PRELIMINARY OFFICIAL STATEMENT DATED: JUNE 12, 2024

New Issue — **Moody's†¹:** Aa1/A3
Book-Entry-Only — Michigan School Bond Qualification and Loan Program/Underlying

TAX STATUS: *In the opinion of Thrun Law Firm, P.C., Bond Counsel, assuming continued compliance by the School District with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), (i) interest on the Bonds is excluded from gross income for federal income tax purposes, as described in the opinion, (ii) the Bonds and interest thereon are exempt from all taxation in the State of Michigan, except inheritance and estate taxes and taxes on gains realized from the sale, payment or other disposition thereof, and (iii) interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax to the extent of, and subject to, the conditions described herein. The School District has covenanted to comply with certain requirements of the Code necessary to continue the exclusion of interest on the Bonds from gross income for federal income tax purposes. See "TAX MATTERS" herein.*

$23,370,000*
NEW HAVEN COMMUNITY SCHOOLS
County of Macomb
State of Michigan
2024 School Building and Site Bonds, Series I
(General Obligation – Unlimited Tax)

Date of Sale: June 26, 2024
Time of Sale: 11:30 AM, ET

PURPOSE AND SECURITY: The 2024 School Building and Site Bonds, Series I (General Obligation – Unlimited Tax) (the "Bonds") were authorized by the Board of Education of the New Haven Community Schools, County of Macomb, State of Michigan (the "School District") by resolutions adopted on May 13, 2024 and expected to be adopted on July 15, 2024 (the "Resolutions") and at an election of the School District electors held on May 7, 2024, for the purpose of remodeling, furnishing and refurnishing, and equipping and re-equipping school buildings; acquiring, installing, and equipping and re-equipping school buildings for instructional technology; erecting and equipping an athletic concession building at the middle school and a bus garage; purchasing school buses; and preparing, developing, improving, and equipping playgrounds, athletic fields and facilities, and sites (the "Project"). The Bonds will pledge the full faith, credit and resources of the School District for payment of the principal and interest thereon, and will be payable from ad valorem taxes, which may be levied without limitation as to rate or amount as provided by Article IX, Section 6, and Article IX, Section 16, of the Michigan Constitution of 1963.

STATE QUALIFICATION: The Bonds are expected to be fully qualified as of delivery pursuant to Act 92, Public Acts of Michigan, 2005, as amended, enacted pursuant to Article IX, Section 16, of the Michigan Constitution of 1963. Under the terms of said constitutional and statutory provisions, if for any reason the School District will be or is unable to pay the principal and interest on the Bonds when due, then the School District shall borrow, and the State of Michigan shall lend to it, an amount sufficient to enable the School District to make the payment.

BOOK-ENTRY-ONLY: The Bonds are issuable only as fully registered bonds without coupons and, when issued, will be registered in the name of Cede & Co., as Bondholder and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchases of beneficial interests in the Bonds will be made in book-entry-only form in the denomination of $5,000 or any integral multiple thereof. Purchasers of beneficial interests in the Bonds (the "Beneficial Owners") will not receive certificates representing their beneficial interest in Bonds purchased. So long as Cede & Co. is the Bondholder, as nominee of DTC, references herein to the Bondholders or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the Bonds. See "BOOK-ENTRY ONLY SYSTEM" herein.

PAYMENT OF BONDS: Principal of and interest on the Bonds will be paid by The Huntington National Bank, Grand Rapids, Michigan (the "Paying Agent"). So long as DTC or its nominee, Cede & Co., is the Bondholder, such payments will be made directly to such Bondholder. Disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of the DTC Participants and Indirect Participants, as more fully described herein. Interest will be payable semiannually on November 1 and May 1, commencing November 1, 2024 to the Bondholders of record as of the applicable record dates as stated in the Bonds.

Dated/Delivery:	To Be Determined (Estimated to be July 31, 2024)	**Principal Due:**	May 1, years shown below
Purchase Price:	Not less than 100% or more than 110% of par value	**Maximum Interest Rate:**	6.0%
Multiples:	1/8 or 1/100 of 1% or both	**Maximum Interest Spread:**	3.0%

(Base CUSIP§: ________)

CUSIP§	Year	Amount*	Interest Rate	Yield	CUSIP§	Year	Amount*	Interest Rate	Yield
	2025	$300,000				2038	$1,000,000		
	2026	300,000				2039	1,050,000		
	2027	350,000				2040	1,100,000		
	2028	375,000				2041	1,175,000		
	2029	400,000				2042	1,250,000		
	2030	425,000				2043	1,325,000		
	2031	500,000				2044	1,425,000		
	2032	525,000				2045	1,550,000		
	2033	575,000				2046	1,625,000		
	2034	625,000				2047	1,700,000		
	2035	675,000				2048	1,775,000		
	2036	725,000				2049	1,845,000		
	2037	775,000							

INTEREST RATE RESTRICTION: Bonds maturing in any one year shall not bear an interest rate lower than Bonds maturing in the preceding year.

PRIOR REDEMPTION: Bonds of this issue maturing in years 2035 and thereafter are subject to redemption at the option of the School District prior to maturity as described in "PRIOR REDEMPTION – Optional Redemption" herein.

TERM BOND OPTION: Bidders shall have the option of designating bonds maturing in any year as serial bonds or term bonds, or both. Any such designation must be made within one (1) hour after the Bond sale. See "TERM BOND OPTION" herein.

MATURITY ADJUSTMENT: The School District reserves the right to adjust the aggregate principal amount of the Bonds after receipt of the bids and prior to final award. See "MATURITY ADJUSTMENT" herein.

ADJUSTMENT TO PURCHASE PRICE: In the event of a maturity adjustment, the purchase price of the Bonds will be adjusted proportionately to the adjustment in principal amount of the Bonds and in such manner as to maintain as comparable an underwriter spread as possible to the winning bid.

BOND COUNSEL: The Bonds will be offered when, as and if issued by the School District subject to the approving legal opinion of Thrun Law Firm, P.C., East Lansing, Michigan.

This cover page contains information for a quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

Additional information relative to this Bond issue may be obtained from:

PFM Financial Advisors LLC
555 Briarwood Circle, Suite 333
Ann Arbor, MI 48108
734-994-9700

This Official Statement is dated June __, 2024

† For an explanation of the ratings, see "RATINGS" herein.
¹ As of date of delivery.
* Preliminary, subject to change.
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New Haven Community Schools

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New Haven, Michigan 48048
Phone: (586) 749-5123

ADMINISTRATIVE STAFF

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PROFESSIONAL SERVICES

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East Lansing, Michigan

Municipal Advisor .... PFM Financial Advisors LLC
Ann Arbor, Michigan

Paying Agent.......... The Huntington National Bank
Grand Rapids, Michigan

No dealer, broker, salesperson or other person has been authorized by the School District to give any information or to make any representations, other than those contained in the Official Statement. This Official Statement does not constitute any offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person, in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information, estimates and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder, shall, under any circumstances, create any implication that there has been no change in the affairs of the School District since the date hereof. This Official Statement is submitted in connection with the sale of the securities referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

This Official Statement and any addenda thereto were prepared relying on information of the School District and other sources and are believed to be reliable.

In making an investment decision, investors must rely on their own examination of the School District's financial records, and the terms of the offering, including the merits and risks involved.

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BID FORM

$23,370,000*
NEW HAVEN COMMUNITY SCHOOLS
County of Macomb
State of Michigan
2024 School Building and Site Bonds, Series I
(General Obligation – Unlimited Tax)

INTRODUCTION

The purpose of this Official Statement, which includes the cover page and Appendices, is to furnish information in connection with the issuance and sale by New Haven Community Schools, County of Macomb, State of Michigan (the "School District") of its 2024 School Building and Site Bonds, Series I (General Obligation – Unlimited Tax) (the "Bonds").

INFORMATION FOR BIDDERS

Date of Sale: June 26, 2024 — Time of Sale: 11:30 AM, ET

Bids may be emailed to munibids@macmi.com or submitted electronically via PARITY.

DATED: Date of Delivery

MAXIMUM INTEREST RATE: 6.0%

FIRST INTEREST: November 1, 2024

MAXIMUM INTEREST SPREAD: 3.0%

DENOMINATIONS: $5,000 or any integral multiple thereof not exceeding for each maturity the principal amount of such maturity.

MULTIPLES: 1/8 or 1/100 of 1% or both

REGISTRATION: Principal and Interest

PURCHASE PRICE: Aggregate not less than 100% nor more than 110% of par value of the Bonds.

PAYING AGENT: The Huntington National Bank, Grand Rapids, Michigan

GOOD FAITH DEPOSIT: A Good Faith Deposit in the amount of $233,700, will be required. For further information regarding this issue, see "DRAFT OFFICIAL NOTICE OF SALE".

QUALIFICATION: **QUALIFIED FOR MICHIGAN SCHOOL LOAN REVOLVING FUND** as of delivery pursuant to Act 92, Public Acts of Michigan, 2005 as amended.

RESTRICTION: **THE INTEREST RATE BORNE BY BONDS MATURING IN ANY YEAR SHALL NOT BE LESS THAN THE INTEREST RATE BORNE BY BONDS MATURING IN THE PRECEDING YEAR.**

PRINCIPAL DUE: May 1, annually as shown on the front cover.

ISSUE PRICE: The winning bidder shall assist the School District in establishing the issue price of the Bonds, in accordance with the requirements set forth in APPENDIX G concerning the Draft Official Notice of Sale and the Certification Regarding "Issue Price" in APPENDIX H attached hereto, and shall deliver to the School District at closing an "Issue Price" certificate prepared by Bond Counsel setting forth the reasonably expected issue price to the public and/or the sales prices of the Bonds. See APPENDICES G and H herein for additional information.

INTEREST

Interest on the Bonds will be payable on November 1, 2024 and semiannually on the 1st day of each May and November thereafter. Interest will be computed on the basis comprised of a 360-day year of twelve 30-day months.

*Preliminary, subject to change.

MATURITY ADJUSTMENT

The School District reserves the right to adjust the principal amount of the Bonds after receipt of the bids and prior to final award. Such adjustment, if necessary, will be made in increments of $5,000 and may be made in any maturity.

ADJUSTMENT TO PURCHASE PRICE

In the event of a maturity adjustment, the purchase price of the Bonds will be adjusted proportionately to the adjustment in principal amount of the Bonds and in such manner as to maintain as comparable an underwriter spread as possible to the winning bid.

GOOD FAITH DEPOSIT

A certified or cashier's check in the amount of $233,700 may be submitted contemporaneously with the bid or, in the alternative, a deposit in the amount of $233,700 shall be made by the Purchaser by federal wire transfer as directed by PFM Financial Advisors LLC, to be received by the School District not later than noon, prevailing Eastern Time, on the next business day following the award as a guarantee of good faith on the part of the bidder to be forfeited as liquidated damages if such bid be accepted and the bidder fails to take up and pay for the Bonds. Any award made to the low bidder is conditional upon receipt of the good faith deposit. The good faith deposit will be applied to the purchase price of the Bonds. In the event the Purchaser fails to honor its accepted bid, the good faith deposit will be retained by the School District. No interest shall be allowed on the good faith deposit. Payment for the balance of the purchase price of the Bonds shall be made at the closing. Good faith checks of unsuccessful bidders will be returned via U.S. Mail.

TERM BOND OPTION

Bidders shall have the option of designating bonds maturing in any year as serial bonds or term bonds, or both. The bidder must designate whether each of the principal amounts shown on the cover hereof represent a serial maturity or a mandatory redemption requirement for a term bond maturity. There may be more than one term bond maturity. In any event, the principal amount schedule on the cover hereof shall be represented by either serial bond maturities or mandatory redemption requirements, or a combination of both. Any such designation must be made within one (1) hour after the Bond sale.

PRIOR REDEMPTION

Optional Redemption

Bonds of this issue maturing in the years 2025 through 2034, inclusive, shall not be subject to redemption prior to maturity. Bonds or portions of Bonds in multiples of $5,000 of this issue maturing in the year 2035 and thereafter are subject to redemption prior to maturity, at the option of the School District, in such order as the School District may determine and by lot within any maturity, on any date occurring on or after May 1, 2034, at par and accrued interest to the date fixed for redemption.

Mandatory Redemption – Term Bonds

Principal designated by the original Purchaser of the Bonds as a term maturity shall be subject to mandatory redemption, in part, by lot, at par and accrued interest on the redemption dates corresponding to the maturities hereinbefore scheduled. When term Bonds are purchased by the School District and delivered to the Paying Agent for cancellation or are redeemed in a manner other than by mandatory redemption, the principal amount of the term Bonds affected shall be reduced by the principal amount of the Bonds so redeemed or purchased in the order determined by the School District.

Notice of Redemption and Manner of Selection

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

If less than all of the Bonds of any maturity shall be called for redemption prior to maturity unless otherwise provided, the particular Bonds or portions of Bonds to be redeemed shall be selected by the Paying Agent, in such manner as the Paying Agent in its discretion may deem proper, in the principal amounts designated by the School District. Upon presentation and surrender of such Bonds at the corporate trust office of the Paying Agent, such Bonds shall be paid and redeemed.

So long as the book-entry-only system remains in effect, in the event of a partial redemption the Paying Agent will give notice to Cede & Co., as nominee of DTC, only, and only Cede & Co. will be deemed to be a holder of the Bonds. DTC is expected to reduce the credit balances of the applicable DTC Participants in respect of the Bonds and in turn the DTC Participants are expected to select those Beneficial Owners whose ownership interests are to be extinguished or reduced by such partial redemption, each by such method as DTC or such DTC Participants, as the case may be, deems fair and appropriate in its sole discretion.

OFFICIAL NOTICE OF SALE

See APPENDIX G - "DRAFT OFFICIAL NOTICE OF SALE".

BIDCOMP/PARITY BIDDING

Notice is hereby given that electronic proposals will be received via BIDCOMP/PARITY, in the manner described below, until 11:30 a.m., Eastern Time, on Wednesday, June 26, 2024.

Bids may be submitted electronically via BIDCOMP/PARITY pursuant to the Notice of Sale, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in BIDCOMP/PARITY conflict with the Official Notice of Sale for the Bond, the terms of the Official Notice of Sale for the Bonds shall control. For further information about BIDCOMP/PARITY, potential bidders may contact the Municipal Advisor at (734) 994-9700 or BIDCOMP/PARITY at (212) 849-5021.

PURPOSE AND SECURITY

The Bonds were authorized by the Board of Education by resolutions adopted on May 13, 2024 and expected to be adopted on July 15, 2024 (the "Resolutions") of the School District and at an election of the School District's electors held on May 7, 2024, for the for the purpose of remodeling, furnishing and refurnishing, and equipping and re-equipping school buildings; acquiring, installing, and equipping and re-equipping school buildings for instructional technology; erecting and equipping an athletic concession building at the middle school and a bus garage; purchasing school buses; and preparing, developing, improving, and equipping playgrounds, athletic fields and facilities, and sites. The Bonds will pledge the full faith, credit and resources of the School District for payment of the principal and interest thereon, and will be payable from ad valorem taxes, which may be levied without limitation as to rate or amount as provided by Article IX, Section 6, and Article IX, Section 16, of the Michigan Constitution of 1963.

QUALIFICATION BY THE STATE OF MICHIGAN

An application will be submitted to the Michigan Department of Treasury to obtain, and it is the School District's expectation that the Bonds will receive, final qualification as of the date of delivery pursuant to Act 92 of the Public Acts of Michigan, 2005, as amended ("Act 92"), enacted pursuant to Article IX, Section 16, of the Michigan Constitution of 1963. Under the terms of said constitutional and statutory provisions, if for any reason the School District will be or is unable to pay the principal of and interest on the Bonds when due, the School District shall borrow and the State of Michigan (the "State") shall lend to it from the School Loan Revolving Fund (the "School Loan Revolving Fund") established by the State, an amount sufficient to enable the School District to make the payment. Article IX, Section 16 of the State Constitution as implemented by Act 112 of the Public Acts of Michigan, 1961, as amended, authorizes the State, without approval of its electors, to borrow from time to time such amounts as shall be required, pledge the State's full faith and credit and issue its notes or bonds therefor, for the purpose of making loans to school districts as provided under such section. Loans to school districts for such purposes are made from the proceeds of such State borrowing. See also APPENDIX A, "STATE QUALIFICATION," in this Official Statement.

Complete financial statements of all of the State's funds as included in the State's Annual Comprehensive Financial Report ("ACFR") prepared by the State's Office of the State Budget are available from the Office of the State Budget website: www.michigan.gov/budget. The State has agreed to file its ACFR with the Municipal Securities Rulemaking Board and the State Information Depository (as described in Rule 15c2-12(b)(5) of the Securities and Exchange Commission) annually, so long as any bonds qualified for participation in the Michigan School Bond Qualification and Loan Program remain outstanding.

ESTIMATED SOURCES AND USES OF FUNDS

<u>Sources of Funds:</u>	
Par Amount of Bonds	
Net Original Issue Premium	
TOTAL SOURCES	
<u>Uses of Funds:</u>	
Capital Projects Fund	
Underwriter's Discount	
Costs of Issuance	
TOTAL USES	

TAX PROCEDURES

Article IX, Section 3, of the Michigan Constitution provides that the proportion of true cash value at which property shall be assessed shall not exceed 50% of true cash value. The Michigan Legislature by statute has provided that property shall be assessed at 50% of its true cash value, except as described below. The Michigan Legislature or the electorate may at some future time reduce the percentage below 50% of true cash value.

On March 15, 1994, the electors of the State approved an amendment to the Michigan Constitution permitting the Legislature to authorize ad valorem taxes on a non-uniform basis. The legislation implementing this constitutional amendment added a new measure of property value known as "Taxable Value." Beginning in 1995, taxable property has two valuations -- State equalized valuation ("SEV") and Taxable Value. Property taxes are levied on Taxable Value. Generally, Taxable Value of property is the lesser of (a) the Taxable Value of the property in the immediately preceding year, adjusted for losses, and increased by the lesser of the inflation rate or 5%, plus additions, or (b) the property's current SEV. Under certain circumstances, therefore, the Taxable Value of property may be different from the same property's SEV.

When property is sold or transferred, Taxable Value is adjusted to the SEV, which under existing law is 50% of the current true cash value. The Taxable Value of new construction is equal to current SEV. Taxable Value and SEV of existing property are also adjusted annually for additions and losses.

Responsibility for assessing taxable property rests with the local assessing officer of each township and city. Any property owner may appeal the assessment to the local board of review, to the Michigan Tax Tribunal and ultimately to the Michigan courts.

The Michigan Constitution also mandates a system of equalization for assessments. Although the assessors for each local unit of government within a county are responsible for actually assessing at 50% of true cash value, adjusted for Taxable Value purposes, the final SEV and Taxable Value are arrived at through several steps. Assessments are established initially by the municipal assessor. Municipal assessments are then equalized to the 50% levels as determined by the respective county's department of equalization. Thereafter, the State equalizes the various counties in relation to each other. SEV is important, aside from its use in determining Taxable Value for the purpose of levying ad valorem property taxes, because of its role in the spreading of taxes between overlapping jurisdictions, the distribution of various State aid programs, State revenue sharing and in the calculation of debt limits.

Property that is exempt from property taxes, e.g., churches, government property, public schools, is not included in the SEV and Taxable Value data in the Official Statement. Property granted tax abatements under Act 198, Public Acts of Michigan, 1974, amended, is recorded on a separate tax roll while subject to tax abatement. The valuation of tax-abated property is based upon SEV but is not included in either the SEV or Taxable Value data in the Official Statement except as noted. Under limited circumstances, other state laws permit the partial abatement of certain taxes for other types of property for periods of up to 12 years.

LEVY AND COLLECTION OF TAXES FOR PAYMENT OF THE BONDS AND BONDHOLDER'S REMEDIES

The Resolutions authorizing the issuance of the Bonds and State law obligate the School District to levy a tax annually in an amount sufficient so that the estimated collections therefrom, together with amounts, if any, to be borrowed from the School Loan Revolving Fund for the Bonds, will be sufficient to pay promptly when due the principal of and interest on the Bonds becoming due prior to the time of the next tax levy. The tax levy shall not be subject to limitation as to rate or amount. Taxes for the payment of the principal of or interest on the Bonds are certified for collection each year with the school tax levies. In the event of the failure of the proper officials to certify taxes for the payment of the principal and interest requirements, a timely action in the nature of mandamus could compel certification and collection of adequate taxes or could compel the School District to make application to borrow the necessary funds from the School Loan Revolving Fund and thus prevent a default. However, if the paying agent for any bonds of the School District qualified for State loans as provided in Article IX, Section 16, of the State Constitution notifies the State Treasurer that the School District has failed to deposit sufficient funds to pay principal or interest on the qualified bonds when due or if a bondholder notifies the State Treasurer that the School District has failed to pay principal or interest on such qualified bonds when due, whether or not the School District has filed a draw request with the State Treasurer, the State Treasurer shall promptly pay the principal or interest on the qualified bonds when due.

If sufficient funds for full payment of debt service on the Bonds do not reach the Paying Agent five business days prior to the debt service payment due date, the Paying Agent will notify the School District of the amount of insufficient funds four business days prior to the due date. In the event that the School District does not immediately resolve the insufficient funds situation, the Paying Agent will notify the Michigan Department of Treasury of the deficiency three business days before the payment due date and the State Treasurer shall make the payment.

Any amount paid by the State Treasurer as described in the preceding paragraphs shall be deemed a loan made to the School District pursuant to the requirements of said Article IX, Section 16, of the State Constitution. Registered owners of the Bonds may attempt to obtain a money judgment against the School District for the principal amount of the Bonds or interest not paid when due and may periodically attempt to enforce the collection of the money judgment by requiring the tax assessing officers for the School District to place the amount of such judgment on the next tax rolls of the School District. The rights of the holders of the Bonds and the enforceability thereof are subject to bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and their enforcement also may be subject to the exercise of judicial discretion in appropriate cases. See also APPENDIX A, "State Qualification," for the excerpt from the State Constitution and for the statute creating the School Loan Revolving Fund and the related opinions of the Attorney General of the State of Michigan.

