresponds with the remaining average life of the loan or 10 years, whichever is greater, plus 25 basis points (0.25%), rounded up to the nearest 0.05%. On the application below we have provided an illustration of potential interest savings using the applicable Municipal Market Data "AAA" rate as of May 21, 2021. The new interest rate would become effective the day the loan's first debt service payment after October 1, 2021 is due. For example, if you have debt service payments due November 1 and May 1, on November 1, 2021 you would make that payment as was originally scheduled. The new interest rate would begin November 1, 2021 and will result in a lower debt service payment starting on May 1, 2022 through final maturity. If the new interest rate is greater than your current interest rate **OR** the nominal interest savings throughout the remaining life of the loan is less than \$10,000 your application will be canceled and you will maintain your current interest rate with no action needed. We have also included 1) a list of required attorney opinion provisions and 2) a form of note amendment. Both the attorney opinion and note amendment will need to be provided at closing, which is expected in October 2021. Should you have any questions regarding the application process please email Treas_MunicipalFinance@michigan.gov.

Applicant - Loan, Remaining Average Life, Current Interest Rate

Detroit, SD of the City of - 2016-17 Series I, Remaining Avg Life 10 Years, Current IR = 1.31%

[Click for definition of "Average Life."](#) [Scroll down to bottom of screen and select "Accept."](#)

Example new interest rate based on Municipal Market Data "AAA" rate as of May 21, 2021. Actual rate determined prior to Local Emergency Financial Assistance Loan Board meeting.

1.30%

Example nominal interest savings throughout the remaining life of the loan:

\$54,100.00

New interest rate begins:

March 1, 2022

First lower debt service payment with new interest rate:


September 1, 2022

☒ Yes, we would like to receive a lower interest rate on our emergency loan.

☒ Yes, we have included a certified resolution adopted by the governing body of the municipality, along with this application, as part of our submission to Treasury.

☒ Yes, we will use the templates provided to draft an attorney opinion and note amendment which we will bring to the closing.

Chief Administrative Officer or their Designee Name: Jeremy Vidito

Chief Administrative Officer or their Designee Signature: 
(electronic signature accepted)

Date: July 21, 2021

Contact Person: Jeremy Vidito

Contact Person Email Address: jeremy.vidito@detroitk12.org

Due Date is Friday, July 23, 2021 at 11:59PM

**RESOLUTION OF
THE BOARD OF EDUCATION
DETROIT PUBLIC SCHOOLS COMMUNITY DISTRICT
AUTHORIZING APPLICATION TO THE
LOCAL EMERGENCY FINANCIAL ASSISTANCE LOAN
BOARD REQUESTING THE AMENDMENT OF
SCHOOL DISTRICT OF THE CITY OF DETROIT
EMERGENCY LOAN NOTE
(GENERAL OBLIGATION LIMITED TAX) 2016-17 SERIES I;
PRESCRIBING THE FORM OF THE AMENDED NOTE AND DELEGATING
TO AUTHORIZED PERSONS THE AUTHORITY TO
MAKE CERTAIN DETERMINATIONS WITH RESPECT TO
THE AMENDED NOTE AND RELATED DOCUMENTATION**

Detroit Public Schools Community District
County of Wayne, State of Michigan

Minutes of a regular meeting of 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, State of Michigan (the “School District”) held in the School District on the 13th day of July, 2021 at 5:30 p.m., prevailing Eastern Time.

PRESENT: Members Angelique Peterson-Mayberry, Dr. Deborah HunterHarvill, Sonya Mays,
Misha Stallworth, Sherry GayDagnogo, Georgia Lemmons, Bishop Corletta Vaughn

ABSENT: Members _____

The following preamble and resolution were offered by Member Vaughn supported by Member Stallworth.

WHEREAS, on June 21, 2016, Public Act 192 of 2016 (“Act 192”) amending The Revised School Code, 1976 PA 451, as amended, MCL 380.1 to 380.1853 (the “Revised School Code”), was enacted with immediate effect; and

WHEREAS, once Act 192 took effect, the School District became a qualifying school district under Section 12b of the Revised School Code, MCL 380.12b, and a community district was created for the same geographic area of the School District to provide public educational services for residents of that

geographic area under Section 383 of the Revised School Code, MCL 380.383 and was named Detroit Public Schools Community District; and

WHEREAS, the Board of Education for the Community District (the “Board”) was duly elected in November 2016 and took office on January 1, 2017; and

WHEREAS, pursuant to Act 192, on July 1, 2016, the School District lost its organization and continues to exist for the limited purpose of repaying its debt obligations; and

WHEREAS, the Board is also responsible for exercising the functions and responsibilities of the School District on behalf of the School District until its debt is repaid and the School District is fully dissolved, MCL 380.12(b)(11); and

WHEREAS, the School District, as a qualifying district, retains proceeds from bonds, notes, or emergency loans, and taxes levied by or payable to the qualifying district, MCL 380.12(b)(2); and

WHEREAS, the State of Michigan has enacted the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended (“Act 243”), relative, inter alia, to the borrowing of money and the issuance of certain debt and securities as emergency loans; and

WHEREAS, the School District is defined to be a “municipality” under Act 243 that has the power to borrow money and issue evidences of indebtedness for repayment of obligations, including, but not limited to, money advanced or previously advanced to a school district or approved or previously approved for advancement to a school district under Section 15(2) of The State School Aid Act of 1979, Act 94, Public Acts of Michigan, 1979, as amended (“Act 94”) or money borrowed by the School District under Section 1225 of Act 451; and

WHEREAS, concurrently with the amendment to the Revised School Code on June 21, 2016, Section 3(1)(b) of Act 243 was amended by Act 197, Public Acts of Michigan, 2016, to authorize the Michigan Local Emergency Financial Assistance Loan Board (the “ELB”) established under Act 243 to: “authorize a loan of up to \$150,000,000.00 for transitional operating costs to a school district that is or

becomes a qualifying school district as described in Section 12b of the Revised School Code, of which not more than \$25,000,000.00 may be authorized for deferred facilities maintenance”; and

WHEREAS, on July 22, 2016, pursuant to Act 243, the School District obtained an emergency loan in the amount of \$150,000,000 (the “Loan”) from the ELB, which Loan was evidenced by a note designated “Emergency Loan Note (General Obligation Limited Tax) 2016-17 Series I” and dated July 22, 2016 (the “Note”); and

WHEREAS, the Michigan Department of Treasury (“Treasury”) has informed the Community District that Treasury is allowing every school district with a fixed interest rate emergency loan to apply to amend its existing note to lower the interest rate for the duration of the loan and provide for prepayment of the note prior to maturity; and

WHEREAS, the Community District on behalf of the School District has determined that it is necessary and desirable to make application to Treasury and the ELB to amend the Note to lower the interest rate on the Note for the duration of the Loan and allow prepayment of the Note prior to maturity.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Community District Superintendent or Chief Financial Officer (each, an “Authorized Officer”) is authorized and directed to submit an application to Treasury and the ELB for approval to amend the Note in order to lower the interest rate and to authorize the prepayment of all or any part of the installments of the Note in any order of maturity as agreed to by School District and the State of Michigan.
2. Except as explicitly amended by the Note Amendment (the “Note Amendment”) by and between the State of Michigan and the School District, the remaining terms of the Note shall remain in full force and effect.
3. The interest rate on the Note shall be as determined by the ELB upon approval of the application herein authorized; provided, however, that if the proposed actual new interest rate is not lower than the current interest rate on the Note or the nominal savings of the new interest rate will be less than

\$10,000, then the application shall be cancelled and the interest rate shall not change. The Note Amendment shall be in substantially the form attached hereto as Exhibit A, with the completed amendment to include the new interest rate and such other modifications, additions, changes and deletions as are approved by an Authorized Officer, as evidenced by execution thereof. An Authorized Officer shall execute the Note Amendment for the Community District on behalf of the School District and deliver it to the ELB as agent for the State of Michigan.

4. The representation of the School District and the Community District by Miller, Canfield, Paddock and Stone, P.L.C. as bond counsel is hereby approved, notwithstanding Miller Canfield's periodic representation, in unrelated matters, of certain agencies of the State of Michigan and other potential parties to the Note Amendment transaction.

5. The Authorized Officers, administrators, agents and attorneys of the Community District are authorized and directed to execute and deliver all other agreements, documents and certificates and to take all other actions necessary to complete the issuance and delivery of the Note Amendment in accordance with this Resolution, including any appropriate requests of the ELB or Treasury. The Authorized Officers are authorized to pay any transactional costs of the Note Amendment transaction, including bond counsel fees, and any other costs necessary to accomplish the delivery of the Note Amendment.

6. 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, Dr. Deborah HunterHarvill, Sonya Mays,
Misha Stallworth, Sherry GayDagnogo, Georgia Lemmons, Bishop Corletta Vaughn

NAYS: Members _____

RESOLUTION DECLARED ADOPTED.



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 July 13, 2021, 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 NOTE AMENDMENT

AGREEMENT TO AMEND
EMERGENCY LOAN NOTE
(GENERAL OBLIGATION LIMITED TAX)
2016-17 SERIES I

OF THE
SCHOOL DISTRICT OF THE CITY OF DETROIT
COUNTY OF WAYNE
STATE OF MICHIGAN

THIS Agreement to Amend Emergency Loan Note (General Obligation Limited Tax) 2016-17 Series I, issued by the School District of the City of Detroit (the "School District"), County of Wayne, State of Michigan (the "Note"), is hereby agreed to by and between the Detroit Public Schools Community District, on behalf of the School District of the City of Detroit, and the State of Michigan, as registered owner, on this 13 day of July, 2021.

WHEREAS, the School District previously issued the Note pursuant to the provisions of the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended; and

WHEREAS, the School District and the State of Michigan desire to amend the Note in order to lower the interest rate and to authorize the redemption of the Note in any order of maturity as agreed to by the School District and the State of Michigan.

NOW THEREFORE, in consideration of the foregoing, the parties hereby agree as follows:

1. Amendment to Interest Rate. Beginning on the next scheduled payment date as established in the Note, the Note shall bear interest at a rate of ____% per annum.
2. Amendment to Application of Prepayments. A new paragraph is hereby added to the Note as the third paragraph of the Note and shall state in its entirety as follows:

The Issuer shall have the right to pay at any time or times prior to maturity, without penalty or premium, all or any portion of this note. Prepayments shall be credited to principal payments in any order, in whole or in part, as mutually agreed to by the Issuer and the State of Michigan.

3. No Default. The School District represents and warrants that there are no outstanding or unresolved defaults under the Note or any of the other documents or undertakings of the School District relating to the emergency loan.
4. Note Otherwise Unchanged. Except as explicitly amended hereby, the Note remains unchanged and in full force and effect.

(Balance of this page intentionally left blank)

IN WITNESS WHEREOF, this Agreement to Amend the Note has been signed on behalf of the School District and the State of Michigan as of the date first above written.

SCHOOL DISTRICT OF THE CITY OF DETROIT
COUNTY OF WAYNE
STATE OF MICHIGAN

By: Detroit Public Schools Community District

Printed: Nikolai Viti

Title: Superintendent

STATE OF MICHIGAN
as Registered Owner

By: _____

Printed: _____

Title: _____

37840134.2/022715.00014

Michigan Department of Treasury
Bureau of Local Government and School Services
Emergency Municipal Loan Act - Public Act 243 of 1980

Emergency Loan Fixed Interest Rate Reduction Application

The Michigan Department of Treasury is allowing municipalities with a fixed interest rate emergency loan to apply to receive an amendment to their existing note that would lower the interest rate for the duration of the loan. This is a one-time only program. Interested municipalities shall email this application **AND** a certified resolution adopted by the governing body of the municipality approving the submission of the application to Treas_MunicipalFinance@michigan.gov by no later than **Friday, July 23, 2021 at 11:59PM**. No due date extensions will be given. Use the subject line "Emergency Loan Fixed Interest Rate Reduction Application." If you have more than one loan, you must submit a separate application **AND** separate resolution for **EACH** loan. Light blue cells are input cells. The Local Emergency Financial Assistance Loan Board is expected to meet in mid-September 2021 to consider approving the interest rate reductions. The actual new interest rate will not be determined until the business day immediately preceding the meeting using the Municipal Market Data "AAA" rate that corresponds with the remaining average life of the loan or 10 years, whichever is greater, plus 25 basis points (0.25%), rounded up to the nearest 0.05%. On the application below we have provided an illustration of potential interest savings using the applicable Municipal Market Data "AAA" rate as of May 21, 2021. The new interest rate would become effective the day the loan's first debt service payment after October 1, 2021 is due. For example, if you have debt service payments due November 1 and May 1, on November 1, 2021 you would make that payment as was originally scheduled. The new interest rate would begin November 1, 2021 and will result in a lower debt service payment starting on May 1, 2022 through final maturity. If the new interest rate is greater than your current interest rate **OR** the nominal interest savings throughout the remaining life of the loan is less than \$10,000 your application will be canceled and you will maintain your current interest rate with no action needed. We have also included 1) a list of required attorney opinion provisions and 2) a form of note amendment. Both the attorney opinion and note amendment will need to be provided at closing, which is expected in October 2021. Should you have any questions regarding the application process please email Treas_MunicipalFinance@michigan.gov.

Applicant - Loan, Remaining Average Life, Current Interest Rate

Highland Park, SD of the City of - 2012-13 Series I, Remaining Avg Life 11 Years, Current IR = 2.35%

[Click for definition of "Average Life." Scroll down to bottom of screen and select "Accept."](#)

Example new interest rate based on Municipal Market Data "AAA" rate as of May 21, 2021. Actual rate determined prior to Local Emergency Financial Assistance Loan Board meeting.

1.35%

Example nominal interest savings throughout the remaining life of the loan:

\$377,550.00

New interest rate begins:

November 1, 2021

First lower debt service payment with new interest rate:

May 1, 2022

- ☒ Yes, we would like to receive a lower interest rate on our emergency loan.
- ☒ Yes, we have included a certified resolution adopted by the governing body of the municipality, along with this application, as part of our submission to Treasury.
- ☒ Yes, we will use the templates provided to draft an attorney opinion and note amendment which we will bring to the closing.

Chief Administrative Officer or their Designee Name: Zakia Gibson

Chief Administrative Officer or their Designee Signature:
(electronic signature accepted)



Date: July 16, 2021

Contact Person: Caneia Taylor

Contact Person Email Address: TaylorCa@Hipark.org

Due Date is Friday, July 23, 2021 at 11:59PM

**SCHOOL DISTRICT OF THE CITY OF HIGHLAND PARK
COUNTY OF WAYNE, STATE OF MICHIGAN**

**RESOLUTION AUTHORIZING APPLICATION FOR AMENDMENT
OF EMERGENCY LOAN NOTE 2012-13 SERIES I,
AND RELATED MATTERS**

A regular meeting of the Board of Education (the “Board”) of the School District of the City of Highland Park, Wayne County, Michigan (the “School District”) was conducted electronically on July 13, 2021, at 6:00 p.m. local time.

The meeting was called to order at 6:06 p.m. local time by Zakia Gibson, Chief Education Officer.

Present Members: Janet Spight White, Shamayim Harris, Linda Wheeler,
Lorne McGee, Cheryl Sanford, Anthony Askew, Mark Ashley Price

Absent Members: _____

The following preamble and resolution were offered by Member Cheryl Sanford and supported by Member Lorne McGee:

WHEREAS, on August 16, 2012, pursuant to the Emergency Loan Act, Act 243 Public Acts of Michigan, 1980, as amended (“Act 243”), the School District obtained an emergency loan (the “2013 Series I Loan”) from the Local Emergency Financial Assistance Loan Board (the “ELB”), which 2013 Series I Loan was evidenced by a note designated Emergency Loan Note (General Obligation Limited Tax) 2012-13 Series I, dated August 16, 2012, which currently is outstanding and in full force and effect in accordance with its terms (the “2013 Series I Note”);

WHEREAS, the Michigan Department of Treasury (“Treasury”) has informed the School District that Treasury is allowing every school district with a fixed interest rate emergency loan to apply to amend its existing note to lower the interest rate for the duration of the loan and provide for prepayment of the note prior to maturity; and

WHEREAS, the Board has further determined that it is in the best interest of the School District to make application to Treasury and the ELB and take such other actions necessary to amend the 2013 Series I Note to provide for a reduction in the interest rate on the 2013 Series I Note and allow prepayment of the 2013 Series I Note prior to maturity.

NOW, THEREFORE, IT IS RESOLVED BY THE BOARD AS FOLLOWS:

1. Applications to Amend the 2013 Series I Note. The Chief Education Officer, President and Vice President of the Board, or any one of them acting individually (each an “Authorized Officer”) are hereby authorized and directed to submit an application to Treasury and the ELB or take such other actions necessary for approval to amend the 2013 Series I Loan and the 2013 Series I Note to provide for a reduction in the interest rate on the 2013 Series I Note and allow prepayment of the 2013 Series I Note prior to maturity.

2. Amendment to 2013 Series I Note. The 2013 Series I Note shall be amended pursuant to a Note Amendment in substantially the form attached hereto as Exhibit A (the “Note Amendment”), with the completed amendment to include the new interest rate and such other modifications, additions, changes and deletions as are approved by an Authorized Officer, as evidenced by execution thereof. The interest rate on the 2013 Series I Note shall be as determined by the ELB upon approval of the application herein authorized; provided, however, that if the proposed actual new interest rate is not lower than the current interest rate on the Note or the nominal savings of the new interest rate will be less than \$10,000, then the application shall be cancelled and the interest rate shall not change. Except as explicitly amended by the Note Amendment (the “Note Amendment”) by and between the State of Michigan (the “State”) and the School District, the remaining terms of the 2013 Series I Note shall remain in full force and effect.

3. Execution of Amended Note. An Authorized Officer, on behalf of the School District, is hereby authorized to execute and deliver the Note Amendment to the ELB as agent for the State.

4. Note Counsel. The representation of the School District by Miller, Canfield, Paddock and Stone, P.L.C. as note counsel (“Note Counsel”) is hereby approved, notwithstanding its periodic representation, in unrelated matters, of certain agencies of the State and other potential parties to the transaction. The Authorized Officer is authorized to approve an engagement letter with Note Counsel that shall set forth the terms of Note Counsel’s engagement.

5. Further Actions. The Authorized Officer and other officers, administrators, agents and attorneys of the School District are authorized and directed to execute and deliver all other agreements, documents and certificates and to take all other actions necessary relating to the transactions contemplated by this Resolution, including any appropriate requests of the ELB or Treasury. The officers, administrators, agents and attorneys of the School District are authorized and directed to pay costs of issuance and any other costs necessary to accomplish the transactions contemplated by this Resolution.

6. Prior Actions. Any actions taken by an Authorized Officer prior to the date hereof to effectuate the transactions contemplated by this Resolution are hereby ratified.

[Remainder of Page Intentionally Left Blank]

7. Conflicts. 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: Mark Ashley Price, Cheryl Sanford, Lorne McGee, Janet Spight
White, Shamayim Harris

Nays Members: Linda Wheeler

Resolution Declared Adopted.



Secretary, Board of Education

The undersigned duly qualified and acting Secretary of the Board of Education of the School District of the City of Highland Park, hereby certifies that the foregoing is a true and complete copy of a resolution adopted by the Board at an organizational meeting held on July 13, 2021, the original of which is a part of the Board's minutes and further certifies that notice of the meeting was given to the public pursuant to the provisions of the Open Meetings Act, being Act No. 267, Public Acts of Michigan, 1976, as amended.



Secretary, Board of Education

EXHIBIT A

FORM OF NOTE AMENDEDMENT

AGREEMENT TO AMEND
EMERGENCY LOAN NOTE
(GENERAL OBLIGATION LIMITED TAX) 2012-13 SERIES I
OF THE
SCHOOL DISTRICT OF THE CITY OF HIGHLAND PARK
COUNTY OF WAYNE
STATE OF MICHIGAN

THIS Agreement to Amend Emergency Loan Note (General Obligation Limited Tax) 2012-13 Series I, issued by the School District of the City of Highland Park (the “School District”), County of Wayne, State of Michigan (the “Note”), is hereby agreed to by and between the School District and the State of Michigan, as registered owner, on this 14th day of July 2021.

WHEREAS, the School District previously issued the Note pursuant to the provisions of the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended; and

WHEREAS, the School District and the State of Michigan desire to amend the Note in order to lower the interest rate and to authorize the redemption of the Note in any order of maturity as agreed to by the School District and the State of Michigan.

NOW THEREFORE, in consideration of the foregoing, the parties hereby agree as follows:

1. Amendment to Interest Rate. Beginning on the next scheduled payment date as established in the Note, the Note shall bear interest at a rate of ____% per annum.
2. Amendment to Application of Prepayments. A revised paragraph is hereby added to the Note to replace the fourth paragraph of the Note and shall state in its entirety as follows:

The Issuer shall have the right to pay at any time or times prior to maturity, without penalty or premium, all or any portion of this note. Prepayments shall be credited to principal payments in any order, in whole or in part, as mutually agreed to by the Issuer and the State of Michigan.

3. No Default. The School District represents and warrants that there are no outstanding or unresolved defaults under the Note or any of the other documents or undertakings of the School District relating to the emergency loan.
4. Note Otherwise Unchanged. Except as explicitly amended hereby, the Note remains unchanged and in full force and effect.

(Balance of this page intentionally left blank)

IN WITNESS WHEREOF, this Agreement to Amend the Note has been signed on behalf of the School District and the State of Michigan as of the date first above written.

SCHOOL DISTRICT OF THE CITY OF
HIGHLAND PARK
County of Wayne, State of Michigan

By: _____

Title: _____

STATE OF MICHIGAN
as Registered Owner

By: _____

Printed: _____

Title: _____

Michigan Department of Treasury
Bureau of Local Government and School Services
Emergency Municipal Loan Act - Public Act 243 of 1980

Emergency Loan Fixed Interest Rate Reduction Application

The Michigan Department of Treasury is allowing municipalities with a fixed interest rate emergency loan to apply to receive an amendment to their existing note that would lower the interest rate for the duration of the loan. This is a one-time only program. Interested municipalities shall email this application **AND** a certified resolution adopted by the governing body of the municipality approving the submission of the application to Treas_MunicipalFinance@michigan.gov by no later than **Friday, July 23, 2021 at 11:59PM**. No due date extensions will be given. Use the subject line "Emergency Loan Fixed Interest Rate Reduction Application." If you have more than one loan, you must submit a separate application **AND** separate resolution for **EACH** loan. Light blue cells are input cells. The Local Emergency Financial Assistance Loan Board is expected to meet in mid-September 2021 to consider approving the interest rate reductions. The actual new interest rate will not be determined until the business day immediately preceding the meeting using the Municipal Market Data "AAA" rate that corresponds with the remaining average life of the loan or 10 years, whichever is greater, plus 25 basis points (0.25%), rounded up to the nearest 0.05%. On the application below we have provided an illustration of potential interest savings using the applicable Municipal Market Data "AAA" rate as of May 21, 2021. The new interest rate would become effective the day the loan's first debt service payment after October 1, 2021 is due. For example, if you have debt service payments due November 1 and May 1, on November 1, 2021 you would make that payment as was originally scheduled. The new interest rate would begin November 1, 2021 and will result in a lower debt service payment starting on May 1, 2022 through final maturity. If the new interest rate is greater than your current interest rate **OR** the nominal interest savings throughout the remaining life of the loan is less than \$10,000 your application will be canceled and you will maintain your current interest rate with no action needed. We have also included 1) a list of required attorney opinion provisions and 2) a form of note amendment. Both the attorney opinion and note amendment will need to be provided at closing, which is expected in October 2021. Should you have any questions regarding the application process please email Treas_MunicipalFinance@michigan.gov.

Applicant - Loan, Remaining Average Life, Current Interest Rate

Highland Park, SD of the City of - 2012-13 Series II, Remaining Avg Life 11 Years, Current IR = 2.30%

[Click for definition of "Average Life." Scroll down to bottom of screen and select "Accept."](#)

Example new interest rate based on Municipal Market Data "AAA" rate as of May 21, 2021. Actual rate determined prior to Local Emergency Financial Assistance Loan Board meeting.

1.35%

Example nominal interest savings throughout the remaining life of the loan:

\$242,907.57

New interest rate begins:

November 1, 2021

First lower debt service payment with new interest rate:

May 1, 2022

- ☒ Yes, we would like to receive a lower interest rate on our emergency loan.
- ☒ Yes, we have included a certified resolution adopted by the governing body of the municipality, along with this application, as part of our submission to Treasury.
- ☒ Yes, we will use the templates provided to draft an attorney opinion and note amendment which we will bring to the closing.

Chief Administrative Officer or their Designee Name: **Zakia Gibson**

Chief Administrative Officer or their Designee Signature:
(electronic signature accepted)



Date: **July 16, 2021**

Contact Person: **Caneia Taylor**

Contact Person Email Address: **TaylorCa@hipark.org**

Due Date is Friday, July 23, 2021 at 11:59PM

**SCHOOL DISTRICT OF THE CITY OF HIGHLAND PARK
COUNTY OF WAYNE, STATE OF MICHIGAN**

**RESOLUTION AUTHORIZING APPLICATION FOR AMENDMENT
OF EMERGENCY LOAN NOTE 2012-13 SERIES II,
AND RELATED MATTERS**

An organizational meeting of the Board of Education (the “Board”) of the School District of the City of Highland Park, Wayne County, Michigan (the “School District”) was conducted electronically on July 13, 2021, at 6:00 p.m. local time.

The meeting was called to order at 6:06 p.m. local time by Zakia Gibson, Chief Education Officer.

Present Members: Janet Spight White, Shamayim Harris, Linda Wheeler, Lorne McGee, Cheryl Sanford, Anthony Askew, Mark Ashley Price

Absent Members: _____

The following preamble and resolution were offered by Member Cheryl Sanford and supported by Member Lorne McGee:

WHEREAS, on January 18, 2013, pursuant to the Emergency Loan Act, Act 243 Public Acts of Michigan, 1980, as amended (“Act 243”), the School District obtained an emergency loan (the “2013 Series II Loan”) from the Local Emergency Financial Assistance Loan Board (the “ELB”), which 2013 Series II Loan was evidenced by a note designated Emergency Loan Note (General Obligation Limited Tax) 2012-13 Series II, dated January 18, 2013, which currently is outstanding and in full force and effect in accordance with its terms (the “2013 Series II Note”);

WHEREAS, the Michigan Department of Treasury (“Treasury”) has informed the School District that Treasury is allowing every school district with a fixed interest rate emergency loan to apply to amend its existing note to lower the interest rate for the duration of the loan and provide for prepayment of the note prior to maturity; and

WHEREAS, the Board has further determined that it is in the best interest of the School District to make application to Treasury and the ELB and take such other actions necessary to amend the 2013 Series II Note to provide for a reduction in the interest rate on the 2013 Series II Note and allow prepayment of the 2013 Series II Note prior to maturity.

