

YPSILANTI COMMUNITY SCHOOLS

*Administration Building, Professional Development Room * 1885 Packard Rd.; Ypsilanti, MI 48197*

MINUTES: REGULAR MEETING OF THE BOARD OF EDUCATION (Meeting #2 of 2)

Monday, June 24, 2019

The meeting was called to order by President Dr. Celeste Hawkins at 6:30 p.m. The Pledge of Allegiance was recited.

MEMBERS OF THE BOARD OF EDUCATION PRESENT

President Dr. Celeste Hawkins, Vice-President Brenda Meadows, Secretary Maria Sheler-Edwards, Trustee Ellen Champagne, Trustee Meredith Schindler

MEMBERS OF THE BOARD OF EDUCATION ABSENT

Treasurer Gillian Ream Gainsley, Trustee Sharon Lee

ACCEPTANCE OF AMENDED AGENDA: Accepted as Presented

Motion by Schindler, supported by Champagne

Action Recorded: 5/Yes; 0/No

PRESENTATIONS

Recognition of 2018/19 Retirees of Ypsilanti Community Schools: Congratulations to:

Dawn Bailey, Family Support Specialist
Debra Brousseau, Music Teacher
Anita Clegg, Lead Teacher
Doreen Conrad, Custodian
Benni Hebrew-Westran, Elementary Science Teacher
Dr. Sherrell Hobbs, Assistant Superintendent
Rod Ranger, District Accounting Supervisor
Lauren Sheldon, ParaEducator
Pamela White-Gillespie, ParaEducator
Rosalind Williams, Building Administrative Assistant

Superintendent Alena Zachery-Ross shared a tribute to retirees, followed by presenting a retirement award to those present.

Schneider Electric Update: WIHI Government Teacher Ashley Fox introduced two students who led a PowerPoint presentation, "Efficiency and Sustainability at School". WIHI has a committee of 15 students and many more who are passionate about efficiency and sustainability. Fox thanked those who inspire students with these ideas. Presentation included: 1) Phase 1 | LED Lighting and New Boiler; 2) What is Performance Contracting?; 3) Building Assessment; 4) Phase 2: Going Further ... , and; 5) What Could Phase 2 Look Like?

Schneider Electric recently installed LED lighting at WIHI. The new lighting is more efficient and saves money. Monies saved could pay for an investment of a boiler. Students learned about performance contracting in government class.

Randy Trent, Director of Operations introduced Scott Mason from Schneider Electric. Trent communicated the total project cost is approximately \$3.7 million and he spoke of District savings. Currently, we are about 40% complete with the project. Each classroom can adjust the level of lighting; studies show students can achieve more at a specific level of lighting.

Notification of Emergency Repair | YCHS Chiller: Randy Trent, Director of Operations informed the Board of an "emergency chiller repair" at Ypsilanti Community High School. Purchase orders totaled in excess of the state purchasing limit of \$24,459. Trent also stated we have on-going boiler issues. Trustee Schindler acknowledged being proactive and following Board policy.

PUBLIC COMMENTS #1

Dave Strenski, of Solar Ypsi, dialoged on solar power.

CONSENT AGENDA

MOTION TO approve the following: 1) June 10, 2019 regular meeting minutes, and; 2) the personnel matters as per the attached list dated June 17, 2019: Retirement and Resignations.

Motion by Champagne, supported by Schindler

Action Recorded: 5/Yes; 0/No

ACTION ITEMS, Student Affairs

WCC Postsecondary Enrollment Agreement

MOTION TO approve the 2019/20 Postsecondary Enrollment Agreement with Washtenaw Community College, with an expiration date of June 30, 2020.

Motion by Schindler, supported by Sheler-Edwards

Roll Call Vote: 5/0 Yes

Yes: Meadows, Champagne, Schindler, Sheler-Edwards, Hawkins

ACTION ITEMS, Business/Finance

2018/19 Year-End Budget Amendment (Amended)

MOTION TO approve the updated 2018/19 June budget amendment, as dated 6/20/19, with a projected \$6,917,679 fund balance ending June 30, 2019.

Motion by Meadows, supported by Schindler

Roll Call Vote: 5/0 Yes

Yes: Meadows, Champagne, Schindler, Sheler-Edwards, Hawkins

RESOLUTION: 2019/20 Initial Budget (Amended)

MOTION TO approve the attached updated 2019/20 General Appropriations Resolution with a revision date of 6/20/19.

Motion by Schindler, supported by Champagne

Roll Call Vote: 5/0 Yes

Yes: Meadows, Champagne, Schindler, Sheler-Edwards, Hawkins

Note: This includes a tax levy of 18.00 mills.

RESOLUTION: State Aid Anticipation Note

MOTION TO approve the resolution to authorize the issuance of aid anticipation notes not to exceed \$5,000,000 in August 2019.

Motion by Sheler-Edwards, supported by Meadows

Roll Call Vote: 5/0 Yes

Yes: Meadows, Champagne, Schindler, Sheler-Edwards, Hawkins

Millage Rates | L-4029s

MOTION TO approve the millage rates of the 2019 L-4029s for Superior Township, Ypsilanti Township and the City of Ypsilanti.

Motion by Champagne, supported by Schindler

Roll Call Vote: 5/0 Yes

Yes: Meadows, Champagne, Schindler, Sheler-Edwards, Hawkins

Note - Requested millage to be levied for both Willow Run and Ypsilanti Public portions: 18.0000.

FSMC Fixed Price Contract Renewal, 2019/20

MOTION TO accept the Contract Renewal Agreement for the Food Service Management Company Fixed Price Contract for the period of July 1, 2019 – June 30, 2020.