SOURCES OF SCHOOL OPERATING REVENUE

On March 15, 1994, the electors of the State of Michigan approved a ballot proposition to amend the State Constitution of 1963, in part, to increase the State sales tax from 4% to 6% as part of a complex plan to restructure the source of funding of public education (K-12) in order to reduce reliance on local property taxes for school operating purposes and to reduce the per pupil finance resource disparities among school districts.

The State school aid package passed by the Legislature as part of the school finance reform legislation instituted a per pupil foundation allowance beginning in fiscal year 1994/95. With the passage of Public Act 48 of 2021, the Legislature eliminated the foundation allowance range in 2021/22 that had been in place since the passage of the school finance reform legislation in 1994. In Public Act 103 of 2023 ("PA 103"), the Legislature established a 2023/24 target foundation allowance of $9,608 per pupil. In the future, the foundation allowance may be adjusted annually by an index based upon the change in revenues to the State school aid fund and change in the total number of pupils statewide. The foundation allowance is funded by locally raised property taxes plus State school aid. The revenues for the State's contribution to the foundation allowance are derived from a mix of taxing sources, including but not limited to, a statewide property tax of 6 mills on all taxable property[1], a State sales and use tax, a real estate transfer tax and a cigarette tax.

Generally, school districts are required to levy a local property tax of not more than 18 mills or the number of mills levied in 1993 for school operating purposes, whichever is less, on non-homestead properties[2] in order for the school district to receive its per pupil foundation allowance. An intermediate school district may seek voter approval for up to three enhancement mills for distribution to local constituent school districts on a per pupil basis. Proceeds of the enhancement mills are not counted toward the foundation allowance. The Macomb Intermediate School District has received voter approval for a 1.90 mill enhancement millage which is distributed to all school districts within its boundaries, including the School District, on a per pupil basis. The School District anticipates receiving approximately $541 per pupil from that millage in 2023/24. Furthermore, school districts whose per pupil foundation allowance in 2023/24 calculates to an amount in excess of $9,608 are authorized to levy additional millage to obtain the foundation

[1] "Taxable property" in this context does not include industrial personal property.

[2] "Non-homestead property" includes all taxable property other than principal residence, qualified agricultural property, qualified forestry property, supportive housing property, property occupied by a public school academy, and industrial personal property. Commercial personal property, to the extent not otherwise exempt, is exempt from the first 12 mills of not more than 18 mills levied by school districts.

allowance, first by levying such amount of the 18 mills against homestead property[1] as is necessary to hold themselves harmless and, if the 18 mills is insufficient, to then levy such additional mills against all property uniformly as is necessary to obtain the foundation allowance. The School District's 2023/24 per pupil foundation allowance does not exceed $9,608, and the School District does not levy such additional millage.

State aid appropriations and the payment schedule for State school aid may be changed by the Legislature at any time. If the amount appropriated from the State School Aid Fund exceeds the amount available for expenditure for a fiscal year, in the absence of overriding legislative action by the Legislature, the School Aid Act subjects most state aid payable to school districts for that fiscal year to an automatic proration on a per pupil basis in an amount necessary to eliminate the portion of the overage attributable to the appropriation to all school districts. See "STATE AID PAYMENTS" in APPENDIX B.

Public Act 144 of 2022 amended the State School Aid Act for the 2022/23 fiscal year increasing the School District's foundation allowance to $9,150 per pupil.

PA 103 amended the State School Aid Act for the 2023/24 fiscal year increasing the School District's foundation allowance to $9,608 per pupil.

Pursuant to PA 103, the School District may be eligible to receive various categorical grants for specific purposes, such as special education, "at-risk" students, meal programs, early education, career and technical education programs, and other instructional and non-instructional programs. The annual amendments to the State School Aid Act determine the type and amount of those categorical funds. For further information regarding the School District's receipt of categorical funds for the 2022/23 fiscal year, see the School District's audited financial statements in APPENDIX D.

In 2020 and 2021 the U.S. Congress passed three stimulus bills providing financial support to public schools through the Elementary and Secondary Emergency Relief Fund ("ESSER Funds"). Based on the three separate federal stimulus bills, the ESSER funding is generally referred to as "ESSER I Funds," "ESSER II Funds," and "ESSER III Funds," respectively.

As required under Michigan law, available ESSER Funds have been appropriated and allocated to qualifying school districts. The School District has been awarded $148,044 of the ESSER I Funds, $660,064 of the ESSER II Funds and $1,483,464 of the ESSER III Funds. ESSER funds already received by the School District are incorporated into the information in APPENDICES C and D. The School District may have received additional payments related to the ESSER Funds.

THE SOURCES OF THE SCHOOL DISTRICT'S OPERATING REVENUE DO NOT IMPACT THE TAXING AUTHORITY OF THE SCHOOL DISTRICT FOR PAYMENT OF GENERAL OBLIGATION UNLIMITED TAX SCHOOL BONDS AND DO NOT AFFECT THE OBLIGATION OF THE SCHOOL DISTRICT TO LEVY TAXES FOR PAYMENT OF DEBT SERVICE ON GENERAL OBLIGATION UNLIMITED TAX BONDS OF THE SCHOOL DISTRICT, INCLUDING THE BONDS OFFERED HEREIN.

MICHIGAN PROPERTY TAX REFORM

On November 5, 2013, March 28, 2014, and April 1, 2014, a package of bills amended and replaced legislation enacted in 2012 to phase-out most personal property taxation in Michigan. The bills were contingent on Michigan voters approving a ballot question authorizing a new municipal entity, the Local Community Stabilization Authority ("LCSA"), to levy a local component of the statewide use tax and distribute that revenue to local units of government to offset their revenue losses resulting from the personal property tax reform. On August 5, 2014, voters approved that ballot question.

The bill package, together with the original 2012 legislation, created two new exemptions from the personal property tax. Under the "small taxpayer exemption," the commercial and industrial personal property of each owner with a combined true cash value in a local tax collecting unit of less than $80,000 is exempt from ad valorem taxes in that collecting unit beginning in 2014, with such threshold being increased by the legislature to a combined true cash value in a local tax collecting unit of less than $180,000 beginning in 2023. For businesses that do not qualify for the "small taxpayer exemption," all "eligible manufacturing personal property" (personal property used more than 50%

[1] "Homestead property," in this context, means principal residence, qualified to the extent not otherwise exempt agricultural property, qualified forestry property, supportive housing property, property occupied by a public school academy, certain industrial personal property and certain commercial personal property to the extent not otherwise exempt.

of the time in industrial processing or direct integrated support) purchased and placed into service before 2006 or during or after 2013 became exempt beginning in 2016. Taxation on "eligible manufacturing personal property" placed into service after 2006 but before 2013 was phased-out over time; with the exemption taking effect after the property has been in service for the immediately preceding 10 years. The legislation extends certain personal property tax exemptions and tax abatements for technology parks, industrial facilities and enterprise.

Pursuant to voter approval in August 2014, the legislation also includes a formula to reimburse school districts for 100% of their lost operating millage revenue and lost sinking fund millage revenue. To provide the reimbursement, the legislation reduces the state share of the use tax and authorizes the LCSA to levy a local component of the use tax and distribute that revenue to qualifying local units. However, the reimbursement for the school district's operating millage will come from the State use tax component, which is deposited into the school state aid fund.[1] While the legislation provides reimbursement for prospective school operating losses, pursuant to legislative changes made in 2020, school districts will be reimbursed in 2021 and thereafter for debt millage calculated pursuant to a statutory formula.

DESCRIPTION AND FORM OF THE BONDS

The Bonds will be issued in book-entry-only form as one fully registered Bond per maturity, without coupons, in the aggregate principal amount for each maturity set forth on the cover page hereof and may be purchased in denominations of $5,000 or any integral multiple thereof. The Bonds will be dated as of and bear interest from the date of issuance. Interest on the Bonds shall be payable semiannually each November 1 and May 1 to maturity or early redemption, commencing November 1, 2024. Interest on the Bonds shall be computed using a 360-day year with twelve 30-day months, and the Bonds will mature on the dates and in the principal amounts and will bear interest at the rates as set forth on the cover of this Official Statement.

The corporate trust office of The Huntington National Bank, Grand Rapids, Michigan or its successor will serve as the paying agent (the "Paying Agent") and also as bond registrar and transfer agent if the Bonds cease to be held in book-entry-only form. For a description of payment of principal and interest, transfers and exchanges and notice of redemption on the Bonds, which are held in the book-entry-only system, see "Book-Entry-Only System" below. In the event the Bonds cease to be held in the book entry only system, then interest on the Bonds shall be payable when due by check or draft to the person or entity who or which is, as of the fifteenth (15th) day of the month preceding each interest payment date, the registered owner of record, at the owner's registered address. See also, "Transfer Outside Book-Entry-Only System" below.

BOOK-ENTRY-ONLY SYSTEM

The information in this section has been furnished by The Depository Trust Company, New York, New York ("DTC"). No representation is made by the School District or the Paying Agent as to the completeness or accuracy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof. No attempt has been made by the School District or the Paying Agent to determine whether DTC is or will be financially or otherwise capable of fulfilling its obligations. Neither the School District nor the Paying Agent will have any responsibility or obligation to DTC Participants, Indirect Participants (both as defined below) or the persons for which they act as nominees with respect to the Bonds, or for any principal, premium, if any, or interest payment thereof.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct

[1] A school district that increases its millage rate to replace debt millage revenue loss would not be eligible to receive reimbursement distributions. Further, because much of the foregone revenue is deposited into and disbursed to the State Aid Fund, in the future the legislature may choose to change the funding formulas in the State School Aid Act of 1979 (Act 94) or appropriate funds therein for other purposes.

Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the School District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal, interest and redemption amounts, if any, on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the School District or the Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee), Paying Agent, or School District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payments of principal, interest and redemption amounts, if any, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) are the responsibility of the School District or Paying Agent, disbursement of such payments to Direct

Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the School District or Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The School District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

TRANSFER OUTSIDE BOOK-ENTRY-ONLY SYSTEM

In the event that the book-entry-only system is discontinued, the following provisions would apply to the Bonds. The Paying Agent shall keep the registration books for the Bonds (the "Bond Register") at its corporate trust office. Subject to the further conditions contained in the Resolutions, the Bonds may be transferred or exchanged for one or more Bonds in different authorized denominations upon surrender thereof at the corporate trust office of the Paying Agent by the registered owners or their duly authorized attorneys; upon surrender of any Bonds to be transferred or exchanged, the Paying Agent shall record the transfer or exchange in the Bond Register and shall authenticate replacement bonds in authorized denominations; during the fifteen (15) days immediately preceding the date of mailing of any notice of redemption or any time following the mailing of any notice of redemption, the Paying Agent shall not be required to effect or register any transfer or exchange of any Bond which has been selected for such redemption, except the Bonds properly surrendered for partial redemption may be exchanged for new Bonds in authorized denominations equal in the aggregate to the unredeemed portion; the School District and Paying Agent shall be entitled to treat the registered owners of the Bonds, as their names appear in the Bond Register as of the appropriate dates, as the owners of such Bonds for all purposes under the Resolutions. No transfer or exchange made other than as described above and in the Resolutions shall be valid or effective for any purposes under the Resolutions.

PAYING AGENT AND BOND REGISTRATION

Principal and interest shall be payable and the Bonds shall be registered and transferred as described under the heading "BOOK-ENTRY-ONLY SYSTEM" above until the book-entry only system is discontinued. The School District has appointed the Paying Agent shown on the cover. In the event the book-entry only system is discontinued, the Paying Agent will also act as bond registrar and transfer agent.

BOND INSURANCE AT PURCHASER'S OPTION

If the Bonds qualify for the issuance of any policy of municipal bond insurance or commitment therefore at the option of the purchaser, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the purchaser. There will be no changes made to the Resolutions to reflect bond insurance. Any increased costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the purchaser, except that, if the School District has requested and received a rating on the Bonds from a rating agency, the School District will pay the fee for the requested rating. Any other rating agency fees shall be the responsibility of the purchaser. FAILURE OF THE MUNICIPAL BOND INSURER TO ISSUE THE POLICY AFTER THE BONDS HAVE BEEN AWARDED TO THE PURCHASER SHALL NOT CONSTITUTE CAUSE FOR FAILURE OR REFUSAL BY THE PURCHASER TO ACCEPT DELIVERY OF THE BONDS FROM THE SCHOOL DISTRICT.

LITIGATION

The School District has not been served with any litigation, administrative action or proceeding, and to the knowledge of the appropriate officials of the School District no litigation or administrative action or proceeding has been threatened against it, seeking to restrain or enjoin the issuance and delivery of the Bonds, or questioning or contesting the validity of the Bonds or the proceedings or authorities under which they are authorized to be issued, sold, executed and delivered or that would materially impact the School District finances or their ability to meet the debt service obligations on the Bonds. A certificate to such effect will be delivered to the Purchaser at the time of the original delivery of the Bonds.

TAX MATTERS

State

In the opinion of Thrun Law Firm, P.C., East Lansing, Michigan ("Bond Counsel"), based on its examination of the documents described in its opinion, under existing State of Michigan statutes, regulations, rulings and court decisions, the Bonds and the interest thereon are exempt from all taxation in the State of Michigan, except inheritance and estate taxes and taxes on gains realized from the sale, payment or other disposition thereof.

Federal

In the opinion of Bond Counsel, based upon its examination of the documents described in its opinion, under existing statutes, regulations, rulings and court decisions, the interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, interest on the Bonds held by an “applicable corporation” (as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended (the “Code”)) is included in annual “adjusted financial statement income” for purposes of calculating the alternative minimum tax imposed on an applicable corporation. The opinions set forth in the preceding sentence are subject to the condition that the School District comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The School District has covenanted to comply with such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds. Bond Counsel will express no opinion regarding other federal tax consequences with respect to the Bonds.

There are additional federal tax consequences relative to the Bonds and the interest thereon. The following is a general description of some of these consequences but is not intended to be complete or exhaustive and investors should consult with their tax advisors with respect to these matters. Prospective purchasers of the Bonds should be aware that (i) interest on the Bonds is included in the effectively connected earnings and profits of certain foreign corporations for purposes of calculating the branch profits tax imposed by Section 884 of the Code, (ii) interest on the Bonds may be subject to a tax on excess net passive income of certain S Corporations imposed by Section 1375 of the Code, (iii) interest on the Bonds is included in the calculation of modified adjusted gross income for purposes of determining the taxability of social security or railroad retirement benefits, (iv) the receipt of interest on the Bonds by life insurance companies may affect the federal tax liability of such companies, (v) in the case of property and casualty insurance companies, the amount of certain loss deductions otherwise allowed is reduced by a specific percentage of, among other things, interest on the Bonds, (vi) holders of the Bonds may not deduct interest on indebtedness incurred or continued to purchase or carry the Bonds, and (vii) commercial banks, thrift institutions and other financial institutions may not deduct their costs of carrying certain obligations such as the Bonds.

Original Issue Discount[1]

The initial public offering prices of certain Bonds, as set forth on the cover page of this Official Statement, may be less than the stated redemption prices at maturity (hereinafter referred to as the "OID Bonds"), and, to the extent properly allocable to each owner of such OID Bond, the original issue discount is excludable from gross income for federal income tax purposes with respect to such owner. Original issue discount is the excess of the stated redemption price at maturity of an OID Bond over the initial offering price to the public (excluding bond houses and brokers) at which price a substantial amount of the OID Bonds were sold. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. For an owner who acquires an OID Bond in this offering, the amount of original issue discount that accrues during any accrual period generally equals (i) the issue price of such OID Bond plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (ii) the yield to maturity on such OID Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), less (iii) any interest payable on such OID Bond during such accrual period. The amount of original issue discount so accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excluded from gross income for federal income tax purposes, and will increase the owner's tax basis in such OID Bond. Any gain realized by an owner from a sale, exchange, payment or redemption of an OID Bond would be treated as gain from the sale or exchange of such OID Bond. Owners of OID Bonds should consult with their individual tax advisors to determine whether the application of the original issue discount federal regulations will require them to include, for state and local income tax purposes, an amount of interest on the OID Bonds as income even though no corresponding cash interest payment is actually received during the tax year.

Original Issue Premium[1]

For federal income tax purposes, the initial offering prices to the public (excluding bond houses and brokers) of certain Bonds, may be greater than the stated redemption prices at maturity (the "Premium Bonds"), and constitutes for the original purchasers of the Premium Bonds an amortizable bond premium. Such amortizable bond premium is not deductible from gross income. The amount of amortizable bond premium allocable to each taxable year is

[1] Preliminary, subject to change.

generally determined on the basis of a taxpayer's yield to maturity determined by using the taxpayer's basis (for purposes of determining loss on sale or exchange) of such Premium Bonds and compounding at the close of each six-month accrual period. The amount of amortizable bond premium allocable to each taxable year is deducted from the taxpayer's adjusted basis of such Premium Bonds to determine taxable gain upon disposition (including sale, redemption or payment on maturity) of such Premium Bonds.

Future Developments

No assurance can be given that any future legislation or clarifications or amendments to the Code, if enacted into law, will not contain proposals which could cause the interest on the Bonds to be subject directly or indirectly to federal or State income taxation, adversely affect the market price or marketability of the Bonds, or otherwise prevent bondholders from realizing the full current benefit of the status of the interest thereon.

Furthermore, no assurance can be given that the impact of any future court decisions will not cause the interest on the Bonds to be subject directly or indirectly to federal or State income taxation, adversely affect the market price or marketability of the Bonds, or otherwise prevent bondholders from realizing the full current benefit of the status of the interest thereon.

It is to be understood that the rights of the holders of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

INVESTORS SHOULD CONSULT WITH THEIR TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE BONDS, INCLUDING THE TREATMENT OF ORIGINAL ISSUE PREMIUM AND ORIGINAL ISSUE DISCOUNT, IF ANY.

MUNICIPAL FINANCE QUALIFYING STATEMENT

The Michigan Department of Treasury has determined that the School District is in material compliance with the criteria identified in the Revised Municipal Finance Act, Act 34 of the Public Acts of Michigan, 2001, as amended, for a municipality to be granted qualified status. The School District may therefore proceed to issue the Bonds without further approval from the Department of Treasury of the State of Michigan.

BOND COUNSEL’S RESPONSIBILITY

Bond Counsel has reviewed the statements made in this Official Statement under the headings “INTEREST,” “PRIOR REDEMPTION,” “PURPOSE AND SECURITY,” “TRANSFER OUTSIDE BOOK-ENTRY-ONLY SYSTEM,” “TAX MATTERS,” “MUNICIPAL FINANCE QUALIFYING STATEMENT,” “BOND COUNSEL’S RESPONSIBILITY,” and “CONTINUING DISCLOSURE” (first two paragraphs only). Except as otherwise disclosed on pages herein, Bond Counsel has not been retained to review and has not reviewed any other portion of this Official Statement for accuracy or completeness, and has not made inquiry of any official or employee of the School District or any other person and has not made independent verification of such other portions hereof, and further has not expressed and will not express an opinion as to the portions hereof.

Except as stated in the immediately preceding paragraph and to the extent necessary to render its approving opinion respecting the validity of the Bonds and the exemption of the Bonds and the interest thereon from taxation, Bond Counsel has not been retained to examine or review, and has not examined or reviewed, any financial documents, statements or other materials that have been or may be furnished in the connection with the authorization, marketing or issuance of the Bonds, and, therefore, will not express an opinion with respect to the accuracy or completeness of any such documents, statements or other materials.

The fees of Bond Counsel for services rendered in connection with its approving opinion are expected to be paid from Bond proceeds.

MUNICIPAL ADVISOR

The School District has retained PFM Financial Advisors LLC, of Ann Arbor, Michigan as municipal financial advisor (the “Municipal Advisor”) in connection with the issuance of the Bonds. In assisting to prepare the Official Statement, the Municipal Advisor has relied upon governmental officials and other sources which have access to relevant data, to provide accurate information for the Official Statement and the Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information. To the best of the Municipal Advisor’s knowledge and belief, the information contained in the Official Statement which it assisted in preparing, while it may be summarized, is complete and accurate. The Municipal Advisor is not a public accounting firm and has not been engaged by the School District to compile, review, examine or audit any information in the Official Statement in accordance with accounting standards.

The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities and therefore will not participate in the underwriting of the Bonds. PFM Financial Advisors LLC is registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board as a municipal advisor.

Requests for information concerning the School District should be addressed to PFM Financial Advisors LLC, 555 Briarwood Circle, Suite 333, Ann Arbor, Michigan 48108, telephone: (734) 994-9700.

CONTINUING DISCLOSURE

Prior to delivery of the Bonds, the School District will execute a Continuing Disclosure Agreement (the "Agreement") for the benefit of the holders of the Bonds and the Beneficial Owners (as hereinafter defined under this caption only) to send certain information annually and to provide notice of certain events to certain information repositories pursuant to the requirements of Rule 15c2-12(b)(5) (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. "Beneficial Owner" means, under this caption only, any person, which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including any person holding Bonds through nominees, depositories or any other intermediaries). The information to be provided on an annual basis, the events which will be noticed on an occurrence basis, and other terms of the Agreement are set forth in APPENDIX F - "FORM OF CONTINUING DISCLOSURE AGREEMENT" to this Official Statement. Additionally, the School District shall, to the extent not already provided in the School District's annual audit filing pursuant to the Agreement, provide certain annual financial information and operating data generally consistent with the information contained in APPENDIX B within the tables under the headings "ENROLLMENT - Historical Enrollment", "STATE AID PAYMENTS," "PROPERTY VALUATIONS – History of Valuations," "MAJOR TAXPAYERS," "SCHOOL DISTRICT TAX RATES – (Per $1,000 of Valuation)," "TAX LEVIES AND COLLECTIONS," "RETIREMENT PLAN – Contribution to MPSERS," "LABOR RELATIONS," "DEBT STATEMENT – DIRECT DEBT," "SCHOOL LOAN REVOLVING FUND (SLRF) PROGRAM," and in APPENDIX C – GENERAL FUND BUDGET SUMMARY herein.

A failure by the School District to comply with the Agreement will not constitute an event of default under the Resolutions and holders of the Bonds or Beneficial Owners are limited to the remedies described in the Agreement. A failure by the School District to comply with the Agreement must be reported by the School District in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the bonds in the secondary market. Consequently, such failure may adversely affect the transferability and liquidity of the Bonds and their market price.