NOW, THEREFORE, IT IS RESOLVED BY THE BOARD AS FOLLOWS:

1. Applications to Amend the 2013 Series II Note. The Chief Education Officer, President and Vice President of the Board, or any one of them acting individually (each an “Authorized Officer”) are hereby authorized and directed to submit an application to Treasury and the ELB or take such other actions necessary for approval to amend the 2013 Series II Loan and the 2013 Series II Note to provide for a reduction in the interest rate on the 2013 Series II Note and allow prepayment of the 2013 Series II Note prior to maturity.
2. Amendment to 2013 Series II Note. The 2013 Series II Note shall be amended pursuant to a Note Amendment in substantially the form attached hereto as Exhibit A (the “Note Amendment”), with the completed amendment to include the new interest rate and such other modifications, additions, changes and deletions as are approved by an Authorized Officer, as evidenced by execution thereof. The interest rate on the 2013 Series II Note shall be as determined by the ELB upon approval of the application herein authorized; provided, however, that if the proposed actual new interest rate is not lower than the current interest rate on the Note or the nominal savings of the new interest rate will be less than \$10,000, then the application shall be cancelled and the interest rate shall not change. Except as explicitly amended by the Note Amendment (the “Note Amendment”) by and between the State of Michigan (the “State”) and the School District, the remaining terms of the 2013 Series II Note shall remain in full force and effect.
3. Execution of Amended Note. An Authorized Officer, on behalf of the School District, is hereby authorized to execute and deliver the Note Amendment to the ELB as agent for the State.
4. Note Counsel. The representation of the School District by Miller, Canfield, Paddock and Stone, P.L.C. as note counsel (“Note Counsel”) is hereby approved, notwithstanding its periodic representation, in unrelated matters, of certain agencies of the State and other potential parties to the transaction. The Authorized Officer is authorized to approve an engagement letter with Note Counsel that shall set forth the terms of Note Counsel’s engagement.
5. Further Actions. The Authorized Officer and other officers, administrators, agents and attorneys of the School District are authorized and directed to execute and deliver all other agreements, documents and certificates and to take all other actions necessary relating to the transactions contemplated by this Resolution, including any appropriate requests of the ELB or Treasury. The officers, administrators, agents and attorneys of the School District are authorized and directed to pay costs of issuance and any other costs necessary to accomplish the transactions contemplated by this Resolution.
6. Prior Actions. Any actions taken by an Authorized Officer prior to the date hereof to effectuate the transactions contemplated by this Resolution are hereby ratified.

[Remainder of Page Intentionally Left Blank]

7. Conflicts. 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: Mark Ashley Price, Cheryl Sanford, Lorne McGee, Janet Spight
White, Shamayim Harris

Nays Members: Linda Wheeler

Resolution Declared Adopted.



Secretary, Board of Education

The undersigned duly qualified and acting Secretary of the Board of Education of the School District of the City of Highland Park, hereby certifies that the foregoing is a true and complete copy of a resolution adopted by the Board at an organizational meeting held on July 13, 2021, the original of which is a part of the Board's minutes and further certifies that notice of the meeting was given to the public pursuant to the provisions of the Open Meetings Act, being Act No. 267, Public Acts of Michigan, 1976, as amended.



Secretary, Board of Education

EXHIBIT A

FORM OF NOTE AMENDEDMENT

AGREEMENT TO AMEND
EMERGENCY LOAN NOTE
(GENERAL OBLIGATION LIMITED TAX) 2012-13 SERIES II
OF THE
SCHOOL DISTRICT OF THE CITY OF HIGHLAND PARK
COUNTY OF WAYNE
STATE OF MICHIGAN

THIS Agreement to Amend Emergency Loan Note (General Obligation Limited Tax) 2012-13 Series II, issued by the School District of the City of Highland Park (the "School District"), County of Wayne, State of Michigan (the "Note"), is hereby agreed to by and between the School District and the State of Michigan, as registered owner, on this 14th day of July 2021.

WHEREAS, the School District previously issued the Note pursuant to the provisions of the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended; and

WHEREAS, the School District and the State of Michigan desire to amend the Note in order to lower the interest rate and to authorize the redemption of the Note in any order of maturity as agreed to by the School District and the State of Michigan.

NOW THEREFORE, in consideration of the foregoing, the parties hereby agree as follows:

1. Amendment to Interest Rate. Beginning on the next scheduled payment date as established in the Note, the Note shall bear interest at a rate of ____% per annum.
2. Amendment to Application of Prepayments. A revised paragraph is hereby added to the Note to replace the fourth paragraph of the Note and shall state in its entirety as follows:

The Issuer shall have the right to pay at any time or times prior to maturity, without penalty or premium, all or any portion of this note. Prepayments shall be credited to principal payments in any order, in whole or in part, as mutually agreed to by the Issuer and the State of Michigan.

3. No Default. The School District represents and warrants that there are no outstanding or unresolved defaults under the Note or any of the other documents or undertakings of the School District relating to the emergency loan.
4. Note Otherwise Unchanged. Except as explicitly amended hereby, the Note remains unchanged and in full force and effect.

(Balance of this page intentionally left blank)

IN WITNESS WHEREOF, this Agreement to Amend the Note has been signed on behalf of the School District and the State of Michigan as of the date first above written.

SCHOOL DISTRICT OF THE CITY OF
HIGHLAND PARK
County of Wayne, State of Michigan

By: _____

Title: _____

STATE OF MICHIGAN
as Registered Owner

By: _____

Printed: _____

Title: _____

37865155.1/040438.00065

Michigan Department of Treasury
Bureau of Local Government and School Services
Emergency Municipal Loan Act - Public Act 243 of 1980

Emergency Loan Fixed Interest Rate Reduction Application

The Michigan Department of Treasury is allowing municipalities with a fixed interest rate emergency loan to apply to receive an amendment to their existing note that would lower the interest rate for the duration of the loan. This is a one-time only program. Interested municipalities shall email this application **AND** a certified resolution adopted by the governing body of the municipality approving the submission of the application to Treas_MunicipalFinance@michigan.gov by no later than Friday, July 23, 2021 at 11:59PM. No due date extensions will be given. Use the subject line "Emergency Loan Fixed Interest Rate Reduction Application." If you have more than one loan, you must submit a separate application **AND** separate resolution for **EACH** loan. Light blue cells are input cells. The Local Emergency Financial Assistance Loan Board is expected to meet in mid-September 2021 to consider approving the interest rate reductions. The actual new interest rate will not be determined until the business day immediately preceding the meeting using the Municipal Market Data "AAA" rate that corresponds with the remaining average life of the loan or 10 years, whichever is greater, plus 25 basis points (0.25%), rounded up to the nearest 0.05%. On the application below we have provided an illustration of potential interest savings using the applicable Municipal Market Data "AAA" rate as of May 21, 2021. The new interest rate would become effective the day the loan's first debt service payment after October 1, 2021 is due. For example, if you have debt service payments due November 1 and May 1, on November 1, 2021 you would make that payment as was originally scheduled. The new interest rate would begin November 1, 2021 and will result in a lower debt service payment starting on May 1, 2022 through final maturity. If the new interest rate is greater than your current interest rate OR the nominal interest savings throughout the remaining life of the loan is less than \$10,000 your application will be canceled and you will maintain your current interest rate with no action needed. We have also included 1) a list of required attorney opinion provisions and 2) a form of note amendment. Both the attorney opinion and note amendment will need to be provided at closing, which is expected in October 2021. Should you have any questions regarding the application process please email Treas_MunicipalFinance@michigan.gov.

Applicant - Loan, Remaining Average Life, Current Interest Rate

Click for definition of "Average Life." Scroll down to bottom of screen and select "Accept."

Example new interest rate based on Municipal Market Data "AAA" rate as of May 21, 2021. Actual rate determined prior to Local Emergency Financial Assistance Loan Board meeting.

Example nominal interest savings throughout the remaining life of the loan:

New interest rate begins:

First lower debt service payment with new interest rate:

☒ Yes, we would like to receive a lower interest rate on our emergency loan.

☒ Yes, we have included a certified resolution adopted by the governing body of the municipality, along with this application, as part of our submission to Treasury.

☒ Yes, we will use the templates provided to draft an attorney opinion and note amendment which we will bring to the closing.

Chief Administrative Officer or their Designee Name: Steven G. Ezikian

Chief Administrative Officer or their Designee Signature:

(electronic signature accepted)

Date: July 19, 2021

Contact Person: Tamara Dust

Contact Person Email Address: dustt@resa.net

Due Date is Friday, July 23, 2021 at 11:59PM

**RESOLUTION AUTHORIZING APPLICATION TO THE
LOCAL EMERGENCY FINANCIAL ASSISTANCE LOAN
BOARD REQUESTING THE AMENDMENT OF
SCHOOL DISTRICT OF THE CITY OF INKSTER
AMENDED AND RESTATED EMERGENCY LOAN NOTE
(GENERAL OBLIGATION LIMITED TAX) 2012-13 SERIES I;
PRESCRIBING THE FORM OF THE AMENDED NOTE AND DELEGATING
TO AUTHORIZED PERSONS THE AUTHORITY TO
MAKE CERTAIN DETERMINATIONS WITH RESPECT TO
THE AMENDED NOTE AND RELATED DOCUMENTATION**

Wayne County Regional Educational Service Agency,
State of Michigan

Minutes of a regular meeting of the Board of Education of the Wayne County Regional Educational Service Agency, State of Michigan (“Wayne RESA”), acting on behalf of the School District of the City of Inkster, County of Wayne, State of Michigan (“Inkster Schools”) held in the Wayne RESA Administrative Service Center on the 14th day of July, 2021 at 8:30 a.m., prevailing Eastern Time.

PRESENT: Members J. Beri, M. Blackmon, D. Funderburg, J. Petrie

ABSENT: Members L. Jackson

The following preamble and resolution were offered by Member Beri supported by Member Petrie.

WHEREAS, on June 6, 2013, pursuant to the Emergency Loan Act, Act 243 Public Acts of Michigan, 1980, as amended (“Act 243”), the Inkster Schools obtained an emergency loan in the amount of \$12,474,336.65 (the “Loan”) from the Local Emergency Financial Assistance Loan Board (the “ELB”), which Loan was evidenced by a note designated “Emergency Loan Note (General Obligation Limited Tax) 2012–13 Series I” and dated June 6, 2013 (the “Note”); and

WHEREAS, on May 18, 2016, pursuant to Act 243, the ELB approved a restructuring of the Loan (the “Restructured Loan”), which restructuring was evidenced by a new note designated

“Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2012-13 Series I” and dated May 25, 2016 (the “Amended and Restated Note”), which was exchanged for the Note; and

WHEREAS, on July 25, 2013, by resolution of the Board of Education of Wayne RESA (the “2013 Resolution”), and pursuant to Section 12(1) of the Revised School Code of 1976, Act 451, Public Acts of Michigan, 1976, as amended (the “Code”), Inkster Schools was declared dissolved and the territory of Inkster Schools was immediately ordered attached to its four contiguous school districts within the territory of Wayne RESA (the “Receiving Districts”); and

WHEREAS, pursuant to Section 12(3) of the Code and Section 4 (ii) of the 2013 Resolution, the Wayne RESA Superintendent, or his designee, is authorized and directed to perform the functions and satisfy the responsibilities of the board and other officers of Inkster Schools relating to the debt, including, but not limited to, holding debt retirement funds of Inkster Schools in existing Inkster Schools accounts or separate accounts established and held by Wayne RESA apart from its own funds and accounts and apart from the funds and accounts of any Receiving District, satisfying the responsibilities of Inkster Schools’ board and other officers relating to Inkster Schools’ debt and sinking fund millage, and performing all other duties required of Wayne RESA by Section 12 of the Code, the State School Aid Act, being Act 94, Public Acts of 1979, as amended, and other applicable law; and

WHEREAS, pursuant to Section 12(3) of the Code, if a dissolved school district has outstanding debt, the dissolved school district shall retain a limited separate identity and the territory of the dissolved school district shall continue as a separate taxing unit for the limited purpose of the debt until the debt is retired or refunded; and

WHEREAS, the Michigan Department of Treasury (“Treasury”) has informed Wayne RESA that Treasury is allowing every school district with a fixed interest rate emergency loan to apply to amend its existing note to lower the interest rate for the duration of the loan and provide for prepayment of the note prior to maturity; and

WHEREAS, Wayne RESA on behalf of Inkster Schools has determined that it is necessary and desirable to make application to Treasury and the ELB to amend the Amended and Restated Note to lower the interest rate on the Amended and Restated Note for the duration of the Restructured Loan and allow prepayment of the Amended and Restated Note prior to maturity.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Wayne RESA Superintendent or Deputy Superintendent (each, an “Authorized Officer”) is authorized and directed to submit an application to Treasury and the ELB for approval to amend the Amended and Restated Note in order to lower the interest rate and to authorize the prepayment of all or any part of the installments of the Note in any order of maturity as agreed to by Inkster Schools and the State of Michigan.

2. Except as explicitly amended by the Note Amendment (the “Note Amendment”) by and between the State of Michigan and Inkster Schools, the remaining terms of the Amended and Restated Note shall remain in full force and effect.

3. The interest rate on the Note shall be as determined by the ELB upon approval of the application herein authorized; provided, however, that if the proposed actual new interest rate is not lower than the current interest rate on the Note or the nominal savings of the new interest rate will be less than \$10,000, then the application shall be cancelled and the interest rate shall not change. The Note Amendment shall be in substantially the form attached hereto as Exhibit A, with the completed amendment to include the new interest rate and such other modifications, additions, changes and deletions as are approved by an Authorized Officer, as evidenced by execution thereof. An Authorized Officer shall execute the Note Amendment for Wayne RESA on behalf of Inkster Schools and deliver it to the ELB as agent for the State of Michigan.

4. The representation of Inkster Schools and Wayne RESA by Miller, Canfield, Paddock and Stone, P.L.C. as bond counsel is hereby approved, notwithstanding Miller Canfield’s periodic

representation, in unrelated matters, of certain agencies of the State of Michigan and other potential parties to the Note Amendment transaction.

5. The Authorized Officers, administrators, agents and attorneys of Wayne RESA are authorized and directed to execute and deliver all other agreements, documents and certificates and to take all other actions necessary to complete the issuance and delivery of the Note Amendment in accordance with this Resolution, including any appropriate requests of the ELB or Treasury. The Authorized Officers are authorized to pay any transactional costs of the Note Amendment transaction, including bond counsel fees, and any other costs necessary to accomplish the delivery of the Note Amendment.

6. 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 J. Beri, M. Blackmon, D. Funderburg, J. Petrie

NAYS: Members -0-

RESOLUTION DECLARED ADOPTED.

A handwritten signature in black ink, reading "Lyndee S. Jackson", is positioned above a horizontal line.

Secretary

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the Board of Education of the Wayne County Regional Educational Service Agency acting on behalf of the School District of the City of Inkster, County of Wayne, State of Michigan, at a regular meeting held on July 14, 2021, 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.

A handwritten signature in black ink, reading "Lyndee S. Jackson". The signature is written in a cursive style with a large initial "L".

Secretary

EXHIBIT A

FORM OF NOTE AMENDMENT

AGREEMENT TO AMEND
AMENDED AND RESTATED EMERGENCY LOAN NOTE
(GENERAL OBLIGATION LIMITED TAX)
2012-13 SERIES I
OF THE
SCHOOL DISTRICT OF THE CITY OF INKSTER
COUNTY OF WAYNE
STATE OF MICHIGAN

THIS Agreement to Amend Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2012-13 Series I, issued by the School District of the City of Inkster (the “School District”), County of Wayne, State of Michigan (the “Note”), is hereby agreed to by and between Wayne County Regional Educational Service Agency, on behalf of the School District of the City of Inkster, and the State of Michigan, as registered owner, on this ____ day of _____, 2021.

WHEREAS, the School District previously issued the Note pursuant to the provisions of the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended; and

WHEREAS, the School District and the State of Michigan desire to amend the Note in order to lower the interest rate and to authorize the redemption of the Note in any order of maturity as agreed to by the School District and the State of Michigan.

NOW THEREFORE, in consideration of the foregoing, the parties hereby agree as follows:

1. Amendment to Interest Rate. Beginning on the next scheduled payment date as established in the Note, the Note shall bear interest at a rate of ____% per annum.
2. Amendment to Application of Prepayments. The second full paragraph of the Note is hereby amended and restated in its entirety as follows:

The Issuer shall have the right to pay at any time or times prior to maturity, without penalty or premium, all or any portion of this note. Prepayments shall be credited to principal payments in any order, in whole or in part, as mutually agreed to by the Issuer and the State of Michigan.

3. No Default. The School District represents and warrants that there are no outstanding or unresolved defaults under the Note or any of the other documents or undertakings of the School District relating to the emergency loan.
4. Note Otherwise Unchanged. Except as explicitly amended hereby, the Note remains unchanged and in full force and effect.

(Balance of this page intentionally left blank)

IN WITNESS WHEREOF, this Agreement to Amend the Note has been signed on behalf of the School District and the State of Michigan as of the date first above written.

SCHOOL DISTRICT OF THE CITY OF INKSTER
COUNTY OF WAYNE
STATE OF MICHIGAN

By: Wayne County Regional Educational Service Agency,
State of Michigan

Printed: _____

Title: _____

STATE OF MICHIGAN
as Registered Owner

By: _____

Printed: _____

Title: _____

37821745.2/094867.00092

Michigan Department of Treasury
Bureau of Local Government and School Services
Emergency Municipal Loan Act - Public Act 243 of 1980

Emergency Loan Fixed Interest Rate Reduction Application

The Michigan Department of Treasury is allowing municipalities with a fixed interest rate emergency loan to apply to receive an amendment to their existing note that would lower the interest rate for the duration of the loan. This is a one-time only program. Interested municipalities shall email this application **AND** a certified resolution adopted by the governing body of the municipality approving the submission of the application to Treas_MunicipalFinance@michigan.gov by no later than Friday, July 23, 2021 at 11:59PM. No due date extensions will be given. Use the subject line "Emergency Loan Fixed Interest Rate Reduction Application." If you have more than one loan, you must submit a separate application **AND** separate resolution for **EACH** loan. Light blue cells are input cells. The Local Emergency Financial Assistance Loan Board is expected to meet in mid-September 2021 to consider approving the interest rate reductions. The actual new interest rate will not be determined until the business day immediately preceding the meeting using the Municipal Market Data "AAA" rate that corresponds with the remaining average life of the loan or 10 years, whichever is greater, plus 25 basis points (0.25%), rounded up to the nearest 0.05%. On the application below we have provided an illustration of potential interest savings using the applicable Municipal Market Data "AAA" rate as of May 21, 2021. The new interest rate would become effective the day the loan's first debt service payment after October 1, 2021 is due. For example, if you have debt service payments due November 1 and May 1, on November 1, 2021 you would make that payment as was originally scheduled. The new interest rate would begin November 1, 2021 and will result in a lower debt service payment starting on May 1, 2022 through final maturity. If the new interest rate is greater than your current interest rate **OR** the nominal interest savings throughout the remaining life of the loan is less than \$10,000 your application will be canceled and you will maintain your current interest rate with no action needed. We have also included 1) a list of required attorney opinion provisions and 2) a form of note amendment. Both the attorney opinion and note amendment will need to be provided at closing, which is expected in October 2021. Should you have any questions regarding the application process please email Treas_MunicipalFinance@michigan.gov.

Applicant - Loan, Remaining Average Life, Current Interest Rate

Muskegon Heights, SD of the City of - 2013-13 Series I, Remaining Avg Life 12 Years, Current IR = 2.45%

[Click for definition of "Average Life."](#) Scroll down to bottom of screen and select "Accept."

Example new interest rate based on Municipal Market Data "AAA" rate as of May 21, 2021. Actual rate determined prior to Local Emergency Financial Assistance Loan Board meeting.

1.35%

Example nominal interest savings throughout the remaining life of the loan:

\$827,422.77

New interest rate begins:

December 15, 2021

First lower debt service payment with new interest rate:

June 15, 2022

- ☒ Yes, we would like to receive a lower interest rate on our emergency loan.
- ☒ Yes, we have included a certified resolution adopted by the governing body of the municipality, along with this application, as part of our submission to Treasury.
- ☒ Yes, we will use the templates provided to draft an attorney opinion and note amendment which we will bring to the closing.

Chief Administrative Officer or their Designee Name: John Lewis

Chief Administrative Officer or their Designee Signature:
(electronic signature accepted)

Date: July 19, 2021

Contact Person: John Lewis

Contact Person Email Address: lewisjoh@mhkpsnet.org

Due Date is Friday, July 23, 2021 at 11:59PM

Muskegon Heights Public Schools, Muskegon County, Michigan (the "District" or "Issuer")

A Regular meeting of the board of education of the District (the "Board") was held:

☐ in the _____, within the boundaries of the District,

☒ electronically through Microsoft Teams Meeting with identification number Call in #: 1-313-725-4124 Conference ID#: 483 759 516#

on the 7th day of June, 2021, at 12:02 o'clock in the p.m. (the "Meeting")

The Meeting was called to order by Trinell Scott, President.

Present: Members Trinell Scott, Marianne Darnell, Peggy Selmon, Estelita Rankin, Marjorie Cook, Mark Glover and Saforia Johnson-Pierce

Absent: Members

The following preamble and resolution were offered by Member Mark Glover and supported by Member Marianne Darnell:

WHEREAS:

1. Pursuant to the Emergency Municipal Loan Act, 198 PA 243, MCL 141.931, *et seq*, as amended ("Act 243"), the Issuer previously authorized and issued its Muskegon Heights Public Schools Emergency Loan Note (General Obligation-Limited Tax) 2012-13 Series I (the "Obligation").

2. The State of Michigan through the Michigan Department of Treasury (the "State") has offered an opportunity for municipalities with fixed interest rate emergency loans to apply to receive amendments to their existing notes that would lower the interest rates for the duration of such loans and to amend how prepayments by a municipality are applied toward such loans.

3. The Obligation qualifies for the interest rate reduction and prepayment revision opportunity described above.

4. It is in the best interests of the District to submit an application to seek a rate reduction and prepayment revision for the Obligation.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Issuer hereby authorizes the administration of the Issuer to submit the required application to the Michigan Department of Treasury to seek an interest rate reduction and prepayment revision for the Obligation.

2. A separate application shall be made for each outstanding Obligation, which application shall be submitted not later than July 23, 2021, or such other deadline as designated by the State.

3. The Issuer hereby authorizes and approves the use of the form of the agreement to amend emergency loan note attached hereto as Exhibit A (the "Note Amendment").

4. The Obligation, as amended by a Note Amendment, shall remain a valid and binding general obligation of the Issuer and, except as expressly set forth in the Note Amendment, shall remain unchanged and in full force and effect.

5. Other than the Obligation itself, by this resolution and by issuance of a Note Amendment, the Issuer does not and does not intend to modify, amend or otherwise change any agreement contained in the transcript for the Obligation.

6. By this resolution and by issuance of a Note Amendment, the Issuer does not and does not intend to modify, amend or otherwise disturb the taxation of taxable property within the geographic boundaries of the Issuer, subject to applicable constitutional, statutory and charter tax rate limitations.

7. The Assistant Superintendent of Finance and Administration is authorized to approve and accept an interest rate reduction and to execute and deliver a Note Amendment related to the Obligation and any other documents necessary to complete the transaction including, but not limited to, any certificates, representations, or related documents. To the extent permitted by the State of Michigan, such documents may be executed using electronic or facsimile signatures, with such electronic or facsimile signatures having the same legal effect and enforceability as a manual signature. The Board President, Vice President, Secretary or Treasurer may approve and accept an such an interest rate reduction and sign and deliver such documents in the absence of the Assistant Superintendent of Finance and Administration.

8. The Issuer hereby appoints Thrun Law Firm, P.C.. as legal counsel to represent the Issuer in relation to the matters described herein.

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

Ayes: Members 7


Nays: Members 0

Resolution declared adopted.


Secretary, Board of Education

The undersigned duly qualified and acting Secretary of the Board of Education of Muskegon Heights Public Schools, Muskegon County, Michigan, hereby certifies that the foregoing constitutes a true and complete copy of a resolution adopted by the Board at the Meeting, the original of which is part of the Board's minutes. The undersigned further certifies

that notice of the Meeting was given to the public pursuant to the provisions of the "Open Meetings Act" (Act 267, Public Acts of Michigan, 1976, as amended).


Secretary, Board of Education

CJI/klg

EXHIBIT A
FORM OF NOTE AMENDMENT

AGREEMENT TO AMEND
EMERGENCY LOAN NOTE
(GENERAL OBLIGATION-LIMITED TAX)
2012-13 SERIES I
OF THE
MUSKEGON HEIGHTS PUBLIC SCHOOLS
COUNTY OF MUSKEGON
STATE OF MICHIGAN

THIS Agreement to Amend Emergency Loan Note (General Obligation-Limited Tax) 2012-13 Series I, issued by Muskegon Heights Public Schools (the "Municipality"), County of Muskegon, State of Michigan (the "Note"), is hereby agreed to by and between the Municipality and the State of Michigan, as registered owner, on this ____ day of _____, 2021.

WHEREAS, the Municipality previously issued the Note pursuant to the provisions of the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended; and

WHEREAS, the Municipality and the State of Michigan desire to amend the Note in order to lower the interest rate and to authorize the redemption of the Note in any order of maturity as agreed to by the Municipality and the State of Michigan.

NOW THEREFORE, in consideration of the foregoing, the parties hereby agree as follows:

1. Amendment to Interest Rate. Beginning on the next scheduled payment date as established in the Note, the Note shall bear interest at a rate of ____% per annum.
2. Amendment to Application of Prepayments. The ____ full paragraph of the Note is hereby amended and restated in its entirety as follows:

The Issuer shall have the right to pay at any time or times prior to maturity, without penalty or premium, all or any portion of this note. Prepayments shall be credited to principal payments in any order, in whole or in part, as mutually agreed to by the Issuer and the State of Michigan.

3. No Default. The Municipality represents and warrants that there are no outstanding or unresolved defaults under the Note or any of the other documents or undertakings of the Municipality relating to the emergency loan.
4. Note Otherwise Unchanged. Except as explicitly amended hereby, the Note remains unchanged and in full force and effect.

(Balance of this page intentionally left blank)

IN WITNESS WHEREOF, this Agreement to Amend the Note has been signed on behalf of the Municipality and the State of Michigan as of the date first above written.