Motion by Sheler-Edwards, supported by Schindler

Roll Call Vote: 5/0 Yes

Yes: Meadows, Champagne, Schindler, Sheler-Edwards, Hawkins

ACTION ITEMS, Human Resources

Administrative/Professional Employee Contracts, 2019/20

MOTION TO approve the Administrative and Professional Employee Contract extensions for the following employees for the period of July 1, 2019 – June 30, 2020: 1) Barbara Boone, Accounting Supervisor; 2) Marquan Jackson; 3) Dr. Carlos Lopez, Assistant Superintendent of Curriculum & Instruction; 4) Sue McCarty, Director of Human Resources; 5) Priya Nayak, Director of State and Federal Programs, and ; 6: Taryn Willis, Communications and Marketing Coordinator.

Motion by Meadows, supported by Schindler

Roll Call Vote: 5/0 Yes

Yes: Meadows, Champagne, Schindler, Sheler-Edwards, Hawkins

Technology Resource Specialist, 2019/20

MOTION TO approve the Contract of Employment with Jerilyn Lynn as technology resource specialist for a total amount not to exceed \$39,000 with services dates of July 1, 2019 – June 30, 2020.

Motion by Schindler, supported by Sheler-Edwards

Roll Call Vote: 5/0 Yes

Yes: Meadows, Champagne, Schindler, Sheler-Edwards, Hawkins

R.E.O. & Associates, 2019/20

MOTION TO approve the Contract of Employment with Robert Oliver and R.E.O. and Associates to serve as energy conservation manager (with other duties per Agreement) for a total amount not to exceed \$20,000 with service dates of July 1, 2019 – June 30, 2020.

Motion by Champagne, supported by Schindler

Roll Call Vote: 5/0 Yes

Yes: Meadows, Champagne, Schindler, Sheler-Edwards, Hawkins

ACTION ITEMS, Other

Donation: YCS Event Series | There & Back Transportation, Donor

MOTION TO accept the cash donation of \$1,000 from Harry Hampton, owner of There and Back Transportation for the YCS Event Series.

Motion by Meadows, supported by Schindler

Action Recorded: 5/Yes; 0/No

PUBLIC COMMENTS #2: None

OTHER

- *Zachery-Ross* thanked *Hawkins* for her dedication and “behind the scenes” work of many events, including the June 15th Collaboration for Change event.
- *Hawkins* spoke of the reward and making an impact, appreciating the dedication of the Board.
- *Zachery-Ross* acknowledged *Hawkins*’ birthday.
- *Schindler* spoke on a solar project, and is this a project we could do?
- *Zachery-Ross* said a beginning point would be information coming to the Operations Committee.
- *Audience member Ashley Fox* spoke of Solar Ypsi being a grassroots organization and, potentially, this could be a powerful tool for YCS.

BOARD/SUPERINTENDENT COMMENTS

- *Meadows* spoke of the June 15th Collaboration for Change event. She expressed being grateful for those who came together to collaborate.
- *Hawkins* acknowledged *Zachery-Ross* for her (June 15th) speech, and the passion, vision & commitment. Thank you for the impact on our schools, and to the Board members in attendance. Also, Wednesday is our Board workshop with Dr. Dorinda Carter.
- *Sheler-Edwards* is unable to attend the Wednesday workshop. She will be traveling.

Meeting Adjourned: 7:25 p.m.

Attachments:

- 1) *RESOLUTION: 2018/19 Year End Budget*
- 2) *RESOLUTION: 2019/20 Initial Budget*
- 3) *RESOLUTION: State Aid Anticipation Note*

Minutes Recorded by: Paula Gutzman

Date Approved: July 15, 2019



Maria Sheler-Edwards, Secretary
Board of Education
Ypsilanti Community Schools

Amended: All numbers are the same. A column was added to show the correct Fund Modification amount at the bottom of the page in the new column.

**Amendment for End of June By The Board
Ypsilanti Community Schools
2018 - 2019**

Resolved, that this resolution shall be the general appropriations of the Ypsilanti Community Schools for the fiscal year 2018-2019.
Resolution to make appropriations and to provide for the disposition of all income received by the Ypsilanti Community Schools.

	2018-2019 Adopted Budget	2018 - 2019 Amended Budget - February	2018 - 2019 Amended Budget February Restated	Change	June Amendment
REVENUE					
Local Revenue	\$10,726,700	\$10,813,058	\$10,813,058		\$10,813,058
State Revenue	\$31,086,004	\$31,477,321	\$31,477,321		\$31,477,321
Federal Revenue	\$5,397,810	\$6,346,614	\$6,346,614	\$2,213,886	\$8,560,500
incoming Transfers & Other Transactions	\$8,750,000	\$8,001,964	\$8,001,964		\$8,001,964
Fund Modifications		\$5,175,000			
Total Revenues	\$55,960,514	\$61,813,957	\$56,638,957	\$2,213,886	\$58,852,843
EXPENDITURES:					
Basic Programs, Instructions	\$24,189,166	\$23,287,111	\$23,287,111	\$1,070,711	\$24,357,822
Added Needs, Instruction	\$7,294,783	\$7,033,583	\$7,033,583	(\$489,615)	\$6,543,968
Pupil Support	\$6,556,282	\$6,325,627	\$6,325,627		\$6,325,627
Instructional Support	\$2,238,322	\$2,235,372	\$2,235,372	\$128,512	\$2,363,884
General Administration	\$735,298	\$776,879	\$776,879		\$776,879
Schools Administration	\$2,786,103	\$2,768,103	\$2,768,103	(\$86,896)	\$2,681,207
Business Support	\$827,055	\$827,055	\$827,055		\$827,055
Operations/Maintenance	\$5,591,862	\$6,048,029	\$6,048,029		\$6,048,029
Transportation	\$4,002,049	\$3,807,049	\$3,807,049		\$3,807,049
Central Services	\$1,615,810	\$1,540,794	\$1,540,794		\$1,540,794
Athletics	\$651,035	\$651,035	\$651,035	\$130	\$651,165
Community Services	\$378,134	\$408,134	\$408,134	(\$48,268)	\$359,866
Outgoing Transfers & Other Transactions	\$45,000	\$45,000	\$45,000		\$45,000
Debt Service	\$2,103,500	\$2,103,500	\$2,103,500		\$2,103,500
Fund Modifications	\$48,642	\$51,504	\$51,504	\$8,585	\$60,089
Total Expenditures	\$59,063,041	\$57,908,775	\$57,908,775	\$583,159	\$58,491,934
Excess Expenditures over Revenue	(\$3,102,527)	\$3,905,182	(\$1,269,818)	\$1,630,727	\$360,909
Audited Fund Balance - July 1, 2018	\$6,556,770	\$6,556,770	\$6,556,770		\$6,556,770
Projected Fund Balance - June 30, 2019	\$3,454,243	\$10,461,952	\$5,286,952		\$6,917,679
Committed			\$5,000,000		