The School District has not in the previous five years, failed to comply, in all material respects, with any previous continuing disclosure agreements executed by the School District pursuant to the Rule. The School District is in the process of developing a formal continuing disclosure policy that will encompass annual disclosure filings and material event filings.

UNDERWRITER

The Bonds were purchased at a competitive sale on June 26, 2024, by ________________ (the "Underwriter"). The Underwriter has agreed to purchase the Bonds at a price of $_,___,___.__, which represents the par amount of the Bonds $_,___,___.__, less underwriter's discount of $__,___.__, and plus original issue premium in the amount of $___,___.__. The Underwriter may offer and sell the Bonds to certain dealers and others at prices lower than the public offering price stated on the inside cover page hereof. The initial public offering price may be changed from time to time by the Underwriter.

RATINGS

Moody's Investors Service ("Moody's") will assign, as of the date of delivery of the Bonds, its municipal bond rating of "Aa1" to the Bonds based upon the fact that each Bond will be fully qualified for participation in the Michigan School Bond Qualification and Loan Program as of its date of delivery. See "QUALIFICATION BY THE STATE OF MICHIGAN," "LEVY AND COLLECTION OF TAXES FOR PAYMENT OF THE BONDS AND BONDHOLDERS' REMEDIES" and APPENDIX A, "STATE QUALIFICATION," herein.

Moody's will also assign, as of the date of delivery of the Bonds, its underlying municipal bond rating of "A3", to the Bonds without regard to qualification of the Bonds for participation in the Michigan School Bond Qualification and Loan Program.

No application has been made to any other ratings service for a rating on the Bonds. The School District furnished to Moody's certain materials and information in addition to that provided herein. Generally, rating agencies base their ratings on such information and materials, and on investigations, studies and assumptions. There is no assurance that such ratings will prevail for any given period of time or that they will not be revised downward or withdrawn entirely by Moody's if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Bonds. Any ratings assigned represent only the views of Moody's. Further information is available upon request from Moody's Investors Service, 7 Trade Center at 250 Greenwich Street, New York, New York 10007, telephone: (212) 553-0377.

OTHER MATTERS

All information contained in this Official Statement, in all respects, is subject to the complete body of information contained in the original sources thereof. In particular, no opinion or representation is rendered as to whether any projection will approximate actual results, and all opinions, estimates and assumptions, whether or not expressly identified as such, should not be considered statements of fact.

The School District certifies that to its best knowledge and belief, this Official Statement, insofar as it pertains to the School District and its economic and financial condition, is true and correct as of the date of this Official Statement, and does not contain, nor omit, any material facts or information which would make the statements contained herein misleading.

NEW HAVEN COMMUNITY SCHOOLS
COUNTY OF MACOMB
STATE OF MICHIGAN

By: /s/ Cheryl Puzdrakiewicz
Its: Superintendent

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APPENDIX A
STATE QUALIFICATION

ARTICLE IX, SECTION 16 OF THE
1963 STATE OF MICHIGAN CONSTITUTION

State loans to school districts.

Sec. 16. The state, in addition to any other borrowing power, may borrow from time to time such amounts as shall be required, pledge its faith and credit and issue its notes or bonds therefor, for the purpose of making loans to school districts as provided in this section.

Amount of loans.

If the minimum amount which would otherwise be necessary for a school district to levy in any year to pay principal and interest on its qualified bonds, including any necessary allowances for estimated tax delinquencies, exceeds 13 mills on each dollar of its assessed valuation as finally equalized, or such lower millage as the legislature may prescribe, then the school district may elect to borrow all or any part of the excess from the state. In that event the state shall lend the excess amount to the school district for the payment of principal and interest. If for any reason any school district will be or is unable to pay the principal and interest on its qualified bonds when due, then the school district shall borrow and the state shall lend to it an amount sufficient to enable the school district to make the payment.

Qualified bonds.

The term "qualified bonds" means general obligation bonds of school districts issued for capital expenditures, including refunding bonds, issued prior to May 4, 1955, or issued thereafter and qualified as provided by law pursuant to Section 27 or Section 28 of Article X of the Constitution of 1908 or pursuant to this section.

Repayment of loans, tax levy by school district.

After a school district has received loans from the state, each year thereafter it shall levy for debt service, exclusive of levies for nonqualified bonds, not less than 13 mill or such lower millage as the legislature may prescribe, until the amount loaned has been repaid, and any tax collections therefrom in any year over and above the minimum requirements for principal and interest on qualified bonds shall be used toward the repayment of state loans. In any year when such levy would produce an amount in excess of the requirements and the amount due to the state, the levy may be reduced by the amount of the excess.

Bonds, state loans, repayment.

Subject to the foregoing provisions, the legislature shall have the power to prescribe and to limit the procedure, terms and conditions for the qualification of bonds, for obtaining and making state loans, and for the repayment of loans.

Power to tax unlimited.

The power to tax for the payment of principal and interest on bonds hereafter issued which are the general obligations of any school district, including refunding bonds, and for repayment of any state loans made to school districts, shall be without limitations as to rate or amount.

Rights and obligations to remain unimpaired.

All rights acquired under Sections 27 and 28 of Article X of the Constitution of 1908, by holders of bonds heretofore issued, and all obligations assumed by the state or any school district under these sections, shall remain unimpaired.

SCHOOL BOND QUALIFICATION, APPROVAL, AND LOAN ACT
Act 92 of 2005

AN ACT to prescribe the procedures, terms, and conditions for the qualification or approval of school bonds and other bonds; to authorize this state to make loans to certain school districts for the payment of certain bonds and to authorize schools to borrow from this state for that purpose; to prescribe the terms and conditions of certain loans to school districts; to prescribe the powers and duties of certain state agencies and certain state and local officials; to provide for certain fees; to prescribe certain penalties; and to repeal acts and parts of acts.

History: 2005, Act 92, Imd. Eff. July 20, 2005.

The People of the State of Michigan enact:

388.1921 Short title.

Sec. 1. This act shall be known and may be cited as the "school bond qualification, approval, and loan act".

History: 2005, Act 92, Imd. Eff. July 20, 2005.

388.1922 Purpose of act.

Sec. 2. The purpose of this act is to implement section 16 of article IX of the state constitution of 1963 and to provide for loans to school districts.

History: 2005, Act 92, Imd. Eff. July 20, 2005.

388.1923 Definitions.

Sec. 3. As used in this act:

(a) "Computed millage" means the number of mills in any year, not less than 7 mills and not more than 13 mills, determined on the date of issuance of the order qualifying the bonds or on a later date if requested by the school district and approved by the state treasurer, that, if levied by the school district, will generate sufficient annual proceeds to pay principal and interest on all the school district's qualified bonds plus principal and interest on all qualified loans related to those qualified bonds no later than the final mandatory repayment date. Based on changes of circumstances, including, but not limited to, additional bond qualification, refundings, changes in qualified loan interest rates, changes in taxable values, and assumptions contained in any then currently effective guidelines issued by the state treasurer pursuant to section 5(2)(c), the school district shall not less than annually, beginning on October 1, 2013, using methods prescribed in this act, recalculate the computed millage necessary to generate sufficient annual levy proceeds to pay principal and interest on all of the school district's qualified bonds and principal and interest on all qualified loans related to those qualified bonds not later than the final mandatory repayment date. If the school district determines that the recalculated computed millage is lower than its current millage levy rate, the school district shall promptly notify the state treasurer in writing of the recalculated computed millage. Immediately thereafter, the school district shall decrease its millage levy rate to the recalculated computed millage, but not below the computed millage established pursuant to the most recent order qualifying bonds for that school district, or to the minimum levy prescribed by law for receipt of qualified loans, whichever rate is higher. If the school district determines that the recalculated computed millage is higher than its current millage levy rate, the school district shall promptly notify the state treasurer in writing of the recalculated computed millage. Immediately thereafter, the school district shall increase its millage levy rate to the recalculated computed millage, subject to 1 of the following exceptions, and subject to any maximum millage levy rate otherwise prescribed for by law:

(*i*) For each school district's first recalculated computed millage required as of October 1, 2013, increase its millage levy by a percentage amount equal to the equivalent percentage of taxable value change for that school district over the immediately preceding 5 years, but not higher than the recalculated computed millage.

(*ii*) For each school district's subsequent recalculated computed millage beginning October 1, 2014 and each year thereafter, increase its millage levy by a percentage amount equal to the percentage of taxable value decline for the immediately preceding year ending September 30, but not to a rate higher than the recalculated computed millage.

(*iii*) If it is determined that a district's current computed millage is sufficient to pay all qualified loans by the mandatory final loan repayment date, no recalculation of the computed millage is required.

(b) "Final mandatory repayment date" means the final mandatory repayment date determined by the state treasurer under section 9.

(c) "Michigan finance authority" means the Michigan finance authority created under Executive

Reorganization Order No. 2010-2, MCL 12.194.

(d) "Qualified bond" means a bond that is qualified under this act for state loans as provided in section 16 of article IX of the state constitution of 1963. A qualified bond includes the interest amount required for payment of a school district's net interest obligation under an interest rate exchange or swap, hedge, or other agreement entered into pursuant to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, but does not include a termination payment or similar payment related to the termination or cancellation of an interest rate exchange or swap, hedge, or other similar agreement. A qualified bond may include a bond issued to refund loans owed to the state under this act.

(e) "Qualified loan" means a loan made under this act or former 1961 PA 108 from this state to a school district to pay debt service on a qualified bond.

(f) "Revolving loan fund" means the school loan revolving fund created under section 16c of the shared credit rating act, 1985 PA 227, MCL 141.1066c.

(g) "School district" means a general powers school district organized under the revised school code, 1976 PA 451, MCL 380.1 to 380.1852, or a school district of the first class as described in the revised school code, 1976 PA 451, MCL 380.1 to 380.1852, having the power to levy ad valorem property taxes.

(h) "State treasurer" means the state treasurer or his or her duly authorized designee.

(i) "Taxable value" means the value determined under section 27a of the general property tax act, 1893 PA 206, MCL 211.27a.

History: 2005, Act 92, Imd. Eff. July 20, 2005;—Am. 2012, Act 437, Eff. Mar. 28, 2013.

388.1924 Qualification of new bonds; terms and conditions applicable to outstanding qualified bonds; application for prequalification.

Sec. 4. (1) A school district may issue and market bonds as qualified bonds if the state treasurer has issued an order granting qualification under this act.

(2) Except with regard to qualification of new bonds, nothing in this act shall be construed to alter the terms and conditions applicable to outstanding qualified bonds issued in accordance with former 1961 PA 108. Unless otherwise amended as permitted by this act, outstanding qualified loans incurred in association with outstanding qualified bonds described in this subsection shall bear interest as provided in section 9(8) but otherwise shall be due and payable as provided in the repayment agreements entered into between the school district and the state before the effective date of this act.

(3) The state treasurer may qualify bonds for which the state treasurer has received an application for prequalification on or before May 25, 2005 without regard to the requirements of section 5(2)(f) if the electors of the school district approve the bonds at an election held during 2005.

History: 2005, Act 92, Imd. Eff. July 20, 2005;—Am. 2012, Act 437, Eff. Mar. 28, 2013.

388.1925 Preliminary qualification; application.

Sec. 5. (1) A school district may apply to the state treasurer for preliminary qualification of a proposed school bond issue by filing an application in the form and containing the information required by this act.

(2) An application for preliminary qualification of a school bond shall contain all of the following information:

(a) The proposed ballot language to be submitted to the electors.

(b) A description of the project or projects proposed to be financed.

(c) A pro forma debt service projection showing the estimated mills the school district will levy to provide revenue the school district will use to pay the qualified bonds, any outstanding qualified bonds, and any outstanding or projected qualified loans of the school district. For the purpose of the pro forma debt service projection, the school district may assume for the first 5 years following the date of the application the average growth or decline in taxable value for the 5 years or such other period of time requested by the school district if approved by the state treasurer preceding the date of the application and the average growth or decline rate for the 20 years immediately preceeding the date of the application but not more than 3% or less than 0% growth rate, for the remaining term of the proposed bonds.

(d) Evidence that the rate of utilization of each project to be financed will be at least 85% for new buildings and 60% for renovated facilities. If the projected enrollment of the district would not otherwise support utilization at the rates described in this subsection, the school district may include an explanation of the actions the school district intends to take to address the underutilization, including, if applicable, actions to close school buildings or other actions designed to assure continued assured use of the facilities being financed.

(e) Evidence that the cost per square foot of the project or projects will be reasonable in light of economic conditions applicable to the geographic area in which the school district is located.

(f) Evidence that the school district will repay all outstanding qualified bonds, the proposed qualified bonds, all outstanding qualified loans, and all qualified loans expected to be incurred with respect to all qualified bonds of the school district, including the proposed qualified bond issue, not later than the applicable final mandatory repayment date.

(g) The overall utilization rate of all school buildings in the school district, excluding special education purposes.

(h) The total bonded debt outstanding of the school district and the total taxable value of property in the school district for the school district fiscal year in which the application is filed.

(i) A statement describing any environmental or usability problems to be addressed by the project or projects.

(j) An architect's analysis of the overall condition of the facilities to be renovated or replaced as a part of the project or projects.

(k) An amortization schedule demonstrating that the weighted average maturity of the qualified bond issue does not exceed 120% of the average reasonably expected useful life of the facilities, excluding land and site improvements, being financed or refinanced with the proceeds of the qualified bonds, determined as of the later of the date on which the qualified bonds will be issued or the date on which each facility is expected to be placed in service.

(*l*) An agreement that the school district will keep books and records detailing the investment and expenditure of the proceeds of the qualified bonds and, at the request of the state treasurer, the school district will promptly, but not later than the date specified in the request, which date shall be not less than 5 business days after the date of the request, submit information requested by the state treasurer related to the detailed information maintained by the school district as to the investment and expenditure of the proceeds of its qualified bonds.

History: 2005, Act 92, Imd. Eff. July 20, 2005;—Am. 2012, Act 437, Eff. Mar. 28, 2013.

388.1926 Prequalification of bonds; determination by state treasurer.

Sec. 6. The state treasurer shall prequalify bonds of a school district if the state treasurer determines all of the following:

(a) The issuance of additional qualified bonds will not prevent the school district from repaying its outstanding qualified bonds, the proposed bonds, all outstanding qualified loans, and all qualified loans expected to be incurred with respect to all qualified bonds of the school district, including the proposed bond issue, not later than the applicable final mandatory repayment date.

(b) The form and language of the ballot conforms with the requirements of this act.

(c) The school district has filed an application complying with the requirements of section 5.

(d) If the proposed bond issue is approved by the voters after September 30, 2012 and will result in additional qualified loans, the outstanding balance of all qualified loans on the most recent May 1 or November 1 did not exceed $1,800,000,000.00. The $1,800,000,000.00 limitation described in the immediately preceding sentence does not apply after June 30, 2016.

(e) The issuance of additional qualified bonds approved by voters after September 30, 2012 will not have an adverse financial impact on the school district, this state, or the school loan revolving fund. In making this determination, the state treasurer shall consider relevant factors, including, but not limited to, whether the issuance of the proposed bond issue will cause the aggregate outstanding amount of qualified and nonqualified bonds, including the proposed bond issue, and currently outstanding qualified loans of the school district to exceed 25% of the taxable value of the school district at the time the proposed bonds are issued.

History: 2005, Act 92, Imd. Eff. July 20, 2005;—Am. 2012, Act 437, Eff. Mar. 28, 2013.

388.1927 Qualification of bonds; determination by state treasurer; order; specifications; loan agreement; reapplication; qualification of refunding bonds; requirements.

Sec. 7. (1) The state treasurer shall qualify bonds of a school district if the state treasurer determines all of the following:

(a) A majority of the school district electors have approved the bonds.

(b) The terms of the bond issue comply with applicable provisions of the revised school code, 1976 PA 451, MCL 380.1 to 380.1852.

(c) The school district is in compliance with the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

(d) The weighted average maturity of the qualified bond issue does not exceed 120% of the average reasonably expected useful life of the facilities, excluding land and site improvements, being financed or refinanced with the proceeds of the bonds, determined as of the later of the date on which the qualified bonds will be issued or the date on which each facility is expected to be placed in service.

(e) The school district has filed any information necessary to update the contents of the original application to reflect changes in any of the information approved in the preliminary qualification process.

(f) The school district has agreed that the school district will keep books and records detailing the investment and expenditure of the proceeds of the qualified bonds and, at the request of the state treasurer, the school district will promptly, but not later than the date specified in the request, which date shall be not less than 5 business days after the date of the request, submit information requested by the state treasurer related to the detailed information maintained by the school district as to the investment and expenditure of the proceeds of its qualified bonds.

(2) An order qualifying bonds shall specify the principal and interest payment dates for all the bonds, the maximum principal amount of and maximum interest rate on the bonds, the computed millage, if any, the final mandatory repayment date, and other matters as the state treasurer shall determine or as are required by this act.

(3) If the application for prequalification demonstrates that the school district will borrow from this state in accordance with this act, the state treasurer and the school district shall enter into a loan agreement setting forth the terms and conditions of any qualified loans to be made to the school district under this act.

(4) If a school district does not issue its qualified bonds within 180 days after the date of the order qualifying bonds, the order shall no longer be effective. However, the school district may reapply for qualification by filing an application and information necessary to update the contents of the original application for prequalification or qualification.

(5) The state treasurer shall qualify refunding bonds issued to refund qualified loans or qualified bonds if the state treasurer finds that all of the following are met:

(a) The refunding bonds comply with the provisions of the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

(b) That the school district will repay all outstanding qualified bonds, the proposed qualified bonds, all outstanding qualified loans, and all qualified loans expected to be incurred with respect to all qualified bonds of the school district, including the proposed qualified bond issue, not later than the applicable final mandatory repayment date.

History: 2005, Act 92, Imd. Eff. July 20, 2005;—Am. 2012, Act 437, Eff. Mar. 28, 2013.

388.1928 Submission of ballot to electors; ballot.

Sec. 8. A ballot submitted to the school electors of a school district after November 8, 2005 requesting authorization to issue unlimited tax general obligations that will be guaranteed by this state in accordance with section 16 of article IX of the state constitution of 1963 shall inform the electors that if the school district expects to borrow from this state to pay debt service on the bonds, the estimated total amount of the principal of that borrowing and the interest to be paid on that borrowing, the estimated duration of the millage levy, and the estimated computed millage rate for that levy. The ballot shall also inform the electors of the total amount of qualified bond and loan debt currently outstanding and that the estimated computed millage rate may change based on changes in certain circumstances.

History: 2005, Act 92, Imd. Eff. July 20, 2005;—Am. 2012, Act 437, Eff. Mar. 28, 2013.

388.1929 Amount of borrowing; limitation; payment date for outstanding qualified loans; order; maintenance of separate accounts for each school district; duration of millage levy; amended and restated repayment agreements; waiver of portion of millage levy; findings; interest; final or later mandatory repayment date.

Sec. 9. (1) Except as otherwise provided in this act, a school district may borrow from the state an amount not greater than the difference between the proceeds of the school district's computed millage and the amount necessary to pay principal and interest on its qualified bonds, including any necessary allowances for estimated tax delinquencies.

(2) For school districts having qualified loans outstanding as of July 20, 2005, the state treasurer shall review information relating to each school district regarding the taxable value of the school district and the actual debt service of outstanding qualified bonds as of July 20, 2005 and shall issue an order establishing the payment date for all those outstanding qualified loans and any additional qualified loans expected to be incurred by those school districts related to qualified bonds issued before July 20, 2005. The payment date shall be not later than 72 months after the date on which the qualified bonds most recently issued by the school district are due and payable. The payment date established pursuant to this subsection for a school district is a final mandatory repayment date.

(3) For qualified loans related to qualified bonds issued after July 20, 2005, the qualified loans shall be due

72 months after the date on which the qualified bonds for which the school borrowed from this state are due and payable. The due date determined pursuant to this subsection for a school district is a final mandatory repayment date. This section does not preclude early repayment of qualified bonds or qualified loans.

(4) The state treasurer shall maintain separate accounts for each school district on the books and accounts of this state noting the qualified bond, the related qualified loans, the final payment date of the bonds, the final mandatory repayment date of the qualified loans, and the interest rate accrued on the loans.

(5) For qualified loans relating to qualified bonds issued after July 20, 2005, a school district shall continue to levy the computed millage until it has completely repaid all principal and interest on its qualified loans.

(6) For qualified loans relating to qualified bonds issued before July 20, 2005, a school district shall continue to comply with the levy and repayment requirements imposed before July 20, 2005. Not less than 90 days after July 20, 2005, the state treasurer and the school district shall enter into amended and restated repayment agreements to incorporate the levy and repayment requirements applicable to qualified loans issued before July 20, 2005.

(7) Upon the request of a school district made before June 1 of any year, the state treasurer annually may waive all or a portion of the millage required to be levied by a school district to pay principal and interest on its qualified bonds or qualified loans under this section if the state treasurer finds all of the following:

(a) The school board of the school district has applied to the state treasurer for permission to levy less than the millage required to be levied to pay the principal and interest on its qualified bonds or qualified loans under subsection (1).

(b) The application specifies the number of mills the school district requests permission to levy.

(c) The waiver will be financially beneficial to this state, the school district, or both.

(d) The waiver will not reduce the millage levied by the school district to pay principal and interest on qualified bonds or qualified loans under this act to less than 7 mills.

(e) The board of the school district, by resolution, has agreed to comply with all conditions that the state treasurer considers necessary.

(8) All qualified loans shall bear interest at 1 of the following rates:

(a) The greater of 3% or the average annual cost of funds used to make qualified loans plus 0.125%, but not less than the cost of funds on outstanding qualified notes and bonds issued by the Michigan finance authority to finance loans computed by the state treasurer not less often than annually.

(b) A lesser rate determined by the state treasurer to be necessary to maintain the exemption from federal income tax of interest on any bonds or notes issued to fund qualified loans.

(c) A higher rate determined by the state treasurer to be necessary to prevent the impairment of any contract of this state or the Michigan finance authority in existence on the effective date of the amendatory act that added this subdivision.