MUSKEGON HEIGHTS PUBLIC SCHOOLS
COUNTY OF MUSKEGON
STATE OF MICHIGAN

By: _____
Printed: _____
Title: _____

By: _____
Printed: _____
Title: _____

STATE OF MICHIGAN
as Registered Owner

By: _____
Printed: _____
Title: _____

Michigan Department of Treasury
Bureau of Local Government and School Services
Emergency Municipal Loan Act - Public Act 243 of 1980

Emergency Loan Fixed Interest Rate Reduction Application

The Michigan Department of Treasury is allowing municipalities with a fixed interest rate emergency loan to apply to receive an amendment to their existing note that would lower the interest rate for the duration of the loan. This is a one-time only program. Interested municipalities shall email this application **AND** a certified resolution adopted by the governing body of the municipality approving the submission of the application to Treas_MunicipalFinance@michigan.gov by no later than Friday, July 23, 2021 at 11:59PM. No due date extensions will be given. Use the subject line "Emergency Loan Fixed Interest Rate Reduction Application." If you have more than one loan, you must submit a separate application **AND** separate resolution for **EACH** loan. Light blue cells are input cells. The Local Emergency Financial Assistance Loan Board is expected to meet in mid-September 2021 to consider approving the interest rate reductions. The actual new interest rate will not be determined until the business day immediately preceding the meeting using the Municipal Market Data "AAA" rate that corresponds with the remaining average life of the loan or 10 years, whichever is greater, plus 25 basis points (0.25%), rounded up to the nearest 0.05%. On the application below we have provided an illustration of potential interest savings using the applicable Municipal Market Data "AAA" rate as of May 21, 2021. The new interest rate would become effective the day the loan's first debt service payment after October 1, 2021 is due. For example, if you have debt service payments due November 1 and May 1, on November 1, 2021 you would make that payment as was originally scheduled. The new interest rate would begin November 1, 2021 and will result in a lower debt service payment starting on May 1, 2022 through final maturity. If the new interest rate is greater than your current interest rate **OR** the nominal interest savings throughout the remaining life of the loan is less than \$10,000 your application will be canceled and you will maintain your current interest rate with no action needed. We have also included 1) a list of required attorney opinion provisions and 2) a form of note amendment. Both the attorney opinion and note amendment will need to be provided at closing, which is expected in October 2021. Should you have any questions regarding the application process please email Treas_MunicipalFinance@michigan.gov.

Applicant - Loan, Remaining Average Life, Current Interest Rate

Muskegon Heights, SD of the City of - 2013-13 Series II, Remaining Avg Life 12 Years, Current IR = 2.35%

[Click for definition of "Average Life." Scroll down to bottom of screen and select "Accept."](#)

Example new interest rate based on Municipal Market Data "AAA" rate as of May 21, 2021. Actual rate determined prior to Local Emergency Financial Assistance Loan Board meeting.

1.35%

Example nominal interest savings throughout the remaining life of the loan:

\$382,787.91

New interest rate begins:

December 15, 2021

First lower debt service payment with new interest rate:

June 15, 2022

- ☒ Yes, we would like to receive a lower interest rate on our emergency loan.
- ☒ Yes, we have included a certified resolution adopted by the governing body of the municipality, along with this application, as part of our submission to Treasury.
- ☒ Yes, we will use the templates provided to draft an attorney opinion and note amendment which we will bring to the closing.

Chief Administrative Officer or their Designee Name: John Lewis

Chief Administrative Officer or their Designee Signature:
(electronic signature accepted)

Date: July 19, 2021

Contact Person: John Lewis

Contact Person Email Address: lewisjoh@mhkpsnet.org

Due Date is Friday, July 23, 2021 at 11:59PM

Muskegon Heights Public Schools, Muskegon County, Michigan (the "District" or "Issuer")

A Regular meeting of the board of education of the District (the "Board") was held:

- ☐ in the _____, within the boundaries of the District,
- ☒ electronically through Microsoft Teams Meeting with identification number Call in #: 1-313-725-4124 Conference ID#: 483 759 516#

on the 7th day of June, 2021, at 12:02 o'clock in the p.m. (the "Meeting")

The Meeting was called to order by Trinell Scott, President.

Present: Members Trinell Scott, Marianne Darnell, Peggy Selmon, Estelita Rankin, Marjorie Cook, Mark Glover and Saformia Johnson-Pierce

Absent: Members

The following preamble and resolution were offered by Member Mark Glover and supported by Member Saformia Johnson-Pierce:

WHEREAS:

1. Pursuant to the Emergency Municipal Loan Act, 198 PA 243, MCL 141.931, *et seq.*, as amended ("Act 243"), the Issuer previously authorized and issued its Muskegon Heights Public Schools Amended and Restated Emergency Loan Note (General Obligation-Limited Tax) 2012-13 Series II (the "Obligation").

2. The State of Michigan through the Michigan Department of Treasury (the "State") has offered an opportunity for municipalities with fixed interest rate emergency loans to apply to receive amendments to their existing notes that would lower the interest rates for the duration of such loans and to amend how prepayments by a municipality are applied toward such loans.

3. The Obligation qualifies for the interest rate reduction and prepayment revision opportunity described above.

4. It is in the best interests of the District to submit an application to seek a rate reduction and prepayment revision for the Obligation.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Issuer hereby authorizes the administration of the Issuer to submit the required application to the Michigan Department of Treasury to seek an interest rate reduction and prepayment revision for the Obligation.

2. A separate application shall be made for each outstanding Obligation, which application shall be submitted not later than July 23, 2021, or such other deadline as designated by the State.

3. The Issuer hereby authorizes and approves the use of the form of the agreement to amend emergency loan note attached hereto as Exhibit A (the "Note Amendment").

4. The Obligation, as amended by a Note Amendment, shall remain a valid and binding general obligation of the Issuer and, except as expressly set forth in the Note Amendment, shall remain unchanged and in full force and effect.

5. Other than the Obligation itself, by this resolution and by issuance of a Note Amendment, the Issuer does not and does not intend to modify, amend or otherwise change any agreement contained in the transcript for the Obligation.

6. By this resolution and by issuance of a Note Amendment, the Issuer does not and does not intend to modify, amend or otherwise disturb the taxation of taxable property within the geographic boundaries of the Issuer, subject to applicable constitutional, statutory and charter tax rate limitations.

7. The Assistant Superintendent of Finance and Administration is authorized to approve and accept an interest rate reduction and to execute and deliver a Note Amendment related to the Obligation and any other documents necessary to complete the transaction including, but not limited to, any certificates, representations, or related documents. To the extent permitted by the State of Michigan, such documents may be executed using electronic or facsimile signatures, with such electronic or facsimile signatures having the same legal effect and enforceability as a manual signature. The Board President, Vice President, Secretary or Treasurer may approve and accept an such an interest rate reduction and sign and deliver such documents in the absence of the Assistant Superintendent of Finance and Administration.

8. The Issuer hereby appoints Thrun Law Firm, P.C., as legal counsel to represent the Issuer in relation to the matters described herein.

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

Ayes: Members 7

Nays: Members 0

Resolution declared adopted.


Secretary, Board of Education

The undersigned duly qualified and acting Secretary of the Board of Education of Muskegon Heights Public Schools, Muskegon County, Michigan, hereby certifies that the foregoing constitutes a true and complete copy of a resolution adopted by the Board at the Meeting, the original of which is part of the Board's minutes. The undersigned further certifies

that notice of the Meeting was given to the public pursuant to the provisions of the "Open Meetings Act" (Act 267, Public Acts of Michigan, 1976, as amended).


Secretary, Board of Education

CJI/klg

EXHIBIT A

FORM OF NOTE AMENDMENT

AGREEMENT TO AMEND
AMENDED AND RESTATED EMERGENCY LOAN NOTE
(GENERAL OBLIGATION-LIMITED TAX)
2012-13 SERIES II
OF THE
MUSKEGON HEIGHTS PUBLIC SCHOOLS
COUNTY OF MUSKEGON
STATE OF MICHIGAN

THIS Agreement to Amend Amended and Restated Emergency Loan Note (General Obligation-Limited Tax) 2012-13 Series II, issued by Muskegon Heights Public Schools (the "Municipality"), County of Muskegon, State of Michigan (the "Note"), is hereby agreed to by and between the Municipality and the State of Michigan, as registered owner, on this ____ day of _____, 2021.

WHEREAS, the Municipality previously issued the Note pursuant to the provisions of the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended; and

WHEREAS, the Municipality and the State of Michigan desire to amend the Note in order to lower the interest rate and to authorize the redemption of the Note in any order of maturity as agreed to by the Municipality and the State of Michigan.

NOW THEREFORE, in consideration of the foregoing, the parties hereby agree as follows:

1. Amendment to Interest Rate. Beginning on the next scheduled payment date as established in the Note, the Note shall bear interest at a rate of ____% per annum.
2. Amendment to Application of Prepayments. The ____ full paragraph of the Note is hereby amended and restated in its entirety as follows:

The Issuer shall have the right to pay at any time or times prior to maturity, without penalty or premium, all or any portion of this note. Prepayments shall be credited to principal payments in any order, in whole or in part, as mutually agreed to by the Issuer and the State of Michigan.

3. No Default. The Municipality represents and warrants that there are no outstanding or unresolved defaults under the Note or any of the other documents or undertakings of the Municipality relating to the emergency loan.
4. Note Otherwise Unchanged. Except as explicitly amended hereby, the Note remains unchanged and in full force and effect.

(Balance of this page intentionally left blank)

IN WITNESS WHEREOF, this Agreement to Amend the Note has been signed on behalf of the Municipality and the State of Michigan as of the date first above written.

MUSKEGON HEIGHTS PUBLIC SCHOOLS
COUNTY OF MUSKEGON
STATE OF MICHIGAN

By: _____
Printed: _____
Title: _____

By: _____
Printed: _____
Title: _____

STATE OF MICHIGAN
as Registered Owner

By: _____
Printed: _____
Title: _____

Michigan Department of Treasury
Bureau of Local Government and School Services
Emergency Municipal Loan Act - Public Act 243 of 1980

Emergency Loan Fixed Interest Rate Reduction Application

The Michigan Department of Treasury is allowing municipalities with a fixed interest rate emergency loan to apply to receive an amendment to their existing note that would lower the interest rate for the duration of the loan. This is a one-time only program. Interested municipalities shall email this application AND a certified resolution adopted by the governing body of the municipality approving the submission of the application to Treas_MunicipalFinance@michigan.gov by no later than Friday, July 23, 2021 at 11:59PM. No due date extensions will be given. Use the subject line "Emergency Loan Fixed Interest Rate Reduction Application." If you have more than one loan, you must submit a separate application AND separate resolution for EACH loan. Light blue cells are input cells. The Local Emergency Financial Assistance Loan Board is expected to meet in mid-September 2021 to consider approving the interest rate reductions. The actual new interest rate will not be determined until the business day immediately preceding the meeting using the Municipal Market Data "AAA" rate that corresponds with the remaining average life of the loan or 10 years, whichever is greater, plus 25 basis points (0.25%), rounded up to the nearest 0.05%. On the application below we have provided an illustration of potential interest savings using the applicable Municipal Market Data "AAA" rate as of May 21, 2021. The new interest rate would become effective the day the loan's first debt service payment after October 1, 2021 is due. For example, if you have debt service payments due November 1 and May 1, on November 1, 2021 you would make that payment as was originally scheduled. The new interest rate would begin November 1, 2021 and will result in a lower debt service payment starting on May 1, 2022 through final maturity. If the new interest rate is greater than your current interest rate OR the nominal interest savings throughout the remaining life of the loan is less than \$10,000 your application will be canceled and you will maintain your current interest rate with no action needed. We have also included 1) a list of required attorney opinion provisions and 2) a form of note amendment. Both the attorney opinion and note amendment will need to be provided at closing, which is expected in October 2021. Should you have any questions regarding the application process please email Treas_MunicipalFinance@michigan.gov.

Applicant - Loan, Remaining Average Life, Current Interest Rate

Muskegon Heights, SD of the City of - 2013-14 Series I, Remaining Avg Life 11 Years, Current IR = 3.45%

[Click for definition of "Average Life."](#) Scroll down to bottom of screen and select "Accept."

Example new interest rate based on Municipal Market Data "AAA" rate as of May 21, 2021. Actual rate determined prior to Local Emergency Financial Assistance Loan Board meeting.

1.35%

Example nominal interest savings throughout the remaining life of the loan:

\$286,906.02

New interest rate begins:

December 15, 2021

First lower debt service payment with new interest rate:

June 15, 2022

- ☒ Yes, we would like to receive a lower interest rate on our emergency loan.
- ☒ Yes, we have included a certified resolution adopted by the governing body of the municipality, along with this application, as part of our submission to Treasury.
- ☒ Yes, we will use the templates provided to draft an attorney opinion and note amendment which we will bring to the closing.

Chief Administrative Officer or their Designee Name: John Lewis

Chief Administrative Officer or their Designee Signature:
(electronic signature accepted)

Date: July 19, 2021

Contact Person: John Lewis

Contact Person Email Address: lewisjoh@mhkpsnet.org

Due Date is Friday, July 23, 2021 at 11:59PM

Muskegon Heights Public Schools, Muskegon County, Michigan (the "District" or "Issuer")

A Regular meeting of the board of education of the District (the "Board") was held:

- ☐ in the _____, within the boundaries of the District,
- ☒ electronically through Microsoft Team Meeting with identification number Call in#: 313-725-4124 Conference ID#: 483 759 516#

on the 7th day of June, 2021, at 12:02 o'clock in the p.m. (the "Meeting")

The Meeting was called to order by Trinell Scott, President.

Present: Members Trinell Scott, Marianne Darnell, Peggy Selmon, Estelita Rankin, Marjorie Cook, Mark Glover and Saformia Johnson-Pierce

Absent: Members

The following preamble and resolution were offered by Member Mark Glover and supported by Member Marjorie Cook:

WHEREAS:

1. Pursuant to the Emergency Municipal Loan Act, 198 PA 243, MCL 141.931, *et seq.*, as amended ("Act 243"), the Issuer previously authorized and issued its Muskegon Heights Public Schools Emergency Loan Note (General Obligation-Limited Tax) 2013-14 Series I (the "Obligation").
2. The State of Michigan through the Michigan Department of Treasury (the "State") has offered an opportunity for municipalities with fixed interest rate emergency loans to apply to receive amendments to their existing notes that would lower the interest rates for the duration of such loans and to amend how prepayments by a municipality are applied toward such loans.
3. The Obligation qualifies for the interest rate reduction and prepayment revision opportunity described above.
4. It is in the best interests of the District to submit an application to seek a rate reduction and prepayment revision for the Obligation.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Issuer hereby authorizes the administration of the Issuer to submit the required application to the Michigan Department of Treasury to seek an interest rate reduction and prepayment revision for the Obligation.

2. A separate application shall be made for each outstanding Obligation, which application shall be submitted not later than July 23, 2021, or such other deadline as designated by the State.

3. The Issuer hereby authorizes and approves the use of the form of the agreement to amend emergency loan note attached hereto as Exhibit A (the "Note Amendment").

4. The Obligation, as amended by a Note Amendment, shall remain a valid and binding general obligation of the Issuer and, except as expressly set forth in the Note Amendment, shall remain unchanged and in full force and effect.

5. Other than the Obligation itself, by this resolution and by issuance of a Note Amendment, the Issuer does not and does not intend to modify, amend or otherwise change any agreement contained in the transcript for the Obligation.

6. By this resolution and by issuance of a Note Amendment, the Issuer does not and does not intend to modify, amend or otherwise disturb the taxation of taxable property within the geographic boundaries of the Issuer, subject to applicable constitutional, statutory and charter tax rate limitations.

7. The Assistant Superintendent of Finance and Administration is authorized to approve and accept an interest rate reduction and to execute and deliver a Note Amendment related to the Obligation and any other documents necessary to complete the transaction including, but not limited to, any certificates, representations, or related documents. To the extent permitted by the State of Michigan, such documents may be executed using electronic or facsimile signatures, with such electronic or facsimile signatures having the same legal effect and enforceability as a manual signature. The Board President, Vice President, Secretary or Treasurer may approve and accept an such an interest rate reduction and sign and deliver such documents in the absence of the Assistant Superintendent of Finance and Administration.


8. The Issuer hereby appoints Thrun Law Firm, P.C.. as legal counsel to represent the Issuer in relation to the matters described herein.

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

Ayes: Members 7

Nays: Members 0

Resolution declared adopted.


Secretary, Board of Education

The undersigned duly qualified and acting Secretary of the Board of Education of Muskegon Heights Public Schools, Muskegon County, Michigan, hereby certifies that the foregoing constitutes a true and complete copy of a resolution adopted by the Board at the Meeting, the original of which is part of the Board's minutes. The undersigned further certifies

that notice of the Meeting was given to the public pursuant to the provisions of the "Open Meetings Act" (Act 267, Public Acts of Michigan, 1976, as amended).



Secretary, Board of Education

CJI/klg

EXHIBIT A
FORM OF NOTE AMENDMENT

AGREEMENT TO AMEND
EMERGENCY LOAN NOTE
(GENERAL OBLIGATION-LIMITED TAX)
2013-14 SERIES I
OF THE
MUSKEGON HEIGHTS PUBLIC SCHOOLS
COUNTY OF MUSKEGON
STATE OF MICHIGAN

THIS Agreement to Amend Emergency Loan Note (General Obligation-Limited Tax) 2013-14 Series I, issued by Muskegon Heights Public Schools (the "Municipality"), County of Muskegon, State of Michigan (the "Note"), is hereby agreed to by and between the Municipality and the State of Michigan, as registered owner, on this ____ day of _____, 2021.

WHEREAS, the Municipality previously issued the Note pursuant to the provisions of the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended; and

WHEREAS, the Municipality and the State of Michigan desire to amend the Note in order to lower the interest rate and to authorize the redemption of the Note in any order of maturity as agreed to by the Municipality and the State of Michigan.

NOW THEREFORE, in consideration of the foregoing, the parties hereby agree as follows:

1. Amendment to Interest Rate. Beginning on the next scheduled payment date as established in the Note, the Note shall bear interest at a rate of ____% per annum.
2. Amendment to Application of Prepayments. The _____ full paragraph of the Note is hereby amended and restated in its entirety as follows:

The Issuer shall have the right to pay at any time or times prior to maturity, without penalty or premium, all or any portion of this note. Prepayments shall be credited to principal payments in any order, in whole or in part, as mutually agreed to by the Issuer and the State of Michigan.

3. No Default. The Municipality represents and warrants that there are no outstanding or unresolved defaults under the Note or any of the other documents or undertakings of the Municipality relating to the emergency loan.
4. Note Otherwise Unchanged. Except as explicitly amended hereby, the Note remains unchanged and in full force and effect.

(Balance of this page intentionally left blank)

IN WITNESS WHEREOF, this Agreement to Amend the Note has been signed on behalf of the Municipality and the State of Michigan as of the date first above written.

MUSKEGON HEIGHTS PUBLIC SCHOOLS
COUNTY OF MUSKEGON
STATE OF MICHIGAN

By: _____
Printed: _____
Title: _____

By: _____
Printed: _____
Title: _____

STATE OF MICHIGAN
as Registered Owner

By: _____
Printed: _____
Title: _____

Michigan Department of Treasury
Bureau of Local Government and School Services
Emergency Municipal Loan Act - Public Act 243 of 1980

Emergency Loan Fixed Interest Rate Reduction Application

The Michigan Department of Treasury is allowing municipalities with a fixed interest rate emergency loan to apply to receive an amendment to their existing note that would lower the interest rate for the duration of the loan. This is a one-time only program. Interested municipalities shall email this application **AND** a certified resolution adopted by the governing body of the municipality approving the submission of the application to Treas_MunicipalFinance@michigan.gov by no later than Friday, July 23, 2021 at 11:59PM. No due date extensions will be given. Use the subject line "Emergency Loan Fixed Interest Rate Reduction Application." If you have more than one loan, you must submit a separate application **AND** separate resolution for **EACH** loan. Light blue cells are input cells. The Local Emergency Financial Assistance Loan Board is expected to meet in mid-September 2021 to consider approving the interest rate reductions. The actual new interest rate will not be determined until the business day immediately preceding the meeting using the Municipal Market Data "AAA" rate that corresponds with the remaining average life of the loan or 10 years, whichever is greater, plus 25 basis points (0.25%), rounded up to the nearest 0.05%. On the application below we have provided an illustration of potential interest savings using the applicable Municipal Market Data "AAA" rate as of May 21, 2021. The new interest rate would become effective the day the loan's first debt service payment after October 1, 2021 is due. For example, if you have debt service payments due November 1 and May 1, on November 1, 2021 you would make that payment as was originally scheduled. The new interest rate would begin November 1, 2021 and will result in a lower debt service payment starting on May 1, 2022 through final maturity. If the new interest rate is greater than your current interest rate **OR** the nominal interest savings throughout the remaining life of the loan is less than \$10,000 your application will be canceled and you will maintain your current interest rate with no action needed. We have also included 1) a list of required attorney opinion provisions and 2) a form of note amendment. Both the attorney opinion and note amendment will need to be provided at closing, which is expected in October 2021. Should you have any questions regarding the application process please email Treas_MunicipalFinance@michigan.gov.

Applicant - Loan, Remaining Average Life, Current Interest Rate

Muskegon Heights, SD of the City of - 2017-18 Series I, Remaining Avg Life 23 Years, Current IR = 2.70%

Click for definition of "Average Life." Scroll down to bottom of screen and select "Accept."

Example new interest rate based on Municipal Market Data "AAA" rate as of May 21, 2021. Actual rate determined prior to Local Emergency Financial Assistance Loan Board meeting.

1.75%

Example nominal interest savings throughout the remaining life of the loan:

\$545,345.60

New interest rate begins:


December 15, 2021

First lower debt service payment with new interest rate:

June 15, 2022

- ☒ Yes, we would like to receive a lower interest rate on our emergency loan.
- ☒ Yes, we have included a certified resolution adopted by the governing body of the municipality, along with this application, as part of our submission to Treasury.
- ☒ Yes, we will use the templates provided to draft an attorney opinion and note amendment which we will bring to the closing.

Chief Administrative Officer or their Designee Name: John Lewis

Chief Administrative Officer or their Designee Signature: 
(electronic signature accepted)

Date: July 19, 2021

Contact Person: John Lewis

Contact Person Email Address: lewisjoh@mhkpsnet.org

Due Date is Friday, July 23, 2021 at 11:59PM

Muskegon Heights Public Schools, Muskegon County, Michigan (the "District" or "Issuer")

A Regular meeting of the board of education of the District (the "Board") was held:

- ☐ in the _____, within the boundaries of the District,
- ☒ electronically through Microsoft Teams Meeting with identification number Call in#: 313-725-4124 Conference ID#: 483 759 516#

on the 7th day of June, 2021, at 12:02 o'clock in the p.m. (the "Meeting")

The Meeting was called to order by Trinell Scott, President.

Present: Members Trinell Scott, Marianne Darnelll, Peggy Selmon, Estelita Rankin, Marjorie Cook, Mark Glover and Saforia Johnson-Pierce

Absent: Members

The following preamble and resolution were offered by Member Mark Glover and supported by Member Marianne Darnell:

WHEREAS:

1. Pursuant to the Emergency Municipal Loan Act, 198 PA 243, MCL 141.931, *et seq.*, as amended ("Act 243"), the Issuer previously authorized and issued its Muskegon Heights Public Schools Emergency Loan Note (General Obligation-Limited Tax) 2017-18 Series I (the "Obligation").

2. The State of Michigan through the Michigan Department of Treasury (the "State") has offered an opportunity for municipalities with fixed interest rate emergency loans to apply to receive amendments to their existing notes that would lower the interest rates for the duration of such loans and to amend how prepayments by a municipality are applied toward such loans.

3. The Obligation qualifies for the interest rate reduction and prepayment revision opportunity described above.

4. It is in the best interests of the District to submit an application to seek a rate reduction and prepayment revision for the Obligation.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Issuer hereby authorizes the administration of the Issuer to submit the required application to the Michigan Department of Treasury to seek an interest rate reduction and prepayment revision for the Obligation.

2. A separate application shall be made for each outstanding Obligation, which application shall be submitted not later than July 23, 2021, or such other deadline as designated by the State.

3. The Issuer hereby authorizes and approves the use of the form of the agreement to amend emergency loan note attached hereto as Exhibit A (the "Note Amendment").

4. The Obligation, as amended by a Note Amendment, shall remain a valid and binding general obligation of the Issuer and, except as expressly set forth in the Note Amendment, shall remain unchanged and in full force and effect.

5. Other than the Obligation itself, by this resolution and by issuance of a Note Amendment, the Issuer does not and does not intend to modify, amend or otherwise change any agreement contained in the transcript for the Obligation.

6. By this resolution and by issuance of a Note Amendment, the Issuer does not and does not intend to modify, amend or otherwise disturb the taxation of taxable property within the geographic boundaries of the Issuer, subject to applicable constitutional, statutory and charter tax rate limitations.

7. The Assistant Superintendent of Finance and Administration is authorized to approve and accept an interest rate reduction and to execute and deliver a Note Amendment related to the Obligation and any other documents necessary to complete the transaction including, but not limited to, any certificates, representations, or related documents. To the extent permitted by the State of Michigan, such documents may be executed using electronic or facsimile signatures, with such electronic or facsimile signatures having the same legal effect and enforceability as a manual signature. The Board President, Vice President, Secretary or Treasurer may approve and accept an such an interest rate reduction and sign and deliver such documents in the absence of the Assistant Superintendent of Finance and Administration.

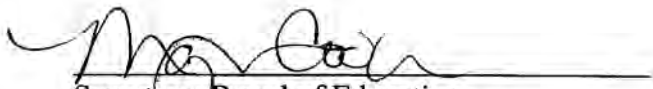
8. The Issuer hereby appoints Thrun Law Firm, P.C.. as legal counsel to represent the Issuer in relation to the matters described herein.

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

Ayes: Members 7

Nays: Members 0

Resolution declared adopted.


Secretary, Board of Education

The undersigned duly qualified and acting Secretary of the Board of Education of Muskegon Heights Public Schools, Muskegon County, Michigan, hereby certifies that the foregoing constitutes a true and complete copy of a resolution adopted by the Board at the Meeting, the original of which is part of the Board's minutes. The undersigned further certifies

that notice of the Meeting was given to the public pursuant to the provisions of the "Open Meetings Act" (Act 267, Public Acts of Michigan, 1976, as amended).


Secretary, Board of Education

CJI/klg

EXHIBIT A
FORM OF NOTE AMENDMENT

AGREEMENT TO AMEND
EMERGENCY LOAN NOTE
(GENERAL OBLIGATION-LIMITED TAX)
2017-18 SERIES I
OF THE
MUSKEGON HEIGHTS PUBLIC SCHOOLS
COUNTY OF MUSKEGON
STATE OF MICHIGAN

THIS Agreement to Amend Emergency Loan Note (General Obligation-Limited Tax) 2017-18 Series I, issued by Muskegon Heights Public Schools (the "Municipality"), County of Muskegon, State of Michigan (the "Note"), is hereby agreed to by and between the Municipality and the State of Michigan, as registered owner, on this ____ day of _____, 2021.

WHEREAS, the Municipality previously issued the Note pursuant to the provisions of the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended; and

WHEREAS, the Municipality and the State of Michigan desire to amend the Note in order to lower the interest rate and to authorize the redemption of the Note in any order of maturity as agreed to by the Municipality and the State of Michigan.