**Resolution for Adoption By The Board
Ypsilanti Community Schools
2019 - 2020**

**Amended: Shows starting fund
Balance at the bottom of page on
July 1, 2019 is the same as the ending
balance on June 30 from 2018/19 amendment.**

Resolved, that this resolution shall be the general appropriations of the Ypsilanti Community Schools for the fiscal year 2019-2020. Resolution to make appropriations and to provide for the disposition of all income received by the Ypsilanti Community Schools.

BE IT FURTHER RESOLVED, that the total revenue, including a tax levy of 18.0000 mills, and unappropriated fund balance be available for appropriations in the GENERAL EDUCATION FUND of Ypsilanti Community Schools for the fiscal year of 2019-2020 as follows:

	2019 - 2020 Budget
REVENUE	
Local Revenue	\$10,813,058.00
State Revenue	\$31,477,321.00
Federal Revenue	\$7,560,614.00
incoming Transfers & Other Transactions	\$8,001,964.00
Fund Modifications	\$175,000.00
 Total Revenues	 \$58,027,957.00
 BE IT FURTHER RESOLVED, that \$58,027,957 of the total available to appropriate in the GENERAL EDUCATION FUND is hereby appropriated in the amounts and for the purposes set forth below:	
EXPENDITURES:	
Basic Programs, Instructions	\$24,425,845.00
Added Needs, Instruction	\$6,543,968.00
Pupil Support	\$6,325,627.00
Instructional Support	\$2,363,884.00
General Administration	\$776,879.00
Schools Administration	\$2,681,207.00
Business Support	\$827,055.00
Operations/Maintenance	\$5,516,029.00
Transportation	\$3,807,049.00
Central Services	\$1,540,794.00
Athletics	\$651,165.00
Community Services	\$359,866.00
Outgoing Transfers & Other Transactions	\$45,000.00
Debt Service	\$2,103,500.00
Fund Modifications	\$60,089.00
 Total Expenditures	 \$58,027,957.00
 Excess Expenditures over Revenue	 \$0.00
 Projected Fund Balance - July 1, 2019	 \$6,917,679.00
 Projected Fund Balance - June 30, 2020	 \$6,917,679.00

**RESOLUTION AUTHORIZING ISSUANCE OF NOTES
IN ANTICIPATION OF STATE SCHOOL AID
(AUGUST 2019 BORROWING THROUGH THE
MICHIGAN FINANCE AUTHORITY)**

Ypsilanti Community Schools, Washtenaw County, Michigan (the "Issuer" or "School District")

A regular meeting of the board of education of the Issuer (the "Board") was held in the Professional Development Room of the Administration Building, within the boundaries of the Issuer, on the 24th day of June, 2019, at 6:30 o'clock in the p.m.

The meeting was called to order by Dr. Celeste Hawkins, President.

§ Present: Members President Dr. Celeste Hawkins, Vice-President Brenda Meadows, Secretary Maria Sheler-Edwards, Trustee Ellen Champagne, Trustee Meredith Schindler

¶ Absent: Members Treasurer Gillian Ream Gainsley, Trustee Sharon Lee

The following preamble and resolution were offered by Member Maria Sheler-Edwards and supported by Member Brenda Meadows:

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

WHEREAS, the estimated amount of the state school aid appropriations allocated or to be allocated to the School District for the fiscal year ending June 30, 2020 and expected to be received by the School District from October 2019 through August 2020, inclusive (the "2019/2020 State Aid" or the "Pledged State Aid"), is shown in paragraph 1 of Exhibit A; and

WHEREAS, the School District has the need to borrow the sum of not to exceed the amount shown in paragraph 2 of Exhibit A to pay operating expenses for the fiscal year ending June 30, 2020, which amount is estimated to be not more than 70% of the difference between the total state school aid funds apportioned or to be apportioned to the School District for the 2019/2020 State Aid and that portion of the 2019/2020 State Aid already received or pledged; and

WHEREAS, the School District plans to issue or has issued notes, bonds or other obligations subject to Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), relating to arbitrage and the rebate thereof, including but not limited to federally tax-exempt and/or tax-advantaged bonds and other obligations, not including this borrowing, during calendar year 2019 in the aggregate principal amount shown in paragraph 3 of Exhibit A; and

WHEREAS, the School District determines that it is in its best interest to borrow the sum of not to exceed the amount shown in paragraph 2 of Exhibit A and issue general obligation notes in one

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The School District, pursuant to Section 1225 of the Act, shall issue its Notes in one or more series in order to borrow for the above purpose a sum not to exceed the amount shown in paragraph 2 of Exhibit A, the final amount and series designation to be determined by an officer designated in paragraph 4 of Exhibit A, or a designee who shall be a member of the administrative staff or board of education of the School District (each an "Authorized Officer"), prior to the sale of the Notes, or such portion thereof as the Michigan Department of Treasury (the "Treasury") may approve. If prior approval is necessary, and issue the Notes of the School District therefor in anticipation of the distribution of the Pledged State Aid.