(9) A payment date determined under subsection (2) or a due date determined under subsection (3) is a final mandatory repayment date. Once established for a school district as provided in this section, a final mandatory repayment date shall apply to all qualified loans of the school district, whenever made, until 30 days after the date the school district has no outstanding qualified loans and no outstanding debt incurred to refund qualified loans. Notwithstanding this subsection, the state treasurer may determine a later mandatory repayment date for a school district that agrees to levy a higher millage, acceptable to the state treasurer, not to exceed 13 mills, than its existing computed millage.

History: 2005, Act 92, Imd. Eff. July 20, 2005;—Am. 2006, Act 71, Imd. Eff. Mar. 20, 2006;—Am. 2009, Act 50, Imd. Eff. June 18, 2009;—Am. 2012, Act 437, Eff. Mar. 28, 2013.

388.1930 Certificates of qualification or approval; file; delivery.

Sec. 10. The state treasurer shall keep all certificates of qualification or approval in a permanent file and shall deliver copies of the certificates to the school district.

History: 2005, Act 92, Imd. Eff. July 20, 2005.

388.1931 Rules; bulletins.

Sec. 11. The state treasurer may promulgate rules to implement this act pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, and may issue bulletins as authorized by this act.

History: 2005, Act 92, Imd. Eff. July 20, 2005;—Am. 2012, Act 437, Eff. Mar. 28, 2013.

388.1932 Failure to apply for prequalification, qualification, or approval of bond before issuance.

Sec. 12. If a school district does not apply for prequalification or qualification or approval of a bond issue before the issuance of those bonds, the state treasurer shall not approve or qualify those bonds as qualified bonds under this act.

History: 2005, Act 92, Imd. Eff. July 20, 2005.

388.1933 School district owing revolving loan fund; filing annual loan activity application required; borrowing for debt service on qualified bonds; draw request; duties of state treasurer upon receipt of qualified loan confirmation; notification of no need to borrow by school district; invoice for repayment amount; remittance.

Sec. 13. (1) If a school district owes a balance due to the revolving loan fund or has been identified as a potential borrower, the school district shall file an annual loan activity application with the state treasurer no less than 60 days before certifying its annual tax levy. The annual loan activity application shall be submitted in a format prescribed by the state treasurer and shall provide the taxable value, debt service, and any other information necessary to determine the proper required millage levy required under this act. The application shall contain a resolution passed by the local school board authorizing a designated school district official to complete all necessary documents to obtain a loan from the revolving loan fund or for making repayment to the revolving loan fund for the year.

(2) If a school district is eligible to borrow for debt service on qualified bonds, the school district shall file a draw request with the state treasurer not less than 30 days before each date on which the school district owes the debt service. The draw request shall include all of the following:

(a) A statement of the debt service owed in the next 6 months.

(b) A copy of the most recent bank statement showing the amount on hand in the debt service accounts for all qualified bonds.

(c) A statement of any revenue received for payment of the debt service since the date of the bank statement.

(d) A statement of any withdrawals made from the debt service account since the date of the bank statement.

(3) Not more than 7 days before the date established by the state treasurer for making qualified loans, the school district shall confirm in writing the final qualified loan amount to be drawn on a certificate in the form prescribed by the state treasurer.

(4) Upon receipt of a qualified loan confirmation described in subsection (3), the state treasurer shall determine the amount of the draw, which shall be the difference between the funds on hand in all debt service accounts and the amount of the debt service, and shall make a qualified loan in that amount to the school district no later than 6 days before the date the debt service is due.

(5) When a school district's current computed millage levy is sufficient to pay principal and interest on its qualified bonds, a school district shall notify the state treasurer in writing of no need to borrow no later than 30 days before the date set for payment of the qualified bonds.

(6) Within 30 days after receipt of the annual activity application under subsection (1), the state treasurer shall send an invoice to the school district for the amount of repayment the school district owes on its outstanding qualified loans, which shall be the difference between the debt service payable or paid to bondholders and the funds on hand at the school district, less a reasonable amount of funds on hand, as determined by the state treasurer, to cover minimum balance requirements or potential tax disputes. The school district shall remit the amount specified in the invoice within 30 days after the dated date of the invoice.

History: 2005, Act 92, Imd. Eff. July 20, 2005;—Am. 2012, Act 437, Eff. Mar. 28, 2013.

388.1934 Failure of school district to pay principal and interest due on qualified bonds; notice; payment by state treasurer; billing of school district for amount paid; remittance.

Sec. 14. (1) If any paying agent for a school district’s qualified bonds notifies the state treasurer that the school district has failed to deposit sufficient funds to pay principal and interest due on the qualified bonds when due, or if a bondholder notifies the state treasurer that the school district has failed to pay principal or interest on qualified bonds when due, whether or not the school district has filed a draw request with the state treasurer, the state treasurer shall promptly pay the principal or interest on the qualified bond when due.

(2) If the state treasurer pays any amount described in this section, the state treasurer shall bill the school district for the amount paid and the school district shall immediately remit the amount to the state treasurer. If the school district would have been eligible to borrow the debt service in accordance with the terms of this act, the school district shall enter into a loan agreement establishing the terms of the qualified loan as provided in this act. If the state treasurer directs the Michigan municipal bond authority to pay any amount described in this section, the state treasurer shall cause the Michigan municipal bond authority to bill the

school district for the amount paid and the school district shall immediately remit the amount to the Michigan municipal bond authority.

History: 2005, Act 92, Imd. Eff. July 20, 2005.

388.1935 Default; repayment.

Sec. 15. (1) If a school district that owes this state loan repayments relating to qualified bonds fails to levy at least the computed millage upon its taxable value for debt retirement purposes for qualified bonds and for repayment of a qualified loan made under this act while any part of the qualified loan is unpaid or defaults in its agreement to repay a qualified loan or any installment of a qualified loan, the school district shall increase its debt levy in the next succeeding year to obtain the amount necessary to repay this state the amount of the default plus a late charge of 3% and shall pay that amount to this state together with any other amounts owed during the next tax year. The school district may use other funds to repay this state including a transfer of general funds of the school district, if approved by the state treasurer. The state treasurer shall not disburse state school aid to the school district until the school district has made satisfactory arrangements with the state treasurer for the payment of the amount in default.

(2) If a school district fails to process any report, application, confirmation, or repayment as required under this act, the state treasurer may withhold a school district's state aid funds until the school district complies with the requirements under this act.

History: 2005, Act 92, Imd. Eff. July 20, 2005.

388.1936 Charging and disposition of fees.

Sec. 16. (1) The state treasurer may charge a prequalification application fee, a qualification application fee, and an annual loan activity fee in the amounts determined by the state treasurer to be required to pay the estimated administrative expenses incurred under this act for the fiscal year in which the state treasurer imposes the fee.

(2) The state treasurer shall deposit all fees collected under this act into a separate fund established within the state treasury, and shall use the proceeds of the fees solely for the purpose of administering and enforcing this act. The unexpended and unobligated balance of this fund at the end of each state fiscal year shall be carried forward over to the succeeding state fiscal year and shall not lapse to the general fund but shall be available for reappropriation for the next state fiscal year.

History: 2005, Act 92, Imd. Eff. July 20, 2005;—Am. 2012, Act 437, Eff. Mar. 28, 2013.

388.1937 False statement or unauthorized use of proceeds; violation as felony; penalty.

Sec. 17. A person who knowingly makes a false statement or conceals material information for the purpose of obtaining qualification of a bond issue under this act or for the purpose of obtaining a qualified loan under this act, or who knowingly uses all or part of the proceeds of a qualified loan obtained under this act for any purpose not authorized by this act, is guilty of a felony punishable by imprisonment for not more than 4 years or a fine of not more than $5,000.00, or both.

History: 2005, Act 92, Imd. Eff. July 20, 2005.

388.1938 Use of remaining proceeds.

Sec. 18. If a school district has completed the projects approved by the school electors of the school district to be funded from proceeds of qualified bonds, a school district may use any remaining proceeds of the qualified bonds as follows:

(a) To pay debt service on the qualified bonds.

(b) To repay this state.

(c) If in the opinion of the school district's bond counsel use of the remaining proceeds for the purposes described in subdivisions (a) and (b) would adversely affect the federal tax treatment of interest on the qualified bonds, to pay for enhancements to the projects approved by the school electors as described in the ballot language proposing the qualified bonds.

History: 2005, Act 92, Imd. Eff. July 20, 2005;—Am. 2012, Act 437, Eff. Mar. 28, 2013.

388.1939 Actions by designee.

Sec. 19. The state treasurer may designate in writing a person or persons to take any actions required to be taken by the state treasurer under this act. The signature of any designee shall have the same force and effect as the signature of the state treasurer for all purposes of this act.

History: 2005, Act 92, Imd. Eff. July 20, 2005.

OPINION #4422 OF THE ATTORNEY GENERAL, STATE OF MICHIGAN
DATED MARCH 12, 1965

CONSTITUTIONAL LAW:
SCHOOL BONDS:
MUNICIPAL FINANCE COMMISSION:

Article 9, § 16, Michigan Constitution of 1963, requires school districts to borrow and State to lend sufficient sum to cover debt service payments on qualified bonds of school districts. Although this is not a pledge of full faith and credit of the State, the Municipal Finance Commission may and must enforce the duty of the district to borrow and the State to lend such sum.

No. 4422 March 12, 1965.

Hon. Sanford A. Brown
State Treasurer
Lansing, Michigan

You have asked in your letter of February 5 whether Article IX, § 16 of the Michigan Constitution of 1963 pledges the full faith and credit of the State to the payment of principal and interest of qualified school bonds.

Article IX, § 16 of the Michigan Constitution of 1963 provides in pertinent part as follows:

> "The state * * * may borrow from time to time such amounts as shall be required, pledge its faith and credit and issue its notes or bonds therefor, for the purpose of making loans to school districts as provided in this section.
>
> "If the minimum amount which would otherwise be necessary for a school district to levy in any year to pay principal and interest on its qualified bonds, including any necessary allowances for estimated tax delinquencies, exceeds 13 mills on each dollar of its assessed valuation as finally equalized, or such lower millage as the legislature may prescribe, then the school district may elect to borrow all or any part of the excess from the state. In that event the state shall lend the excess amount to the school district for payment of principal and interest. If for any reason any school district will be or is unable to pay the principal and interest on its qualified bonds when due, then the school district shall borrow and the state shall lend to it an amount sufficient to enable the school district to make the payment.
>
> "The term 'qualified bonds' means general obligation bonds of school districts issued for capital expenditures, including refunding bonds, issued prior to May 4, 1955, or issued thereafter and qualified as provided by law pursuant to Section 27 or Section 28 of Article X of the Constitution of 1908 or pursuant to this section."

Thus, the school district is required to borrow and the State to lend an amount sufficient to enable the school district to make payments of principal and interest due on qualified bonds, and the state is empowered to borrow and to issue its notes or bonds for the purpose of making such loans, and to pledge its full faith and credit for such state bonds or notes.

The constitutional provision quoted does not pledge the full faith and credit of the state to all qualified bonds. The state is not primarily liable on qualified bonds of a school district. Rather, the state is required to lend whatever the school district needs, from time to time, to meet debt service requirements on such bonds.

You ask what remedies are available to enforce the obligation of the state.

The quoted language makes it mandatory upon the school district to borrow and upon the state to lend "an amount necessary to enable the school district to make the payment." Under Chapter II, Section 2(f) of the Municipal Finance Act [C.L. 1948 § 132.2; M.S.A. 1958 Rev. Vol. § 5.3188(4)f], the Municipal Finance Commission has power to enforce compliance with any law by, inter alia, the "institution of appropriate proceedings in the courts of the state, including those for writs of mandamus and injunction."

The Commission could and indeed must enforce the duty of the district to borrow and the state to lend. The bondholders also would have an action to enforce the duty of the district to borrow and of the state to lend.

Thus the bondholders are assured of the availability of state funds where needed to meet debt service requirements on qualified bonds. This is not a pledge of full faith and credit, but gives the bondholders as much or more protection as would such a pledge.

FRANK J. KELLEY,
Attorney General

OPINION #4508 OF THE ATTORNEY GENERAL, STATE OF MICHIGAN
DATED AUGUST 29, 1966

BONDS: Qualified bonds of school districts.
CONSTITUTION OF 1963: School Bond Loan Fund.
SCHOOLS: Bond Loans.
STATE TREASURER: Payment of principal and interest on qualified school district bonds.

Authority of State Treasurer and procedures to be followed in paying from the School Bond Loan Fund principal and interest on qualified school bonds upon presentment by a bondholder.

No. 4508 Hon. Allison Green August 29, 1966.
State Treasurer
Capitol Building
Lansing, Michigan

You have requested my opinion on what procedures should be followed by the state treasurer preparatory to making loans to local school districts which are unable to make payments on principal and interest of qualified school district bonds.[1]

Loans to bonded school districts are authorized by Article IX, Section 16, Constitution of 1963, which in part contains pertinent language:

> "If the minimum amount which would otherwise be necessary for a school district to levy in any year to pay principal and interest on its qualified bonds, including any necessary allowances for estimated tax delinquencies, exceeds 13 mills on each dollar of its assessed valuation as finally equalized, or such lower millage as the legislature may prescribe, then the school district may elect to borrow all or any part of the excess from the state. In that event the state shall lend the excess amount to the school district for the payment of principal and interest. If for any reason any school district will be or is unable to pay the principal and interest on its qualified bonds when due, then the school district shall borrow and the state shall lend to it an amount sufficient to enable the school district to make the payment.
>
> "The term 'qualified bonds' means general obligation bonds of school districts issued for capital expenditures, including refunding bonds, issued prior to May 4, 1955, or issued thereafter and qualified as provided by law pursuant to Section 27 or Section 28 of Article X of the Constitution of 1908 or pursuant to this section."

Article IX, Section 16, Constitution of 1963, is a continuation with minor revisions of the provisions relating to school bond financing which appeared in Sections 27 and 28 of Article X, Constitution of 1908. Section 27, Article X, Constitution of 1908, was proposed by joint resolution of the legislature in 1955 and approved by the people at the regular election of April 4, 1955. The loan provisions of Section 27 ceased to have effectiveness after July 1, 1962, and were replaced by the provisions of Section 28, Article X, Constitution of 1908, which was proposed by joint resolution of the legislature in 1960 and approved by the people at the general election of November 8, 1960. Section 28 by its own terms took effect on July 1, 1962.

Section 28, Article X, Constitution of 1908, was implemented by the legislature by the enactment of Act 108, P.A. 1961, which took effect September 8, 1961. The first section of Act 108, P.A. 1961, stated that the purpose of the act was to implement Section 28 of Article X of the Constitution of 1908. The Constitution of 1963 took effect on January 1, 1964. In anticipation of the effectiveness of that Constitution, the legislature passed Act 33, P.A. 1963, Second Extra Session, such act to take effect on January 1, 1964. Act 33, P.A. 1963, Second Extra Session, amended Sections 1, 3, 8 and 9 of Act 108, P.A. 1961, and further amended section 7 of Act 108, P.A. 1961, as amended by Act 131, P.A. 1962. The first section of amendatory Act 33 stated that the act's purpose was to implement Section 16 of Article IX of the Constitution of 1963. Subsequent amendment has been made to Sections 2, 4, 6, 9 and 10 of Act 108, P.A. 1961, by Act 169, P.A. 1964, which act also added a new Section 4a.[2].

---

[1]In your letter of request you stated that you were familiar with Opinion No. 4422 issued by me on March 12, 1965, in which it was ruled that Article IX, Section 16, Constitution of 1963, requires school districts to borrow and the state to lend sufficient sums to cover debt service payments on qualified bonds of school districts but that this requirement is not a pledge of the full faith and credit of the state; the Municipal Finance Commission however may and must enforce the duty of the school district to borrow and have the state to lend the necessary amounts.
[2]Act 108, P.A. 1961, in its present amended form appears in M.S.A. 1965 Cum. Supp. § S 3.424(111) et seq.

Answer to your question is to be found in amended Sections 6, 7 and 8 of the act. These sections present two situations in which you may become involved as state treasurer. The first situation is where a loan is to be made to the school district to permit the district to meet the principal and interest requirements on its bonds without a default in payment; the second is where the principal or interest on the bonds has not been paid when due upon proper presentation because of inadequate funds resulting in a default in payment.

Under amended Section 6 of the act, in any school district where the amount necessary to be levied in any year for principal and interest on qualified bonds exceeds 7 mills on each dollar of the assessed valuation of the school district as last equalized by the state, such school district on or before 60 days prior to the time of certification of its tax levy to the assessing officer shall file with the superintendent of public instruction[3] a preliminary application for a loan from the state in the amount of any part of such excess over 7 mills which the school district does not propose to levy in such year.[4] Amended Section 6 specifies the information to be supplied in the application. The superintendent of public instruction if he finds the application in proper form shall approve or deny the application in whole or in part and notify the school district of his action. Amended Section 7 of the act provides that if a loan from the state shall become necessary for the payment of principal and interest on qualified bonds in accordance with an approved preliminary application to the superintendent of public instruction or by virtue of a supplemental application, it shall be the duty of the superintendent of public instruction after audit to forward to the state treasurer a statement setting forth the amount to be loaned to the school district for the payment of principal and interest and the date on or before which loan shall be made.[5] The superintendent shall prepare a voucher as a basis for the issuance of a warrant and upon receipt of such statement and warrant, it shall be the duty of the state treasurer to loan to the school district from the school bond loan fund the amount set forth in the statement of the superintendent of public instruction on or before the date specified therein. The state treasurer upon making such loan shall obtain from the school district a receipt for the amount so loaned which receipt shall specify the terms of repayment in accordance with the provisions of Section 16 of Article IX, Constitution of 1963 and the act. The school district treasurer upon receipt of the loan is required to deposit the same in the debt retirement fund to be used solely for the payment of principal and interest on qualified bonds.

The foregoing summaries of the procedures prescribed by amended Section 6 and 7 relate to the first situation above-described where the loan to the school district is to be made before the school district has defaulted in the payment of the principal or interest on its bonds.

The second situation described above is covered by amended Section 8 of the act which prescribes that in the event the principal or interest on any qualified bond is not paid when due, upon proper presentation of the bond or interest coupon to the agent or officer charged with making payment thereof, the state treasurer shall forthwith pay such principal or interest upon presentation of the bond or coupon to him. Any amount so paid by the state treasurer shall be deemed a loan to the school district made pursuant to the requirements of Section 16, Article IX, Constitution of 1963, and the act and the school district shall give a receipt therefor and repay the loan in the manner provided in the act for the repayment of loans.

The method of processing loans to school districts under amended Sections 6 and 7 before default in payment of principal or interest is adequately spelled out in those sections and no additional comment from me is necessary. Your real concern is in regard to the applicable procedures which you should follow in the situation where the school district has defaulted in the payment of principal or interest on its bonds and the bond or bonds and the interest coupons have not been paid when due by the paying agent because of lack of funds. In the event of such a happening it is assumed for the purposes of this opinion that the holder of the bond or of the interest coupon will make demand on you as state treasurer for the prompt payment of the obligation thereunder. Should such demand be made on you as state treasurer, you would be entitled to take the following action before making payment:

a. Ascertaining from the superintendent of public instruction or from the records in your own office that the bonds involved are duly qualified bonds as defined and described in amended Section 3 of the act;

b. Requiring proof reasonably satisfactory to you that the bond or bonds or the interest coupons have been properly presented for payment to the paying agent or officer charged with the responsibility for making payment thereof and that payment has been refused because sufficient monies had not been deposited by the school district for that purpose; such proof of nonpayment may be furnished you in the form of a certificate from the paying agent.

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[3]Article VIII, Section 3, Constitution of 1963 requires the state board of education to appoint a superintendent of public instruction who shall be the principal executive officer of the department of education and who shall have powers and duties provided by law. Section 14 of Act 287, P.A. 1964 (M.S.A. 1965 Cum. Supp. § 15.1023(14)) specifies that after June 30, 1965, a reference in any law to the powers and duties of the superintendent of public instruction shall be deemed to be made to the state board of education, subject to exceptions not pertinent here, and that the state board of education may delegate any of its functions to the superintendent. Section 300 of Act 380, P.A. 1965, creates a department of education. Section 301 of that act provides that the head of the department of education is the state board of education. Section 303 of that act transfers by a Type III transfer all powers, duties and functions then vested by law in the superintendent of public instruction to the department of education. Section 305 of the act specifies that the principal executive officer of the department of education is the superintendent of public instruction. Act 380 appears in M.S.A. 1965 Cum. Supp. at § 3.29(1) et seq. Act 380, P.A. 1965, was amended without regard to the sections involved here by Act 407, P.A. 1965. Without doubt, under the foregoing provisions the state board of education could delegate to the superintendent of public instruction the performance of all of the functions and duties imposed on the board in connection with the School Bond Loan Fund.

[4]Other details set forth in amended Section 6 have been omitted.

[5]Other details set forth in amended Section 7 have been omitted.

c. Notification to the school district given by you or your designee of the action taken by paying agent in refusing payment of the bonds or interest coupons on presentment because of the failure of the school district to have deposited funds with the paying agent for that purpose and verification from the school district of the fact of such failure to supply the required funds; notification to the school district by you or your designee that payment of the required amounts were to be made from the school bond loan fund by you as state treasurer and that such payment would be in the form of a loan to the school district which the school district would be required to be repay to the school bond loan fund in the manner required by law; the school district will be required to furnish you as state treasurer with a receipt evidencing the loan and specifying the terms of repayment, as required by law.

Upon the fulfillment of the above conditions in a manner reasonably acceptable to you, you would be authorized to make payment of the amounts due on the bonds and interest coupons and thereupon to demand their surrender and delivery to you as state treasurer.

Because of the safeguards built into the Michigan Constitution and statutes there should be no default of Michigan qualified school bonds. The School Loan Fund Program will have afforded the school district access to loan funds prior to the due date of the principle [sic] and interest on such bonds. In order to advise of the procedures in the remote possibility of nonpayment, however, I have set forth the foregoing guide lines [sic].

FRANK J. KELLEY,
Attorney General

APPENDIX B*

NEW HAVEN COMMUNITY SCHOOLS

GENERAL FINANCIAL, ECONOMIC AND SCHOOL INFORMATION

LOCATION AND AREA

New Haven Community Schools (the "School District") encompasses an area of approximately 47.3 square miles. The School District includes all of the Village of New Haven and portions of the Townships of Chesterfield, Lenox, Macomb and Ray in the County of Macomb.