NOW THEREFORE, in consideration of the foregoing, the parties hereby agree as follows:

1. Amendment to Interest Rate. Beginning on the next scheduled payment date as established in the Note, the Note shall bear interest at a rate of ____% per annum.
2. Amendment to Application of Prepayments. The ____ full paragraph of the Note is hereby amended and restated in its entirety as follows:

The Issuer shall have the right to pay at any time or times prior to maturity, without penalty or premium, all or any portion of this note. Prepayments shall be credited to principal payments in any order, in whole or in part, as mutually agreed to by the Issuer and the State of Michigan.

3. No Default. The Municipality represents and warrants that there are no outstanding or unresolved defaults under the Note or any of the other documents or undertakings of the Municipality relating to the emergency loan.
4. Note Otherwise Unchanged. Except as explicitly amended hereby, the Note remains unchanged and in full force and effect.

(Balance of this page intentionally left blank)

IN WITNESS WHEREOF, this Agreement to Amend the Note has been signed on behalf of the Municipality and the State of Michigan as of the date first above written.

MUSKEGON HEIGHTS PUBLIC SCHOOLS
COUNTY OF MUSKEGON
STATE OF MICHIGAN

By: _____
Printed: _____
Title: _____

By: _____
Printed: _____
Title: _____

STATE OF MICHIGAN
as Registered Owner

By: _____
Printed: _____
Title: _____

**AFFIDAVIT OF WEBSITE POSTING OF
PUBLIC NOTICE OF ELECTRONIC MEETING
OF THE BOARD OF EDUCATION**

State of Michigan)
County of Muskegon)^{ss}

The undersigned, being first duly sworn, deposes and says that he/she did verify that on the website homepage of the District was posted a public notice of a meeting and the related agenda, if one existed, of the Board of Education of Muskegon Heights Public Schools, Muskegon County, Michigan, to be held electronically on:

Date of Meeting: June 7, 2021

Hour of Meeting 12:00 o'clock, p.m.

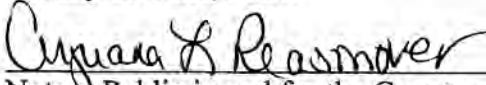
prior to the meeting, a true copy of that website notice and the related agenda, if one existed, is hereto attached.



Signature

Subscribed and sworn to before me this

4th day of June, 2021.



Notary Public in and for the County of
Muskegon, State of Michigan
Acting in the County of Muskegon

CERJUANA L REASONOVER
Notary Public, Muskegon County, MI
My Commission Expires 11/26/2024
Acting in the County of Muskegon

My Commission expires 26th day of November, 2024

Muskegon Heights Board Information

Board Policies & Procedures

[Board Policies & Procedures](#)

[Muskegon Heights Public Schools Board Members and Expiration of Terms 2014](#)

[Muskegon Heights Public Schools Board Members and Expiration of Terms 2017](#)

[Muskegon Heights Public Schools Board Members and Expiration of Terms 2018](#)

[Muskegon Heights Public Schools Board Members and Expiration of Terms 2020](#)

[Board Members Oath of Office 2014](#)

[Board Members Oath of Office 2017](#)

[Board Members Oath of Office 2018-2019](#)

[Board Members Oath of Office 2020](#)

The Board of Education meets the 1st Monday of each month at 6:00pm, in the Conference Room at 2603 Leahy Street, Muskegon Heights, MI 49444

If you wish to serve as a board member for the Muskegon Heights Public School Academy please complete the Application below:

[Application for PSA Board Member](#)

Remote Board Meetings

Regular Board Meeting

Monday, June 7, 2021

Click on: [Microsoft Team Meeting](#)

Call in: 1-313-725-4124

Conference ID: 483 759 516#

Special Board Meeting

Monday, May 24, 2021 at 12 noon via Microsoft Teams

Click on: [Microsoft Team Meeting](#)

Call in: 1-313-725-4124

Conference ID: 828 348 407#

Regular Board Meeting

Monday, May 3, 2021 at 12 noon via Microsoft Teams

Click on: [Microsoft Team Meeting](#)

Agenda for June 7, 2021

Muskegon Heights Board of Education Information

Board Meeting Calendar Dates

[2015-2016](#)

[2016-2017](#)

[2017-2018](#)

[2018-2019](#)

[2019-2020](#)

[2020-2021](#)

[2021-2022](#)

2019 -2020 Calendar

June 2021						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			





Muskegon Heights Public Schools

2603 Leahy Street • Muskegon Heights, MI 49444 • Phone 231-830-3221 Fax 231-830-3560

AGENDA

REGULAR BOARD MEETING

**BOARD OF EDUCATION
2603 LEAHY STREET
MUSKEGON HEIGHTS, MICHIGAN**

Microsoft Teams meeting

[Click here to join the meeting](#)

Or call in (audio only)

1 313-725-4124 United States, Detroit

Phone Conference ID: 483 759 516#

MONDAY, JUNE 7, 2021

12:00 NOON

- 1. Call to Order**
- 2. Roll Call**
- 3. SECRETARY'S REPORT AND APPROVAL OF MINUTES**
- 4. Action Items**
 - a. Contract – John Lewis (2021-22 School Year)
 - b. Resolution to Return to In-Person Meetings or remain on Virtual Meetings
 - c. Resolution to Appoint Kimberly Sims to the Muskegon Heights Public School Academy Board
 - d. Resolution to Appoint Dwayne Banks to the Muskegon Heights Public School Academy Board
 - e. Approval of 2020-21 Proposed Budget Amendment
 - f. Approval of 2021-22 Budget
 - g. Approval of L-4029 (2021 Tax Rate Request)
 - h. Resolution Renewal of Leasing Contract with MAISD for Edgewood Elementary (ECC)
 - i. Resolution to Submit Application for 2012-13 Series I Emergency Loan Note
 - j. Resolution to Submit Application for 2012-13 Series II Emergency Loan Note
 - k. Resolution to Submit Application for 2013-14 Series I Emergency Loan Note
 - l. Resolution to Submit Application for 2017-18 Series I Emergency Loan Note
- 5. Report from the Assistant Superintendent**
- 6. From the Board**
- 7. Concerns of Parents/Citizens and Recognition of Guests**
- 8. Adjournment**



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RACHAEL EUBANKS
STATE TREASURER

LOCAL EMERGENCY FINANCIAL ASSISTANCE LOAN BOARD

ORDER 2021-3

ORDER APPROVING AMENDMENTS TO EMERGENCY LOAN NOTES

WHEREAS, pursuant to the Emergency Municipal Loan Act, Public Act 243 of 1980, as amended (the "Act"), the Local Emergency Financial Assistance Loan Board has previously authorized emergency loans to the municipalities listed on Exhibit A attached hereto (the "Loans") and the municipalities have issued emergency loan notes (the "Notes") to evidence their obligation to repay their respective Loans to the State of Michigan; And

WHEREAS, all of the Loans currently bear interest at a fixed rate as specified on Exhibit A, which fixed rate was determined by the Local Emergency Financial Assistance Loan Board consistent with the Act and then-prevalent market conditions at the time each Loan was made; And

WHEREAS, the municipalities have requested that the fixed interest rates on their Loans be lowered to take advantage of current market conditions for purposes of providing relief from financial hardships experienced as a result of the pandemic following the outbreak of the novel coronavirus; And

WHEREAS, the Notes issued in connection with the Loans made prior to December, 2018 (as identified on Exhibit A, the "Pre-12/2018 Notes") currently only permit redemptions of annual principal installments in direct order of maturity; And

WHEREAS, the municipalities that have issued Pre-12/2018 Notes have also requested to have their Notes amended to authorize redemption of their Notes in any order of maturity agreed to by the municipality and the State of Michigan; And

WHEREAS, Section 2 of the Act provides the Local Emergency Financial Assistance Loan Board with authority to set the terms and conditions associated with loans made under the Act and to renegotiate the terms of such loans.

NOW, THEREFORE, be it ordered by the Local Emergency Financial Assistance Loan Board as follows:

1. Approval of Interest Rate Amendments. The amended fixed interest rate applicable to each Loan as provided on Exhibit A attached hereto is hereby approved. The amended fixed interest rate shall become applicable on the next scheduled payment date as established in the applicable Note.
2. Approval of Amended Redemption Terms. The amendment of the Pre-12/2018 Notes to allow prepayments to be credited to principal payments in any order, in whole or in part, as mutually agreed to by the applicable municipality and the State of Michigan is hereby approved. The State Treasurer is hereby delegated the authority to agree with each municipality on the application of future redemption proceeds to specific principal installments and to execute on behalf of the Local Emergency Financial Assistance Loan Board any such agreements and to take whatever actions she deems necessary to effectuate any such future redemptions.
3. Approval of Note Amendments. The State Treasurer is hereby authorized and directed to complete and execute a note amendment with respect to each Loan in substantially the form attached hereto as Exhibit B.
4. This Order shall have immediate effect.

IN WITNESS WHEREOF, the members of the Board, or their designees, have signed and executed this Order of Approval.

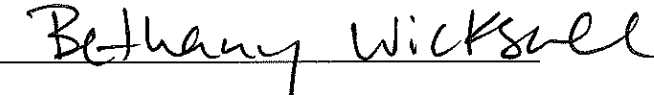
LOCAL EMERGENCY FINANCIAL ASSISTANCE
LOAN BOARD

By 

Rachael Eubanks, State Treasurer
Department of Treasury

By 

Daniel C. Horn, Director, Finance and
Administrative Services Bureau
As Designee for Orlene Hawks, Director
Department of Licensing and Regulatory Affairs

By 

Bethany Wicksall, Deputy State Budget Director
State Budget Office
As Designee for Brom Stibitz, Director
Department of Technology, Management,
and Budget

Date: September 16, 2021
Lansing, Michigan

EXHIBIT A

Municipality Name	Emergency Loan Note (LTGO)	Current Interest Rate	Amended Interest Rate	Pre 12/2018
Allen Park, City of	2013-14 Series I	2.30%	1.20%	Yes
Benton Harbor Area Schools	2012-13 Series I	1.80%	1.20%	No
Benton Harbor Area Schools	2013-14 Series I	2.65%	1.40%	No
Benton Harbor Area Schools	2014-15 Series I	2.35%	1.25%	No
Benton Harbor Area Schools	2015-16 Series I	1.75%	1.40%	No
Benton Harbor Area Schools	2016-17 Series I	1.85%	1.40%	No
Benton Harbor, City of	2013-14 Series I	2.80%	1.20%	Yes
Detroit, SD of the City of	2016-17 Series I	1.31%	1.20%	Yes
Hamtramck, City of	2013-14 Series I	2.30%	1.20%	Yes
Highland Park, City of	2013-14 Series I	2.45%	1.20%	No
Highland Park, SD of the City of	2012-13 Series I	2.35%	1.25%	Yes
Highland Park, SD of the City of	2012-13 Series II	2.30%	1.25%	Yes
Inkster, SD of the City of	2012-13 Series I	2.75%	1.30%	Yes
Muskegon Heights, SD of the City of	2012-13 Series I	2.45%	1.30%	Yes
Muskegon Heights, SD of the City of	2012-13 Series II	2.35%	1.30%	Yes
Muskegon Heights, SD of the City of	2013-14 Series I	3.45%	1.25%	Yes
Muskegon Heights, SD of the City of	2017-18 Series I	2.70%	1.70%	Yes

EXHIBIT B

FORM NOTE AMENDMENT

AGREEMENT TO AMEND
EMERGENCY LOAN NOTE
[NAME OF OBLIGATION]
[SERIES]
OF THE
[MUNICIPALITY]
COUNTY OF [COUNTY]
STATE OF MICHIGAN

THIS Agreement to Amend Emergency Loan Note [Name of Obligation], issued by the [Municipality] (the "Municipality"), County of [County], State of Michigan (the "Note"), is hereby agreed to by and between the Municipality and the State of Michigan, as registered owner, on this ____ day of _____, 2021.

WHEREAS, the Municipality previously issued the Note pursuant to the provisions of the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended; and

WHEREAS, the Municipality and the State of Michigan desire to amend the Note in order to lower the interest rate [if Note issued prior to 12/2018: and to authorize the redemption of the Note in any order of maturity as agreed to by the Municipality and the State of Michigan].

NOW THEREFORE, in consideration of the foregoing, the parties hereby agree as follows:

1. Amendment to Interest Rate. Beginning on the next scheduled payment date as established in the Note, the Note shall bear interest at a rate of ____% per annum.
2. [If Note issued prior to 12/2018: Amendment to Application of Prepayments. The [number of paragraph] full paragraph of the Note is hereby amended and restated in its entirety as follows:

The Issuer shall have the right to pay at any time or times prior to maturity, without penalty or premium, all or any portion of this note. Prepayments shall be credited to principal payments in any order, in whole or in part, as mutually agreed to by the Issuer and the State of Michigan.]

3. No Default. The Municipality represents and warrants that there are no outstanding or unresolved defaults under the Note or any of the other documents or undertakings of the Municipality relating to the emergency loan.
4. Note Otherwise Unchanged. Except as explicitly amended hereby, the Note remains unchanged and in full force and effect.



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RACHAEL EUBANKS
STATE TREASURER

LOCAL EMERGENCY FINANCIAL ASSISTANCE LOAN BOARD

ORDER 2021-3

ORDER DENYING AMENDMENTS TO EMERGENCY LOAN NOTES

WHEREAS, pursuant to the Emergency Municipal Loan Act, Public Act 243 of 1980, as amended (the "Act"), the Local Emergency Financial Assistance Loan Board has previously authorized emergency loans to the municipalities listed on Exhibit A attached hereto (the "Loans") and the municipalities have issued emergency loan notes (the "Notes") to evidence their obligation to repay their respective Loans to the State of Michigan; And

WHEREAS, all of the Loans currently bear interest at a fixed rate as specified on Exhibit A, which fixed rate was determined by the Local Emergency Financial Assistance Loan Board consistent with the Act and then-prevalent market conditions at the time each Loan was made; And

WHEREAS, the municipalities have requested that the fixed interest rates on their Loans be lowered to take advantage of current market conditions for purposes of providing relief from financial hardships experienced as a result of the pandemic following the outbreak of the novel coronavirus; And

WHEREAS, the Notes issued in connection with the Loans made prior to December, 2018 (as identified on Exhibit A, the "Pre-12/2018 Notes") currently only permit redemptions of annual principal installments in direct order of maturity; And

WHEREAS, the municipalities that have issued Pre-12/2018 Notes have also requested to have their Notes amended to authorize redemption of their Notes in any order of maturity agreed to by the municipality and the State of Michigan; And

WHEREAS, Section 2 of the Act provides the Local Emergency Financial Assistance Loan Board with authority to set the terms and conditions associated with loans made under the Act and to renegotiate the terms of such loans.

NOW, THEREFORE, it is ordered by the Board that the requests of the municipalities to amend the Notes is hereby DENIED.

IN WITNESS WHEREOF, the members of the Board, or their designees, have signed and executed this Order of Denial.

LOCAL EMERGENCY FINANCIAL ASSISTANCE
LOAN BOARD

By_____

Rachael Eubanks, State Treasurer
Department of Treasury

By_____

Daniel C. Horn, Director, Finance and
Administrative Services Bureau
As Designee for Orlene Hawks, Director
Department of Licensing and Regulatory Affairs

By_____

Bethany Wicksall, Deputy State Budget Director
State Budget Office
As Designee for Brom Stibitz, Director
Department of Technology, Management,
and Budget

Date: September 16, 2021
Lansing, Michigan

EXHIBIT A

Municipality Name	Emergency Loan Note (LTGO)	Current Interest Rate	Amended Interest Rate	Pre 12/2018
Allen Park, City of	2013-14 Series I	2.30%	1.20%	Yes
Benton Harbor Area Schools	2012-13 Series I	1.80%	1.20%	No
Benton Harbor Area Schools	2013-14 Series I	2.65%	1.40%	No
Benton Harbor Area Schools	2014-15 Series I	2.35%	1.25%	No
Benton Harbor Area Schools	2015-16 Series I	1.75%	1.40%	No
Benton Harbor Area Schools	2016-17 Series I	1.85%	1.40%	No
Benton Harbor, City of	2013-14 Series I	2.80%	1.20%	Yes
Detroit, SD of the City of	2016-17 Series I	1.31%	1.20%	Yes
Hamtramck, City of	2013-14 Series I	2.30%	1.20%	Yes
Highland Park, City of	2013-14 Series I	2.45%	1.20%	No
Highland Park, SD of the City of	2012-13 Series I	2.35%	1.25%	Yes
Highland Park, SD of the City of	2012-13 Series II	2.30%	1.25%	Yes
Inkster, SD of the City of	2012-13 Series I	2.75%	1.30%	Yes
Muskegon Heights, SD of the City of	2012-13 Series I	2.45%	1.30%	Yes
Muskegon Heights, SD of the City of	2012-13 Series II	2.35%	1.30%	Yes
Muskegon Heights, SD of the City of	2013-14 Series I	3.45%	1.25%	Yes
Muskegon Heights, SD of the City of	2017-18 Series I	2.70%	1.70%	Yes



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

DATE: August 24, 2021

TO: Local Emergency Financial Assistance Loan Board

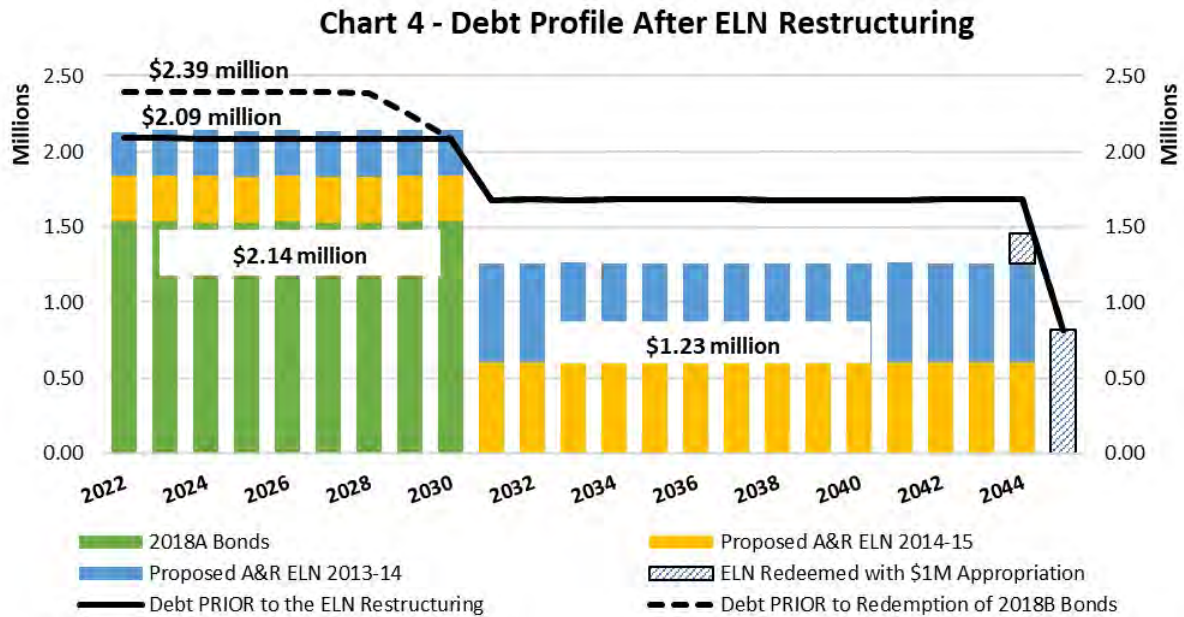
FROM: Harlan Goodrich, Municipal Finance Manager, Michigan Department of Treasury

SUBJECT: Pontiac School District Emergency Loan Restructurings

Executive Summary

- The Pontiac School District has submitted applications to restructure each of its two outstanding emergency loans. The loans were initially issued in 2014 and 2015, each for \$10,000,000. The current loan balances are \$10,000,000 and \$9,995,000 with fixed interest rates of 2.75% and 2.70%. The loans reach final maturity in 2044 and 2045.
- The restructuring would include receiving lower interest rates which will be determined the business day immediately preceding the Board meeting using the Municipal Market Data “AAA” rate that corresponds with the remaining average life of the loan or 10 years, whichever is greater, plus 25 basis points (0.25%), rounded up to the nearest 0.05%. **This is consistent with loans in our Emergency Loan Fixed Interest Rate Reduction Program which are going before the Board for approval at the same meeting.**
- The revised loan structures would accelerate principal payments. **This is being done at the request of the school district.** When the loans were last restructured in April 2018, the principal payments were restructured to wrap around other existing debt, their 2018A and 2018B bonds. Since the 2018B bonds were fully redeemed in July 2021, the school district’s annual debt service will decline by approximately \$300,000 per year through 2029. The school district would like to apply this \$300,000 towards their emergency loans. The 2018A bonds fully mature in 2030, at which time money that was being set aside for those debt service payments will now be applied towards their emergency loans.
- Furthermore, the school district received a \$1,000,000 appropriation in the State of Michigan 2020-21 budget, the proceeds of which are to be applied to their outstanding emergency loans on September 28, 2021. The terms of the existing notes dictate that any prepayments can only be applied to next principal payments due, the “front end” principal. The restructured notes will allow the school district to apply prepayments towards any principal payments. **This change is consistent with any restructurings or new money loans that have been done since December 2018.** The school district intends to apply this appropriation to the “back end” principal in 2044 and 2045.
- It is estimated that through the restructuring and appropriation the school district would receive approximately \$4,900,000 in nominal savings through 2045. This would also reduce Treasury’s common cash balance by the same amount. Actual interest rates will be determined the business day prior to the Board meeting.
- Both loans are secured with operating tax and state aid pledges and have a cognovit in place.

Chart prepared by RW Baird
Financial Advisor to the Pontiac School District.



MICHIGAN DEPARTMENT OF TREASURY
Bureau of Local Government Services
PO Box 30728
Lansing, Michigan 48909
RESTRUCTURED EMERGENCY MUNICIPAL LOAN APPLICATION

Applicant:	School District of the City of Pontiac		
County/Countries of:	Oakland		
Mailing Address:	47200 Woodward Ave., Pontiac, MI 48342		
Chief Financial Officer:	James Graham	Phone:	(248) 451-6836
Contact Person:	James Graham	Phone:	(248) 451-6836
Issuance date of loan:	April 9, 2018		
Current loan balance:	\$10,000,000.00		

1. Is the municipality in compliance with the terms of the loan and any other requirements applicable to the municipality under PA 243 of 1980?

Yes

If no, provide explanation:

2. Does the municipality have a certified deficit elimination plan?

Yes

If yes, provide date of certification:

July 9, 2021

If no, provide explanation:

3. Is the municipality in compliance with any applicable neutral evaluation process, settlement agreement, consent agreement, or order of an emergency manager under PA 436 of 2012?

N/A - Not under PA
436 of 2012

If no, provide explanation:

4. For School Districts only

Is the school district in compliance with all requirements for receipt of the foundation allowance and any other requirements applicable to the school district under PA 94 of 1979?

Yes

If no, provide explanation:

5. For Municipalities other than School Districts

Is the municipality in compliance with all conditions for revenue distributed under PA 140 of 1971?

If no, provide explanation:

6. Does the restructuring of payments comply with applicable laws?

Yes

If no, provide explanation:

7. Has the loan been sold or transferred under PA 243 of 1980, Section 6a?

No

If yes, provide date of sale or transfer:

ADDITIONAL REQUIRED INFORMATION

8. Resolution adopted by the governing body of the municipality approving the submission of the restructuring application.

9. Budget for current fiscal year and preceding fiscal year(s) if available.

10. Projected monthly cash flows for the preceding 12 months.

11. Accounts Payable Aging Report.

12. Describe the need for the restructuring.

The District would restructure their Emergency Loan Notes (ELN) to 1) lower the interest rate on the loan, 2) revise the prepayment application language to allow for prepayments to be credited in any order, as mutually agree to by the District and State, and 3) accelerate the principal payments equal to the projected interest savings after the anticipated interest rate reduction and a portion of the former debt service amount on the redeemed 2018B bonds enabling the District to manage their overall debt profile with the goal of proactively reducing the debt burden of the District.

Chief Administrative Officer Name:

Kelley Williams

Chief Administrative Officer Signature:

Kelley Williams

Date:

8/26/2021

**SCHOOL DISTRICT OF THE CITY OF PONTIAC
COUNTY OF OAKLAND, STATE OF MICHIGAN**

**RESOLUTION AUTHORIZING APPLICATION FOR REDEMPTION AND
AMENDMENT TO THE
2014 EMERGENCY LOAN FROM THE STATE OF MICHIGAN,
RESTRUCTURING OF EMERGENCY LOAN NOTE 2013-14 SERIES I, AS AMENDED,
AND RELATED MATTERS**

A regular meeting of the Board of Education (the "Board") of the School District of the City of Pontiac, Oakland County, Michigan (the "School District") was conducted electronically on December 14, 2020, at 6:00 p.m. local time.

The meeting was called to order at 6:00 p.m. local time by Michael McGuinness, Board President.

Present: Members: Kenyada Bowman, William Carrington, ShaQuana Davis-Smith, Michael McGuinness, Kerry Tolbert, Caroll Turpin and Sherman Williams, II.

Absent: Members: None

The following preamble and resolution were offered by Member Kenyada Bowman and supported by Member Michael McGuinness:

WHEREAS, on May 5, 2014, pursuant to the Emergency Loan Act, Act 243 Public Acts of Michigan, 1980, as amended ("Act 243"), the School District obtained an emergency loan (the "2014 Loan") from the Local Emergency Financial Assistance Loan Board (the "ELB"), which 2014 Loan was evidenced by a note designated Emergency Loan Note (General Obligation Limited Tax) 2013-14 Series I, dated May 5, 2014, as subsequently amended and restated and currently designated Second Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2013-14 Series I, dated April 9, 2018, which currently is outstanding and in full force and effect in accordance with its terms (the "Restated 2014 Note");

WHEREAS, the State of Michigan (the "State"), under its fiscal year 2021 budget, may appropriate funds ("State Appropriated Funds") to be provided to certain eligible school districts for the paydown of debt to the State, which may include the 2014 Loan;

WHEREAS, in the event the School District receives State Appropriated Funds, the Board has determined that it is in the best interest of the School District to make application to the ELB, make filings with the State Department of Treasury, or take such other actions necessary to amend the 2014 Loan and the Restated 2014 Note to provide for prior redemption of

all or a portion of the annual principal payments under the Restated 2014 Note in such order and amounts as mutually determined by the State and the School District;

WHEREAS, the Board has further determined that it is in the best interest of the School District to make application to the ELB, make filings with the State Department of Treasury, or take such other actions necessary to amend the 2014 Loan and the Restated 2014 Note to provide for a reduction in the interest rate on the Restated 2014 Note, if permitted under Act 243; and

WHEREAS, the School District and The Huntington National Bank, as Master Trustee (the "Master Trustee"), are parties to the that certain Master Debt Retirement Trust Indenture dated as of September 1, 2014 (as supplemented or amended from time to time, the "Master Indenture").