2. The Notes shall be issued in one or more series, bear interest at the rate or rates determined on the sale thereof, which shall not exceed the maximum rate permitted by law at the time of sale, be dated as set forth in paragraph 3 of Exhibit A, or as of the date of delivery, and be due and payable on the date shown in paragraph 3 of Exhibit A. The Notes shall be payable in lawful money of the United States of America at a bank or trust company qualified to act as paying agent in the State of Michigan, as shall be designated by the Authority. The Notes shall be in denominations to be determined by an Authorized Officer prior to the sale of the Notes. The Notes shall be subject to redemption prior to maturity as specified in the Purchase Contract described below.

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

4. In the event any Authorized Officer determines that it is in the best interest of the School District to choose to pay all or a portion of the principal of and interest on the Notes with set-aside installments:

A. The School District shall set aside monies in a separate fund with the depository designated in the Purchase Contract described below (the "Depository") to pay the principal of and interest on the Notes when due in three (3), five (5) or seven (7) consecutive monthly set-aside installments (the "Installment" or "Installments"), ending on July 20, 2020, and earlier on the 20th day of each month (or in the case of January, the 21st, and in the case of June, the 22nd), or such other state school aid payment date as may be provided for under state law (each a "Payment Date"). If a Payment Date falls on a Saturday, Sunday or legal holiday, the Payment Date shall be the next business day. The payment to the Depository shall be made first from the Pledged State Aid received during the month of the Installment. If, for any reason, the Pledged State Aid received during the month of the Installment is insufficient to pay the Installment, then in that event the School District pledges to use any and all other available funds to meet the Installment obligation. If the School District fails to set aside all or any portion of an Installment (the "Installment Shortfall") on the Payment Date, the Authority is authorized, pursuant to Section 17a(3) of the State Aid Act, to intercept 100% of the Pledged State Aid to be distributed to the School District beginning with the month following the School District's failure to meet the Installment obligation and all months thereafter, in accordance with the terms and conditions of the Purchase Contract (the "Purchase Contract") between the Authority and the School District. Beginning with the month following the Installment Shortfall, the

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Authority shall intercept 100% of the Pledged State Aid to be distributed to the School District and apply the intercepted amount on the following priority basis: (i) the Installment Shortfall; (ii) the current month's Installment; and (iii) any amounts remaining to be immediately distributed to the School District. The intercept process set forth above shall continue each month following the Installment Shortfall until sufficient funds are deposited with the Depository to pay the total principal of and interest on the Notes. Unless expressly authorized by the Authority, the maximum amount of each Installment will not exceed 50% of the amount of Pledged State Aid due to the School District in any set-aside month.

B. If the School District has failed to deposit all or a portion of an Installment by the last business day of the month of the Installment, the Depository is authorized and directed to give written notice to the Authority, the State Treasurer and the School District on the first business day following the last business day of the month of the failure to deposit all or a portion of the Installment. Upon receipt of such written notice from the Depository, the Authority shall promptly notify the School District that it will immediately commence to intercept 100% of the Pledged State Aid.

C. If on the date of the final installment as specified in Schedule 1 to the Purchase Contract, the funds with the Depository are insufficient to pay the principal of and interest on the Notes when due, the School District, pursuant to Section 17a(3) of the State Aid Act to the extent necessary to meet the payment obligation, assigns to the Authority and authorizes and directs the State Treasurer to advance all or part of any state school aid payment which is dedicated for distribution or for which the appropriation authorizing the payment has been made.

D. Any Authorized Officer is further authorized to agree, if required by the Authority, to assign to the Authority and authorize and direct the State Treasurer to intercept all or part of any state school aid payment which is dedicated for distribution or for which the appropriation authorizing the state school aid payment has been made pursuant to Section 17a(3) of the State Aid Act.

E. Any Authorized Officer is further authorized to determine that each Installment is a partial mandatory redemption of a particular series of the Notes and that the last Installment is the maturity date of that series of the Notes, and such determination shall be conclusively evidenced by the Purchase Contract described below.

F. The School District authorizes and consents to the Authority entering into an investment agreement with a financial institution for the investment of funds deposited with the Depository on behalf of the Authority and the School District.

G. Any Authorized Officer is authorized to sell all or a portion of the Notes to the Authority without an installment payment schedule (the "No Set-Aside Notes") pursuant to the provisions of this resolution. In that event: (A) any Authorized Officer is further authorized to agree, if required by the Authority, to assign to the Authority and authorize and direct the State Treasurer to intercept or advance all or part of any state school aid payment which is dedicated for distribution or for which the appropriation authorizing the state school aid payment has been made pursuant to Section 17a(3) of the State Aid Act; (B) the School District acknowledges that payment of the principal of and interest on certain of the No Set-Aside Notes may be secured by a direct-pay letter of credit issued for the account of the Authority and the School District by one or more providers selected by the Authority (each a "Letter of Credit"); and each issuer a "Letter of Credit Bank"; (C) it shall not be deemed a default by the School District under the provisions of the Purchase Contract or the No Set-Aside Notes if the principal of and interest on the No Set-Aside Notes shall have been paid in full when due to the

Authority from proceeds of a drawing on the Letter of Credit and the drawing on the Letter of Credit is reimbursed by the School District on the designated date set forth in the reimbursement agreement relating to the Letter of Credit; and (D) the School District appoints the Authority as its agent to enter into the reimbursement agreement for and on behalf of the School District, if required by the Authority, as well as on the Authority's own behalf, and the School District agrees to be referred to as an account party in the Letter of Credit obtained by the Authority to secure payment of the No Set-Aside Notes and any series of the Authority's State Aid Revenue Notes issued to finance the Authority's purchase of the No Set-Aside Notes.