The School District is located the following distances from these commercial and industrial areas:

37	miles northeast of Detroit
60	miles southeast of Flint
113	miles east of Lansing

POPULATION

The U.S. Census reported and 2022 estimated populations for the School District, the Township of Macomb and the County of Macomb are as follows:

	School District	Township of Macomb	County of Macomb
2022 Estimate	20,092	91,418	878,453
2020 U.S. Census	20,218	91,663	881,217
2010 U.S. Census	14,646[1]	79,580	840,978

[1]Based upon an extrapolation of the figures of the local units within the School District.
Source: U.S. Census Bureau via data.census.gov website

BOARD OF EDUCATION

The Board of Education (the "Board") consists of seven members who are elected at large and serve overlapping terms. The Board annually elects a President, Vice President, Treasurer and Secretary. The Board is responsible for the selection and appointment of the Superintendent of Schools. The Board meets as a single body to set or amend policy, develop long-range educational goals and act upon recommendations of the Superintendent of Schools. The Board is also responsible for adopting and periodically amending the operating budget and evaluating school programs in accordance with governing laws.

ENROLLMENT

Historical Enrollment

Historical fall enrollment for the School District is as follows:

School Year End 30-Jun	Full-time Equivalent	Change	School Year End 30-Jun	Full-time Equivalent	Change
2024	1,440	1.24%	2019	1,252	2.55%
2023	1,422	1.40	2018	1,221	-3.82
2022	1,403	8.47	2017	1,270	-0.30
2021	1,293	-0.14	2016	1,274	-0.51
2020	1,295	3.40	2015	1,280	--

* Information included in APPENDIX B of this Official Statement was obtained from the School District unless otherwise noted.

2023/2024 Fall Count

Kindergarten	120	7th	100
1st	138	8th	100
2nd	133	9th	105
3rd	111	10th	130
4th	111	11th	86
5th	98	12th	90
6th	118	Total	1,440

Source: School District and Michigan Department of Education via website www.michigan.gov

SCHOOL DISTRICT FACILITIES

The following is a table showing the existing School District facilities.

Facility	Grades Served	Year Built	Last Remodel/Addition	Type of Construction
Elementary School:				
New Haven	K - 4	2003	2023	Brick
Elementary/Middle School:				
Endeavor	K - 8	2003	2020	Brick
High School:				
New Haven	9 - 12	1966	2023	Brick
Additional Facilities:				
Board Office	PreK	1922	2020	Brick
Transportation	--	1966	2022	Brick
Siefart - Vacant	--	1961	2003	Brick

OTHER SCHOOLS

The following charter school is located within the School District's boundaries:

Name of School	Grades Served	Approximate Enrollment
Merritt Academy	P - 12	552

Source: 2024 Michigan Education Directory

STATE AID PAYMENTS

The School District's primary source of funding for operating costs is the State School Aid per pupil foundation allowance. Public Act 103 of 2023 has set the target foundation allowance at $9,608 for fiscal year 2023/2024.

In future years, this allowance may be adjusted by an index based upon the change in revenues to the state school aid fund and the change in the total number of pupils statewide. The State may reduce State School Aid appropriations at any time if the State's revenues do not meet budget expectations. See "SOURCES OF SCHOOL OPERATING REVENUE" herein for additional information.

The following table shows a five year history and a current estimate of the School District's total state aid revenues, including categoricals and other amounts, and the per pupil state aid foundation allowance (including the 2023/24 allowance), which reflects the changes in sources of school operating revenue described herein:

Fiscal Year End 30-Jun	Foundation Allowance per Pupil	Total State Aid Payments	Blended Pupil Count	Amount Received per Pupil[1]
2024	$9,608	$14,641,612[2]	1,446.73[2]	$10,120[2]
2023	9,150	13,635,919[3]	1,420.12	9,602[3]
2022	8,700	10,991,282	1,394.16	7,884
2021	8,111	9,212,392[4]	1,291.53	7,133[4]
2020	8,111	9,236,485[5]	1,290.64	7,157[5]
2019	7,871	8,437,684	1,250.19	6,749

[1]Represents the "Total State Aid Payments" divided by the "Blended Pupil Count".
[2]Preliminary estimate, subject to change.
[3]Fiscal year 2023 State Aid Payments included $754,912.68 of non-recurring revenue that was paid to the Michigan Public School Employees Retirement System toward the pension system's unfunded accrued liability.
[4]Public Act 165 of 2020 restored the State school aid reductions contained in Public Act 146 of 2020 for the 2020/21 fiscal year, added a onetime $65 per pupil payment and added other appropriations for qualifying school districts.
[5]Public Act 146 of 2020 provided for a prorated reduction in State school aid payments to the School District, but also provided for additional funds from the federal Coronavirus Aid, Relief, and Economic Security Act to offset the state aid loss and provided additional funds to school districts.
Source: Michigan Department of Education via website www.michigan.gov

PROPERTY VALUATIONS

In accordance with Act No. 539, Public Acts of Michigan, 1982, and Article IX, Section 3 of the Michigan Constitution, the ad valorem State Equalized Valuation (SEV) represents 50% of true cash value. SEV does not include any value of tax exempt property (e.g. churches, governmental property) or property granted tax abatements under Act No. 198, Public Acts of Michigan, 1974, as amended. **Since 1994, ad valorem property taxes are assessed on the basis of Taxable Value, which is subject to assessment caps. SEV is used in the calculation of debt margin and true cash value**. See **"TAX PROCEDURES"** herein for further information.

Taxable property in the School District is assessed by the local municipal assessor and is subject to review by the County Equalization Department.

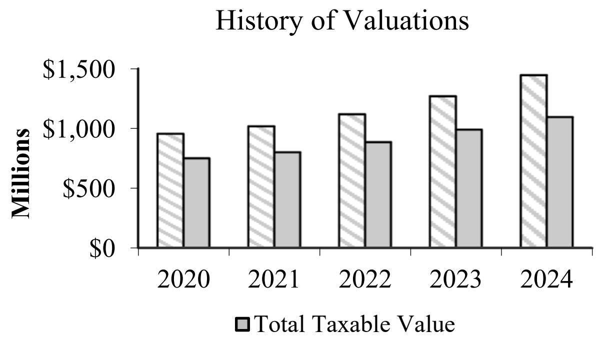
History of Valuations

A history of the property valuations in the School District is shown below:

Year	Principal Residence[1]	Non- Principal Residence[1]	Total Taxable Value	Percent Change	State Equalized Value	Percent Change
2024	$824,136,004	$270,442,332	$1,094,578,336	10.65%	$1,445,191,393	13.90%
2023	748,868,994	240,381,384	989,250,378	11.88	1,268,806,500	13.53
2022	664,889,625	219,325,683	884,215,308	10.54	1,117,570,280	9.87
2021	607,025,969	192,858,755	799,884,724	6.76	1,017,165,170	6.57
2020	567,351,271	181,912,595	749,263,866	----	954,459,100	----

[1]All industrial personal property is included in the principal residence tax base. While commercial personal property continues to be included in the non-principal residence tax base, it is exempt from 12 of the 18 operating mills levied on non-principal residence property only. In 2024, industrial personal property had a taxable value of $7,259,900 and commercial personal property had a taxable value of $11,281,000 in the School District.

Source: Macomb County Equalization Department



A summary of the 2024 valuation is as follows:

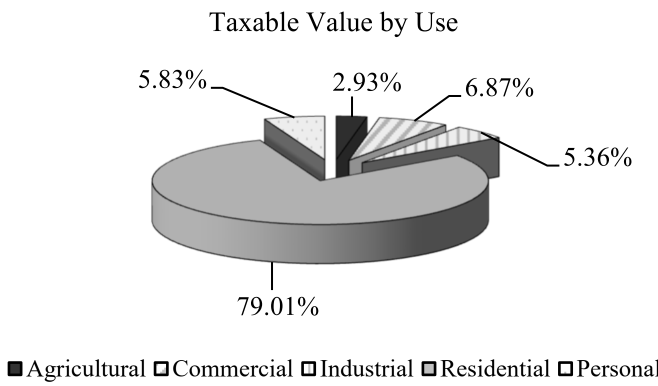
2024 Taxable Value	$1,094,578,336
Plus: 2024 Equivalent IFT Taxable Value[1]	2,209,150
Total 2024 Equivalent Taxable Value	$1,096,787,486
Less: 2024 Veterans Exemption Valuation	(9,104,507)
Net 2024 Taxable Value	$1,087,682,979

[1]See "INDUSTRIAL FACILITY TAX ABATEMENTS" herein.
Source: Macomb County Equalization Department

Tax Base Composition

A breakdown of the School District's 2024 Taxable Value by class and use is as follows:

By Class:	2024 Taxable Value	Percent of Total
Real Property	$1,030,718,836	94.17%
Personal Property	63,859,500	5.83
TOTAL	$1,094,578,336	100.00%
By Use:		
Agricultural	$32,099,804	2.93%
Commercial	75,164,097	6.87
Industrial	58,623,335	5.36
Residential	864,831,600	79.01
Personal	63,859,500	5.83
TOTAL	$1,094,578,336	100.00%



A breakdown of the School District's 2024 Taxable Value by municipality is as follows:

Municipality	2024 Taxable Value	Percent of Total
County of Macomb		
Chesterfield Township	$125,742,960	11.49%
Lenox Township	288,680,435	26.37
Macomb Township	610,877,940	55.81
Ray Township	69,277,001	6.33
TOTAL	$1,094,578,336	100.00%

Source: Macomb County Equalization Department

INDUSTRIAL FACILITY TAX ABATEMENTS

Under the provisions of Act 198 of the Public Acts of Michigan, 1974 (“Act 198”), plant rehabilitation districts and/or industrial development districts may be established. Businesses in these districts are offered certain property tax incentives to encourage restoration or replacement of obsolete facilities and to attract new facilities to the area. An industrial facilities tax (“IFT”) is paid, at a lesser effective rate and in lieu of ad valorem property taxes, on such facilities for a period of up to 12 years. Qualifying facilities are issued abatement certificates for specific periods.

After expiration of the abatement certificate, the then-current SEV of the facility is returned to the ad valorem tax roll. The owner of such facility may obtain a new certificate, provided it has complied with the provisions of Act 198.

The 2024 Taxable Value for the properties which have been granted IFT abatements within the School District’s boundaries is $4,418,300, all of which is taxed at ½ rate. For purposes of computing “Equivalent” Taxable Value, it has been shown in the “History of Valuations” section as 50% of the Taxable Value.

Source: Macomb County Equalization Department

MAJOR TAXPAYERS

Shown below are the ten largest taxpayers in the School District based on their 2023* total valuation subject to taxation.

Taxpayer	Product/Service	2023 Taxable Value
Detroit Edison	Utility	$19,810,378
NX Lenox Mob LLC	Healthcare	14,667,900
Pine Tree Acres	Landfill	13,894,701
Consumers Energy	Utility	11,164,252
Sycamore Glen (1 & 2) LLC	Apartments	8,600,441
ITC Transmission	Utility	8,343,795
29700 Commerce LLC	Machinery/Tooling	8,276,600
SEMCO Energy	Utility	6,715,656
Advanced Integrated Tool Solutions	Industrial Automation & Tooling	4,000,000
Ogura Corporation	Electromagnetic Clutches & Brakes	3,769,109
TOTALS		$99,242,832
Total 2023 Taxable Value		$989,250,378
Top 10 Taxpayers as a % of 2023 Total Taxable Value		10.03%

*The 2024 taxpayers are not yet available.
Source: Townships of Chesterfield, Lenox, Macomb and Ray

SCHOOL DISTRICT TAX RATES - (Per $1,000 of Valuation)

The following table shows the total School District tax rates for the past five years.

	2023	2022	2021	2020	2019
Operating – Voted	18.0000	18.0000	18.0000	18.0000	18.0000
Debt	8.2600	8.2600	8.2600	8.2600	8.2600
Total Non-Principal Residence	26.2600	26.2600	26.2600	26.2600	26.2600
Total Principal Residence	8.2600	8.2600	8.2600	8.2600	8.2600

The School District levies voted operating millage on non-principal residence property and authorized debt millage on all taxable property within the School District. The voted operating millage expires with the 2026 levy.

OTHER JURISDICTIONS' TAX RATES - (Per $1,000 of Valuation)

The following table provides the 2023 and 2022 tax rates for select units of government that overlap with the School District's boundaries.

	2023	2022
State Education Tax	6.0000	6.0000
Chesterfield Township	8.7043	8.7043
Lenox Township	2.0041	2.0041
Macomb Township	4.8383	4.8783
Ray Township	3.5861	3.5861
Village of New Haven	10.7500	11.7500
Macomb County	4.3890	4.3852
Macomb ISD[1]	4.7100	4.6300
Macomb Community College	1.4077	1.4077
Clinton-Macomb Public Library	1.2164	1.2164

[1]Includes a voter approved enhancement millage of 1.90 mills. The School District expects to receive approximately $780,000 in fiscal year 2023/24 from the regional enhancement millage based on its pupil membership count.
Source: Macomb County Equalization Department

TAX LEVIES AND COLLECTIONS

The School District's fiscal year begins July 1 and ends June 30. School District property taxes are due July 1 and December 1 of each fiscal year and are payable without interest on or before the following September 14 and February 14, respectively, and without penalty on or before the following February 14. All real property taxes remaining unpaid on March 1st of the fiscal year following the levy are turned over to the County Treasurer for collection. Macomb County (the "County") annually pays from its Tax Payment Fund delinquent taxes on real property to all taxing units in the County, including the School District, shortly after the date delinquent taxes are returned to the County Treasurer for collection.

A history of tax levies and collections for the School District is as follows:

Levy Year	Operating Tax Levy	Collections to March 1, Each Year		Collections Plus Funding to June 30, Each Year	
2023	$4,041,530	$3,954,066	97.84%	In Process of Collection	
2022	3,947,862	3,757,246	95.17	$3,857,005	97.70%
2021	3,527,800	3,036,504	86.07	3,334,964	94.53
2020	3,240,323	3,091,916	95.42	3,254,167	100.43
2019	3,060,338	2,828,123	92.41	3,059,750	99.98
2018	2,890,142	2,783,384	96.31	2,882,049	99.72

RETIREMENT PLAN

For the period October 1 through September 30, the School District pays an amount equal to a percentage of its employees' wages to the Michigan Public School Employees Retirement System ("MPSERS"), which is a statewide retirement plan for employees of Michigan public schools administered by the State of Michigan. These contributions are established and required by law and are calculated by using the contribution rates as determined annually by the State.

MPSERS is a cost-sharing, multi-employer, statewide plan. Pension benefits, and retiree health benefits, are established by law and funded through employer contributions. The cost of retiree health benefits is funded annually on a pay-as-you-go basis, with retirees paying some of the costs. Current year liability for retiree health benefits is reflected in the figures provided below. Further information regarding MPSERS, including retiree health benefits, can be found at www.michigan.gov/orsschools.

Public Act 75 of 2010 ("Act 75") significantly modified MPSERS and among other provisions required all employees hired after July 1, 2010 to participate in a new Pension Plus Plan which provides a combined defined benefit and defined contribution structure. Public Act 92 of 2017 ("Act 92") further modified MPSERS for all employees hired on or after February 1, 2018. Act 92 requires all employees hired on or after February 1, 2018 to elect to participate in a new 401(k) style defined contribution plan or a new hybrid plan with different assumptions and cost sharing.

Contribution to MPSERS

The School District's estimated annual contribution to MPSERS for the 2023-24 fiscal year and the previous four fiscal years are shown below:

Fiscal Year Ended 30-Jun	Pension Amount	Health Care Amount	Total Amount
2024	$2,946,355	$602,505	$3,548,860[1]
2023	2,565,540	573,815	3,139,355[2]
2022	2,135,040	546,409	2,681,449
2021	2,062,458	524,562	2,587,020
2020	1,916,442	472,193	2,388,635

[1]Estimated.
[2]In fiscal year end 2023 the School District received a non-recurring State Aid categorical revenue amount (Section 147c(2) MPSERS One-Time Deposit) of $754,912.68 for a payment to the MPSERS unfunded liability. This amount is not included in the contribution related to fiscal year end 2023 shown in the table above.

Effective for fiscal years beginning after June 15, 2014, GASB Statement 68 requires all reporting units in a multi-employer cost sharing pension plan to record a balance sheet liability for their proportionate share of the net pension liability of the plan. The School District implemented GASB 68 in its year ended J0une 30, 2015 financial statements. In its June 30, 2023 financial statements, the School District reported a proportionate share of the net pension liability of $28,348,527 as of September 30, 2022.

Effective for fiscal years beginning after June 15, 2017, GASB Statement 75 requires all reporting units in a multi-employer cost sharing OPEB plan to record a balance sheet liability for their proportionate share of the net OPEB liability of the plan. The School District implemented GASB 75 in its year ended June 30, 2018 financial statements. In its June 30, 2023 financial statements, the School District reported a proportionate share of the net OPEB liability of $1,595,539 as of September 30, 2022.

For additional information regarding the Pension Plan and Other Postemployment Benefits (OPEB), see the Notes to the Financial Statements in the School District's audited financial statements in Appendix D.

Source: Audited Financial Statements and School District

LABOR RELATIONS

The School District has labor agreements with the following employee groups. The agreements all provide for complete and comprehensive salary, wage, fringe benefit and working conditions provisions. The number of employees and duration of the agreements are as follows:

Employee Group	No. of Employees	Affiliation	Exp. Date of Contract
Administrators	9	Non-Affiliated	06/30/25
Teachers	94	MEA	08/31/24*
Secretaries	8	MEA	08/31/25
Para Professionals/Aides	29	MEA	08/31/25
Transportation	16	MEA	08/31/25
Central Office	10	Non-Affiliated	06/30/25
Food Service	2	Non-Affiliated	08/31/25
TOTAL	168		

*In negotiations.

The School District has not experienced a strike by any of its bargaining units within the past ten years.

DEBT STATEMENT* - (As of 06/12/24 – including the Bonds described herein)

DIRECT DEBT:

Dated Date	Purpose	Bond Type	Final Maturity	Principal Outstanding
02/11/16	Refunding	UTQ	05/01/30	$17,800,000
07/06/17	Refunding	UTQ	05/01/28	5,615,000
06/26/19	Building & Site, Series I	UTQ	05/01/44	12,925,000
06/26/19	Refunding	UTQ	05/01/27	11,295,000
06/07/22	Building & Site, Series II	UTQ	05/01/37	6,370,000
__/__/24	Building & Site, Series I	UTQ	05/01/49	23,370,000*
NET DIRECT DEBT				$77,375,000*

OVERLAPPING DEBT:

Percent Share	Municipality	Net Debt	District's Share	
5.49%	Chesterfield Township	$40,025,231	$2,197,385	
63.86	Lenox Township	13,559,226	8,658,922	
11.77	Macomb Township	44,494,210	5,236,969	
21.53	Ray Township	0	0	
100.00	Village of New Haven	6,474,623	6,474,623	
2.80	Macomb County	216,557,490	6,063,610	
2.75	Macomb ISD	92,145,000	2,533,988	
2.80	Macomb Community College	0	0	
6.78	Clinton-Macomb Public Library	25,250,000	1,711,950	
TOTAL OVERLAPPING DEBT				32,877,447
NET DIRECT AND OVERLAPPING DEBT				$110,252,447*

*Preliminary, subject to change.
Source: Municipal Advisory Council of Michigan

SCHOOL LOAN REVOLVING FUND (SLRF) PROGRAM

The School District had a SLRF balance of $16,161,443.87 as of June 12, 2024.

OTHER DEBT

The School District has no short-term borrowing outstanding.

DEBT HISTORY

The School District has no record of default on its obligations.

FUTURE FINANCING

Following the issuance of the 2024 bonds, described herein, the School District will have approximately $20,290,000 of remaining voted authorization that is expected to be issued over the next two years.

DEBT RATIOS*

Estimated School District Population	20,092
2024 Taxable Value	$1,094,578,336
2024 State Equalized Value (SEV)	$1,445,191,393
2024 True Cash Value (TCV)	$2,890,382,786
Per Capita 2024 Taxable Value	$54,478.32
Per Capita 2024 State Equalized Value	$71,928.70
Per Capita 2024 True Cash Value	$143,857.40
Per Capita Net Direct Debt	$3,851.04
Per Capita Net Direct and Overlapping Debt	$5,487.38
Percent of Net Direct Debt of 2024 Taxable Value	7.07%
Percent of Net Direct and Overlapping Debt of 2024 Taxable Value	10.07%
Percent of Net Direct Debt of 2024 SEV	5.35%
Percent of Net Direct and Overlapping Debt of 2024 SEV	7.63%
Percent of Net Direct Debt of 2024 TCV	2.68%
Percent of Net Direct and Overlapping Debt of 2024 TCV	3.81%

*Preliminary, subject to change.

LEGAL DEBT MARGIN* - (As of 06/12/24 – including the Bonds described herein)

2024 State Equalized Value		$1,445,191,393
Legal Debt Limit - 15% of SEV		$216,778,709
Total Bonded Debt Outstanding	$77,375,000	
Less: SLRF Qualified Bonds[1]	(77,375,000)	
Net Amount Subject to Legal Debt Limit		0
LEGAL DEBT MARGIN AVAILABLE		$216,778,709

*Preliminary, subject to change.
[1] Section 1351(3) of Act 451, Public Acts of Michigan, 1976, as amended, provides that the bonded indebtedness of a school district shall not exceed 15% of the total assessed valuation of the district. Bonds not included in the computation of the legal debt margin are (1) any bond qualified under Article IX, Section 16 of the Michigan Constitution of 1963, and (2) deficit budget bonds as authorized under Section 1356. In addition, Section 605 of Act 34, Public Acts of Michigan, 2001, as amended, provides, in relevant part, that debt evidenced by a refunding security shall not be deemed to be within any statutory or charter limitation of outstanding debt limit.