NOW, THEREFORE, IT IS RESOLVED BY THE BOARD AS FOLLOWS:

1. Applications to Amend the Restated 2014 Note. The Superintendent, President or Vice President of the Board, Assistant Superintendent or Director of Business Services, or any one acting individually (each an "Authorized Officer") are hereby authorized and directed to submit one or more applications to the ELB, make filings with the State Department of Treasury, or take such other actions necessary for approval to amend the 2014 Loan and the Restated 2014 Note to: (a) provide for prior redemption of all or a portion of the annual principal payments under the Restated 2014 Note in such order and amounts as mutually determined by the State and the School District and the respective debt service payment schedules on the Restated 2014 Note; (b) provide for a reduction in the interest rate on the Restated 2014 Note, if permitted under Act 243; and/or (c) restructure the debt service payment schedule on the Restated 2014 Note.

2. The Amended Loan and Note. The amended 2014 Loan shall be evidenced by an amended and restated note which shall be exchanged for the Restated 2014 Note and shall be designated as the "Third Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2014-15 Series I", or such other designation approved by the ELB in its Order of Approval, as hereinafter defined (the "Third Amended 2014 Note"). An Authorized Officer is authorized and directed to negotiate the terms and amend the payment schedule for the Third Amended 2014 Note with the Michigan Department of Treasury (the "Treasury"), within the parameters allowed under the Act 243. The principal amount, interest rate, payment dates and final maturity date of the Third Amended 2014 shall be specified by the ELB in its Order of Approval ("the Order of Approval") of the Third Amended 2014 Note.

3. Form of Amended Note. The Third Amended 2014 Note shall be in substantially the form attached hereto as Exhibit A, and the completed amended repayment schedule and such other modifications, additions, changes and deletions as are approved by the Order of Approval and an Authorized Officer.

4. Execution of Amended Note. An Authorized Officer, on behalf of the School District, is hereby authorized to execute and deliver the Third Amended 2014 Note to the ELB as agent for the State in exchange for receiving back the Restated 2014 Note marked

RESOLUTION AUTHORIZING APPLICATION FOR REDEMPTION AND AMENDMENT TO THE
2014 EMERGENCY LOAN, EMERGENCY LOAN NOTE 2013-14 SERIES I AND RELATED
MATTERS

“CANCELED”; and the Authorized Officer is authorized and directed then to destroy such canceled note.

5. Supplement to Master Indenture. The Third Amended 2014 Note shall be an Additional Obligation and an Emergency Loan (as those terms are defined in the Master Indenture). Subject to any express parameters contained in this resolution, the School District hereby authorizes an Authorized Officer to negotiate, approve, execute and deliver a Supplemental Indenture (as defined in the Master Indenture) for the Third Amended 2014 Note, which shall establish deposit requirements for funds necessary to pay the debt service on the Third Amended 2014 Note secured by the Master Indenture.

6. Note Counsel. The representation of the School District by Miller, Canfield, Paddock and Stone, P.L.C. as note counsel (“Note Counsel”) is hereby approved, notwithstanding its periodic representation of other potential parties to the transaction in unrelated matters. The Superintendent is authorized to approve an engagement letter with Note Counsel that shall set forth the terms of Note Counsel’s engagement.

7. Municipal Advisor. The School District hereby appoints Robert W. Baird & Co., Incorporated to act as Municipal Advisor with reference to the transactions contemplated by this Resolution.

8. Further Actions. The Authorized Officer and other officers, administrators, agents and attorneys of the School District are authorized and directed to execute and deliver all other agreements, documents and certificates and to take all other actions necessary relating to the transactions contemplated by this Resolution. The officers, administrators, agents and attorneys of the School District are authorized and directed to pay costs of issuance and any other costs necessary to accomplish the transactions contemplated by this Resolution.

9. Prior Actions. Any actions taken by an Authorized Officer prior to the date hereof to effectuate the transactions contemplated by this Resolution are hereby ratified.

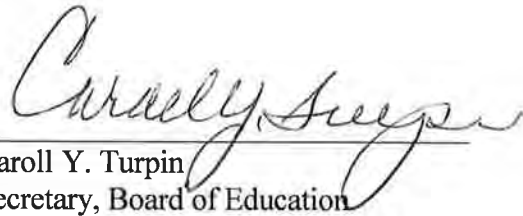
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10. Conflicts. All resolutions and parts of resolutions insofar as they conflict with the provisions of this Resolution be and the same hereby are rescinded.

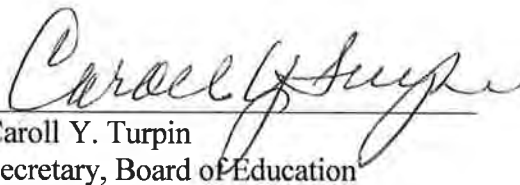
Ayes: Members: William Carrington, Michael McGuinness, ShaQuana Davis-Smith, Kerry Tolbert, Carroll Turpin, Sherman Williams, II., and Kenyada Bowman

Nays: Members: None

Resolution Declared Adopted.


Carroll Y. Turpin
Secretary, Board of Education

The undersigned duly qualified and acting Secretary of the Board of Education of the School District of the City of Pontiac, hereby certifies that the foregoing is a true and complete copy of a resolution adopted by the Board at a regular meeting held on December 14, 2020, the original of which is a part of the Board's minutes and further certifies that notice of the meeting was given to the public pursuant to the provisions of the Open Meetings Act, being Act No. 267, Public Acts of Michigan, 1976, as amended.


Carroll Y. Turpin
Secretary, Board of Education

36870651

**RESOLUTION AUTHORIZING APPLICATION FOR REDEMPTION AND AMENDMENT TO THE
2014 EMERGENCY LOAN, EMERGENCY LOAN NOTE 2013-14 SERIES I AND RELATED
MATTERS**

EXHIBIT A

FORM OF THIRD AMENDED 2014 NOTE

R-1

**UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF OAKLAND**

SCHOOL DISTRICT OF THE CITY OF PONTIAC

**THIRD AMENDED AND RESTATED EMERGENCY LOAN NOTE
(General Obligation Limited Tax)
2013-14 Series I**

Registered Owner: **State of Michigan**

Principal Amount: \$ _____

Date of Original Issue: _____, 2021

The School District of the City of Pontiac, County of Oakland, State of Michigan (the "Issuer"), acknowledges itself to owe and for value received hereby promises to pay to the State of Michigan, the Principal Amount specified above, in lawful money of the United States of America, in _____ consecutive annual installments in the amounts as set forth on the attached Exhibit A, incorporated herein by reference, unless modified by a written agreement with the State Treasurer of Michigan (the "State Treasurer"), on _____ 1 in each of the years _____ to _____, inclusive, unless prepaid prior thereto as hereinafter provided, with interest on the unpaid principal balance hereof from the Date of Original Issue specified above or such later date to which interest has been paid, until paid, at the rates per annum as set forth herein, first payable on _____, 20____ and semiannually on each _____ 1 and _____ 1 thereafter. Both the principal of and interest on this Note are payable at the Office of the State Treasurer in Lansing, Michigan, or such other place as may be designated in writing to the Issuer by the State Treasurer. In the event that an installment for the Principal Amount or interest due on _____ 1 or _____ 1 in any year falls on a Saturday, Sunday or any day in which banks in Michigan are generally not open, such payment shall be due on the next succeeding business day.

From the Date of Original Issue specified above until paid, this Note shall bear interest at the rate of _____% per annum, which may be subsequently adjusted pursuant to Section 6, Section 6a or Section 7(2) of the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended ("Act 243"). Interest on this note shall be computed on the basis of a 365- or 366-day year and the actual number of days elapsed.

RESOLUTION AUTHORIZING APPLICATION FOR REDEMPTION AND AMENDMENT TO THE
2014 EMERGENCY LOAN, EMERGENCY LOAN NOTE 2013-14 SERIES I AND RELATED

This Note is issued on the Date of Original Issue specified above, under and in full compliance with the Constitution and statutes of the State of Michigan, including specifically Act 243, pursuant to a resolution of the Board of the Issuer, adopted on December 14, 2020. This Note amends, restates and supersedes entirely the \$10,000,000 Second Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2013-14 Series I having a date of Original Issue of April 9, 2018, that was issued by the Issuer under Act 243 pursuant to a resolution adopted by the Board of Education of the Issuer on March 5, 2018, to evidence the obligation of the Issuer to repay an emergency loan made to it by the State of Michigan for the purpose of enabling the issuer to meet its financial obligations.

The Issuer shall have the right to pay at any time or times prior to maturity, without penalty or premium, all or any portion of this Note. Prepayments shall be credited to principal payments [in any order, in whole or in part, as mutually agreed to by the Issuer and the State of Michigan.]

This Note and the interest hereon are payable, as a first budget obligation, from any funds of the Issuer available therefor, including but not limited to any delinquent taxes payable to the Issuer from the County of Oakland, State of Michigan's delinquent tax revolving fund, or from general ad valorem taxes imposed on all taxable property within the geographic boundaries of the Issuer for the payment thereof, subject to applicable constitutional and statutory tax rate limitations. This Note is secured by a Master Debt Retirement Trust Indenture dated as of September 1, 2014, as supplemented by certain supplemental indentures (as supplemented the "Master Indenture") between the Issuer and The Huntington National Bank as master trustee (the "Master Trustee").

The maturity of principal of and accrued and unpaid interest on this Note may be accelerated by the State Treasurer on behalf of the State of Michigan upon the occurrence and during the continuance of any Event of Default under this Note. Each of the following shall constitute an "Event of Default" under this Note; (A) non-payment of any principal of or interest on this Note, when due; and (B) failure of the Issuer to comply with the terms of the Conditions Upon School District provided in the Order of Approval, dated the date hereof between the Issuer and the State of Michigan.

The Issuer shall pledge to the State Treasurer a sufficient amount of the proceeds of the operating taxes levied for the Issuer and the delinquencies thereon that is necessary to pay the principal of and interest on this Note, when due. The Issuer has entered into separate Amended and Restated Tax Intercept Agreements, dated as of September 25, 2014 (as they may be amended from time to time, "Tax Intercept Agreements") with the Master Trustee, and (separately) the City of Auburn Hills, the Charter Township of Bloomfield, the City of Pontiac (each a "Local Government" and collectively the "Local Governments") and the County Treasurer of the County of Oakland, to provide for the payment to the Master Trustee by such Local Governments and County Treasurer of such operating taxes and the delinquencies thereon collected by them on behalf of the Issuer after July 1, 2018. As additional security for payment of this Note and in the event of the delinquency of the Issuer in paying required principal of or interest on this Note, the State Treasurer is authorized to intercept up to but not more than all delinquent amounts of principal and interest due on this Note from state school aid payments to

the Issuer otherwise required to be made to the Issuer pursuant to the provisions of the State School Aid Act, Act 94, Public Acts of 1979, as amended, and said intercepted state school aid payments shall be applied by the State Treasurer against said delinquent payments. The Issuer's pledges of the proceeds of operating taxes and state school aid payments described in this paragraph shall be subordinate to all other municipal securities, state aid notes and tax anticipation notes of the Issuer sold to the Michigan Finance Authority, regardless of the date of issue. However, this current pledge of operating taxes and state school aid payments shall be senior to pledges for payment of all state aid notes, tax anticipation notes, or other debt issued after the date of this Note and sold to all other parties that are not the Michigan Finance Authority, unless subordinated by the State Treasurer. This note is issued on a *pari passu* basis with the emergency loan note of the issuer dated _____, 2021 and maturing on May, 1 20____.

The Issuer has entered into the Master Indenture related to (among other things) the Tax Intercept Agreements with the Master Trustee to provide for the manner in which the revenue from taxes collected will be deposited for use to repay the principal and interest due on this Note and the Issuer's senior obligations.

Except as State law may require, the limited tax, full faith and credit resources of the Issuer are hereby pledged for the payment of the principal of and interest on this Note. This Note is payable primarily from ad valorem taxes, which will be levied within the authorized Constitutional and statutory tax limitations of the Issuer, and an irrevocable appropriation of a sufficient amount of such taxes will be made each year as a first operating budget obligation for the payment of the principal of and interest on this Note as due, subordinate to all first liens on said funds pledged for the payment of other municipal securities, state aid notes or tax anticipation notes sold to the Michigan Finance Authority, further subordinate to any first liens on said funds pledged for the payment of state aid notes, lines of credit or tax anticipation notes issued prior to the date of this Note and sold to parties other than the Michigan Finance Authority, and subordinate to any statutory obligations to set aside operating tax collections for any tax anticipation notes issued subsequent to this Note. If taxes are insufficient to pay this Note when due, the Issuer has pledged to use any and all other resources available for the payment of this Note. The Issuer does not have the power to levy taxes for the payment of this Note in excess of its Constitutional or statutory tax rate limitations.

The Issuer covenants that it shall perform and meet all requirements imposed upon the Issuer as a result of receiving this loan pursuant to Act 243 and as provided in the Order of Approval until this Note is paid in full.

The Issuer waives presentment, demand, notice of dishonor, protest and notice of non-payment with respect to this Note.

It is hereby certified and recited that all acts, conditions and things required by law to be done, precedent to and in the issuance of this Note, exist and have been done and performed in regular and due form and time as required by law, and that the total indebtedness of the Issuer, including this Note, does not exceed any constitutional or statutory debt limitation.

**School District of the City of Pontiac
County of Oakland, State of Michigan**

By: _____

Its: _____

EXHIBIT A

**DEBT RETIREMENT SCHEDULE
[Attached]**

36870651.1/155356.00003

**RESOLUTION FOR ADOPTION BY
School District of the City of Pontiac
Fiscal Year 2022 Adopted Budget Resolution**

RESOLVED, that this resolution shall be the **GENERAL FUND** Appropriation Act of the School District for the City of Pontiac for the fiscal year 2021-2022: A resolution to make appropriations, and to provide for the disposition of all income received by the School District of the City of Pontiac.

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriations in the **GENERAL FUND** of the School District of the City of Pontiac for the fiscal year for the fiscal year 2021-2022; AN ACT to make appropriations; to provide for the expenditure of the appropriations;

	FUND 110 GEF	FUND 120 GRANTS	FUND 130 SEF	FUND 150 ATHLETICS	TOTAL by FUND
REVENUE					
Local	34,098,513	1,176,053	-	26,000	35,300,566
State	3,680,985	6,157,629	3,425,045	-	13,263,659
Federal	-	26,762,670	1,599,100	-	28,361,770
County & InterDistrict and Other Transfers	18,322,692	-	5,080,022	384,596	23,787,310
TOTAL REVENUE	56,102,190	34,096,352	10,104,167	410,596	100,713,305
Projected Fund Balance as of 6/30/2021	-	-	-	-	1,134,857
Total Available to Appropriate	-	-	-	-	101,848,162

BE IT FURTHER RESOLVED, that \$101,848,162 of the total available to appropriate in the **GENERAL FUND** is hereby appropriated in the amounts and purposes set forth below:

	FUND 110 GEF	FUND 120 GRANTS	FUND 130 SEF	FUND 150 ATHLETICS	TOTAL by FUND
EXPENDITURES					
INSTRUCTION					
Basic Programs	11,882,961	7,338,198	-	-	19,221,159
Added Needs	12,200	7,104,793	8,351,383	-	15,468,376
Adult & Continuing Education	-	159,322	-	-	159,322
SUPPORT SERVICES					
Pupil Support	965,227	2,136,137	2,578,659	-	5,680,023
Instructional Support	1,905,827	1,875,149	607,245	-	4,388,221
General Administration	1,580,442	-	-	-	1,580,442
School Administration	3,080,154	-	259,143	-	3,339,297
Business Support	1,249,818	5,000	-	22,000	1,276,818

	FUND 110 GEF	FUND 120 GRANTS	FUND 130 SEF	FUND 150 ATHLETICS	TOTAL by FUND
Operations/Maint. & Security	7,621,034	990,630	165,000	22,500	8,799,164
Transportation	2,125,495	1,081,773	1,702,608	35,000	4,944,876
Central Support	3,284,379	96,226	27,142	-	3,407,747
Other	-	-	-	331,096	331,096
COMMUNITY SERVICES	1,500	548,932	18,182	-	568,614
CAPITAL/BLDG IMPROVEMENTS	50,000	12,012,500	-	-	-
LONG TERM DEBT	15,130,000	-	-	-	15,130,000
FUND MODIFICATIONS					
Indirect Costs	2,484,596	747,692	66,458	-	3,298,746
TOTAL EXPENDITURES	51,373,633	34,096,352	13,775,820	410,596	99,656,401
Projected Fund Balance as of 6/30/2022	-	-	-	-	2,191,761

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriation in the SPECIAL REVENUE FUND of the School District of the City of Pontiac for the fiscal year 2021-2022 be adopted as follows:

	FUND 250 FOOD SRVC	FUND 290 STUD ACT	TOTAL by FUND
REVENUE			
Local	32,014	61,500	93,514
State	103,000		103,000
Federal	3,160,699		3,160,699
Transfers	-		-
TOTAL REVENUE	3,295,713	61,500	3,357,213
Projected Fund Balance as of 6/30/2021	579,245	124,019	703,264
Total Available to Appropriate	3,874,958	185,519	4,060,477

BE IT FURTHER RESOLVED, that \$4,060,477 of the total available to appropriate in the SPECIAL REVENUE FOOD SERVICE FUND is hereby appropriated in the amounts and purposes set forth below:

	FUND 250 FOOD SRVC	FUND 290 STUD ACT	TOTAL by FUND
EXPENDITURES			
Basic Program	-	61,500	61,500
Support Services Other	3,295,713		3,295,713
Capital Expenditures	-		-
TOTAL EXPENDITURES	3,295,713	61,500	3,357,213
Projected Fund Balance as of 6/30/2022	579,245	124,019	703,264

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriations in the DEBT SERVICE FUND of the School District of the City of Pontiac for the fiscal year 2021-2022 be adopted as follows:

	FUND 170 GF Debt	FUND 320 BOND 2020	TOTAL by FUND
REVENUE			
Local	0	5,700,000	5,700,000
Other Financing Sources	2,100,000	-	2,100,000
TOTAL REVENUE	2,100,000	5,700,000	7,800,000
Projected Fund Balance as of 6/30/2021	30,813	0	30,813
Total Available to Appropriate	2,130,813	5,700,000	7,830,813

BE IT FURTHER RESOLVED, that \$7,830,813 of the total available to appropriate in the DEBT SERVICE FUND is hereby appropriated in the amounts and purposes set forth below:
adopted as follows:

	FUND 170 GF Debt	FUND 320 BOND 2020	TOTAL by FUND
EXPENDITURES			
Principal Payments	920,000	1,795,000	2,715,000
Interest Payments	1,169,115	3,805,750	4,974,865
Debt Defeasement / Other	0	-	0
TOTAL EXPENDITURES	2,089,115	5,600,750	7,689,865
Projected Fund Balance as of 6/30/2022	41,698	99,250	140,948

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriations in the CAPITAL PROJECT FUND of the School District of the City of Pontiac for the fiscal year 2021-2022 be adopted as follows:

	FUND 410 SINKING	FUND 420 BOND 2020	TOTAL by FUND
REVENUE			
Local	2,175,500	250,000	2,425,500
Other Financing Sources	0	-	-
TOTAL REVENUE	2,175,500	250,000	2,425,500
Projected Fund Balance as of 6/30/2021	1,325,895	81,626,790	82,952,685
Total Available to Appropriate	3,501,395	81,876,790	85,378,185

BE IT FURTHER RESOLVED, that \$85,378,185 of the total available to appropriate in the CAPITAL PROJECTS FUND is hereby appropriated in the amounts and purposes set forth below:
adopted as follows:

	FUND 410 SINKING	FUND 420 BOND 2020	TOTAL by FUND
EXPENDITURES			
Other Business Services	30,000		30,000
Building Improvements	3,000,000	31,200,000	34,200,000
Contingency		4,680,000	4,680,000
Instructional Technology		-	0
Furniture & Equipment		1,050,000	1,050,000
Site Improvements		5,200,000	5,200,000
Professional Fees	38,000	3,408,000	3,446,000
TOTAL EXPENDITURES	3,068,000	45,538,000	48,606,000
Projected Fund Balance as of 6/30/2022	433,395	36,338,790	36,772,185

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriations in the INTERNAL SERVICE FUND of the School District of the City of Pontiac for the fiscal year 2021-2022 be adopted as follows:

REVENUES	
Local	1,189,065
Transfers	0
TOTAL REVENUE	1,189,065
Projected Fund Balance as of 6/30/2021	760,597
Total Available to Appropriate	1,949,662

BE IT FURTHER RESOLVED, that \$1,949,662 of the total available to appropriate in the INTERNAL SERVICE FUND is hereby appropriated in the amounts and purposes set forth below:

EXPENDITURES	
Support Services Other	1,110,000
TOTAL EXPENDITURES	1,110,000
Projected Fund Balance as of 6/30/2022	839,662

BE IT FURTHER RESOLVED that for operating purposes 18.0000 mils be levied on non-homesteads and, that 6.0000 mils be levied on applicable commercial personal property; that .4000 mils be levied within applicable municipalities for the purposes of the MESSA Judgement Levy; that 0.7992 mils be levied for the sinking fund; and that 2.000 mils be levied for debt retirement purposes;

Fiscal Year 2022 Adopted Budget Resolution

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

BE IT FURTHER RESOLVED, that the Superintendent is hereby charged with general supervision of the execution of the Budget adopted by the Board of Education and shall hold the Assistant Superintendents, Directors, Assistant Directors and Managers responsible for performance of their responsibilities within the amounts appropriated by the Board of Education and in keeping with the budgetary policy statement adopted by the Board of Education. The Superintendent is further authorized to approve adjustments and/or transfers between line items within a fund of the Board adopted operating budget.



Gill Garrett
Secretary, Board of Education

The undersigned duly qualified and acting Secretary of the Board of Education of the School District of the City of Pontiac, County of Oakland, Michigan, hereby certifies that the foregoing is a true and complete copy of a Resolution adopted by the board of Education at a regular meeting held on June 21, 2021, the original of which Resolution is a part of the Board's minutes, and further certifies that notice of the meeting was given to the public under the Open Meetings Act, Act 267, Public Acts of Michigan 1976, as amended.



Gill Garrett
Secretary, Board of Education

School District of the City of Pontiac
Monthly Cash Flow
Since July of 2020, Projected through August 2022

Week Ending	July 2020	August 2020	September 2020	October 2020	November 2020	December 2020	January 2021	February 2021	March 2021	April 2021	May 2021	June 2021	FY 2021 TOTAL
1 Beginning Cash Balance	\$5,385,404	\$1,906,028	\$9,781,763	\$13,167,826	\$19,017,602	\$16,159,686	\$11,767,658	\$10,438,405	\$7,547,219	\$4,016,204	\$2,795,753	\$2,205,158	
2 Deposits	-	-	-	-	-	-	-	-	-	-	-	-	
3 State Aid Revenue	1,056,544	1,725,718	-	690,475	1,325,720	1,091,135	1,500,374	1,142,096	1,068,300	1,568,067	1,320,704	1,460,193	\$ 13,949,325
4 State Grants	-	-	529,882	570,118	-	-	-	177,000	-	-	-	-	\$ 1,277,000
5 Property Tax Revenue	1,453,882	6,304,561	7,183,178	13,914,777	252,357	149,389	215,268	8,376	242,893	1,294,275	1,259,621	1,203,291	\$ 33,481,867
6 Federal Grant Revenues	-	1,411,325	5,413,913	404,907	332,612	328,872	1,634,135	-	-	915,764	2,032,414	487,825	\$ 12,961,767
7 PA 18	-	3,619,000	-	-	-	-	-	-	-	-	-	-	\$ 3,619,000
8 Other Revenues	43,912	44,821	54,187	1,083,989	262,323	-	998,155	1,573,189	203,673	191,156	1,457,610	291,968	\$ 6,204,983
9 SAN Proceeds	-	4,486,208	-	-	-	-	-	-	-	-	-	-	\$ 4,486,208
10 TAN Proceeds	-	-	-	-	-	-	-	-	-	-	-	14,505,000	\$ 14,505,000
15 Total Revenues	\$ 2,554,338	\$ 17,591,632	\$ 13,181,160	\$ 16,664,266	\$ 2,173,012	\$ 1,569,396	\$ 4,347,931	\$ 2,900,661	\$ 1,514,866	\$ 3,969,262	\$ 6,070,349	\$ 17,948,277	\$ 90,485,150
16						0	-	-	-	-	-	-	
17 Expenditures						0	-	-	-	-	-	-	\$ -
18 Payroll Expenditures	2,065,238	1,325,070	1,774,036	1,913,786	1,918,020	1,833,244	1,822,875	1,864,887	1,920,966	1,925,047	2,591,731	2,145,513	\$ 23,100,413
19 Accounts Payable Expenditures	981,512	1,568,546	1,780,848	1,857,136	1,801,894	3,230,078	2,486,130	2,616,605	1,563,199	1,550,773	2,464,660	2,136,147	\$ 24,037,528
20 ORS Payments	1,474,736	722,696	595,292	675,039	1,241,836	623,560	936,370	949,176	972,565	967,466	1,167,683	1,007,702	\$ 11,334,121
21 SAN Debt Service	325,607	2,279,250	-	-	-	-	327,991	322,629	322,129	322,129	321,991	321,816	\$ 4,543,541
22 TAN Debt Service	821,634	3,592,778	5,171,795	6,088,724	-	-	-	-	-	-	-	-	\$ 15,674,931
23 A&R ELN 2013-14 Debt Service		-	-	138,251	-	-	-	-	-	136,370	-	-	\$ 274,621
24 A&R ELN 2014-15 Debt Service		-	-	135,738	-	-	-	-	-	133,890	-	-	\$ 269,628
25 MFA LGLP 2018A (Refi 2006 Bonds)		-	-	-	-	-	-	-	-	-	-	1,999,485	\$ 1,999,485
26 MFA LGLP 2018B (Refi 2014 Bonds)		-	151,650	-	69,178	274,541	-	-	-	154,038	-	-	\$ 649,407
27 Other Expenditures	364,986	227,557	321,477	5,817	-	-	103,818	38,551	267,022	-	114,879	44,273	\$ 1,488,380
28 Total Expenditures	\$ 6,033,713	\$ 9,715,897	\$ 9,795,098	\$ 10,814,491	\$ 5,030,928	\$ 5,961,423	\$ 5,677,184	\$ 5,791,848	\$ 5,045,881	\$ 5,189,713	\$ 6,660,944	\$ 7,654,936	\$ 83,372,055
30 Ending Cash	\$1,906,028	\$9,781,763	\$13,167,826	\$19,017,602	\$16,159,686	\$11,767,658	\$10,438,405	\$7,547,219	\$4,016,204	\$2,795,753	\$2,205,158	\$ 12,498,499	

School District of the City of Pontiac
Monthly Cash Flow
Since July of 2020, Projected through August 2022