6. The President and Secretary of the Board of Education shall execute the Notes on behalf of the School District, and the executed Notes shall be delivered to the Authority upon the receipt of the purchase price therefor. The Vice President, Treasurer or Superintendent may execute the Notes instead of either the President or Secretary. The foregoing officials are hereby authorized to execute and deliver a temporary Note or Notes and exchanges, when available, final printed Notes therefor at the request of the Authority.

7. Unless the Notes are issued as federally taxable, the School District hereby covenants for the benefit of all holders of the Notes to comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Notes in order that the interest thereon be or continue to be excluded from gross income for federal income taxation purposes, including, but not limited to, requirements relating to the rebate of arbitrage earnings, if applicable, and the expenditure and investment of Note proceeds and monies deemed to be Note proceeds.

8. If necessary, any Authorized Officer is hereby authorized to make application to Treasury for and on behalf of the School District for an order approving the issuance of the Notes and to pay any applicable fee therefor, or a post-issuance filing fee, as applicable.

9. The President, Vice President, Secretary, Treasurer, Superintendent, individual acting in the capacity of the school business official, or designee and any Authorized Officer are further authorized to execute any documents or certificates necessary to complete the transaction including, but not limited to, any certificates relating to federal or state securities laws, rules or regulations.

10. The Notes shall be sold to the Authority and the following provisions shall apply:

A. Any Authorized Officer is hereby authorized to execute and deliver one or more Purchase Contracts with the Authority (which shall be determined by whether one or more series of Notes are issued hereunder) in substantially the form attached hereto as Exhibit B reflecting the terms and conditions of the borrowing, with such additions, deletions or substitutions (including without limitation additions, deletions or substitutions required by any Letter of Credit Bank(s) or any purchaser(s) of any series of the Authority's State Aid Revenue Notes issued by the Authority to finance its purchase of the No Set-Aside Notes), as the Authority and any Authorized Officer shall deem necessary and appropriate, including the number of set-asides, if any, and their dates and amounts, and not inconsistent with the provisions of this resolution. The choice of whether to make in installments for the Notes and/or the number, dates and amounts of installments shall be conclusively evidenced by the Purchase Contract. The Purchase Contract shall include the School District's agreement with respect to any installment not received by the Depository from the School District on the respective Payment Date, to pay the Authority an amount as invoiced by the Authority to recover its administrative costs and lost investment earnings attributable to that late payment.

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

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

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

11. By opting to sell its Notes to the Authority, the School District hereby determines that it is in the best interest of the School District to sell its Notes to the Authority rather than sell the Notes at a competitive sale based upon the historical performance of the Authority's note pool program whereby competitive interest rates and reduced costs of issuance are obtained by pooling several participating school districts in one or more series of notes.

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

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

14. The Authority has appointed Thrun Law Firm, P.C. to act as counsel to the underwriter and the structuring agent for the August 2019 state aid note program. The School District consents to Thrun Law Firm, P.C. representing this School District and acting as counsel to the underwriter and the structuring agent for the Authority's August 2019 state aid note program.

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

Ayes: Members Hawkins, Meadows, Sheler-Edwards, Champagne, Schindler

Nays: Members None

Resolution declared adopted.


President, Board of Education

The undersigned duly qualified and acting Secretary of the Board of Education of Ypsilanti Community Schools, Washtenaw County, Michigan, hereby certifies that the foregoing constitutes a true and complete copy of a resolution adopted by the Board at a regular meeting held on June 25, 2019, 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).


President, Board of Education

MDG/keh

THRUN
LAW FIRM, P.C.

EXHIBIT A

- Estimated 2019/2020 State Aid allocated or to be allocated for fiscal year ending June 30, 2020: \$_____ (total amount estimated to be received from October 1, 2019 through August 31, 2020)
- Amount of borrowing not to exceed: \$5,000,000
- Principal amount of notes, bonds or other obligations, including but not limited to federally tax-exempt and/or tax-advantaged bonds, ~~not including this borrowing~~, that have been issued or are expected to be issued during the 2019 calendar year: \$_____ (include plans for voted or non-voted bonds, refunding bonds, additional state aid notes, tax anticipation notes, installment purchase agreements, lines of credit, and lease-purchase agreements)
- Authorized Officer: President, Vice President, Secretary or Treasurer of the Board of Education, Superintendent, Assistant/Associate Superintendent or individual acting in the capacity of the school business official, or a designee thereof
- The Notes shall be dated August 20, 2019 and shall mature on July 20, 2020, August 20, 2020, or such other date as determined by any Authorized Officer
- Purchase price: Not less than 97% of the principal amount of the Notes
- Five percent (5%) of estimated fiscal year 2018/2019 operating expenses: \$_____

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EXHIBIT B

FORM OF PURCHASE CONTRACT

[Insert Name of School District Here]