EMPLOYMENT CHARACTERISTICS

Listed below are the largest employers that are located within the School District and Macomb County:

Employer	Product or Service	Approx. No. of Employees
Within the School District		
New Haven Community Schools	Education	168
Exco Extrusion Dies, Inc.	Extrusion, Dies, Tools & Jigs	120
Ogura Corporation	Electromagnetic Clutches & Brakes	80
AIS Construction Equipment Corp.	Construction Equipment	40
Centerless Rebuilders, Inc.	Industrial Controls	25
Sturdy Grinding & Machining	Precision Grinding Job Shop	22
Shoreline Steel Supply, Inc.	Steel Sheet Piling	18
JMA Manufacturing, Inc.	Plastic Products & Injection Molds	18
Richmond Millwork	Millwork, Cabinets & Countertops	16
Superb Machine Repair, Inc.	Precision Machining, Welding & Brazing Job Shop	15
Triangle Grinding Company, Inc.	Grinding Job Shop	10
Within the County of Macomb		
General Motors Corporation	Automotive	25,306
Stellantis NV (f/k/a FCA US LLC)	Automotive	17,774
U.S. Government	Government	6,943
Ford Motor Company	Automotive	3,990
Ascension Michigan (formerly St. John)	Healthcare	2,937
General Dynamics Land Systems	Military Equipment	2,500
Macomb County	Government	2,429
Utica Community Schools	Education	2,413
Henry Ford Health System	Healthcare	2,201
McLaren Health Care	Healthcare	1,969
State of Michigan	Government	1,564
Chippewa Valley Schools	Education	1,451
Warren Consolidated School District	Education	1,374

Source: 2023 Michigan Manufacturers Directory, Crain's Detroit Business Book of Lists 2023 edition, MEDC website via www.michiganbusiness.org, and individual employers.

EMPLOYMENT BREAKDOWN

The U.S. Census Bureau, 2018-2022 American Community Survey reports the occupational breakdown of persons 16 years and over for the Township of Macomb and County of Macomb as follows:

	Township of Macomb		County of Macomb	
	Number	Percent	Number	Percent
PERSONS BY OCCUPATION	47,363	100.00%	433,289	100.00%
Management, Business, Science & Arts	21,601	45.61	159,861	36.89
Service	7,096	14.98	70,548	16.28
Sales & Office	9,521	20.10	95,192	21.97
Natural Resources, Construction & Maintenance	3,058	6.46	32,954	7.61
Production, Transportation & Material Moving	6,087	12.85	74,734	17.25

The U.S. Census Bureau, 2018-2022 American Community Survey reports the breakdown by industry for persons 16 years and over in the Township of Macomb and County of Macomb as follows:

	Township of Macomb		County of Macomb	
	Number	Percent	Number	Percent
PERSONS BY INDUSTRY	47,363	100.00%	433,289	100.00%
Agriculture, Forestry, Fishing, Hunting & Mining	108	0.22	1,269	0.30
Construction	2,967	6.26	26,242	6.06
Manufacturing	10,476	22.12	91,657	21.15
Wholesale Trade	672	1.42	8,490	1.96
Retail Trade	4,763	10.06	49,541	11.43
Transportation, Warehousing & Utilities	1,484	3.13	19,522	4.51
Information	514	1.09	4,580	1.06
Finance, Insurance & Real Estate	3,231	6.82	26,525	6.12
Professional, Scientific & Management Services	4,868	10.28	43,392	10.01
Educational, Health & Social Services	10,934	23.09	87,594	20.22
Arts, Entertainment, Recreation & Food Services	4,196	8.86	39,780	9.18
Other Services except Public Administration	1,379	2.91	18,993	4.38
Public Administration	1,771	3.74	15,704	3.62

UNEMPLOYMENT

The U.S. Department of Labor, Bureau of Labor Market Statistics, reports unemployment averages for the Township of Macomb and the County of Macomb as compared to the State of Michigan as follows:

Annual Average	Township of Macomb	County of Macomb	State of Michigan
April, 2024	2.2%	3.4%	3.8%
2023	2.3	3.5	3.9
2022	2.4	3.7	4.1
2021*	3.8	5.8	5.7
2020*	7.9	11.8	10.0

*The above unemployment figures reflect job losses from the COVID-19 pandemic.

POPULATION BY AGE

The U.S. Census Bureau, 2018-2022 American Community Survey reports the breakdown of population by age for the Township of Macomb and County of Macomb as follows:

	Township of Macomb		County of Macomb	
	Number	Percent	Number	Percent
Total Population	91,418	100.00%	878,453	100.00%
0 through 19 years	25,984	28.42	201,193	22.90
20 through 64 years	52,967	57.94	523,561	59.60
65 years and over	12,467	13.64	153,699	17.50
Median Age	39.8 years		41.0 years	

INCOME

The U.S. Census Bureau, 2018-2022 American Community Survey reports the breakdown of household income for the Township of Macomb and County of Macomb as follows:

	Township of Macomb		County of Macomb	
	Number	Percent	Number	Percent
HOUSEHOLDS BY INCOME	31,103	100.00%	354,251	100.00%
Less than $ 10,000	607	1.95	14,210	4.01
$ 10,000 to $ 14,999	318	1.03	11,058	3.12
$ 15,000 to $ 24,999	960	3.09	24,667	6.96
$ 25,000 to $ 34,999	1,360	4.37	27,164	7.67
$ 35,000 to $ 49,999	2,439	7.84	41,540	11.73
$ 50,000 to $ 74,999	4,383	14.09	60,757	17.15
$ 75,000 to $ 99,999	3,760	12.09	50,375	14.22
$100,000 to $149,999	7,304	23.48	65,060	18.37
$150,000 to $199,999	5,044	16.22	33,127	9.35
$200,000 or MORE	4,928	15.84	26,293	7.42
Median Income	$112,110		$73,876	

APPENDIX C

GENERAL FUND BUDGET SUMMARY AND COMPARATIVE FINANCIAL STATEMENTS

New Haven Community Schools
General Fund Budget Summary

	As Amended 2023/24
Revenues	
Local Sources	$5,520,500
State Sources	14,635,008
Federal - Restricted	1,499,494
Other Financing Sources	26,250
Total Revenues	$21,681,252
Expenditures	
Instructional Services	
Basic Program	$8,588,971
Added Needs	2,682,179
Support Services	
Pupil	1,388,470
Instructional Staff	789,657
General Administration	609,535
School Administration	1,338,095
Business Services	387,808
Operation & Maintenance	2,868,395
Security	281,359
Pupil Transportation	1,185,233
Central	515,471
Athletics	358,447
Community Services	6,405
Other Financing Uses	30,000
Total Expenditures	$21,030,025
Net Change in Fund Balance	$651,227
Beginning Fund Balance - July 1	$3,797,565
Projected Fund Balance - June 30	$4,448,792

Source: School District

New Haven Community Schools
General Fund

Comparative Balance Sheet

	For Fiscal Years Ended June 30th		
	2021	2022	2023
Assets			
Cash and Investments	$1,981,209	$1,161,091	$767,230
Investments	--	883,336	$2,032,361
Accounts Receivable	60,343	84,655	156,326
Due from Other Governmental Units	2,269,889	2,353,067	2,762,322
Due from Other Funds	48,187	272,484	176,985
Prepaid Expenditures	300,696	337,723	652,194
Total Assets	$4,660,324	$5,092,356	$6,547,418
Liabilities			
Accounts Payable	$221,358	$341,332	$308,134
Salaries Payable	901,591	999,267	811,540
Payroll Deductions and Withholdings	79,769	--	--
State Aid Note Payable	1,600,000	750,000	--
Due to Other Funds	724	7,536	15
Unearned Revenue	195,488	183,423	892,126
Accrued Expenditures	347,124	504,848	365,139
Due to Other Governmental Units	159,717	211,679	372,899
Total Liabilities	$3,505,771	$2,998,085	$2,749,853
Fund Balances			
Nonspendable	$300,696	$337,723	$652,194
Committed	--	600,000	500,000
Excess Budgeted Expenditures	79,434	--	--
Unassigned	774,423	1,156,548	2,645,371
Total Fund Balances	$1,154,553	$2,094,271	$3,797,565
Total Liabilities and Fund Balances	$4,660,324	$5,092,356	$6,547,418

Source: Audited Financial Statements

New Haven Community Schools
General Fund

Comparative Statement of Revenues, Expenditures and Changes in Fund Balance

	For Fiscal Years Ended June 30th		
	2021	2022	2023
Revenues			
Local Sources	$4,020,503	$4,302,954	$5,250,555
State Sources	9,369,644	11,306,004	13,349,069
Federal Sources	1,955,937	1,838,855	1,590,202
Interdistrict Sources	--	6,867	--
Total Revenues	$15,346,084	$17,454,680	$20,189,826
Expenditures			
Instruction	$8,014,735	$9,563,849	$10,383,512
Supporting Services	6,153,431	--	--
Student Services	--	1,120,401	1,296,535
General Administration	--	470,325	520,916
School Administration	--	1,108,809	1,186,749
Business Administration	--	386,694	430,332
Operation & Maintenance	--	1,795,901	2,374,735
Transportation	--	902,274	1,000,774
Other Support Services	--	394,483	410,926
Instructional Support	--	443,012	561,944
Athletics	--	288,468	360,972
Community Service	1,600	46,118	3,331
Outgoing Transfers & Other Uses	--	79,402	33,460
Capital Outlay	112,686	--	--
Debt Service			
Principal	39,822	--	--
Interest & Other Expenditures	6,626	--	--
Total Expenditures	$14,328,900	$16,599,736	$18,564,186
Excess of Revenue Over (Under) Expenditures	$1,017,184	$854,944	$1,625,640
Other Financing Sources (Uses)			
Proceeds from Sale of Capital Assets	$8,912	$0	$0
Capital Leases	105,000	--	--
Transfers In	--	84,774	77,654
Total Other Financing Sources (Uses)	$113,912	$84,774	$77,654
Excess of Revenues & Other Sources Over (Under) Expenditures & Other Uses	$1,131,096	$939,718	$1,703,294
Fund Balance - Beginning	$23,457	$1,154,553	$2,094,271
Fund Balance - Ending	$1,154,553	$2,094,271	$3,797,565

Source: Audited Financial Statements

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APPENDIX D

AUDITED FINANCIAL STATEMENTS

The auditor was not requested to examine or review and therefore has not examined or reviewed any financial documents, statements or materials that have been or may be furnished in connection with the authorization, issuance or marketing of the Bonds and accordingly has not conducted any post-audit review procedures and will not express any opinion with respect to the accuracy or completeness of such financial documents, statements or materials.

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October 16, 2023

INDEPENDENT AUDITOR'S REPORT

To the Board of Education of
New Haven Community Schools

Report on the Financial Statements

Opinions
We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of New Haven Community Schools, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of New Haven Community Schools, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of New Haven Community Schools and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle
As discussed in Note 15 to the financial statements, in 2023 the District adopted new accounting guidance, GASB Statement No. 96, *Subscription-based IT Arrangements*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the New Haven Community Schools' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the New Haven Community Schools' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the New Haven Community Schools' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as identified in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the New Haven Community Schools' basic financial statements. The accompanying combining and individual nonmajor fund financial statements, other schedules and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, other schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards*, we have also issued our report dated October 16, 2023, on our consideration of the New Haven Community Schools' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the New Haven Community Schools' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering New Haven Community Schools' internal control over financial reporting and compliance.

Lewis & Knopf, P.C.

LEWIS & KNOPF, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

Lewis & Knopf CPAs, PC

As administration of New Haven Community Schools, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2023.

Financial Highlights

* The liabilities and deferred outflows of the District exceeded its assets and deferred inflows at the close of the most recent fiscal year by $17,733,778 (net position).

* The Districts total Net Position increased by $4,104,633. The increase was primarily due to increases of repayment of bond principal totaling $5,155,000 and the reduction in net pension and other postemployment benefits totaling $168,728. Capital assets, net of depreciation decreased by $1,679,595. More detail is presented in Note 4 to the financial statements.

* The general fund had an increase in fund balance of $1,703,294. At the end of the year, unassigned fund balance for the general fund was $2,645,371, or 14%, of total general fund expenditures. Total fund balance for the general fund was $3,797,565, or 20%, of total general fund expenditures.

Overview of the District for the Fiscal Year

As the District completed the 2022-2023 fiscal year, the Governmental Funds reported a combined fund balance of $11,947,600.

Combined, the Debt Service Funds balance increased from $245,731 to $287,880. Millage rates are determined annually by the Board of Education to ensure that the school district accumulates sufficient resources to pay annual bond issue-related service costs. The debt service Fund balances are restricted and can only be used to pay debt service obligations.

The 2019 Capital Projects Fund decreased $373,563. The Fund balance is anticipated to be spent and the Fund closed during the 2023-2024 fiscal year.

The 2020 Capital projects Fund was opened in May 2022 from the community voted 2022, Series II construction bond. As of June 30, 2023 the funds balance is $7,132,658. The balance is projected to be spent down over the subsequent years in accordance with the voter and State approved project plan.

The Food Service Fund balance decreased by $28,643 to $211,707. Future revenues are anticipated to increase based on the funding from the Federal Funding and the new budgeted State funding. The School Service Fund balance increased by $163,688 to $275,272 due to Covid related funding programs. Although these grants are in force at the beginning of the 2022-2023 school year, they have been exhausted and are not in the 2023-2024 school year.

The Student Activities Fund decreased by $20,847 to $141,049.

Using this Annual Report
This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the District financially as a whole. The District-Wide Financial Statements provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. The financial statements then proceed to provide an increasingly detailed look at specific financial activities included in the fund financial statements. For governmental activities, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements provide information about the School District's most significant funds - the General Fund, Debt Retirement Fund and 2022 Series II Capital Projects Fund. All other funds are presented in one column as non-major funds.

MAJOR FEATURES OF DISTRICT-WIDE AND FUND FINANCIAL STATEMENTS

	District-Wide Statements	Fund Financial Statements: Governmental Funds	Fund Financial Statements: Fiduciary Funds (if any)
Scope	Entire District (except Fiduciary Funds)	The activities of the District that are not proprietary or fiduciary such as special education and building maintenance	Instances in which the District administers resources on behalf of someone else, such as certain student activities monies
Required Financial Statements	* Statement of Net Position * Statement of Activities (Pages 1 and 2)	* Balance Sheet * Statement of Revenues, Expenditures and Changes in Fund Balances (Pages 3 and 5)	* Statement of Fiduciary Net Position * Statement of Changes in Fiduciary Net Position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of Asset/ Liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both short-term and long-term, The District's funds do not currently contain capital assets, although they can
Type of Inflow/ Outflow Information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received	All additions and deductions during year, regardless of when cash is received or paid

Fund Financial Statements

The fund financial statements are reported on a modified accrual basis and consist of governmental funds. Governmental funds include most of the District's basic services which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending on future District programs.

Fiduciary funds are for assets that belong to others, such as certain student activities funds where the District is the trustee or fiduciary. The District cannot use these assets to finance its operations but it is responsible to ensure that these funds are used for their intended purposes. Only measurable and currently available funds are reported. Liabilities to beneficiaries are recognized when an event has occurred that compels the District to disburse fiduciary resources. Some of these funds are established by State law and by bond covenants while others can be established for the District to control and manage money for a particular purpose such as school lunch and athletics.

SUMMARY OF NET POSITION:

NET POSITION SUMMARY

	2023	2022 *
ASSETS		
Other Assets	$14,745,731	$14,151,302
Capital Assets	73,511,757	75,191,352
TOTAL ASSETS	$88,257,488	$89,342,654
DEFERRED OUTFLOWS OF RESOURCES	13,776,802	7,857,916
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$102,034,290	$97,200,570
LIABILITIES		
Other Liabilities	33,171,019	21,713,091
Long-Term Liabilities	81,125,288	86,054,232
Total Liabilities	$114,296,307	$107,767,323
DEFERRED INFLOWS OF RESOURCES	5,471,761	11,271,658
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	$119,768,068	$119,038,981
NET POSITION		
Net Investment in Capital Assets	13,218,571	9,971,508
Restricted	(140,942)	(203,709)
Unrestricted	(30,811,407)	(31,606,210)
TOTAL NET POSITION	($17,733,778)	($21,838,411)

* The 2022 figures have not been updated for the adoption of GASB 96.

The above analysis focuses on the net position. The change in net position of the School District's governmental activities is discussed below. The net position differs from fund balances and a reconciliation appears on page 4.

The District's net position reflects its investment in capital assets, and capital projects (i.e. land, buildings, vehicles, equipment, and infrastructure), less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position, $(140,942), represents resources that are subject to external restrictions on how they may be used. In the case of the School District, these amounts are restricted for debt retirement and capital projects.

The results of this year's operations for the School District as a whole are reported in the statement of activities (see table above), which shows the changes in net position for fiscal year 2023.

RESULTS OF OPERATIONS:
For the fiscal years ended June 30, 2023 and 2022, the District wide results of operations were:

	2023	2022 *
REVENUES		
Program Revenues		
Charges for Services	$670,201	$507,615
Operating Grants	7,439,719	6,048,990
Total Program Revenues	$8,109,920	$6,556,605
General Revenues:		
Property Taxes	12,157,185	10,566,897
State Sources - Unrestricted	8,849,499	8,437,915
Interdistrict Sources	310,013	6,867
Other General Revenues	228,612	195,129
Total General Revenues	$21,545,309	$19,206,808
Total Revenues	$29,655,229	$25,763,413
EXPENSES		
Instruction & Instructional Support	10,489,388	8,637,430
Support Services	7,764,439	6,195,435
Community Services	531,113	342,420
Student Activities	173,304	124,901
Food Service	867,714	817,153
Outgoing Transfers and Other Uses	33,460	14,943
Interest on Long-Term Debt	2,604,070	2,508,120
Issuance Costs	26,181	150,065
Depreciation/Amortization	3,060,927	2,978,702
Total Expenses	$25,550,596	$21,769,169
CHANGE IN NET POSITION	$4,104,633	$3,994,244

* The 2022 figures have not been updated for the adoption of GASB 96.

The District's net position increased by $4,104,633 during the current fiscal year. The increase in net position differs from the change in fund balances and a reconciliation appears on page 6.

The net cost shows the financial burden that was placed on the State and the School District's taxpayers by each of these functions. Since property taxes for operations and unrestricted State aid constitute the vast majority of the School District's operating revenue sources, the Board of Education and Administration must annually evaluate the needs of the School District and balance those needs with State-prescribed available unrestricted resources.

Student Enrollment
Student enrollment increased from 1,394 in 2021-22 to 1,420 in 2022-23.

NEW HAVEN COMMUNITY SCHOOLS
MANAGEMENT DISCUSSION AND ANALYSIS

General Fund Budgeting and Operating Highlights
The School District's budgets are prepared according to Michigan law. The most significant budgeted fund is the General Fund.

During the fiscal year ended June 30, 2023, the School District amended the budget of the General Fund twice. State law requires that the budget be amended to ensure that expenditures do not exceed appropriation. A schedule showing the School District's general fund original and final budget amounts compared with amounts actually paid and received is provided in required supplemental information of these financial statements.

The general fund actual revenue and other financing sources was $20,189,826. That amount is more than the final budget estimate of $19,778,888. The variance was $410,938 or 2%. The variance was primarily due to tax revenue was up over budget by $329,155.

The actual expenditures and other financing uses of the general fund were $18,530,726, which is below the final budget estimate of $18,936,808. The variance was $406,082 or 2%. The variance was primarily due to Instruction under budget by $299,145 and Operations and Maintenance under budget by $68,299.

The general fund had total revenues of $20,267,480 and total expenditures of $18,564,186 with a net increase in fund balance of $1,703,294 and an ending fund balance of $3,797,565.

Capital Asset and Debt Administration

A. Capital Assets
The District's investment in capital assets for its governmental activities as of June 30, 2023 amounted to $73,511,757 (net of accumulated depreciation/amortization). This investment in capital assets included land, land improvements, machinery and equipment, and licensed vehicles. Capital assets at fiscal year-end included the following:

	Capital Assets (Net of Depreciation)	
	2023	2022 *
Construction in Progress	$112,239	$174,997
Land	5,676,624	5,676,624
Land Improvements	3,421,532	3,664,548
Buildings and Improvements	58,944,661	60,179,914
Furniture and Equipment	4,427,478	4,799,767
Vehicles	929,223	695,502
Total capital assets, net	$73,511,757	$75,191,352

* The 2022 figures have not been updated for the adoption of GASB 96.

Additional information on the District's capital assets can be found in Note 4.

B. Long-Term Debt

At the end of the current fiscal year, the District had total long-term debt outstanding of $81,125,288. Long-term debt at fiscal year-end included the following:

	Long-Term Debt	
	2023	2022 *
General Obligation Bonds	$68,155,577	$73,938,481
Notes from Direct Borrowings and Direct Placements	12,593,512	11,695,598
Compensated Absences	376,199	420,153
Total Long-Term Debt	$81,125,288	$86,054,232

* The 2022 figures have not been updated for the adoption of GASB 96.

The District's total bonded debt decreased by $5,155,000 during the current fiscal year due to the District making scheduled debt payments. Additional information on the District's long-term debt can be found in Note 6.

Economic Factors and Next Year's Budget

The following factors will affect the District in the future and were considered in preparing the District's budget for the 2023-24 fiscal year:

* Foundation Allowance

The Board of Education and Administration agreed to an estimate of a foundation allowance of $9,516 per pupil for the 2023-24 fiscal year with an increase of 10 pupils, a $95,160 per pupil increase from 2022-23, based upon information received from various educational organizations such as Michigan School Business Officials, Michigan Association of School Administrators, and the Michigan Association of School Boards as well as discussions with local state representatives. The political debate regarding the funding of public education, the current economic climate in the State of Michigan and the COVID pandemic will all affect this estimate before the final foundation allowance is known.

* Retirement Rate

The continuing cost of health insurance to current and potential retirees continues to drive the rate increase the Michigan School Employees Retirement System recommends to the legislature for approval. In 2023-2024, the rate is anticipated to be at 31.34% effective October 1, 2023. Additionally, the District will be required to pay 16.55%, for all wages earned October 1, 2021 and later, for the Unfunded Actuarial Accrued Liability (UAAL).