Week Ending	July 2021	August 2021	September 2021	October 2021	November 2021	December 2021	January 2022	February 2022	March 2022	April 2022	May 2022	June 2022	FY 2022 TOTAL	July 2022	August 2022
1 Beginning Cash Balance	\$12,498,499	\$7,378,361	\$5,820,616	\$16,925,533	\$16,680,703	\$14,728,077	\$11,509,083	\$12,155,609	\$11,639,701	\$10,283,330	\$9,569,591	\$12,030,786	\$13,477,737	\$14,256,639	\$5,385,404
2 Deposits	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	-	-
3 State Aid Revenue	485,372	1,291,907	-	1,003,919	1,003,919	1,003,919	1,003,919	1,003,919	1,003,919	1,003,919	1,003,919	1,003,919	\$ 10,812,554	1,291,907	1,291,907
4 State Grants	-	529,882	570,118	-	-	-	-	309,764	309,764	-	-	-	\$ 1,719,529	-	529,882
5 Property Tax Revenue	648,687	4,760,288	24,465,375	1,055,560	259,928	153,871	221,726	8,627	250,180	1,333,103	1,297,410	839,390	\$ 35,294,143	-	4,807,891
6 Federal Grant Revenues	980,662	2,595,427	3,973,913	2,054,907	1,982,612	1,978,872	3,284,135	1,650,000	1,650,000	2,565,764	3,682,414	1,937,000	\$ 28,335,706	-	2,595,427
7 PA 18	-	-	-	-	-	-	-	-	-	-	-	1,633,734	\$ 1,633,734	-	-
8 Other Revenues	108,301	354,178	54,187	1,083,989	262,323	-	998,155	1,573,189	203,673	191,156	1,457,610	291,968	\$ 6,578,729	152,213	354,178
9 SAN Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	-	-
10 TAN Proceeds	-	-	-	-	-	-	-	-	2,500,000	4,000,000	3,500,000	5,000,000	\$ 15,000,000	-	-
15 Total Revenues	\$ 2,223,022	\$ 9,531,682	\$ 29,063,593	\$ 5,198,375	\$ 3,508,782	\$ 3,136,662	\$ 5,507,935	\$ 4,545,500	\$ 5,917,537	\$ 9,093,943	\$ 10,941,353	\$ 10,706,011	\$ 99,374,394	\$ 1,444,120	\$ 9,579,284
16	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	-	-
17 Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	-	-
18 Payroll Expenditures	3,885,611	1,469,230	2,809,366	1,872,910	1,972,910	1,872,910	1,872,910	1,872,910	1,872,910	2,909,366	1,872,910	1,872,910	\$ 26,156,855	3,018,099	2,012,066
19 Accounts Payable Expenditures	1,299,423	2,217,537	2,448,889	1,948,889	2,448,889	2,923,333	1,948,889	2,148,889	1,948,889	1,948,889	1,948,889	1,948,889	\$ 25,180,292	2,905,418	1,936,946
20 ORS Payments	1,555,938	744,376	918,936	918,936	918,936	1,378,403	918,936	918,936	918,936	918,936	918,936	918,936	\$ 11,949,138	1,378,747	919,164
21 SAN Debt Service	321,610	2,255,625	-	-	-	-	-	-	-	-	-	-	\$ 2,577,235	-	-
22 TAN Debt Service	-	4,281,985	11,660,813	-	-	-	-	-	-	-	-	-	\$ 15,942,798	-	3,461,681
23 A&R ELN 2013-14 Debt Service	-	-	-	138,630	-	-	-	-	-	136,370	-	-	\$ 275,000	-	-
24 A&R ELN 2014-15 Debt Service	-	-	-	136,042	-	-	-	-	-	133,823	-	-	\$ 269,865	-	-
25 MFA LGLP 2018A (Refi 2006 Bonds)	-	-	-	307,125	-	-	-	-	-	1,227,125	-	-	\$ 1,534,250	-	-
26 MFA LGLP 2018B (Refi 2014 Bonds)	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	-	-
27 Other Expenditures	280,578	120,673	120,673	120,673	120,673	181,010	120,673	120,673	2,533,173	2,533,173	3,739,423	3,739,423	\$ 13,730,821	-	-
28 Total Expenditures	\$ 7,343,160	\$ 11,089,426	\$ 17,958,676	\$ 5,443,205	\$ 5,461,408	\$ 6,355,657	\$ 4,861,408	\$ 5,061,408	\$ 7,273,908	\$ 9,807,682	\$ 8,480,158	\$ 8,480,158	\$ 97,616,254	\$ 7,302,264	\$ 8,329,857
30 Ending Cash	\$7,378,361	\$5,820,616	\$16,925,533	\$16,680,703	\$14,728,077	\$11,509,083	\$12,155,609	\$11,639,701	\$10,283,330	\$9,569,591	\$12,030,786	\$14,256,639		\$8,398,495	\$6,634,831

SORT: PE ID

PE ID	PE Name	Future	0-30 Day	31-60 Day	61-90 Day	91-120 Day	Over 120	Total
00000114	COLE WORLD ENTERTAINMENT	0.00	300.00	0.00	0.00	0.00	0.00	300.00
00000217	INDUSTRY SPECIFIC STAFFING	0.00	660.00	0.00	0.00	0.00	0.00	660.00
00000269	LEE CONTRACTING INC	0.00	104,510.31	0.00	0.00	0.00	0.00	104,510.31
00000334	NEOLA INC	0.00	750.00	0.00	0.00	0.00	0.00	750.00
00000352	OAKLAND SCHOOLS	0.00	8,400.00	0.00	0.00	0.00	0.00	8,400.00
00000356	CONCENTRA MEDICAL CENTERS	0.00	648.50	0.00	0.00	0.00	0.00	648.50
00000442	SPENCER OIL COMPANY	0.00	983.61	0.00	0.00	0.00	0.00	983.61
00000477	TRI-COUNTY POWER RODDING INC	0.00	750.00	0.00	0.00	0.00	0.00	750.00
00000551	DM BURR FACILITIES MANAGEMENT	0.00	0.00	32,441.68	0.00	0.00	0.00	32,441.68
00000593	HOMELAND LOCKSMITH AND SECURIT	0.00	39.00	0.00	0.00	0.00	0.00	39.00
00000623	SHERMETA & ADAMS	0.00	0.00	0.00	0.00	0.00	-1,964.93	-1,964.93
00000688	JOHN, BUTLER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
00000830	SCHOOL HEALTH CORPORATION DBA	0.00	382.68	0.00	0.00	0.00	0.00	382.68
00000865	ULINE INC	0.00	2,883.47	0.00	0.00	0.00	0.00	2,883.47
00000894	ORBIS PARTNERS LLC	0.00	1,560.00	0.00	0.00	0.00	0.00	1,560.00
00000919	CONSTELLATION NEW ENERGY	0.00	1,151.42	0.00	0.00	0.00	0.00	1,151.42
00000974	LUXER CORPORATION	0.00	1,188.00	0.00	0.00	0.00	0.00	1,188.00
00001038	NELCO SUPPLY COMPANY	0.00	48.00	0.00	0.00	0.00	0.00	48.00
00001056	INTERIOR SYSTEMS CONTRACT GROU	0.00	38,090.00	0.00	0.00	0.00	0.00	38,090.00
00001064	GOT DREAMS?	0.00	2,500.00	0.00	0.00	0.00	0.00	2,500.00
00001065	INFORM YOURSELF YOUTH DEVELOPM	0.00	4,800.00	0.00	0.00	0.00	0.00	4,800.00
00001069	THE HOPE LABORATORY INC	0.00	3,000.00	0.00	0.00	0.00	0.00	3,000.00
00001071	MY DANCE STUDIO INC	0.00	600.00	0.00	0.00	0.00	0.00	600.00
00001072	VERY PROFESSIONAL MARKETING GR	0.00	6,000.00	0.00	0.00	0.00	0.00	6,000.00
00001074	BANGTOWN STUDIO ON THE GO	0.00	1,875.00	0.00	0.00	0.00	0.00	1,875.00
00001080	WITH LOVE & CARE LLC	0.00	3,000.00	0.00	0.00	0.00	0.00	3,000.00
00001101	BRODERICK GARDNER	0.00	800.00	0.00	0.00	0.00	0.00	800.00

G R A N D	T O T A L S	0.00	184,919.99	32,441.68	0.00	0.00	-1,964.93	215,396.74

MICHIGAN DEPARTMENT OF TREASURY
Bureau of Local Government Services
PO Box 30728
Lansing, Michigan 48909
RESTRUCTURED EMERGENCY MUNICIPAL LOAN APPLICATION

Applicant:	School District of the City of Pontiac		
County/Countries of:	Oakland		
Mailing Address:	47200 Woodward Ave., Pontiac, MI 48342		
Chief Financial Officer:	James Graham	Phone:	(248) 451-6836
Contact Person:	James Graham	Phone:	(248) 451-6836
Issuance date of loan:	April 9, 2018		
Current loan balance:	\$10,000,000.00		

1. Is the municipality in compliance with the terms of the loan and any other requirements applicable to the municipality under PA 243 of 1980? Yes

If no, provide explanation:

2. Does the municipality have a certified deficit elimination plan? Yes If yes, provide date of certification: July 9, 2021

If no, provide explanation:

3. Is the municipality in compliance with any applicable neutral evaluation process, settlement agreement, consent agreement, or order of an emergency manager under PA 436 of 2012? N/A - Not under PA 436 of 2012

If no, provide explanation:

4. For School Districts only
Is the school district in compliance with all requirements for receipt of the foundation allowance and any other requirements applicable to the school district under PA 94 of 1979? Yes

If no, provide explanation:

5. For Municipalities other than School Districts
Is the municipality in compliance with all conditions for revenue distributed under PA 140 of 1971?

If no, provide explanation:

6. Does the restructuring of payments comply with applicable laws? Yes

If no, provide explanation:

7. Has the loan been sold or transferred under PA 243 of 1980, Section 6a? No If yes, provide date of sale or transfer:

ADDITIONAL REQUIRED INFORMATION

8. Resolution adopted by the governing body of the municipality approving the submission of the restructuring application.

9. Budget for current fiscal year and preceding fiscal year(s) if available.

10. Projected monthly cash flows for the preceding 12 months.

11. Accounts Payable Aging Report.

12. Describe the need for the restructuring. The District would restructure their Emergency Loan Notes (ELN) to 1) lower the interest rate on the loan, 2) revise the prepayment application language to allow for prepayments to be credited in any order, as mutually agree to by the District and State, and 3) accelerate the principal payments equal to the projected interest savings after the anticipated interest rate reduction and a portion of the former debt service amount on the redeemed 2018B bonds enabling the District to manage their overall debt profile with the goal of proactively reducing the debt burden of the District.

Chief Administrative Officer Name: Kelley Williams

Chief Administrative Officer Signature: 

Date: 8/26/2021

**SCHOOL DISTRICT OF THE CITY OF PONTIAC
COUNTY OF OAKLAND, STATE OF MICHIGAN**

**RESOLUTION AUTHORIZING APPLICATION FOR REDEMPTION AND
AMENDMENT TO THE
2015 EMERGENCY LOAN FROM THE STATE OF MICHIGAN,
RESTRUCTURING OF EMERGENCY LOAN NOTE 2014-15 SERIES I, AS AMENDED,
AND RELATED MATTERS**

A regular meeting of the Board of Education (the "Board") of the School District of the City of Pontiac, Oakland County, Michigan (the "School District") was conducted electronically on December 14, 2020, at 6:00 p.m. local time.

The meeting was called to order at 6:00 p.m. local time by Michael McGuinness, Board President.

Present: Members: Kenyada Bowman, William Carrington, ShaQuana Davis-Smith, Michael McGuinness, Kerry Tolbert, Caroll Turpin and Sherman Williams, II.

Absent: Members: None

The following preamble and resolution were offered by Member Kenyada Bowman and supported by Member Caroll Turpin:

WHEREAS, on July 22, 2015, pursuant to the Emergency Loan Act, Act 243 Public Acts of Michigan, 1980, as amended ("Act 243"), the School District obtained an emergency loan (the "2015 Loan") from the Local Emergency Financial Assistance Loan Board (the "ELB"), which 2015 Loan was evidenced by a note designated Emergency Loan Note (General Obligation Limited Tax) 2014–15 Series I, dated July 22, 2015, as subsequently amended and restated and currently designated Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2014–15 Series I, dated April 9, 2018, which currently is outstanding and in full force and effect in accordance with its terms (the "Restated 2015 Note");

WHEREAS, the State of Michigan (the "State"), under its fiscal year 2021 budget, may appropriate funds ("State Appropriated Funds") to be provided to certain eligible school districts for the paydown of debt to the State, which may include the 2015 Loan;

WHEREAS, in the event the School District receives State Appropriated Funds, the Board has determined that it is in the best interest of the School District to make application to the ELB, make filings with the State Department of Treasury, or take such other actions necessary to amend the 2015 Loan and the Restated 2015 Note to provide for prior redemption of

all or a portion of the annual principal payments under the Restated 2015 Note in such order and amounts as mutually determined by the State and the School District;

WHEREAS, the Board has further determined that it is in the best interest of the School District to make application to the ELB, make filings with the State Department of Treasury, or take such other actions necessary to amend the 2015 Loan and the Restated 2015 Note to provide for a reduction in the interest rate on the Restated 2015 Note, if permitted under Act 243; and

WHEREAS, the School District and The Huntington National Bank, as Master Trustee (the "Master Trustee"), are parties to the that certain Master Debt Retirement Trust Indenture dated as of September 1, 2014 (as supplemented or amended from time to time, the "Master Indenture").

NOW, THEREFORE, IT IS RESOLVED BY THE BOARD AS FOLLOWS:

1. Applications to Amend the Restated 2015 Note. The Superintendent, President or Vice President of the Board, Assistant Superintendent or Director of Business Services, or any one acting individually (each an "Authorized Officer") are hereby authorized and directed to submit one or more applications to the ELB, make filings with the State Department of Treasury, or take such other actions necessary for approval to amend the 2015 Loan and the Restated 2015 Note to: (a) provide for prior redemption of all or a portion of the annual principal payments under the Restated 2015 Note in such order and amounts as mutually determined by the State and the School District and the respective debt service payment schedules on the Restated 2015 Note; (b) provide for a reduction in the interest rate on the Restated 2014 Note, if permitted under Act 243; and/or (c) restructure the debt service payment schedule on the Restated 2015 Note.

2. The Amended Loan and Note. The amended 2015 Loan shall be evidenced by an amended and restated note which shall be exchanged for the Restated 2015 Note and shall be designated as the "Second Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2014-15 Series I", or such other designation approved by the ELB in its Order of Approval, as hereinafter defined (the "Second Amended 2015 Note"). An Authorized Officer is authorized and directed to negotiate the terms and amend the payment schedule for the Second Amended 2015 Note with the Michigan Department of Treasury (the "Treasury"), within the parameters allowed under the Act 243. The principal amount, interest rate, payment dates and final maturity date of the Second Amended 2015 shall be specified by the ELB in its Order of Approval ("the Order of Approval") of the Second Amended 2015 Note.

3. Form of Amended Note. The Second Amended 2015 Note shall be in substantially the form attached hereto as Exhibit A, and the completed amended repayment schedule and such other modifications, additions, changes and deletions as are approved by the Order of Approval and an Authorized Officer.

4. Execution of Amended Note. An Authorized Officer, on behalf of the School District, is hereby authorized to execute and deliver the Second Amended 2015 Note to the ELB as agent for the State in exchange for receiving back the Restated 2015 Note marked

RESOLUTION AUTHORIZING APPLICATION FOR REDEMPTION AND AMENDMENT TO THE
2015 EMERGENCY LOAN, EMERGENCY LOAN NOTE 2014-15 SERIES I AND RELATED
MATTERS

“CANCELED”; and the Authorized Officer is authorized and directed then to destroy such canceled note.

5. Supplement to Master Indenture. The Second Amended 2015 Note shall be an Additional Obligation and an Emergency Loan (as those terms are defined in the Master Indenture). Subject to any express parameters contained in this resolution, the School District hereby authorizes an Authorized Officer to negotiate, approve, execute and deliver a Supplemental Indenture (as defined in the Master Indenture) for the Second Amended 2015 Note, which shall establish deposit requirements for funds necessary to pay the debt service on the Second Amended 2015 Note secured by the Master Indenture.

6. Note Counsel. The representation of the School District by Miller, Canfield, Paddock and Stone, P.L.C. as note counsel (“Note Counsel”) is hereby approved, notwithstanding its periodic representation of other potential parties to the transaction in unrelated matters. The Superintendent is authorized to approve an engagement letter with Note Counsel that shall set forth the terms of Note Counsel’s engagement.

7. Municipal Advisor. The School District hereby appoints Robert W. Baird & Co., Incorporated to act as Municipal Advisor with reference to the transactions contemplated by this Resolution.

8. Further Actions. The Authorized Officer and other officers, administrators, agents and attorneys of the School District are authorized and directed to execute and deliver all other agreements, documents and certificates and to take all other actions necessary relating to the transactions contemplated by this Resolution. The officers, administrators, agents and attorneys of the School District are authorized and directed to pay costs of issuance and any other costs necessary to accomplish the transactions contemplated by this Resolution.

9. Prior Actions. Any actions taken by an Authorized Officer prior to the date hereof to effectuate the transactions contemplated by this Resolution are hereby ratified.

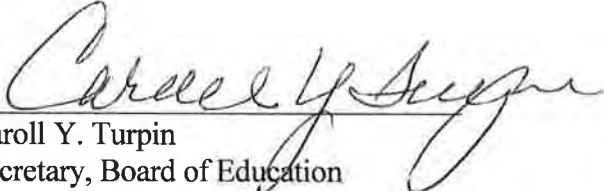
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10. Conflicts. All resolutions and parts of resolutions insofar as they conflict with the provisions of this Resolution be and the same hereby are rescinded.

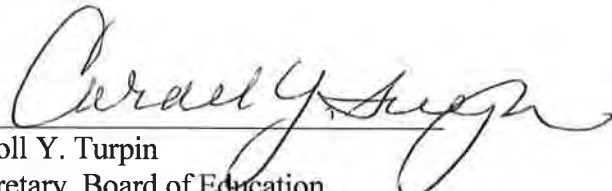
Ayes: Members: Michael McGuinness, ShaQuana Davis-Smith, Kerry Tolbert, Carroll Turpin, Sherman Williams, II., Kenyada Bowman and William Carrington

Nays: Members: None

Resolution Declared Adopted.


Carroll Y. Turpin
Secretary, Board of Education

The undersigned duly qualified and acting Secretary of the Board of Education of the School District of the City of Pontiac, hereby certifies that the foregoing is a true and complete copy of a resolution adopted by the Board at a regular meeting held on December 14, 2020, the original of which is a part of the Board's minutes and further certifies that notice of the meeting was given to the public pursuant to the provisions of the Open Meetings Act, being Act No. 267, Public Acts of Michigan, 1976, as amended.


Carroll Y. Turpin
Secretary, Board of Education

36870663

**RESOLUTION AUTHORIZING APPLICATION FOR REDEMPTION AND AMENDMENT TO THE
2015 EMERGENCY LOAN, EMERGENCY LOAN NOTE 2014-15 SERIES I AND RELATED
MATTERS**

EXHIBIT A

FORM OF SECOND AMENDED 2015 NOTE

R-1

**UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF OAKLAND**

SCHOOL DISTRICT OF THE CITY OF PONTIAC

**SECOND AMENDED AND RESTATED EMERGENCY LOAN NOTE
(General Obligation Limited Tax)
2014-15 Series I**

Registered Owner: **State of Michigan**

Principal Amount: \$ _____

Date of Original Issue: _____, 2021

The School District of the City of Pontiac, County of Oakland, State of Michigan (the "Issuer"), acknowledges itself to owe and for value received hereby promises to pay to the State of Michigan, the Principal Amount specified above, in lawful money of the United States of America, in _____ consecutive annual installments in the amounts as set forth on the attached Exhibit A, incorporated herein by reference, unless modified by a written agreement with the State Treasurer of Michigan (the "State Treasurer"), each on _____ 1 in each of the years ____ to ____, inclusive, unless prepaid prior thereto as hereinafter provided, with interest on the unpaid principal balance hereof from the Date of Original Issue specified above or such later date to which interest has been paid, until paid, at the rates per annum as set forth herein, first payable on _____, 20__ and semiannually on each _____ 1 and _____ 1 thereafter. Both the principal of and interest on this Note are payable at the Office of the State Treasurer in Lansing, Michigan, or such other place as may be designated in writing to the Issuer by the State Treasurer. In the event that an installment for the Principal Amount or interest due on _____ 1 or _____ 1 in any year falls on a Saturday, Sunday or any day in which banks in Michigan are generally not open, such payment shall be due on the next succeeding business day.

RESOLUTION AUTHORIZING APPLICATION FOR REDEMPTION AND AMENDMENT
TO THE 2015 EMERGENCY LOAN, EMERGENCY LOAN NOTE 2014-15 SERIES I AND
RELATED MATTERS

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From the Date of Original Issue specified above until paid, this Note shall bear interest at the rate of _____% per annum, which may be subsequently adjusted pursuant to Section 6, Section 6a or Section 7(2) of the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended ("Act 243"). Interest on this note shall be computed on the basis of a 365- or 366-day year and the actual number of days elapsed.

This Note is issued on the Date of Original Issue specified above, under and in full compliance with the Constitution and statutes of the State of Michigan, including specifically Act 243, pursuant to a resolution of the Board of the Issuer, adopted on December 14, 2020. This Note amends, restates and supersedes entirely the \$10,000,000 Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2013-14 Series I having a date of Original Issue of April 9, 2018, that was issued by the Issuer under Act 243 pursuant to a resolution adopted by the Board of Education of the Issuer on March 5, 2018, to evidence the obligation of the Issuer to repay an emergency loan made to it by the State of Michigan for the purpose of enabling the issuer to meet its financial obligations.

The Issuer shall have the right to pay at any time or times prior to maturity, without penalty or premium, all or any portion of this Note. Prepayments shall be credited to principal payments [in any order, in whole or in part, as mutually agreed to by the Issuer and the State of Michigan.]

This Note and the interest hereon are payable, as a first budget obligation, from any funds of the Issuer available therefor, including but not limited to any delinquent taxes payable to the Issuer from the County of Oakland, State of Michigan's delinquent tax revolving fund, or from general ad valorem taxes imposed on all taxable property within the geographic boundaries of the Issuer for the payment thereof, subject to applicable constitutional and statutory tax rate limitations. This Note is secured by a Master Debt Retirement Trust Indenture dated as of September 1, 2014, as supplemented by certain supplemental indentures (as supplemented the "Master Indenture") between the Issuer and The Huntington National Bank as master trustee (the "Master Trustee").

The maturity of principal of and accrued and unpaid interest on this Note may be accelerated by the State Treasurer on behalf of the State of Michigan upon the occurrence and during the continuance of any Event of Default under this Note. Each of the following shall constitute an "Event of Default" under this Note; (A) non-payment of any principal of or interest on this Note, when due; and (B) failure of the Issuer to comply with the terms of the Conditions Upon School District provided in the Order of Approval, dated the date hereof between the Issuer and the State of Michigan.

RESOLUTION AUTHORIZING APPLICATION FOR REDEMPTION AND AMENDMENT
TO THE 2015 EMERGENCY LOAN, EMERGENCY LOAN NOTE 2014-15 SERIES I AND
RELATED MATTERS

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The Issuer shall pledge to the State Treasurer a sufficient amount of the proceeds of the operating taxes levied for the Issuer and the delinquencies thereon that is necessary to pay the principal of and interest on this Note, when due. The Issuer has entered into separate Amended and Restated Tax Intercept Agreements, dated as of September 25, 2014 (as they may be amended from time to time, "Tax Intercept Agreements") with the Master Trustee, and (separately) the City of Auburn Hills, the Charter Township of Bloomfield, the City of Pontiac (each a "Local Government" and collectively the "Local Governments") and the County Treasurer of the County of Oakland, to provide for the payment to the Master Trustee by such Local Governments and County Treasurer of such operating taxes and the delinquencies thereon collected by them on behalf of the Issuer after July 1, 2018. As additional security for payment of this Note and in the event of the delinquency of the Issuer in paying required principal of or interest on this Note, the State Treasurer is authorized to intercept up to but not more than all delinquent amounts of principal and interest due on this Note from state school aid payments to the Issuer otherwise required to be made to the Issuer pursuant to the provisions of the State School Aid Act, Act 94, Public Acts of 1979, as amended, and said intercepted state school aid payments shall be applied by the State Treasurer against said delinquent payments. The Issuer's pledges of the proceeds of operating taxes and state school aid payments described in this paragraph shall be subordinate to all other municipal securities, state aid notes and tax anticipation notes of the Issuer sold to the Michigan Finance Authority, regardless of the date of issue. However, this current pledge of operating taxes and state school aid payments shall be senior to pledges for payment of all state aid notes, tax anticipation notes, or other debt issued after the date of this Note and sold to all other parties that are not the Michigan Finance Authority, unless subordinated by the State Treasurer. This note is issued on a *pari passu* basis with the emergency loan note of the issuer dated _____, 2021 and maturing on May, 1 20____.

The Issuer has entered into the Master Indenture related to (among other things) the Tax Intercept Agreements with the Master Trustee to provide for the manner in which the revenue from taxes collected will be deposited for use to repay the principal and interest due on this Note and the Issuer's senior obligations.

Except as State law may require, the limited tax, full faith and credit resources of the Issuer are hereby pledged for the payment of the principal of and interest on this Note. This Note is payable primarily from ad valorem taxes, which will be levied within the authorized Constitutional and statutory tax limitations of the Issuer, and an irrevocable appropriation of a sufficient amount of such taxes will be made each year as a first operating budget obligation for the payment of the principal of and interest on this Note as due, subordinate to all first liens on said funds pledged for the payment of other municipal securities, state aid notes or tax anticipation notes sold to the Michigan Finance Authority, further subordinate to any first liens on said funds pledged for the payment of

RESOLUTION AUTHORIZING APPLICATION FOR REDEMPTION AND AMENDMENT
TO THE 2015 EMERGENCY LOAN, EMERGENCY LOAN NOTE 2014-15 SERIES I AND
RELATED MATTERS

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state aid notes, lines of credit or tax anticipation notes issued prior to the date of this Note and sold to parties other than the Michigan Finance Authority, and subordinate to any statutory obligations to set aside operating tax collections for any tax anticipation notes issued subsequent to this Note. If taxes are insufficient to pay this Note when due, the Issuer has pledged to use any and all other resources available for the payment of this Note, The Issuer does not have the power to levy taxes for the payment of this Note in excess of its Constitutional or statutory tax rate limitations.

The Issuer covenants that it shall perform and meet all requirements imposed upon the Issuer as a result of receiving this loan pursuant to Act 243 and as provided in the Order of Approval until this Note is paid in full.