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

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

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

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

The Issuer pledges to pay the principal of and interest on the Notes from its State School Aid appropriations allocated or to be allocated to it for the fiscal year ending June 30, 2020 and to be paid from October 2019 through August 2020, inclusive (the "Pledged State Aid"). Moneys to pay the principal of and interest on the Notes when due shall be set aside in a separate fund with the Depository (as defined in Schedule I) as hereinafter described in 3, 5 or 7 installments (the "Installment" or "Installments") as specified in Schedule I, or such other State School Aid payment date as may be provided for under state law (the "Payment Date"). If a Payment Date falls on a Saturday, Sunday or legal holiday, the Installment shall be due on the next business day. The payment to the Depository shall be made first from the Pledged State Aid received during the month of the Installment. Notwithstanding the foregoing, the Issuer hereby irrevocably directs the Treasurer of the State of

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

Pursuant to Section 17a(3) of the State School Aid Act of 1979, as amended (the "Act"), the Authority is authorized to intercept 100% of the Pledged State Aid to be distributed to the Issuer. Beginning with the month following the Installment Shortfall, for Pledged State Aid to be distributed to the Issuer pursuant to the Act on or before July 20, 2020, the Authority shall intercept 100% of that Pledged State Aid and apply the intercepted amount on the following priority basis: (A) to the Installment Shortfall; (B) to the current month's installment; and (C) any amounts remaining to be immediately distributed to the Issuer. Except as otherwise provided below, the Intercept process set forth above shall continue each month following the Installment Shortfall until sufficient funds are deposited with the Depository to pay the principal of and interest on the Notes.

If on the date of the final installment as specified in Schedule I, the funds on deposit with the Depository are insufficient to pay the principal of and interest on the Notes when due, and any and all other amounts owed by the Issuer as set forth in Schedule I (the "Payment Obligations"), and the Issuer also has an outstanding no set-aside state aid note issued as a separate series on August 10, 2019 (a "No Set-Aside Note") and purchased by the Authority with proceeds from the Authority's State Aid Revenue Notes, Series 2019A-2, then the Issuer, pursuant to Section 17a(3) of the Act, to the extent necessary to meet the Payment Obligations, assigns to the Authority and authorizes to intercept, and directs the State Treasurer to advance, the Issuer's Pledged State Aid to be applied pursuant to the terms of any applicable State Aid Agreement, dated as of August 20, 2019, by and among the Authority, the Treasurer of the State of Michigan and _____.

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

(i) request from the Issuer a written confirmation of both its ability to pay the Notes when due and a description of the source(s) of funds for the repayment of the Notes. If the Issuer fails within ten (10) days to provide such confirmation to the satisfaction of the Authority, the Issuer hereby authorizes the intercept of any Pledged State Aid to be distributed to the Issuer earlier than August 2020 in such amount as determined by the Authority to be appropriate and further authorizes the Authority to give notice to the State Treasurer to intercept that amount of any Pledged State Aid which has not already been transferred to the Issuer. Any Pledged State Aid which is thus intercepted shall be transferred to the Depository and shall, after the Authority's Notes are paid, any amounts remaining shall be immediately distributed to the Issuer; and/or

(ii) give notice to the Issuer requiring the Issuer to enter into one or more Tax Intercept Agreements (each a "TIA") to provide additional security for the payment of the Notes. Each TIA shall be in a form prescribed by the Authority, with such additions, deletions

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of and interest on the Notes when due on their maturity date, if the Issuer determines that there will be insufficient funds on deposit with the Depository on August 20, 2020 to pay the principal of and interest on the Notes on the maturity date of the Notes, the Issuer will notify the Authority by telephone and email not later than August 10, 2020 (email to: TreasMFA-StateAidNote@mlchigan.gov; and telephone the Executive Director, 517-335-0994).

If on the maturity date of the Notes there are insufficient funds on deposit with the Depository to pay the principal of and interest on the Notes when due, the Issuer, pursuant to Section 17a(3) of the State School Aid Act of 1979, as amended (the "Act"), to the extent necessary to meet the payment obligation, assigns to the Authority and authorizes and directs the State Treasurer to advance the Issuer's Pledged State Aid to be applied pursuant to the terms of any applicable State Aid Agreement, dated as of August 20, 2019, by and among the Authority, the State Treasurer of the State of Michigan, and _____. The Issuer acknowledges that such a State Aid Agreement will be executed among the Authority, the State Treasurer, the Depository, and the Trustee for the Authority whereby the State Treasurer agrees to intercept and/or advance all or part of any State School Aid as described under this Purchase Contract. Notwithstanding the foregoing:

(A) The Issuer hereby irrevocably directs the State of Michigan to pay to the Depository 100% of the Pledged State Aid to be distributed to the Issuer in August 2020, and the Depository shall apply the August 2020 State School Aid payment on the following priority basis: (1) first, to pay the Bank the amount necessary to reimburse it for the drawing on the Letter of Credit to pay principal of and interest on the Authority's Notes on August 20, 2020; (2) second, all other amounts due and owing to the Bank under the Reimbursement Agreement; (3) third, to pay any outstanding obligations relating to any other notes issued and delivered by the Issuer to the Authority concurrently with the Notes ("Other Notes"), if any; and (4) any amount remaining to be immediately distributed to the Issuer.

(B) If (i) the Issuer's August 2020 State School Aid payment will be less than the aggregate amount of principal of and interest on the Notes and on any Other Notes, and (ii) the Issuer will pay any of the remaining amount due from any source other than proceeds from its borrowing in the Authority's August 2020 state aid note pool, the Issuer shall give written notice by August 10, 2020 to the Authority and the Depository specifying each such source and amount (e.g., \$____ will be wired to the Depository from [bank name]).