* The New Haven Community Schools' 2023/2024 adopted budget is as follows:

REVENUE	$20,583,467
EXPENDITURES	19,847,248
NET OVER BUDGET	$736,219

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens and taxpayers with a general overview of the District's finances. If you have questions about this report or need additional information, please contact the Business Office, New Haven Community Schools.

BASIC FINANCIAL STATEMENTS

NEW HAVEN COMMUNITY SCHOOLS
STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities
ASSETS	
Cash and Cash Equivalents	$2,831,055
Investments	8,294,162
Receivables:	
Accounts Receivable	161,680
Due from Other Governmental Units	2,789,733
Inventory	16,907
Prepaid Expenditures	652,194
Capital Assets, Not Being Depreciated - Construction in Progress	112,239
Capital Assets, Not Being Depreciated - Land	5,676,624
Capital Assets, Net of Accumulated Depreciation/Amortization	67,722,894
Total Assets	$88,257,488
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Loss on Refunding	628,264
Related to Pensions	10,491,080
Related to Postemployment Benefits	2,657,458
Total Deferred Outflows of Resources	$13,776,802
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$102,034,290
LIABILITIES	
Accounts Payable	342,731
Due to Other Governmental Units	372,899
Accrued Expenditures	793,961
Salaries Payable	811,540
Unearned Revenue	905,822
Non-Current Liabilities - Due in One Year	9,042,904
Non-Current Liabilities - Due in More than One Year	72,082,384
Net Pension Liability	28,348,527
Net Other Postemployment Benefits Liability	1,595,539
Total Liabilities	$114,296,307
DEFERRED INFLOWS OF RESOURCES	
Related to State Aid Funding for Pension and Other Postemployment Benefits	2,051,149
Related to Pensions	128,331
Related to Other Postemployment Benefits	3,292,281
Total Deferred Inflows of Resources	$5,471,761
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	$119,768,068
NET POSITION	
Net Investment in Capital Assets	13,218,571
Restricted	(140,942)
Unrestricted	(30,811,407)
TOTAL NET POSITION	($17,733,778)

See notes to the financial statements.

NEW HAVEN COMMUNITY SCHOOLS
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

		Program Revenues		Governmental Activities
FUNCTIONS/PROGRAMS	Expenses	Charges For Services	Program Specific Operating Grants and Contributions	Net (Expense) Revenue & Change in Net Position
Governmental Activities:				
Instruction	$10,489,388	$7,325	$6,089,772	($4,392,291)
Support Services	7,764,439	118,828	148,036	(7,497,575)
Food Service	867,714	126,365	729,297	(12,052)
Community Services	531,113	265,226	472,614	206,727
Student Activities	173,304	152,457	0	(20,847)
Outgoing Transfers and Other Uses	33,460	0	0	(33,460)
Interest - Long-Term Obligations	2,604,070	0	0	(2,604,070)
Bond Issuance Costs	26,181	0	0	(26,181)
Depreciation/Amortization - Unallocated	3,060,927	0	0	(3,060,927)
Total Governmental Activities	$25,550,596	$670,201	$7,439,719	($17,440,676)

General Revenues:	
Taxes:	
Property Taxes, Levied for General Purposes	4,840,601
Property Taxes, Levied for Debt Retirement	7,316,584
State Sources - Unrestricted	8,849,499
Investment Earnings	310,013
Other	228,612
Total General Revenues	$21,545,309
Change in Net Position	$4,104,633
Net Position - Beginning of Year	(21,838,411)
Net Position - End of Year	($17,733,778)

See notes to the financial statements.

NEW HAVEN COMMUNITY SCHOOLS
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	General Fund	Debt Fund	2022 Series II Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	$767,230	$287,880	$870,895	$905,050	$2,831,055
Investments	2,032,361	0	6,261,748	53	8,294,162
Receivables:					
Accounts Receivable	156,326	0	0	5,354	161,680
Due from Other Funds	176,985	0	15	0	177,000
Due from Other Governmental Units	2,762,322	0	0	27,411	2,789,733
Inventory	0	0	0	16,907	16,907
Prepaid Expenditures	652,194	0	0	0	652,194
TOTAL ASSETS	$6,547,418	$287,880	$7,132,658	$954,775	$14,922,731
LIABILITIES					
Accounts Payable	$308,134	$0	$0	$34,597	$342,731
Due to Other Governmental Units	372,899	0	0	0	372,899
Due to Other Funds	15	0	0	176,985	177,000
Accrued Expenditures	365,139	0	0	0	365,139
Salaries Payable	811,540	0	0	0	811,540
Unearned Revenue	892,126	0	0	13,696	905,822
Total Liabilities	$2,749,853	$0	$0	$225,278	$2,975,131
FUND BALANCES					
Non-Spendable					
Inventory	0	0	0	16,907	16,907
Prepaid Expenditures	652,194	0	0	0	652,194
Restricted					
Debt Retirement	0	287,880	0	0	287,880
Food Service	0	0	0	194,800	194,800
Capital Projects	0	0	7,132,658	101,469	7,234,127
Committed - Student Activities	0	0	0	141,049	141,049
Committed	500,000	0	0	0	500,000
Assigned - School Service	0	0	0	275,272	275,272
Unassigned	2,645,371	0	0	0	2,645,371
Total Fund Balances	$3,797,565	$287,880	$7,132,658	$729,497	$11,947,600
TOTAL LIABILITIES AND FUND BALANCES	$6,547,418	$287,880	$7,132,658	$954,775	$14,922,731

See notes to the financial statements.

NEW HAVEN COMMUNITY SCHOOLS
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2023

Total Governmental Fund Balances:		$11,947,600
Amounts reported for governmental activities in the statement of net assets are different because:		
Deferred Outflows of Resources - Related to Pensions		10,491,080
Deferred Outflows of Resources - Related to Postemployment Benefits		2,657,458
Deferred Inflows Related to State Aid Funding for Pension and Other Postemployment Benefits		(2,051,149)
Deferred Inflows of Resources - Related to Pensions		(128,331)
Deferred Inflows of Resources - Related to Other Postemployment Benefits		(3,292,281)
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.		
Construction in Progress	$112,239	
Capital Assets	107,613,676	
Less: Accumulated Depreciation/Amortization	(34,214,158)	
Capital Assets, Net of Accumulated Depreciation/Amortization		73,511,757
Accrued Interest on Long-Term Debt		(428,822)
Unavailable Amount on Bond Refunding		628,264
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:		
General Obligation Bonds	$68,155,577	
Notes from Direct Borrowings and Direct Placements	12,593,512	
Compensated Absences Payable	376,199	
Total Long-Term Liabilities		(81,125,288)
Net Pension Liability		(28,348,527)
Net Other Postemployment Benefits Liability		(1,595,539)
TOTAL NET ASSETS - GOVERNMENTAL ACTIVITIES		($17,733,778)

See notes to the financial statements.

NEW HAVEN COMMUNITY SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023

	General Fund	Debt Fund	2022 Series II Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
REVENUES					
Local Sources	$5,250,555	$7,328,505	$230,087	$553,848	$13,362,995
State Sources	13,349,069	148,036	0	32,838	13,529,943
Federal Sources	1,590,202	0	0	1,169,073	2,759,275
Total Revenues	$20,189,826	$7,476,541	$230,087	$1,755,759	$29,652,213
EXPENDITURES					
Instruction	10,383,512	0	0	0	10,383,512
Student Services	1,296,535	0	0	0	1,296,535
Instructional Support	561,944	0	0	0	561,944
General Administration	520,916	0	0	0	520,916
School Administration	1,186,749	0	0	0	1,186,749
Business Administration	430,332	0	0	0	430,332
Operation & Maintenance of Plant	2,374,735	0	0	0	2,374,735
Transportation	1,000,774	0	0	0	1,000,774
Other Support Services	410,926	0	0	0	410,926
Athletics	360,972	0	0	0	360,972
Community Services	3,331	0	0	524,154	527,485
Outgoing Transfers and Other Uses	33,460	0	0	0	33,460
Food Service	0	0	0	866,448	866,448
Student Activities	0	0	0	173,304	173,304
Debt Service					
Principal	0	5,155,000	0	0	5,155,000
Interest	0	2,732,237	0	0	2,732,237
Other	0	13,891	0	0	13,891
Capital Outlay	0	0	614,319	373,565	987,884
Total Expenditures	$18,564,186	$7,901,128	$614,319	$1,937,471	$29,017,104
Revenues Over (Under) Expenditures	$1,625,640	($424,587)	($384,232)	($181,712)	$635,109
OTHER FINANCING SOURCES (USES)					
Transfers In	77,654	0	0	0	77,654
Transfers Out	0	0	0	(77,654)	(77,654)
Other Transfers	0	3,016	0	0	3,016
Bond/Loan Proceeds	0	489,901	0	0	489,901
Bond Issuance Costs	0	(26,181)	0	0	(26,181)
Total Other Financing Sources (Uses)	$77,654	$466,736	$0	($77,654)	$466,736
Net Change in Fund Balance	$1,703,294	$42,149	($384,232)	($259,366)	$1,101,845
FUND BALANCE - BEGINNING	2,094,271	245,731	7,516,890	988,863	10,845,755
FUND BALANCE - ENDING	$3,797,565	$287,880	$7,132,658	$729,497	$11,947,600

See notes to the financial statements

NEW HAVEN COMMUNITY SCHOOLS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

Total net change in fund balances - governmental fund		$1,101,845
Amounts reported for governmental activities in the statement o activities are different because		
Governmental funds report capital outlays as expenditures. However in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Construction in Progress	($62,758)	
Capital Outlay	1,444,090	
Depreciation Expense	(3,060,927)	
Total		(1,679,595)
Amortization of:		
Bond Premium		627,904
Deferred Loss on Refunding		(98,451)
Net Change Michigan School Bond Loan Fund		(897,914)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount of repayments reported a expenditures in the governmental funds		5,155,000
Net Change in Compensated Absences		43,954
Change in accrued interest on long-term liabilities		20,618
Some expenses reported in the statement of activities do not require the use c current financial resources and, therefore, are not reported as expenditures i the governmental Funds		
State Aid Funding for Pension and Other Postemployment Benefit		(887,440)
Pension Related Items		(455,151)
OPEB Related Items		1,173,863
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		$4,104,633

See notes to the financial statements

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) DESCRIPTION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. All fiduciary activities are reported only in the fund financial statements. Governmental activities normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions.

B) REPORTING ENTITY

The District is governed by an elected seven-member Board of Education. The accompanying basic financial statements have been prepared in accordance with criteria established by the GASB for determining the various governmental organizations to be included in the reporting entity. These criteria include significant operational financial relationships that determine which of the governmental organizations are part of the District's reporting entity and which organizations are legally separate component units of the District. Based on application of the criteria, the District does not contain component units.

The District receives funding from local, state, federal and interdistrict government sources and must comply with the accompanying requirements of these funding source entities. However, the District is not included in any other governmental "reporting entity" body that has separate legal standing and is fiscally independent of the governmental entities. As such, the Board of Education has decision-making authority, the authority to levy taxes, and determine its budget, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters.

C) BASIS OF PRESENTATION - GOVERNMENT-WIDE FINANCIAL STATEMENTS

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from the governmental funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

D) BASIS OF PRESENTATION - FUND FINANCIAL STATEMENTS

The fund financial statements provide information about the District's funds, including its fiduciary funds (if any). Separate statements for each fund category - governmental and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The School District reports the following major governmental funds:

General Fund - The General Fund is the School District's primary operating fund. It accounts for all financial resources of the School District, except those required to be accounted for and reported in another fund.

Debt Retirement Fund - The Debt Retirement Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

2022 Capital Projects Fund - The Building and Site Capital Projects Funds are used to record bond proceeds or other revenue and the disbursement of funds specifically designated for acquiring new school sites, buildings, equipment, and for remodeling and repairs. The funds operate until the purpose for which they were created is accomplished. The District has complied with the applicable provision of §1351a of the Revised School Code.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C) BASIS OF PRESENTATION - FUND FINANCIAL STATEMENTS (Continued)

Other Non-Major Funds:

Special Revenue Funds - The special revenue funds accounts for revenue sources that are legally restricted to expenditures for specific purposes (not including expendable trusts or major capital projects). The District accounts for its food service fund, school service/latchkey/paid preschool fund and student activity fund in the special revenue funds.

2019 Capital Projects Fund - The Building and Site Capital Projects Funds are used to record bond proceeds or other revenue and the disbursement of funds specifically designated for acquiring new school sites, buildings, equipment, and for remodeling and repairs. The funds operate until the purpose for which they were created is accomplished. The District has complied with the applicable provision of §1351a of the Revised School Code.

During the course of operations the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds. While these balances are reported in the fund financial statements, they are eliminated in the preparation of the government-wide financial statements.

Further, certain activity occurs during the year involving transfers of resources between funds. In the fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in the fund financial statements, they are eliminated in the preparation of the government-wide financial statements.

E) MEASUREMENT FOCUS, BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to the financial statements is determined by its measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates are primarily related to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

Government-wide Financial Statements - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants, categorical aid, and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fiduciary Fund Financial Statements (if any) are reported using the economic resources measurement focus and the accrual basis of accounting, except for the recognition of certain liabilities to the beneficiaries of a fiduciary activity. Liabilities to beneficiaries are recognized when an event has occurred that compels the District to disburse fiduciary resources.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E) MEASUREMENT FOCUS, BASIS OF ACCOUNTING (Continued)

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. Revenue not meeting this definition is classified as a deferred inflow of resources. For this purpose, the School District considers revenue to be available if it is collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, state and federal aid, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end).

Amounts reported as program revenue include (1) charges to customers or applicants for goods, services, or privileges provided and (2) operating grants and contributions. Internally dedicated resources are reported as general revenue rather than as program revenue. Likewise, general revenue includes all taxes and unrestricted state aid.

F) CASH AND CASH EQUIVALENTS/INVESTMENTS

Cash and cash equivalents include amounts in demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

In accordance with Michigan Compiled Laws, the District is authorized to invest in the following investment vehicles:

a. Bonds, securities, and other obligations of the United States or an agency or instrumentality of the United States.

b. Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank which is a member of the Federal Deposit Insurance Corporation (FDIC) or a savings and loan association which is a member of the Federal Savings and Loan Insurance Corporation (FSLIC) or a credit union which is insured by the National Credit Union Administration (NCUA), but only if the bank, savings and loan association, or credit union is eligible to be a depository of surplus funds belonging to the State under section 5 or 6 of Act No. 105 of the Public Acts of 1855, as amended, being Section 21.145 and 21.146 of the Michigan Compiled Laws.

c. Commercial paper rated at the time of purchase within the three (3) highest classifications established by not less than two (2) standard rating services and which matures not more than 270 days after the date of purchase.

d. The United States government or federal agency obligations repurchase agreements.

e. Bankers acceptances of United States banks.

f. Mutual funds composed of investment vehicles, which are legal for direct investment by local units of government in Michigan.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F) CASH AND CASH EQUIVALENTS/INVESTMENTS (Continued)

Michigan Compiled Laws allow for collateralization of government deposits, if the assets for pledging are acceptable to the State Treasurer under Section 3 of 1855 PA 105, MCL 21.143, to secure deposits of State surplus funds, securities issued by the Federal Loan Mortgage Corporation, Federal National Mortgage Association, or Government National Mortgage Association.

G) INVENTORIES AND PREPAID COSTS

Inventories are valued at cost, on a first-in, first-out basis. Inventories of governmental funds, including commodities received from the United States Department of Agriculture, are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid costs in both government-wide and fund financial statements.

H) CAPITAL ASSETS

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) using a $5,000 capitalization threshold and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an assets life are not. Interest incurred during the construction of capital assets is also capitalized.

Land and construction in progress, if any, are not depreciated. Right to use assets of the District are amortized using the straight-line method over the shorter of the lease period of the estimated useful lives. The other property, plant, and equipment of the District are depreciated using the straight line method over the following estimated useful lives:

Description	Governmental Activities Estimated Lives
Buildings and Improvements	20 – 50 years
Land Improvements	20 years
Furniture and Equipment	10 – 20 years
Vehicles and Buses	8 years

I) INTERFUND BALANCES

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund receivables/payables.” These amounts are eliminated in the governmental activities columns of the statement of net position.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J) UNEARNED REVENUE

The District reports unearned revenue on its governmental funds balance sheet. Unearned revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when the District receives resources before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for unearned revenue is removed from the combined balance sheet and revenue is recognized.

K) COMPENSATED ABSENCES

The liability for compensated absences reported in the government-wide statements consists of earned but unused accumulated vacation, sick leave, and severance benefits. A liability for these amounts is reported in governmental funds as it comes due for payment. The liability has been calculated using the vesting method, in which leave amounts are included both for employees who are currently eligible to receive termination payments and for other employees who are expected to become eligible in the future to receive such payments upon termination.

L) LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as debt service expenditures.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period.

The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

M) DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

Deferred Outflows

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The District has three items that qualify for reporting in this category. They are the deferred charge on bond refunding, pension and other postemployment benefits related items reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow is recognized for pension and other postemployment benefit related items. These amounts are expensed in the plan year in which they apply.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M) DEFERRED OUTFLOWS/INFLOWS OF RESOURCES (Continued)

Deferred Inflows

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has three items that qualifies for reporting in this category. The first is restricted state aid funding deferred to offset deferred outflows related to section 147c pension and other postemployment benefit contributions subsequent to the measurement period. The second and third items are future resources yet to be recognized in relation to the pension and other postemployment benefit actuarial calculation. These future resources arise from differences in the estimates used by the actuary to calculate the pension and other postemployment benefit liability and the actual results. The amounts are amortized over a period determined by the actuary.

N) DEFINED BENEFIT PLAN

For purposes of measuring the net pension and other postemployment benefit liability, deferred outflows of resources and deferred inflows of resources related to pensions and other postemployment benefits, and pension and other postemployment benefits expense, information about the fiduciary net position of the Michigan Public Employees Retirement System (MPSERS) and additions to/deductions from MPSERS fiduciary net position have been determined on the same basis as they are reported by MPSERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

O) NET POSITION FLOW ASSUMPTION

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

P) FUND BALANCE FLOW ASSUMPTION

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Q) FUND BALANCE POLICIES

Fund balances for each of the District's governmental funds are displayed in the following classifications depicting the relative strength of the spending constraints placed on the purposes for which resources can be used:

* Nonspendable fund balance - amounts that cannot be spent because they are either not in a spendable form (such as inventories and prepaid amounts) or are legally or contractually required to be maintained intact.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q) FUND BALANCE POLICIES (Continued)

* Restricted fund balance - amounts that can be spent only for specific purposes because of constraints imposed by external providers (such as grantors, bondholders, and higher levels of government), or imposed by constitutional provisions or enabling legislation. The District's Capital Projects Fund, Debt Service Fund and Food Service balances are considered restricted.

* Committed fund balance – amounts that have been formally set aside by specific purposes. Commitments are made and can be rescinded only via resolution of the Board of Education.

* Assigned fund balance - amounts the District intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed. The intent is expressed by the Board of Education.

* Unassigned fund balance - amounts that are available for any purpose; these amounts can be reported only in the District's General Fund.

In the general fund, the goal of the District shall be to maintain a minimum unassigned fund balance of no less than 5% of the preceding year's expenditures.

R) *LEASES AND SUBSCRIPTION BASED IT ARRANGEMENTS (SBITA)*

Lessee/subscriber: The District is a lessee for a noncancelable lease/subscription of office equipment and an IT arrangement. The District recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. The District recognizes a lease/SBITA liability and an intangible right-to-use lease/SBITA asset in the government-wide financial statements.

At the commencement of a lease/subscription, the District initially measures the lease/SBITA liability at the present value of payments expected to be made during the lease/SBITA term. Subsequently, the lease/SBITA liability is reduced by the principal portion of lease/SBITA payments made. The lease/SBITA asset is initially measured as the initial amount of the lease/SBITA liability, adjusted for lease/SBITA payments made at or before the lease/SBITA commencement date, plus certain initial direct costs. Subsequently, the lease/SBITA asset is amortized on a straight-line basis over its useful life.

Key estimates and judgements related to leases included how the District determines (1) the discount rate it uses to discount the expected lease/SBITA payments to present value, (2) lease/SBITA term, and (3) lease/SBITA payments.

* The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases/SBITA.

* The lease/SBITA term includes the noncancelable period of the lease/subscription. Lease/SBITA payments included in the measurement of the lease/SBITA liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease/SBITA and will remeasure the lease/SBITA asset and liability if certain changes occur that are expected to significantly affect the amount of the lease/SBITA liability.

Lease/SBITA assets are reported with other capital assets and lease/SBITA liabilities are reported with long-term obligations on the statement of net position. The District did not have any items to report as capital assets and lease liabilities as of June 30, 2023.

NEW HAVEN COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENTS

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S) REVENUE

The State of Michigan utilizes a foundation grant approach which provides for a specific annual amount of revenue per pupil based on a statewide formula. The Foundation is funded from state and local sources. Revenues from state sources are primarily governed by the School Aid Act and the School Code of Michigan. The Michigan Department of Education administers the allocation of state funds to school districts based on information supplied by the districts. For the current year ended, the foundation allowance was based on pupil membership counts.

The state portion of the Foundation is provided primarily by a state education property tax millage of 6 mills on Principal Residence Exemption (PRE) property and an allocated portion of state sales and other taxes. The local portion of the Foundation is funded primarily by Non-PRE property taxes which may be levied at a rate of up to 18 mills as well as 6 mills for Commercial Personal Property Tax. The state revenue is recognized during the foundation period and is funded through payments from October to August. Thus, the unpaid portion at June 30 is reported as due from other governmental units.

The District also receives revenue from the state to administer certain categorical education programs. State rules require that revenue earmarked for these programs be used for its specific purpose. Certain governmental funds require an accounting to the state of the expenditures incurred. For categorical funds meeting this requirement, funds received and accrued, which are not expended by the close of the fiscal year are recorded as unearned revenue.

All other revenue items are generally considered to be measurable and available only when cash is received by the District.