The Issuer waives presentment, demand, notice of dishonor, protest and notice of non-payment with respect to this Note.

It is hereby certified and recited that all acts, conditions and things required by law to be done, precedent to and in the issuance of this Note, exist and have been done and performed in regular and due form and time as required by law, and that the total indebtedness of the Issuer, including this Note, does not exceed any constitutional or statutory debt limitation.

**School District of the City of Pontiac
County of Oakland, State of Michigan**

By: _____

Its: _____

**RESOLUTION AUTHORIZING APPLICATION FOR REDEMPTION AND AMENDMENT
TO THE 2015 EMERGENCY LOAN, EMERGENCY LOAN NOTE 2014-15 SERIES I AND
RELATED MATTERS**

A-4

EXHIBIT A

**DEBT RETIREMENT SCHEDULE
[Attached]**

36870663.1/155356.00003

**RESOLUTION FOR ADOPTION BY
School District of the City of Pontiac
Fiscal Year 2022 Adopted Budget Resolution**

RESOLVED, that this resolution shall be the **GENERAL FUND** Appropriation Act of the School District for the City of Pontiac for the fiscal year 2021-2022: A resolution to make appropriations, and to provide for the disposition of all income received by the School District of the City of Pontiac.

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriations in the **GENERAL FUND** of the School District of the City of Pontiac for the fiscal year for the fiscal year 2021-2022; AN ACT to make appropriations; to provide for the expenditure of the appropriations;

	FUND 110 GEF	FUND 120 GRANTS	FUND 130 SEF	FUND 150 ATHLETICS	TOTAL by FUND
REVENUE					
Local	34,098,513	1,176,053	-	26,000	35,300,566
State	3,680,985	6,157,629	3,425,045	-	13,263,659
Federal	-	26,762,670	1,599,100	-	28,361,770
County & InterDistrict and Other Transfers	18,322,692	-	5,080,022	384,596	23,787,310
TOTAL REVENUE	56,102,190	34,096,352	10,104,167	410,596	100,713,305
Projected Fund Balance as of 6/30/2021	-	-	-	-	1,134,857
Total Available to Appropriate	-	-	-	-	101,848,162

BE IT FURTHER RESOLVED, that \$101,848,162 of the total available to appropriate in the **GENERAL FUND** is hereby appropriated in the amounts and purposes set forth below:

	FUND 110 GEF	FUND 120 GRANTS	FUND 130 SEF	FUND 150 ATHLETICS	TOTAL by FUND
EXPENDITURES					
INSTRUCTION					
Basic Programs	11,882,961	7,338,198	-	-	19,221,159
Added Needs	12,200	7,104,793	8,351,383	-	15,468,376
Adult & Continuing Education	-	159,322	-	-	159,322
SUPPORT SERVICES					
Pupil Support	965,227	2,136,137	2,578,659	-	5,680,023
Instructional Support	1,905,827	1,875,149	607,245	-	4,388,221
General Administration	1,580,442	-	-	-	1,580,442
School Administration	3,080,154	-	259,143	-	3,339,297
Business Support	1,249,818	5,000	-	22,000	1,276,818

	FUND 110 GEF	FUND 120 GRANTS	FUND 130 SEF	FUND 150 ATHLETICS	TOTAL by FUND
Operations/Maint. & Security	7,621,034	990,630	165,000	22,500	8,799,164
Transportation	2,125,495	1,081,773	1,702,608	35,000	4,944,876
Central Support	3,284,379	96,226	27,142	-	3,407,747
Other	-	-	-	331,096	331,096
COMMUNITY SERVICES	1,500	548,932	18,182	-	568,614
CAPITAL/BLDG IMPROVEMENTS	50,000	12,012,500	-	-	-
LONG TERM DEBT	15,130,000	-	-	-	15,130,000
FUND MODIFICATIONS					
Indirect Costs	2,484,596	747,692	66,458	-	3,298,746
TOTAL EXPENDITURES	51,373,633	34,096,352	13,775,820	410,596	99,656,401
Projected Fund Balance as of 6/30/2022	-	-	-	-	2,191,761

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriation in the SPECIAL REVENUE FUND of the School District of the City of Pontiac for the fiscal year 2021-2022 be adopted as follows:

	FUND 250 FOOD SRVC	FUND 290 STUD ACT	TOTAL by FUND
REVENUE			
Local	32,014	61,500	93,514
State	103,000		103,000
Federal	3,160,699		3,160,699
Transfers	-		-
TOTAL REVENUE	3,295,713	61,500	3,357,213
Projected Fund Balance as of 6/30/2021	579,245	124,019	703,264
Total Available to Appropriate	3,874,958	185,519	4,060,477

BE IT FURTHER RESOLVED, that \$4,060,477 of the total available to appropriate in the SPECIAL REVENUE FOOD SERVICE FUND is hereby appropriated in the amounts and purposes set forth below:

	FUND 250 FOOD SRVC	FUND 290 STUD ACT	TOTAL by FUND
EXPENDITURES			
Basic Program	-	61,500	61,500
Support Services Other	3,295,713		3,295,713
Capital Expenditures	-		-
TOTAL EXPENDITURES	3,295,713	61,500	3,357,213
Projected Fund Balance as of 6/30/2022	579,245	124,019	703,264

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriations in the DEBT SERVICE FUND of the School District of the City of Pontiac for the fiscal year 2021-2022 be adopted as follows:

	FUND 170 GF Debt	FUND 320 BOND 2020	TOTAL by FUND
REVENUE			
Local	0	5,700,000	5,700,000
Other Financing Sources	2,100,000	-	2,100,000
TOTAL REVENUE	2,100,000	5,700,000	7,800,000
Projected Fund Balance as of 6/30/2021	30,813	0	30,813
Total Available to Appropriate	2,130,813	5,700,000	7,830,813

BE IT FURTHER RESOLVED, that \$7,830,813 of the total available to appropriate in the DEBT SERVICE FUND is hereby appropriated in the amounts and purposes set forth below:
adopted as follows:

	FUND 170 GF Debt	FUND 320 BOND 2020	TOTAL by FUND
EXPENDITURES			
Principal Payments	920,000	1,795,000	2,715,000
Interest Payments	1,169,115	3,805,750	4,974,865
Debt Defeasement / Other	0	-	0
TOTAL EXPENDITURES	2,089,115	5,600,750	7,689,865
Projected Fund Balance as of 6/30/2022	41,698	99,250	140,948

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriations in the CAPITAL PROJECT FUND of the School District of the City of Pontiac for the fiscal year 2021-2022 be adopted as follows:

	FUND 410 SINKING	FUND 420 BOND 2020	TOTAL by FUND
REVENUE			
Local	2,175,500	250,000	2,425,500
Other Financing Sources	0	-	-
TOTAL REVENUE	2,175,500	250,000	2,425,500
Projected Fund Balance as of 6/30/2021	1,325,895	81,626,790	82,952,685
Total Available to Appropriate	3,501,395	81,876,790	85,378,185

BE IT FURTHER RESOLVED, that \$85,378,185 of the total available to appropriate in the CAPITAL PROJECTS FUND is hereby appropriated in the amounts and purposes set forth below:
adopted as follows:

	FUND 410 SINKING	FUND 420 BOND 2020	TOTAL by FUND
EXPENDITURES			
Other Business Services	30,000		30,000
Building Improvements	3,000,000	31,200,000	34,200,000
Contingency		4,680,000	4,680,000
Instructional Technology		-	0
Furniture & Equipment		1,050,000	1,050,000
Site Improvements		5,200,000	5,200,000
Professional Fees	38,000	3,408,000	3,446,000
TOTAL EXPENDITURES	3,068,000	45,538,000	48,606,000
Projected Fund Balance as of 6/30/2022	433,395	36,338,790	36,772,185

BE IT FURTHER RESOLVED, that the total revenues and unappropriated fund balance estimated to be available for appropriations in the INTERNAL SERVICE FUND of the School District of the City of Pontiac for the fiscal year 2021-2022 be adopted as follows:

REVENUES	
Local	1,189,065
Transfers	0
TOTAL REVENUE	1,189,065
Projected Fund Balance as of 6/30/2021	760,597
Total Available to Appropriate	1,949,662

BE IT FURTHER RESOLVED, that \$1,949,662 of the total available to appropriate in the INTERNAL SERVICE FUND is hereby appropriated in the amounts and purposes set forth below:

EXPENDITURES	
Support Services Other	1,110,000
TOTAL EXPENDITURES	1,110,000
Projected Fund Balance as of 6/30/2022	839,662

BE IT FURTHER RESOLVED that for operating purposes 18.0000 mills be levied on non-homesteads and, that 6.0000 mills be levied on applicable commercial personal property; that .4000 mills be levied within applicable municipalities for the purposes of the MESSA Judgement Levy; that 0.7992 mills be levied for the sinking fund; and that 2.000 mills be levied for debt retirement purposes;

Fiscal Year 2022 Adopted Budget Resolution

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

BE IT FURTHER RESOLVED, that the Superintendent is hereby charged with general supervision of the execution of the Budget adopted by the Board of Education and shall hold the Assistant Superintendents, Directors, Assistant Directors and Managers responsible for performance of their responsibilities within the amounts appropriated by the Board of Education and in keeping with the budgetary policy statement adopted by the Board of Education. The Superintendent is further authorized to approve adjustments and/or transfers between line items within a fund of the Board adopted operating budget.



Gill Garrett
Secretary, Board of Education

The undersigned duly qualified and acting Secretary of the Board of Education of the School District of the City of Pontiac, County of Oakland, Michigan, hereby certifies that the foregoing is a true and complete copy of a Resolution adopted by the board of Education at a regular meeting held on June 21, 2021, the original of which Resolution is a part of the Board's minutes, and further certifies that notice of the meeting was given to the public under the Open Meetings Act, Act 267, Public Acts of Michigan 1976, as amended.



Gill Garrett
Secretary, Board of Education

School District of the City of Pontiac
Monthly Cash Flow
Since July of 2020, Projected through August 2022

Week Ending	July 2020	August 2020	September 2020	October 2020	November 2020	December 2020	January 2021	February 2021	March 2021	April 2021	May 2021	June 2021	FY 2021 TOTAL
1 Beginning Cash Balance	\$5,385,404	\$1,906,028	\$9,781,763	\$13,167,826	\$19,017,602	\$16,159,686	\$11,767,658	\$10,438,405	\$7,547,219	\$4,016,204	\$2,795,753	\$2,205,158	
2 Deposits	-	-	-	-	-	-	-	-	-	-	-	-	
3 State Aid Revenue	1,056,544	1,725,718	-	690,475	1,325,720	1,091,135	1,500,374	1,142,096	1,068,300	1,568,067	1,320,704	1,460,193	\$ 13,949,325
4 State Grants	-	-	529,882	570,118	-	-	-	177,000	-	-	-	-	\$ 1,277,000
5 Property Tax Revenue	1,453,882	6,304,561	7,183,178	13,914,777	252,357	149,389	215,268	8,376	242,893	1,294,275	1,259,621	1,203,291	\$ 33,481,867
6 Federal Grant Revenues	-	1,411,325	5,413,913	404,907	332,612	328,872	1,634,135	-	-	915,764	2,032,414	487,825	\$ 12,961,767
7 PA 18	-	3,619,000	-	-	-	-	-	-	-	-	-	-	\$ 3,619,000
8 Other Revenues	43,912	44,821	54,187	1,083,989	262,323	-	998,155	1,573,189	203,673	191,156	1,457,610	291,968	\$ 6,204,983
9 SAN Proceeds	-	4,486,208	-	-	-	-	-	-	-	-	-	-	\$ 4,486,208
10 TAN Proceeds	-	-	-	-	-	-	-	-	-	-	-	14,505,000	\$ 14,505,000
15 Total Revenues	\$ 2,554,338	\$ 17,591,632	\$ 13,181,160	\$ 16,664,266	\$ 2,173,012	\$ 1,569,396	\$ 4,347,931	\$ 2,900,661	\$ 1,514,866	\$ 3,969,262	\$ 6,070,349	\$ 17,948,277	\$ 90,485,150
16						0	-	-	-	-	-	-	
17 Expenditures						0	-	-	-	-	-	-	\$ -
18 Payroll Expenditures	2,065,238	1,325,070	1,774,036	1,913,786	1,918,020	1,833,244	1,822,875	1,864,887	1,920,966	1,925,047	2,591,731	2,145,513	\$ 23,100,413
19 Accounts Payable Expenditures	981,512	1,568,546	1,780,848	1,857,136	1,801,894	3,230,078	2,486,130	2,616,605	1,563,199	1,550,773	2,464,660	2,136,147	\$ 24,037,528
20 ORS Payments	1,474,736	722,696	595,292	675,039	1,241,836	623,560	936,370	949,176	972,565	967,466	1,167,683	1,007,702	\$ 11,334,121
21 SAN Debt Service	325,607	2,279,250	-	-	-	-	327,991	322,629	322,129	322,129	321,991	321,816	\$ 4,543,541
22 TAN Debt Service	821,634	3,592,778	5,171,795	6,088,724	-	-	-	-	-	-	-	-	\$ 15,674,931
23 A&R ELN 2013-14 Debt Service		-	-	138,251	-	-	-	-	-	136,370	-	-	\$ 274,621
24 A&R ELN 2014-15 Debt Service		-	-	135,738	-	-	-	-	-	133,890	-	-	\$ 269,628
25 MFA LGLP 2018A (Refi 2006 Bonds)		-	-	-	-	-	-	-	-	-	-	1,999,485	\$ 1,999,485
26 MFA LGLP 2018B (Refi 2014 Bonds)		-	151,650	-	69,178	274,541	-	-	-	154,038	-	-	\$ 649,407
27 Other Expenditures	364,986	227,557	321,477	5,817	-	-	103,818	38,551	267,022	-	114,879	44,273	\$ 1,488,380
28 Total Expenditures	\$ 6,033,713	\$ 9,715,897	\$ 9,795,098	\$ 10,814,491	\$ 5,030,928	\$ 5,961,423	\$ 5,677,184	\$ 5,791,848	\$ 5,045,881	\$ 5,189,713	\$ 6,660,944	\$ 7,654,936	\$ 83,372,055
30 Ending Cash	\$1,906,028	\$9,781,763	\$13,167,826	\$19,017,602	\$16,159,686	\$11,767,658	\$10,438,405	\$7,547,219	\$4,016,204	\$2,795,753	\$2,205,158	\$ 12,498,499	

School District of the City of Pontiac
Monthly Cash Flow
Since July of 2020, Projected through August 2022

Week Ending	July 2021	August 2021	September 2021	October 2021	November 2021	December 2021	January 2022	February 2022	March 2022	April 2022	May 2022	June 2022	FY 2022 TOTAL	July 2022	August 2022
1 Beginning Cash Balance	\$12,498,499	\$7,378,361	\$5,820,616	\$16,925,533	\$16,680,703	\$14,728,077	\$11,509,083	\$12,155,609	\$11,639,701	\$10,283,330	\$9,569,591	\$12,030,786	\$13,477,737	\$14,256,639	\$5,385,404
2 Deposits	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	-	-
3 State Aid Revenue	485,372	1,291,907	-	1,003,919	1,003,919	1,003,919	1,003,919	1,003,919	1,003,919	1,003,919	1,003,919	1,003,919	\$ 10,812,554	1,291,907	1,291,907
4 State Grants	-	529,882	570,118	-	-	-	-	309,764	309,764	-	-	-	\$ 1,719,529	-	529,882
5 Property Tax Revenue	648,687	4,760,288	24,465,375	1,055,560	259,928	153,871	221,726	8,627	250,180	1,333,103	1,297,410	839,390	\$ 35,294,143	-	4,807,891
6 Federal Grant Revenues	980,662	2,595,427	3,973,913	2,054,907	1,982,612	1,978,872	3,284,135	1,650,000	1,650,000	2,565,764	3,682,414	1,937,000	\$ 28,335,706	-	2,595,427
7 PA 18	-	-	-	-	-	-	-	-	-	-	-	1,633,734	\$ 1,633,734	-	-
8 Other Revenues	108,301	354,178	54,187	1,083,989	262,323	-	998,155	1,573,189	203,673	191,156	1,457,610	291,968	\$ 6,578,729	152,213	354,178
9 SAN Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	-	-
10 TAN Proceeds	-	-	-	-	-	-	-	-	2,500,000	4,000,000	3,500,000	5,000,000	\$ 15,000,000	-	-
15 Total Revenues	\$ 2,223,022	\$ 9,531,682	\$ 29,063,593	\$ 5,198,375	\$ 3,508,782	\$ 3,136,662	\$ 5,507,935	\$ 4,545,500	\$ 5,917,537	\$ 9,093,943	\$ 10,941,353	\$ 10,706,011	\$ 99,374,394	\$ 1,444,120	\$ 9,579,284
16	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	-	-
17 Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	-	-
18 Payroll Expenditures	3,885,611	1,469,230	2,809,366	1,872,910	1,972,910	1,872,910	1,872,910	1,872,910	1,872,910	2,909,366	1,872,910	1,872,910	\$ 26,156,855	3,018,099	2,012,066
19 Accounts Payable Expenditures	1,299,423	2,217,537	2,448,889	1,948,889	2,448,889	2,923,333	1,948,889	2,148,889	1,948,889	1,948,889	1,948,889	1,948,889	\$ 25,180,292	2,905,418	1,936,946
20 ORS Payments	1,555,938	744,376	918,936	918,936	918,936	1,378,403	918,936	918,936	918,936	918,936	918,936	918,936	\$ 11,949,138	1,378,747	919,164
21 SAN Debt Service	321,610	2,255,625	-	-	-	-	-	-	-	-	-	-	\$ 2,577,235	-	-
22 TAN Debt Service	-	4,281,985	11,660,813	-	-	-	-	-	-	-	-	-	\$ 15,942,798	-	3,461,681
23 A&R ELN 2013-14 Debt Service	-	-	-	138,630	-	-	-	-	-	136,370	-	-	\$ 275,000	-	-
24 A&R ELN 2014-15 Debt Service	-	-	-	136,042	-	-	-	-	-	133,823	-	-	\$ 269,865	-	-
25 MFA LGLP 2018A (Refi 2006 Bonds)	-	-	-	307,125	-	-	-	-	-	1,227,125	-	-	\$ 1,534,250	-	-
26 MFA LGLP 2018B (Refi 2014 Bonds)	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	-	-
27 Other Expenditures	280,578	120,673	120,673	120,673	120,673	181,010	120,673	120,673	2,533,173	2,533,173	3,739,423	3,739,423	\$ 13,730,821	-	-
28 Total Expenditures	\$ 7,343,160	\$ 11,089,426	\$ 17,958,676	\$ 5,443,205	\$ 5,461,408	\$ 6,355,657	\$ 4,861,408	\$ 5,061,408	\$ 7,273,908	\$ 9,807,682	\$ 8,480,158	\$ 8,480,158	\$ 97,616,254	\$ 7,302,264	\$ 8,329,857
30 Ending Cash	\$7,378,361	\$5,820,616	\$16,925,533	\$16,680,703	\$14,728,077	\$11,509,083	\$12,155,609	\$11,639,701	\$10,283,330	\$9,569,591	\$12,030,786	\$14,256,639		\$8,398,495	\$6,634,831

SORT: PE ID

PE ID	PE Name	Future	0-30 Day	31-60 Day	61-90 Day	91-120 Day	Over 120	Total
00000114	COLE WORLD ENTERTAINMENT	0.00	300.00	0.00	0.00	0.00	0.00	300.00
00000217	INDUSTRY SPECIFIC STAFFING	0.00	660.00	0.00	0.00	0.00	0.00	660.00
00000269	LEE CONTRACTING INC	0.00	104,510.31	0.00	0.00	0.00	0.00	104,510.31
00000334	NEOLA INC	0.00	750.00	0.00	0.00	0.00	0.00	750.00
00000352	OAKLAND SCHOOLS	0.00	8,400.00	0.00	0.00	0.00	0.00	8,400.00
00000356	CONCENTRA MEDICAL CENTERS	0.00	648.50	0.00	0.00	0.00	0.00	648.50
00000442	SPENCER OIL COMPANY	0.00	983.61	0.00	0.00	0.00	0.00	983.61
00000477	TRI-COUNTY POWER RODDING INC	0.00	750.00	0.00	0.00	0.00	0.00	750.00
00000551	DM BURR FACILITIES MANAGEMENT	0.00	0.00	32,441.68	0.00	0.00	0.00	32,441.68
00000593	HOMELAND LOCKSMITH AND SECURIT	0.00	39.00	0.00	0.00	0.00	0.00	39.00
00000623	SHERMETA & ADAMS	0.00	0.00	0.00	0.00	0.00	-1,964.93	-1,964.93
00000688	JOHN, BUTLER	0.00	0.00	0.00	0.00	0.00	0.00	0.00
00000830	SCHOOL HEALTH CORPORATION DBA	0.00	382.68	0.00	0.00	0.00	0.00	382.68
00000865	ULINE INC	0.00	2,883.47	0.00	0.00	0.00	0.00	2,883.47
00000894	ORBIS PARTNERS LLC	0.00	1,560.00	0.00	0.00	0.00	0.00	1,560.00
00000919	CONSTELLATION NEW ENERGY	0.00	1,151.42	0.00	0.00	0.00	0.00	1,151.42
00000974	LUXER CORPORATION	0.00	1,188.00	0.00	0.00	0.00	0.00	1,188.00
00001038	NELCO SUPPLY COMPANY	0.00	48.00	0.00	0.00	0.00	0.00	48.00
00001056	INTERIOR SYSTEMS CONTRACT GROU	0.00	38,090.00	0.00	0.00	0.00	0.00	38,090.00
00001064	GOT DREAMS?	0.00	2,500.00	0.00	0.00	0.00	0.00	2,500.00
00001065	INFORM YOURSELF YOUTH DEVELOPM	0.00	4,800.00	0.00	0.00	0.00	0.00	4,800.00
00001069	THE HOPE LABORATORY INC	0.00	3,000.00	0.00	0.00	0.00	0.00	3,000.00
00001071	MY DANCE STUDIO INC	0.00	600.00	0.00	0.00	0.00	0.00	600.00
00001072	VERY PROFESSIONAL MARKETING GR	0.00	6,000.00	0.00	0.00	0.00	0.00	6,000.00
00001074	BANGTOWN STUDIO ON THE GO	0.00	1,875.00	0.00	0.00	0.00	0.00	1,875.00
00001080	WITH LOVE & CARE LLC	0.00	3,000.00	0.00	0.00	0.00	0.00	3,000.00
00001101	BRODERICK GARDNER	0.00	800.00	0.00	0.00	0.00	0.00	800.00

G R A N D	T O T A L S	0.00	184,919.99	32,441.68	0.00	0.00	-1,964.93	215,396.74



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RACHAEL EUBANKS
STATE TREASURER

LOCAL EMERGENCY FINANCIAL ASSISTANCE LOAN BOARD

ORDER 2021-4

ORDER OF APPROVAL OF EMERGENCY LOAN RESTRUCTURING

**THE LOCAL EMERGENCY FINANCIAL ASSISTANCE LOAN BOARD,
ACTING UPON THE APPLICATION OF**

**THE SCHOOL DISTRICT OF THE CITY OF PONTIAC
COUNTY OF OAKLAND
STATE OF MICHIGAN**

Requesting approval for the restructuring of the Second Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2013-14 Series I, for the purpose of enabling the School District of the City of Pontiac (the "School District") to meet its financial obligations as more fully set forth herein, the Board determines that:

1. A financial emergency exists within the School District.
2. The School District is deemed to have complied with the provisions of Public Act 243 of 1980, the Emergency Municipal Loan Act, as amended, as follows:
 - (a) The School District is in compliance with the terms of the Second Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2013-14 Series I and any other requirements applicable to the School District under the Emergency Municipal Loan Act, as amended.
 - (b) The School District is in compliance with any requirements relating to a deficit elimination plan under state law.

- (c) The School District is in compliance with any applicable consent agreement or order of an emergency manager under the local financial stability and choice act, 2012 PA 436, MCL 141.1541 to 141.1575, or a successor statute.
- (d) The School District is in compliance with all requirements for receipt of the foundation allowance and any other requirements applicable to the School District under the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1896.
- (e) The restructuring of payments complies with applicable law.
- (f) The Second Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2013-14 Series I has not been sold or transferred under Section 6a of the Emergency Municipal Loan Act, as amended.

NOW, THEREFORE, be it ordered by the Board that the application of the School District for the restructuring of the Second Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2013-14 Series I is hereby approved, subject to the conditions set forth in this Order of Approval.

Terms of Restructured Emergency Loan

1. The restructured emergency loan shall be evidenced by a note to be designated as the "Third Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2013-14 Series I." The principal amount outstanding shall bear interest initially at the rate of 1.40% percent (1.40%) per annum, which may be subsequently adjusted pursuant to Section 6a or Section 7(2) of the Emergency Municipal Loan Act, as amended. Until the emergency loan is repaid, a payment of principal and interest then owing shall be remitted each May 1, or the next succeeding business day, beginning May 1, 2022, and a payment of interest only then owing shall be remitted each November 1, or the next succeeding business day, beginning November 1, 2022, with a date of final maturity of May 1, 2044, per attached payment schedule (Exhibit A).
2. The School District shall abide by all conditions contained herein in order to remain in compliance with the terms of the Third Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2013-14 Series I. Such conditions shall be satisfied by the School District, including that all documents shall be in form and substance satisfactory to the State Treasurer on behalf of the State of Michigan, in the sole discretion of the State Treasurer, unless waived by the State Treasurer in writing.

Conditions Upon School District

1. As an initial condition of the restructuring of the emergency loan authorized by this Order of Approval, the Superintendent and Board of Education of the School District agree to perform the following:
 - (a) Pay all interest accrued under the Second Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2013-14 evidencing the emergency loan due through September 28, 2021.
 - (b) Execute a third amended and restated cognovit authorizing the Attorney General to confess a judgment against the School District in the event of a default upon the restructured emergency loan.

2. As a condition of the restructuring of the emergency loan authorized by this Order of Approval, the Superintendent and Board of Education of the School District agree to perform all of the following during the period that any portion of the emergency loan remains outstanding:
 - (a) If determined necessary by the State Treasurer, in its sole discretion, obtain and deliver to the State Treasurer on behalf of the State of Michigan fully executed Tax Intercept, State Aid and Tax Pledge, and/or Depository Agreements, and/or amendments to any existing agreements thereof, within ninety (90) days of the School District receiving notice from the State Treasurer that such agreement(s), and/or amendments thereto, is needed or such longer period of time as may be approved by the State Treasurer.
 - (b) Submit to the State Treasurer and Superintendent of Public Instruction on a monthly basis, and by the 20th day of each succeeding month, a statement of its current monthly cash flow projections encompassing all revenues and expenditures. Such statements shall examine a rolling 12 month period and shall include a comparison of the School District's projected cash flows to the actual cash flow realized by the School District.
 - (c) Submit to the State Treasurer and Superintendent of Public Instruction on a monthly basis and by the 20th day of each succeeding month, a statement of the School District's current accounts payable aging.