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

(i) request from the Issuer a written confirmation of both its ability to pay the Notes when due and a description of the source(s) of funds for the repayment of the Notes. If the Issuer fails within ten (10) days to provide such confirmation to the satisfaction of the Authority, the Issuer hereby authorizes the intercept of any Pledged State Aid to be distributed to the Issuer earlier than August 2020 in such amount as determined by the Authority to be appropriate and further authorizes the Authority to give notice to the State Treasurer to intercept that amount of any Pledged State Aid which has not already been transferred to the Issuer. Any Pledged State Aid which is thus intercepted shall be transferred to the Depository and shall be applied after the Authority's Notes are paid in the same manner as provided in paragraph (A) above; and/or

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or substitutions reasonably required by any local taxing unit that collects operating taxes revenues collected for the Issuer, and the delinquencies thereon, on behalf of the Issuer, as the Authority and any Authorized Officer shall deem necessary and appropriate.]

The Issuer consents to the Authority's pledge and assignment of and grant of a security interest in the Authority's rights and interest (subject to certain rights of indemnification) in the Notes and this Purchase Contract as security for the Authority's Notes and a Trust Indenture dated as of August 1, 2019, issued by the Authority pursuant to its Note Authorizing Resolution adopted April 23, 2019, and for the Authority's obligations under a Note Purchase Agreement between it and any underwriter(s) of the Authority's Notes.

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

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

The Issuer acknowledges that (A) the Authority will purchase the Notes with proceeds from the State Aid Revenue Notes Series 2019A-2 to be issued by the Authority (the "Authority's Notes"); and (B) the payment of the principal of and interest on the Authority's Notes will be secured by a direct-pay letter of credit (the "Letter of Credit") to be issued by _____ (the "Bank"), pursuant to a reimbursement agreement among the Authority, _____ (as Trustee and Depository), and the Bank, dated as of August 20, 2019 (the "Reimbursement Agreement").

The Issuer agrees that it will deposit with the Depository (as defined in Schedule I) payment of the principal of and interest on the Notes in immediately available funds, the full amount of such principal of and interest on the Notes to be received by the Depository by 11:00 a.m. on the maturity date of the Notes. The Issuer pledges to pay the principal of and interest on its Notes from the 2019/2020 State School Aid to be allocated to it and to be paid from October 2019 through August 2020, inclusive (the "Pledged State Aid").

Not later than August 10, 2020, the Issuer shall determine whether there will be sufficient funds on deposit with the Depository on August 20, 2020 (the maturity date of the Notes) to pay the principal

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

The Issuer consents to the Authority's pledge and assignment of and grant of a security interest in the Authority's rights and interest (subject to certain rights of indemnification) in the Notes and this Purchase Contract as security for the Authority's Notes and a Trust Indenture dated as of August 1, 2019, issued by the Authority pursuant to its Note Authorizing Resolution adopted April 23, 2019 and the Authority's obligations under the Reimbursement Agreement.

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

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

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

The Issuer shall make the Notes and its other documents, certificates and closing opinions as the Authority shall require (the "Closing Documents") available for inspection by the Authority on August 10, 2019, at the offices of the Thrun Law Firm, P.C., East Lansing, Michigan. At 9:00 a.m. prevailing Eastern Time, on August 20, 2019 ("Closing Date"), the Issuer shall deliver the Notes to the Authority at the offices of Miller, Canfield, Paddock and Stone, P.L.L.C., Lansing, Michigan, together with the Closing Documents, and the Authority shall accept delivery of the Notes and the Closing Documents and pay the purchase price for the Notes.

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

Michigan Finance Authority

By _____
Its Authorized Officer

Accepted and Agreed to this
_____ day of _____, 2019
By _____ ("Issuer")
Title: _____

(Signature page to Purchase Contract)

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right of interception set forth in this Purchase Contract; and (B) expressly subordinate, under written subordination terms satisfactory to the Authority and its counsel, to the Issuer's prior pledge of Pledged State Aid as security for the Notes. "Other Obligations" as defined in this paragraph shall not include state aid notes, if any, issued by the Issuer as a separate series on August 20, 2019 and purchased by the Authority with proceeds from its State Aid Revenue Notes, Series 2019A-2, to be issued by the Authority pursuant to the Trust Indenture dated as of August 1, 2019. Any one or more of the foregoing restrictions set forth in this paragraph may be waived in writing by the Authority, by its Authorized Officer, in his or her sole and absolute discretion.

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

[Note: If a Purchaser of the Authority's State Aid Revenue Notes, Series 2019A-2, requires particular provisions for determining the interest rate on the Notes or a default interest rate, such provisions will be added to this Schedule I, as appropriate.]

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Schedule I

[[INSTALLMENT PAYMENT SCHEDULE]]

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

1. The Issuer hereby covenants that it will deposit all installment payments as set forth in paragraph 9 below with _____, or its successor (the "Depository") at its designated corporate trust office located in _____, Michigan. [The Issuer directs the Depository to use the proceeds of the installment payments to acquire U.S. Treasury Obligations state and local government series (SLGS) and/or such other U.S. Treasury notes, bonds, bills and securities as authorized and directed by the Authority and as permitted by law, or, if authorized and directed by the Authority, to enter into an investment contract with a financial institution on behalf of the Issuer for the investment of the installment payments.] In the event the Depository resigns, or is removed, the Issuer hereby accepts and appoints a successor depository appointed by the Authority as depository for the Notes.
2. The number of installments shall be as set forth in paragraph 9 below. The Issuer hereby agrees to deposit funds with the Depository in accordance with the Purchase Contract and its resolution authorizing the Notes.
3. The Issuer covenants that it will deliver from time to time such additional information regarding the financial condition of the Issuer as the Authority may reasonably request.
4. The Issuer covenants that the principal amount of the Notes, together with any additional notes or other obligations of equal standing with the Notes as to the Pledged State Aid, will not exceed 75% of the amount of State School Aid to be received by the Issuer during the period from October 1, 2019, through August 31, 2020.
5. The principal amount and the initial interest rate on the Notes shall not exceed \$ _____ and _____ % per annum, respectively.
6. The Issuer's pro rata share of the Costs of Issuance shall not exceed: (A) \$ _____, plus (B) the Issuer's pro rata share of related charges pursuant to the Note Purchase Agreement between the Authority and the underwriter(s).
7. The Notes shall be dated August 20, 2019 and shall mature on [August 20], 2020.
8. The purchase price of the Notes shall be \$ _____ (par of \$ _____) [less net discount of \$ _____] [plus net premium of \$ _____].
9. The amounts of the Installments/Mandatory Redemptions on the Payment Dates are:

Payment Date	Installment/Mandatory Redemption
--------------	----------------------------------

10. As long as the Notes are outstanding, the Issuer shall neither pledge nor make any request for an advancement pursuant to Section 17b of the State School Aid Act of 1979, as amended, of any portion of its Pledged State Aid, October 2020 State School Aid, or State School Aid payable thereafter without the prior written consent of the Authority, by its Executive Director, which consent shall not be unreasonably withheld. The Issuer shall not, at any time prior to the maturity of the Notes, issue any other obligations pledging the Pledged State Aid ("Other Obligations") unless: (i) the Issuer shall have given prior written notice to the Authority of the Issuer's intent to issue any Other Obligations promptly after forming such intent; (ii) any Other Obligations shall mature after August 20, 2020; and (iii) any pledge of the Pledged State Aid as security for the payment of any Other Obligations shall be: (A) expressly subject to the prior

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Schedule I

[[NO INSTALLMENTS]]

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

1. The Issuer hereby agrees to deposit or cause to be deposited funds to pay principal of and interest on the Notes with _____, or its successor (the "Depository") at its designated corporate trust office located in _____, Michigan, in accordance with the Purchase Contract and resolution authorizing the Notes. In the event the Depository resigns, or is removed, the Issuer hereby accepts and appoints a successor depository appointed by the Authority as depository for the Notes.
2. The Issuer covenants that it will deliver from time to time such additional information regarding the financial condition of the Issuer as the Authority may reasonably request.
3. The Issuer covenants that the principal amount of the Notes, together with any additional notes or other obligations of equal standing with the Notes as to the Pledged State Aid, will not exceed 75% of the amount of State School Aid to be received by the Issuer during the period from October 1, 2019, through August 31, 2020.
4. The principal amount and the initial interest rate on the Notes shall not exceed \$ _____ and _____ % per annum, respectively.
5. The Issuer's pro rata share of the Costs of Issuance shall not exceed: (A) \$ _____, plus (B) the Issuer's pro rata share of related charges pursuant to the Reimbursement Agreement among the Authority, the Bank and the Depository (including, without limitation, all other amounts owing by the Authority under the Reimbursement Agreement and the initial fee of the Bank).
6. The Notes shall be dated August 20, 2019 and shall mature on [August 20], 2020.
7. The purchase price of the Notes shall be \$ _____ (par of \$ _____) [less net discount of \$ _____] [plus net premium of \$ _____].
8. The amounts of the Installments/Mandatory Payments on the Payment Dates are:

Payment Date	Installment/Mandatory Redemption
--------------	----------------------------------

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

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

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

"Base Rate" means, for any day, the highest of (a) the Prime Rate, (b) the Adjusted One Month LIBOR Rate and (c) _____ percent (____%) per annum.

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

"Prime Rate" means, for any day, the rate of interest announced by _____ from time to time as its prime commercial rate for U.S. dollar loans, or equivalent, as in effect on such day, with any change in the Prime Rate resulting from a change in said prime commercial rate to be effective as of the date of the relevant change in said prime commercial rate.

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

10. So long as the Notes are outstanding or any amounts are due and owing to the Authority under this Purchase Contract, the Issuer shall neither pledge nor make any request for an advancement pursuant to Section 17b of the State School Aid Act of 1979, as amended, of any portion of its Pledged State Aid, October 2020 State School Aid, or State School Aid payable thereafter without the prior written consent of the Authority, by its Executive Director, which consent shall not be unreasonably withheld. The Issuer shall not, at any time prior to the maturity of the Notes, issue any other obligations pledging the Pledged State Aid ("Other Obligations") unless: (i) the Issuer shall have given prior written notice to the Authority of the Issuer's intent to issue any Other Obligations promptly after forming such intent; (ii) any Other Obligations shall mature after August 20, 2020, and (iii) any pledge of the Pledged State Aid as security for the payment of any Other Obligations shall be: (A) expressly subject to the prior right of Interception set forth in this Purchase Contract; and (B) expressly subordinate, under written subordination terms satisfactory to the Authority and its counsel, to the Issuer's prior pledge of Pledged State Aid as security for the payment of the Notes. "Other Obligations" as defined in this paragraph shall not include state aid notes, if any, issued by the Issuer as a separate series on August 20, 2019 and purchased by the Authority with proceeds from the State Aid Revenue Notes, Series 2019A-1, to be issued by the Authority pursuant to the Trust Indenture dated as of August 1, 2019. Any one or more of the foregoing restrictions set forth in this paragraph may be waived in writing by the Authority, by the Authorized Officer, in his or her sole and absolute discretion.

[Note: If a Purchaser of the Authority's State Aid Revenue Notes, Series 2019A-1, requires particular provisions for determining the interest rate on the Notes or a default interest rate, such provisions will be modified, or added to, this Schedule I, as appropriate.]

Schedule I-2