- (d) Employ a full-time professional administrator or contract with a person with expertise in municipal finance and administration to direct or participate directly in the management of the School District's operations until otherwise ordered by the Board.
- (e) Submit biannually to the State Treasurer and Superintendent of Public Instruction an evaluation of performance of the School District against the ten-year Enhanced Deficit Elimination Plan that was approved by the governing body of the School District on February 8, 2021 and approved by the Department of Treasury on July 9, 2021.
- (f) Submit to the State Treasurer and Superintendent of Public Instruction on a quarterly basis for the immediately preceding quarter all of the following:
 - (1) A statement of actual revenues received by the School District in the last quarter of the current fiscal year of the School District and in the current fiscal year of the School District to date.
 - (2) A statement of total revenues estimated to be received by the School District in the current fiscal year of the School District.
 - (3) A statement of expenditures made and encumbrances entered into by the School District in the last quarter of the current fiscal year of the School District and in the current fiscal year of the School District to date.
 - (4) A statement of revenues which were estimated to be received by the School District and expenditures which were estimated to be made by the School District during the current fiscal year of the School District and through the end of the last quarter of the current fiscal year of the School District.
 - (5) A balance sheet indicating whether total estimated expenditures for the current fiscal year of the School District and for the last quarter exceed the total estimated revenues for the current fiscal year of the School District and for the last quarter, respectively.
- (g) Submit annually by July 1 to the State Treasurer and Superintendent of Public Instruction the general appropriations act of the School District and submit forthwith any amendments to the general appropriations act of the School District adopted pursuant to Public Act 2 of 1968, as amended, the Uniform Budgeting and Accounting Act. An annual operating budget of the School District shall not become effective until approved by the State Treasurer, in consultation with the Superintendent of Public Instruction.

- (h) Certify annually by July 1 that the School District has fully complied with all statutory requirements concerning the use of the uniform chart of accounts and audits promulgated by the Michigan Department of Education.
- (i) To the extent applicable, comply with the requirements of both of the following:
 - (1) Section 3 or 4 of Public Act 152 of 2011, the Publicly Funded Health Insurance Contributions Act.
 - (2) Section 5 of Public Act 152 of 2011, the Publicly Funded Health Insurance Contributions Act.
- 3. Compliance with the conditions imposed upon the School District by this Order of Approval shall be the responsibility of the Superintendent and Board of Education of the School District.
- 4. Failure of the School District to comply with the terms of this section of this Order of Approval shall constitute an Event of Default under the Third Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2013-14 Series I and the terms and conditions of this section of this Order of Approval are incorporated in and made a part of the Third Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2013-14 Series I.
- 5. This Order of Approval supersedes any Funding Conditions Memorandum dated prior to the date of this Order of Approval.

Conditions not Discharged by Contingencies

The conditions imposed upon the School District by this Order of Approval are not subject to release or discharge due to any contingencies, including, but not limited to, clerical errors, computer failures, late mailings, or the failure to comply with reporting due dates or other scheduled due dates due to adverse weather, acts of God, acts of third parties, or compliance with court orders.

Due Dates

A provision of this Order of Approval which requires the School District to submit to the Board, the State Treasurer, or the Superintendent of Public Instruction a report, listing, or other document by a specific due date shall not be deemed complied with unless the report, listing, or other document is received by the Board, the Michigan Department of Treasury, or the Michigan Department of Education by the due date specified. If the due date for a report, listing, or other

document falls on a weekend or legal holiday, then the report, listing, or other document shall be due on the first day thereafter which is not a weekend or legal holiday.

Waiver of Provisions

To the extent permitted by Public Act 243 of 1980, the Emergency Municipal Loan Act, as amended, the Board may waive or modify a provision of this Order of Approval if, in its sole discretion, the Board concludes that the School District has demonstrated good cause shown for the waiver. However, the lack of a specific action by the Board shall not be construed as a waiver or modification of a provision of this Order of Approval.

Delegation of Ongoing Supervision

The Board delegates to the State Treasurer responsibility for the day-to-day supervision of the compliance by the School District with this Order of Approval.

Subordination of Loan

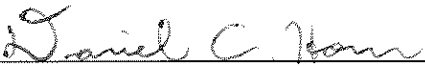
1. The pledge of the proceeds of operating taxes, revenue sharing and state aid payments, as applicable, to repayment of this loan, shall be subordinate to the pledge of those revenues to all state aid notes, tax anticipation notes and other debt issuances sold to the Michigan Finance Authority.
2. The State Treasurer is hereby authorized to permit the subordination of the pledge of the proceeds of operating taxes, revenue sharing and state aid payments, as applicable, to repayment of this loan, to the pledge of those revenues to all state aid notes, tax anticipation notes and other debt issuances sold to parties other than the Michigan Finance Authority.
3. The State Treasurer is hereby authorized to execute on behalf of the Board any such agreements or documents as deemed necessary or appropriate to evidence the subordination approved herein.

IN WITNESS WHEREOF, the members of the Board, or their designees, have signed and executed this Order of Approval.

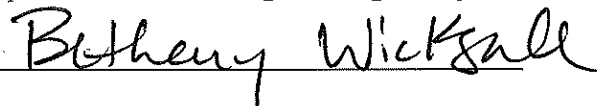
LOCAL EMERGENCY FINANCIAL ASSISTANCE
LOAN BOARD

By 

Rachael Eubanks, State Treasurer
Department of Treasury

By 

Daniel C. Horn, Director, Finance and
Administrative Services Bureau
As Designee for Orlene Hawks, Director
Department of Licensing and Regulatory Affairs

By 

Bethany Wicksall, Deputy State Budget Director
State Budget Office
As Designee for Brom Stibitz, Director
Department of Technology, Management,
and Budget

Date: September 16, 2021
Lansing, Michigan

EXHIBIT A

BAIRD

BOND DEBT SERVICE

School District of the City of Pontiac, Michigan
Third A&R ELN, 2013-14Dated Date 09/28/2021
Delivery Date 09/28/2021

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/28/2021					
05/01/2022	205,000	1.400%	80,775.21	285,775.21	
06/30/2022					285,775.21
11/01/2022			67,681.75	67,681.75	
05/01/2023	165,000	1.400%	66,578.25	231,578.25	
06/30/2023					299,260.00
11/01/2023			66,517.26	66,517.26	
05/01/2024	170,000	1.400%	65,614.48	235,614.48	
06/30/2024					302,131.74
11/01/2024			65,139.02	65,139.02	
05/01/2025	170,000	1.400%	64,252.52	234,252.52	
06/30/2025					299,391.54
11/01/2025			64,117.70	64,117.70	
05/01/2026	170,000	1.400%	63,072.30	233,072.30	
06/30/2026					297,190.00
11/01/2026			62,917.92	62,917.92	
05/01/2027	175,000	1.400%	61,892.08	236,892.08	
06/30/2027					299,810.00
11/01/2027			61,682.85	61,682.85	
05/01/2028	175,000	1.400%	60,845.68	235,845.68	
06/30/2028					297,528.53
11/01/2028			60,282.62	60,282.62	
05/01/2029	180,000	1.400%	59,462.22	239,462.22	
06/30/2029					299,744.84
11/01/2029			59,177.42	59,177.42	
05/01/2030	180,000	1.400%	58,212.58	238,212.58	
06/30/2030					297,390.00
11/01/2030			57,907.07	57,907.07	
05/01/2031	535,000	1.400%	56,962.93	591,962.93	
06/30/2031					649,870.00
11/01/2031			54,131.29	54,131.29	
05/01/2032	540,000	1.400%	53,396.61	593,396.61	
06/30/2032					647,527.90
11/01/2032			50,182.73	50,182.73	
05/01/2033	550,000	1.400%	49,499.78	599,499.78	
06/30/2033					649,682.51
11/01/2033			46,438.58	46,438.58	
05/01/2034	555,000	1.400%	45,681.42	600,681.42	
06/30/2034					647,120.00
11/01/2034			42,521.64	42,521.64	
05/01/2035	565,000	1.400%	41,828.36	606,828.36	
06/30/2035					649,350.00
11/01/2035			38,534.14	38,534.14	
05/01/2036	575,000	1.400%	38,011.15	613,011.15	
06/30/2036					651,545.29
11/01/2036			34,381.86	34,381.86	
05/01/2037	580,000	1.400%	33,913.95	613,913.95	
06/30/2037					648,295.81
11/01/2037			30,382.68	30,382.68	
05/01/2038	590,000	1.400%	29,887.32	619,887.32	
06/30/2038					650,270.00
11/01/2038			26,218.74	26,218.74	
05/01/2039	600,000	1.400%	25,791.26	625,791.26	
06/30/2039					652,010.00
11/01/2039			21,984.22	21,984.22	
05/01/2040	605,000	1.400%	21,685.85	626,685.85	
06/30/2040					648,670.07

EXHIBIT A

BAIRD

BOND DEBT SERVICE

School District of the City of Pontiac, Michigan
Third A&R ELN, 2013-14

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/01/2040			17,666.01	17,666.01	
05/01/2041	615,000	1.400%	17,425.59	632,425.59	
06/30/2041					650,091.60
11/01/2041			13,374.03	13,374.03	
05/01/2042	625,000	1.400%	13,155.97	638,155.97	
06/30/2042					651,530.00
11/01/2042			8,963.07	8,963.07	
05/01/2043	630,000	1.400%	8,816.93	638,816.93	
06/30/2043					647,780.00
11/01/2043			4,516.82	4,516.82	
05/01/2044	640,000	1.400%	4,455.52	644,455.52	
06/30/2044					648,972.34
	9,795,000		1,975,937.38	11,770,937.38	11,770,937.38



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RACHAEL EUBANKS
STATE TREASURER

LOCAL EMERGENCY FINANCIAL ASSISTANCE LOAN BOARD

ORDER 2021-4

ORDER DENYING EMERGENCY LOAN RESTRUCTURING

**THE LOCAL EMERGENCY FINANCIAL ASSISTANCE LOAN BOARD,
ACTING UPON THE APPLICATION OF**

**SCHOOL DISTRICT OF THE CITY OF PONTIAC
COUNTY OF OAKLAND
STATE OF MICHIGAN**

For the purposes of this Order, the Local Emergency Financial Assistance Loan Board determines that:

1. A financial emergency exists within the School District of the City of Pontiac (the "School District").
2. The School District has requested a restructuring of the Second Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2013-14 Series I.
3. The School District is deemed to have complied with the provisions of Public Act 243 of 1980, the Emergency Municipal Loan Act, as amended.
4. The merits of this request have been examined by the Local Emergency Financial Assistance Loan Board.
5. The Local Emergency Financial Assistance Loan Board has determined that the requested restructuring of the Second Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2013-14 Series I is not in the best interests of the School District and the State of Michigan.

NOW, THEREFORE, it is ordered by the Board that the application of the School District for the restructuring of the Second Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2013-14 Series I is hereby DENIED.

IN WITNESS WHEREOF, the members of the Board, or their designees, have signed and executed this Order of Denial.

LOCAL EMERGENCY FINANCIAL ASSISTANCE
LOAN BOARD

By _____

Rachael Eubanks, State Treasurer
Department of Treasury

By _____

Daniel C. Horn, Director, Finance and
Administrative Services Bureau
As Designee for Orlene Hawks, Director
Department of Licensing and Regulatory Affairs

By _____

Bethany Wicksall, Deputy State Budget Director
State Budget Office
As Designee for Brom Stibitz, Director
Department of Technology, Management,
and Budget

Date: September 16, 2021
Lansing, Michigan



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RACHAEL EUBANKS
STATE TREASURER

LOCAL EMERGENCY FINANCIAL ASSISTANCE LOAN BOARD

ORDER 2021-5

ORDER OF APPROVAL OF EMERGENCY LOAN RESTRUCTURING

**THE LOCAL EMERGENCY FINANCIAL ASSISTANCE LOAN BOARD,
ACTING UPON THE APPLICATION OF**

**THE SCHOOL DISTRICT OF THE CITY OF PONTIAC
COUNTY OF OAKLAND
STATE OF MICHIGAN**

Requesting approval for the restructuring of the Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2014-15 Series I, for the purpose of enabling the School District of the City of Pontiac (the "School District") to meet its financial obligations as more fully set forth herein, the Board determines that:

1. A financial emergency exists within the School District.
2. The School District is deemed to have complied with the provisions of Public Act 243 of 1980, the Emergency Municipal Loan Act, as amended, as follows:
 - (a) The School District is in compliance with the terms of the Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2014-15 Series I and any other requirements applicable to the School District under the Emergency Municipal Loan Act, as amended.
 - (b) The School District is in compliance with any requirements relating to a deficit elimination plan under state law.

- (c) The School District is in compliance with any applicable consent agreement or order of an emergency manager under the local financial stability and choice act, 2012 PA 436, MCL 141.1541 to 141.1575, or a successor statute.
- (d) The School District is in compliance with all requirements for receipt of the foundation allowance and any other requirements applicable to the School District under the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1896.
- (e) The restructuring of payments complies with applicable law.
- (f) The Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2014-15 Series I has not been sold or transferred under Section 6a of the Emergency Municipal Loan Act, as amended.

NOW, THEREFORE, be it ordered by the Board that the application of the School District for the restructuring of the Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2014-15 Series I is hereby approved, subject to the conditions set forth in this Order of Approval.

Terms of Restructured Emergency Loan

1. The restructured emergency loan shall be evidenced by a note to be designated as the "Second Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2014-15 Series I." The principal amount outstanding shall bear interest initially at the rate of 1.40 percent (1.40%) per annum, which may be subsequently adjusted pursuant to Section 6a or Section 7(2) of the Emergency Municipal Loan Act, as amended. Until the emergency loan is repaid, a payment of principal and interest then owing shall be remitted each May 1, or the next succeeding business day, beginning May 1, 2022, and a payment of interest only then owing shall be remitted each November 1, or the next succeeding business day, beginning November 1, 2022, with a date of final maturity of May 1, 2044, per attached payment schedule (Exhibit A).
2. The School District shall abide by all conditions contained herein in order to remain in compliance with the terms of the Second Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2014-15 Series I. Such conditions shall be satisfied by the School District, including that all documents shall be in form and substance satisfactory to the State Treasurer on behalf of the State of Michigan, in the sole discretion of the State Treasurer, unless waived by the State Treasurer in writing.

Conditions Upon School District

1. As an initial condition of the restructuring of the emergency loan authorized by this Order of Approval, the Superintendent and Board of Education of the School District agree to perform the following:
 - (a) Pay all interest accrued under the Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2014-15 Series I evidencing the emergency loan due through September 28, 2021.
 - (b) Execute a second amended and restated cognovit authorizing the Attorney General to confess a judgment against the School District in the event of a default upon the restructured emergency loan.

2. As a condition of the restructuring of the emergency loan authorized by this Order of Approval, the Superintendent and Board of Education of the School District agree to perform all of the following during the period that any portion of the emergency loan remains outstanding:
 - (a) If determined necessary by the State Treasurer, in its sole discretion, obtain and deliver to the State Treasurer on behalf of the State of Michigan fully executed Tax Intercept, State Aid and Tax Pledge, and/or Depository Agreements, and/or amendments to any existing agreements thereof, within ninety (90) days of the School District receiving notice from the State Treasurer that such agreement(s), and/or amendments thereto, is needed or such longer period of time as may be approved by the State Treasurer.
 - (b) Submit to the State Treasurer and Superintendent of Public Instruction on a monthly basis, and by the 20th day of each succeeding month, a statement of its current monthly cash flow projections encompassing all revenues and expenditures. Such statements shall examine a rolling 12 month period and shall include a comparison of the School District's projected cash flows to the actual cash flow realized by the School District.
 - (c) Submit to the State Treasurer and Superintendent of Public Instruction on a monthly basis and by the 20th day of each succeeding month, a statement of the School District's current accounts payable aging.

- (d) Employ a full-time professional administrator or contract with a person with expertise in municipal finance and administration to direct or participate directly in the management of the School District's operations until otherwise ordered by the Board.
- (e) Submit biannually to the State Treasurer and Superintendent of Public Instruction an evaluation of performance of the School District against the ten-year Enhanced Deficit Elimination Plan that was approved by the governing body of the School District on February 8, 2021 and approved by the Department of Treasury on July 9, 2021.
- (f) Submit to the State Treasurer and Superintendent of Public Instruction on a quarterly basis for the immediately preceding quarter all of the following:
 - (1) A statement of actual revenues received by the School District in the last quarter of the current fiscal year of the School District and in the current fiscal year of the School District to date.
 - (2) A statement of total revenues estimated to be received by the School District in the current fiscal year of the School District.
 - (3) A statement of expenditures made and encumbrances entered into by the School District in the last quarter of the current fiscal year of the School District and in the current fiscal year of the School District to date.
 - (4) A statement of revenues which were estimated to be received by the School District and expenditures which were estimated to be made by the School District during the current fiscal year of the School District and through the end of the last quarter of the current fiscal year of the School District.
 - (5) A balance sheet indicating whether total estimated expenditures for the current fiscal year of the School District and for the last quarter exceed the total estimated revenues for the current fiscal year of the School District and for the last quarter, respectively.
- (g) Submit annually by July 1 to the State Treasurer and Superintendent of Public Instruction the general appropriations act of the School District and submit forthwith any amendments to the general appropriations act of the School District adopted pursuant to Public Act 2 of 1968, as amended, the Uniform Budgeting and Accounting Act. An annual operating budget of the School District shall not become effective until approved by the State Treasurer, in consultation with the Superintendent of Public Instruction.

- (h) Certify annually by July 1 that the School District has fully complied with all statutory requirements concerning the use of the uniform chart of accounts and audits promulgated by the Michigan Department of Education.
- (i) To the extent applicable, comply with the requirements of both of the following:
 - (1) Section 3 or 4 of Public Act 152 of 2011, the Publicly Funded Health Insurance Contributions Act.
 - (2) Section 5 of Public Act 152 of 2011, the Publicly Funded Health Insurance Contributions Act.
- 3. Compliance with the conditions imposed upon the School District by this Order of Approval shall be the responsibility of the Superintendent and Board of Education of the School District.
- 4. Failure of the School District to comply with the terms of this section of this Order of Approval shall constitute an Event of Default under the Second Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2014-15 Series I and the terms and conditions of this section of this Order of Approval are incorporated in and made a part of the Second Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2014-15 Series I.
- 5. This Order of Approval supersedes any Funding Conditions Memorandum dated prior to the date of this Order of Approval.

Conditions not Discharged by Contingencies

The conditions imposed upon the School District by this Order of Approval are not subject to release or discharge due to any contingencies, including, but not limited to, clerical errors, computer failures, late mailings, or the failure to comply with reporting due dates or other scheduled due dates due to adverse weather, acts of God, acts of third parties, or compliance with court orders.

Due Dates

A provision of this Order of Approval which requires the School District to submit to the Board, the State Treasurer, or the Superintendent of Public Instruction a report, listing, or other document by a specific due date shall not be deemed complied with unless the report, listing, or other document is received by the Board, the Michigan Department of Treasury, or the Michigan Department of Education by the due date specified. If the due date for a report, listing, or other

document falls on a weekend or legal holiday, then the report, listing, or other document shall be due on the first day thereafter which is not a weekend or legal holiday.

Waiver of Provisions

To the extent permitted by Public Act 243 of 1980, the Emergency Municipal Loan Act, as amended, the Board may waive or modify a provision of this Order of Approval if, in its sole discretion, the Board concludes that the School District has demonstrated good cause shown for the waiver. However, the lack of a specific action by the Board shall not be construed as a waiver or modification of a provision of this Order of Approval.

Delegation of Ongoing Supervision

The Board delegates to the State Treasurer responsibility for the day-to-day supervision of the compliance by the School District with this Order of Approval.

Subordination of Loan

1. The pledge of the proceeds of operating taxes, revenue sharing and state aid payments, as applicable, to repayment of this loan, shall be subordinate to the pledge of those revenues to all state aid notes, tax anticipation notes and other debt issuances sold to the Michigan Finance Authority.
2. The State Treasurer is hereby authorized to permit the subordination of the pledge of the proceeds of operating taxes, revenue sharing and state aid payments, as applicable, to repayment of this loan, to the pledge of those revenues to all state aid notes, tax anticipation notes and other debt issuances sold to parties other than the Michigan Finance Authority.
3. The State Treasurer is hereby authorized to execute on behalf of the Board any such agreements or documents as deemed necessary or appropriate to evidence the subordination approved herein.

IN WITNESS WHEREOF, the members of the Board, or their designees, have signed and executed this Order of Approval.

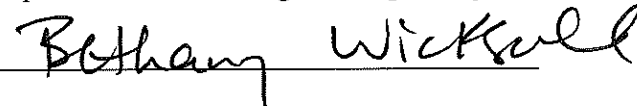
LOCAL EMERGENCY FINANCIAL ASSISTANCE
LOAN BOARD

By 

Rachael Eubanks, State Treasurer
Department of Treasury

By 

Daniel C. Horn, Director, Finance and
Administrative Services Bureau
As Designee for Orlene Hawks, Director
Department of Licensing and Regulatory Affairs

By 

Bethany Wicksall, Deputy State Budget Director
State Budget Office
As Designee for Brom Stibitz, Director
Department of Technology, Management,
and Budget

Date: September 16, 2021
Lansing, Michigan

BOND DEBT SERVICE

School District of the City of Pontiac, Michigan
Second A&R ELN, 2014-15

Dated Date 09/28/2021
Delivery Date 09/28/2021

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/28/2021					
05/01/2022	220,000	1.400%	75,868.49	295,868.49	
06/30/2022					295,868.49
11/01/2022			63,376.66	63,376.66	
05/01/2023	170,000	1.400%	62,343.34	232,343.34	
06/30/2023					295,720.00
11/01/2023			62,176.88	62,176.88	
05/01/2024	175,000	1.400%	61,333.01	236,333.01	
06/30/2024					298,509.89
11/01/2024			60,775.30	60,775.30	
05/01/2025	175,000	1.400%	59,948.19	234,948.19	
06/30/2025					295,723.49
11/01/2025			59,706.74	59,706.74	
05/01/2026	180,000	1.400%	58,733.26	238,733.26	
06/30/2026					298,440.00
11/01/2026			58,436.38	58,436.38	
05/01/2027	180,000	1.400%	57,483.62	237,483.62	
06/30/2027					295,920.00
11/01/2027			57,166.03	57,166.03	
05/01/2028	185,000	1.400%	56,390.16	241,390.16	
06/30/2028					298,556.19
11/01/2028			55,707.76	55,707.76	
05/01/2029	185,000	1.400%	54,949.62	239,949.62	
06/30/2029					295,657.38
11/01/2029			54,554.74	54,554.74	
05/01/2030	190,000	1.400%	53,665.26	243,665.26	
06/30/2030					298,220.00
11/01/2030			53,213.81	53,213.81	
05/01/2031	490,000	1.400%	52,346.19	542,346.19	
06/30/2031					595,560.00
11/01/2031			49,755.62	49,755.62	
05/01/2032	500,000	1.400%	49,080.33	549,080.33	
06/30/2032					598,835.95
11/01/2032			46,100.55	46,100.55	
05/01/2033	505,000	1.400%	45,473.15	550,473.15	
06/30/2033					596,573.70
11/01/2033			42,662.79	42,662.79	
05/01/2034	510,000	1.400%	41,967.21	551,967.21	
06/30/2034					594,630.00
11/01/2034			39,063.45	39,063.45	
05/01/2035	520,000	1.400%	38,426.55	558,426.55	
06/30/2035					597,490.00
11/01/2035			35,393.53	35,393.53	
05/01/2036	525,000	1.400%	34,913.17	559,913.17	
06/30/2036					595,306.70
11/01/2036			31,601.75	31,601.75	
05/01/2037	535,000	1.400%	31,171.67	566,171.67	
06/30/2037					597,773.42
11/01/2037			27,912.55	27,912.55	
05/01/2038	540,000	1.400%	27,457.45	567,457.45	
06/30/2038					595,370.00
11/01/2038			24,101.48	24,101.48	
05/01/2039	550,000	1.400%	23,708.52	573,708.52	
06/30/2039					597,810.00
11/01/2039			20,219.84	20,219.84	
05/01/2040	555,000	1.400%	19,945.41	574,945.41	
06/30/2040					595,165.25



BOND DEBT SERVICE

School District of the City of Pontiac, Michigan
Second A&R ELN, 2014-15

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/01/2040			16,258.36	16,258.36	
05/01/2041	565,000	1.400%	16,037.10	581,037.10	
06/30/2041					597,295.46
11/01/2041			12,315.40	12,315.40	
05/01/2042	575,000	1.400%	12,114.60	587,114.60	
06/30/2042					599,430.00
11/01/2042			8,257.32	8,257.32	
05/01/2043	580,000	1.400%	8,122.68	588,122.68	
06/30/2043					596,380.00
11/01/2043			4,163.95	4,163.95	
05/01/2044	590,000	1.400%	4,107.43	594,107.43	
06/30/2044					598,271.38
	9,200,000		1,828,507.30	11,028,507.30	11,028,507.30



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RACHAEL EUBANKS
STATE TREASURER

LOCAL EMERGENCY FINANCIAL ASSISTANCE LOAN BOARD

ORDER 2021-5

ORDER DENYING EMERGENCY LOAN RESTRUCTURING

**THE LOCAL EMERGENCY FINANCIAL ASSISTANCE LOAN BOARD,
ACTING UPON THE APPLICATION OF**

**SCHOOL DISTRICT OF THE CITY OF PONTIAC
COUNTY OF OAKLAND
STATE OF MICHIGAN**

For the purposes of this Order, the Local Emergency Financial Assistance Loan Board determines that:

1. A financial emergency exists within the School District of the City of Pontiac (the "School District").
2. The School District has requested a restructuring of the Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2014-15 Series I.
3. The School District is deemed to have complied with the provisions of Public Act 243 of 1980, the Emergency Municipal Loan Act, as amended.
4. The merits of this request have been examined by the Local Emergency Financial Assistance Loan Board.
5. The Local Emergency Financial Assistance Loan Board has determined that the requested restructuring of the Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2014-15 Series I is not in the best interests of the School District and the State of Michigan.

NOW, THEREFORE, it is ordered by the Board that the application of the School District for the restructuring of the Amended and Restated Emergency Loan Note (General Obligation Limited Tax) 2014-15 Series I is hereby DENIED.

IN WITNESS WHEREOF, the members of the Board, or their designees, have signed and executed this Order of Denial.

LOCAL EMERGENCY FINANCIAL ASSISTANCE
LOAN BOARD

By_____

Rachael Eubanks, State Treasurer
Department of Treasury

By_____

Daniel C. Horn, Director, Finance and
Administrative Services Bureau
As Designee for Orlene Hawks, Director
Department of Licensing and Regulatory Affairs

By_____

Bethany Wicksall, Deputy State Budget Director
State Budget Office
As Designee for Brom Stibitz, Director
Department of Technology, Management,
and Budget

Date: September 16, 2021
Lansing, Michigan