Property taxes levied by the District are collected by various municipalities and periodically remitted to the District. The District levies its property taxes on July 1 and December 1 and various municipalities collect its property taxes and remit them to the District through February. The delinquent real property taxes of the District are purchased by the County, and delinquent personal property taxes continue to be collected by the municipalities and recorded as revenue as they are collected. The county sells tax notes, the proceeds of which have been used to pay the District for these delinquent real property taxes. These delinquent real property taxes have been recorded as revenue in the current year.

T) USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

U) MICHIGAN PUBLIC SCHOOL ACCOUNTING MANUAL

The accompanying financial statements have been prepared on a basis substantially consistent with the Michigan Public School Accounting Manual (Bulletin 1022), which outlines the accounting procedures and policies for school districts required by the Michigan State Board of Education.

V) BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund and special revenue fund. The capital projects fund is appropriated on a project-length basis. Other funds do not have appropriated budgets.

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

V) BUDGETARY INFORMATION (Continued)
Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executor) contracts for goods or services (i.e., purchase orders, contracts, and commitments). The District does not utilize encumbrance accounting.

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Superintendent submits to the School Board a proposed operating budget for the fiscal year commencing on July 1. The operating budget includes proposed expenditures and the means of financing them. The level of control for the budgets is at the functional level as set forth and presented as required supplementary information.

2. Public hearings are conducted to obtain taxpayer comments.

3. Prior to July 1, the budget is legally adopted by School Board resolution pursuant to the Uniform Budgeting and Accounting Act (1968 PA 2). The Act requires that the budget be amended prior to the end of the fiscal year when necessary to adjust appropriations if it appears that revenues and other financing sources will be less than anticipated or so that expenditures will not be in excess of original estimates. Expenditures shall not be made or incurred, unless authorized in the budget, in excess of the amount appropriated. Violations, if any, in the general fund are noted in the required supplementary information section.

4. Transfers may be made for budgeted amounts between major expenditure functions within any fund; however, these transfers and any revisions that alter the total expenditures of any fund must be approved by the School Board.

5. The budget was amended during the year with supplemental appropriations, the last one approved prior to year-end June 30, 2023. The District does not consider these amendments to be significant.

2) DEPOSITS AND INVESTMENTS
As of June 30, 2023 the District had deposits and investments subject to the following risk:

Custodial credit risk – deposits. In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of June 30, 2023, $2,667,703 of the District's bank balance of $3,205,583 was exposed to custodial credit risk because it was uninsured and uncollateralized. The carrying value on the books for deposits at the end of the year was $2,831,055.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The District will minimize custodial credit risk, which is the risk of loss due to the failure of the security issuer or backer, by; limiting investments to the types of securities allowed by law; and pre-qualifying the financial institutions, broker/dealers, intermediaries and advisors with which the District will do business.

2) DEPOSITS AND INVESTMENTS (Continued)

Interest rate risk. In accordance with its investment policy, the District will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by; structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market; and, investing operating funds primarily in shorter-term securities, liquid asset funds, money market mutual funds, or similar investment pools and limiting the average maturity in accordance with the District's cash requirements.

Investment Type	Fair value	Weighted Average Maturity (Years)	Standard & Poor's Rating	%
Milaf - Cash Management	$6,262,563	0.0027	AAAm	75.51%
Milaf - MIMAX	2,031,599	0.0027	AAAm	24.49%
TOTAL	$8,294,162			100.00%

Concentration of credit risk. The District will minimize concentration of credit risk, which is the risk of loss attributed to the magnitude of the District's investment in a single issuer, by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized.

Foreign currency risk. The District is not authorized to invest in investments which have this type of risk.

Fair value measurement. The District is required to disclose amounts within a framework established for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1: Quoted prices in active markets for identical securities.

Level 2: Prices determined using other significant observable inputs. Observable inputs are inputs that other market participants may use in pricing a security. These may include prices for similar securities, interest rates, prepayment speeds, credit risk and others.

Level 3: Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant, unobservable inputs may be used. Unobservable inputs reflect the District's own assumptions about the factors market participants would use in pricing an investment and would be based on the best information available.

The asset or liability's fair measurement level with the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The District does not have any investments subject to the fair value measurement.

3) RECEIVABLES – DUE FROM OTHER GOVERNMENTAL UNITS

Receivables at June 30, 2023, consist of taxes, accounts (fees), intergovernmental grants and interest. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds.

A summary of the principal items of intergovernmental receivables (due from other governmental units) follows:

GOVERNMENTAL ACTIVITIES	AMOUNT
State Aid	$ 2,443,372
Federal Grants	346,013
Other Grant Programs & Fees	348
TOTAL GOVERNMENTAL ACTIVITIES	$ 2,789,733

4) CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2023, was as follows:

	Balance Beginning	Additions	Deductions	Balance Ending
GOVERNMENTAL ACTIVITIES				
Non-Depreciable				
Construction in Progress	$174,997	$0	($62,758)	$112,239
Land	5,676,624	0	0	5,676,624
Total	$5,851,621	$0	($62,758)	$5,788,863
Buildings and Improvements	85,417,153	665,222	0	86,082,375
Land Improvements	4,848,245	0	0	4,848,245
Equipment and Furniture	9,246,438	432,105	0	9,678,543
Vehicles and Buses	981,126	346,763	0	1,327,889
Totals at Historical Cost	$100,492,962	$1,444,090	$0	$101,937,052
Less: Accumulated Depreciation/Amortization				
Buildings and Improvements	(25,237,239)	(1,900,475)	0	(27,137,714)
Land Improvements	(1,183,697)	(243,016)	0	(1,426,713)
Equipment and Furniture	(4,446,671)	(804,394)	0	(5,251,065)
Vehicles and Buses	(285,624)	(113,042)	0	(398,666)
Total Accumulated Depreciation/ Amortization	($31,153,231)	($3,060,927)	$0	($34,214,158)
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS - NET	$75,191,352	($1,616,837)	($62,758)	$73,511,757

Depreciation/amortization expense was unallocated on the Statement of Activities as the district considers all fixed assets to have mixed use.

4) CAPITAL ASSETS (Continued)

Net investment in capital assets consists of the following:

Construction in Progress	$ 112,239
Capital Assets	107,613,676
Less: Accumulated Depreciation/Amortization	(34,214,158)
Add: Deferred Charge on Refunding	628,264
Less: Related Long-Term Liabilities	(68,155,577)
Add: Unspent Capital Projects	7,234,127
NET INVESTMENT IN CAPITAL ASSETS	$ 13,218,571

5) SHORT-TERM DEBT

The note is secured by the full faith and credit of the District as well as pledged state aid. In an event of a default on the note, the state may impose a penalty interest rate and at the state's discretion, accelerate the repayment terms. Activity for the year ended June 30, 2023 is as follows:

	Balance Beginning	Additions	Deductions	Balance Ending
State Aid Note	$750,000	$0	$750,000	$0

6) GENERAL LONG-TERM DEBT

The following is a summary of long-term obligations for the District for the year ended June 30, 2023:

Governmental Activities:	Balance Beginning	Additions	Deductions	Balance Ending	Amount Due in One Year
General Obligation Bonds	$73,938,481	$0	$5,782,904	$68,155,577	$9,042,904
Notes from Direct Borrowings and Direct Placements	11,695,598	897,914	0	12,593,512	0
Compensated Absences	420,153	0	43,954	376,199	0
Total Governmental Activities	$86,054,232	$897,914	$5,826,858	$81,125,288	$9,042,904

GENERAL OBLIGATIONS BONDS

2016 Refunding Bonds - $43,125,000, bearing interest at rates varying from 4% to 5% per annum, matures in 2030.	$ 20,750,000
2017 Building & Site Bonds - $8,185,000, bearing interest at rates varying from 2% to 3% per annum, matures in 2028.	7,065,000
2019 Refunding Bonds - $14,545,000, bearing interest at rates varying from 2.43% to 2.76% per annum, matures in 2027.	14,545,000
2019 Building & Site Bonds - $14,695,000, bearing interest at 5%, matures in 2044.	13,300,000
2022 Building & Site Bonds, Series II - $7,120,000, bearing interest at 5%, matures 2037.	6,760,000
Bond Premium	5,735,577
TOTAL GENERAL OBLIGATION BONDS	$ 68,155,577

6) GENERAL LONG-TERM DEBT (Continued)

NOTES FROM DIRECT BORROWINGS AND DIRECT PLACEMENTS

Michigan School Bond Loan Fund - The School District has entered into a loan agreement with the Michigan School Bond Loan Fund to borrow monies over a period of years sufficient to extinguish the interest and principal requirements as they become due. The School is required to begin repaying the debt at the point where the School District's State Equalized Valuation times its levy will be in excess of its interest and principal requirements. The loan shall bear interest at the average interest rate computed to the nearest one-eighth of one percent, paid by the State on obligations issued pursuant to Section 16 of Article IX of the State Constitution of 1983. Interest of $408,013 has been assessed for the year ended June 30, 2023, and is included in the amount owing the State at that date. The state may apply a default late charge on the note if the District does not make the repayments, or apply the default late charge if the District fails to levy the appropriate debt mills. The state may also withhold state aid payments if the District is in default.	$ 12,593,512
COMPENSATED ABSENCES	376,199
TOTAL GENERAL LONG-TERM OBLIGATIONS	$ 81,125,288

The District's outstanding notes from direct borrowings and direct placements related to governmental activities of $12,593,512 contains provisions that in an event of default, either by (1) unable to make principal or interest payments (2) false or misrepresentation is made to the lender (3) become insolvent or make an assignment for the benefit of its creditors (4) if the lender at any time in good faith believes that the prospect of payment of any indebtedness is impaired. Upon the occurrence of any default event, the outstanding amounts, including accrued interest become immediately due and payable.

The annual requirements to amortize long-term obligations outstanding exclusive of employment benefit obligation payments as of June 30, 2023 are as follows:

	General Obligation Bonds		Notes from Direct Borrowings and Direct Placements		
	Principal	Interest	Principal	Interest	Total
June 30, 2024	$9,042,904	$2,572,938	$0	$0	$11,615,842
June 30, 2025	9,297,904	2,294,212	0	0	11,592,116
June 30, 2026	9,542,904	2,004,112	0	0	11,547,016
June 30, 2027	9,847,904	1,675,952	0	0	11,523,856
June 30, 2028	5,882,904	1,332,700	0	0	7,215,604
June 30, 2029-2033	12,658,195	3,929,500	0	0	16,587,695
June 30, 2034-2038	6,125,255	2,082,500	0	0	8,207,755
June 30, 2039-2043	4,765,255	873,750	0	0	5,639,005
June 30, 2044	992,352	45,000	0	0	1,037,352
Thereafter	0	0	12,593,512	0	12,593,512
TOTAL	$68,155,577	$16,810,664	$12,593,512	$0	$97,559,753

Interest expense (all funds) for the year ended June 30, 2023 was $2,732,237.

7) INTERFUND BALANCES
Interfund balances at June 30, 2023 consisted of the following:

DUE TO	DUE FROM General Fund	Capital Projects	Total
General Fund	$0	$15	$15
Food Service	11,133	0	11,133
School Service LK & PPS	138,766	0	138,766
Student Activities	27,086	0	27,086
TOTAL	$176,985	$15	$177,000

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting systems, and (3) payments between funds are made.

8) INTERFUND TRANSFERS
Interfund transfers for the year ended June 30, 2023, consisted of the following:

TRANSFERS TO	TRANSFERS FROM School Service LK & PPS	Food Service	Total
General Fund	$50,000	$27,654	$77,654

Transfers are made to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfer were made from the food service fund to the general fund for indirect costs. Transfers were made between debt funds for the payment of principal and interest.

9) TAX ABATEMENTS
The District receives reduced property tax revenues as a result of Industrial Facilities Tax exemptions granted by cities and townships. Industrial facility exemptions are intended to promote construction of new industrial facilities, or to rehabilitate historical facilities. There were no property taxes abated.

The taxes abated for the general fund operating millage is considered by the State of Michigan when determining the District's section 22 funding of the State School Aid Act.

There are no significant abatements made by the District.

10) COMMITTED FUND BALANCE
Committed fund balance consists of the following:

Student Activities	$141,049
Curriculum	200,000
Additional Classrooms Admin Building	300,000
TOTAL COMMITTED FUND BALANCE	$641,049

11) RESTRICTED NET POSITION
Restricted net position consists of the following:

Debt Retirement	$287,880
Less: Accrued Interest - General Obligation Bonds	(428,822)
TOTAL	($140,942)

12) PENSION AND OTHER POSTEMPLOYMENT BENEFITS

Plan Description
The Michigan Public School Employees' Retirement System (MPSERS) (System) is a cost-sharing, multiple employer, state-wide, defined benefit public employee retirement plan governed by the State of Michigan (State) originally created under Public Act 136 of 1945, recodified and currently operating under the provisions of Public Act 300 of 1980, as amended. Section 25 of this act establishes the Board's authority to promulgate or amend the provisions of the System. MPSERS issues a publicly available Annual Comprehensive Financial Report that can be obtained at www.michigan.gov/orsschools.

The System's pension plan was established by the State to provide retirement, survivor and disability benefits to public school employees. In addition, the System's health plan provides all retirees with option of receiving health, prescription drug, dental and vision coverage under the Michigan Public School Employees' Retirement Act.

The System is administered by the Office of Retirement Services (ORS) within the Michigan Department of Technology, Management & Budget. The Department Director appoints the Office Director, with whom the general oversight of the System resides. The State of Michigan Investment Board serves as the investment fiduciary and custodian for the System.

Benefits Provided – Overall
Participants are enrolled in one of multiple plans based on date of hire and certain voluntary elections. A summary of the plans offered by MPSERS is as follows:

Plan Name	Plan Type	Plan Status
Basic	Defined Benefit	Closed
Member Investment Plan (MIP)	Defined Benefit	Closed
Pension Plus	Hybrid	Closed
Pension Plus 2	Hybrid	Open
Defined Contribution	Defined Contribution	Open

12) PENSION AND OTHER POSTEMPLOYMENT BENEFITS (Continued)

Benefits Provided – Pension
Benefit provisions of the defined benefit pension plan are established by State statute, which may be amended. Public Act 300 of 1980, as amended, establishes eligibility and benefit provisions for the defined benefit (DB) pension plan. Retirement benefits for DB plan members are determined by final average compensation and years of service. DB members are eligible to receive a monthly benefit when they meet certain age and service requirements. The System also provides disability and survivor benefits to DB plan members.

Prior to Pension reform of 2010 there were two plans commonly referred to as Basic and the Member Investment Plan (MIP). Basic Plan member's contributions range from 0% - 4%. On January 1, 1987, the Member Investment Plan (MIP) was enacted. MIP members enrolled prior to January 1, 1990, contribute at a permanently fixed rate of 3.9% of gross wages. Members first hired January 1, 1990, or later including Pension Plus Plan members, contribute at various graduated permanently fixed contribution rates from 3.0% - 7.0%.

Pension Reform 2010
On May 19, 2010, the Governor signed Public Act 75 of 2010 into law. As a result, any member of the Michigan Public School Employees' Retirement System (MPSERS) who became a member of MPSERS after June 30, 2010 is a Pension Plus member. Pension Plus is a hybrid plan that contains a pension component with an employee contribution (graded, up to 6.4% of salary) and a flexible and transferable defined contribution (DC) tax-deferred investment account that earns an employer match of 50% (up to 1% of salary) on employee contributions. Retirement benefits for Pension Plus members are determined by final average compensation and years of service. Disability and survivor benefits are available to Pension Plus members.

Pension Reform 2012
On September 4, 2012, the Governor signed Public Act 300 of 2012 into law. The legislation grants all active members who first became a member before July 1, 2010 and who earned service credit in the 12 months ending September 3, 2012 or were on an approved professional services or military leave of absence on September 3, 2012, a voluntary election regarding their pension. Any changes to a member's pension are effective as of the member's *transition date*, which is defined as the first day of the pay period that begins on or after February 1, 2013.

Under the reform, members voluntarily chose to increase, maintain, or stop their contributions to the pension fund.

An amount determined by the member's election of Option 1, 2, 3, or 4 described below:

Option 1 - Members voluntarily elected to increase their contributions to the pension fund as noted below and retain the 1.5% pension factor in their pension formula. The increased contribution would begin as of their transition date and continue until they terminate public school employment.

* Basic plan members: 4% contribution
* Member Investment Plan (MIP)-Fixed, MIP-Graded, and MIP-Plus members: a flat 7% contribution

Option 2 - Members voluntarily elected to increase their contribution to the pension fund as stated in Option 1 and retain the 1.5% pension factor in their pension formula. The increased contribution would begin as of their transition date and continue until they reach 30 years of service. If and when they reach 30 years of service, their contribution rates will return to the previous level in place as of the day before their transition date (0% for Basic plan members, 3.9% for MIP-Fixed, up to 4.3% for MIP-Graded, or up to 6.4% for MIP-Plus). The pension formula for any service thereafter would include a 1.25% pension factor.

12) PENSION AND OTHER POSTEMPLOYMENT BENEFITS (Continued)

Pension Reform 2012 (Continued)

Option 3 - Members voluntarily elected not to increase their contribution to the pension fund and maintain their current level of contribution to the pension fund. The pension formula for their years of service as of the day before their transition date will include a 1.5% pension factor. The pension formula for any service thereafter will include a 1.25% pension factor.

Option 4 - Members voluntarily elected to no longer contribute to the pension fund and therefore are switched to the Defined Contribution plan for future service as of their transition date. As a DC participant they receive a 4% employer contribution to the tax-deferred 401(k) account and can choose to contribute up to the maximum amounts permitted by the IRS to a 457 account. They vest in employer contributions and related earnings in their 401(k)-account based on the following schedule: 50% at 2 years, 75% at 3 years, and 100% at 4 years of service. They are 100% vested in any personal contributions and related earnings in their 457 account. Upon retirement, if they meet age and service requirements (including their total years of service), they would also receive a pension (calculated based on years of service and final average compensation as of the day before their transition date and a 1.5% pension factor).

Members who did not make an election before the deadline defaulted to Option 3 as described above. Deferred or nonvested public school employees on September 3, 2012, who return to public school employment on or after September 4, 2012, will be considered as if they had elected Option 3 above. Returning members who made the retirement plan election will retain whichever option they chose.

Employees who first work on or after September 4, 2012 choose between two retirement plans: The Pension Plus Plan and a Defined Contribution that provides a 50% employer match up to 3% of salary on employee contributions.

Final Average Compensation (FAC) - Average of highest 60 consecutive months for Basic Plan members and Pension Plus members (36 months for MIP members). FAC is calculated as of the last day worked unless the member elected Option 4, in which case the FAC is calculated at the transition date.

Pension Reform of 2017

On July 13, 2017, the Governor signed Public Act 92 of 2017 into law. The legislation closed the Pension Plus plan to newly hired employees as of February 1, 2018 and created a new, optional Pension Plus 2 plan with similar plan benefit calculations but containing a 50/50 cost share between the employee and the employer, including the cost of future unfunded liabilities. The assumed rate of return on the Pension Plus 2 plan is 6%. Further, under certain adverse actuarial conditions, the Pension Plus 2 plan will close to new employees if the actuarial funded ratio falls below 85% for two consecutive years. The law included other provisions to the retirement eligibility age, plan assumptions, and unfunded liability payment methods.

Benefits Provided - Other Postemployment Benefit (OPEB)

Benefit provisions of the postemployment healthcare plan are established by State statute, which may be amended. Public Act 300 of 1980, as amended, establishes eligibility and benefit provisions. Retirees have the option of health coverage, which, through 2012, was funded on a cash disbursement basis. Beginning fiscal year 2013, it is funded on a prefunded basis. The System has contracted to provide the comprehensive group medical, prescription drug, dental and vision coverage for retirees and beneficiaries. A subsidized portion of the premium is paid by the System with the balance deducted from the monthly pension of each retiree health care recipient. For members who first worked before July 1, 2008, (Basic, MIP-Fixed, and MIP-Graded plan members), the subsidy is the maximum allowed by statute. To limit future liabilities of Other Postemployment Benefits, members who first worked on or after July 1, 2008, (MIP-Plus plan members), have a graded premium subsidy based on career length where they accrue credit towards their insurance premiums in retirement, not to exceed the maximum allowable by statute. Public Act 300 of 2012 sets the maximum subsidy at 80% beginning January 1, 2013; 90% for those Medicare eligible and enrolled in the insurances as of that date.

12) PENSION AND OTHER POSTEMPLOYMENT BENEFITS (Continued)

Retiree Healthcare Reform of 2012

Public Act 300 of 2012 granted all active members of the Michigan Public School Employees Retirement System, who earned service credit in the 12 months ending September 3, 2012 or were on an approved professional services or military leave of absence on September 3, 2012, a voluntary election regarding their retirement healthcare. Any changes to a member's healthcare benefit are effective as of the member's transition date, which is defined as the first day of the pay period that begins on or after February 1, 2013.

Under Public Act 300 of 2012, members were given the choice between continuing the 3% contribution to retiree healthcare and keeping the premium subsidy benefit described above, or choosing not to pay the 3% contribution and instead opting out of the subsidy benefit and becoming a participant in the Personal Healthcare Fund (PHF), a portable, tax-deferred fund that can be used to pay healthcare expenses in retirement. Participants in the PHF are automatically enrolled in a 2% employee contribution into their 457 account as of their transition date, earning them a 2% employer match into a 401(k) account. Members who selected this option stop paying the 3% contribution to retiree healthcare as of the day before their transition date, and their prior contributions will be deposited into their 401(k) accounts.

Regular Retirement (no reduction factor for age)

Eligibility - A Basic plan member may retire at age 55 with 30 years credited service; or age 60 with 10 years credited service. For Member Investment Plan (MIP) members, age 46 with 30 years credited service; or age 60 with 10 years credited service; or age 60 with 5 years of credited service provided member worked through their 60th birthday and has credited service in each of the last 5 years. For Pension Plus Plan (PPP) members, age 60 with 10 years of credited service.

Annual Amount - The annual pension is paid monthly for the lifetime of a retiree. The calculation of a member's pension is determined by their pension election under PA 300 of 2012.

Member Contributions

Depending on the plan selected, member contributions range from 0% - 7% for pension and 0% - 3% for other postemployment benefits. Plan members electing the Defined Contribution plan are not required to make additional contributions.

Employer Contributions

Employers are required by Public Act 300 of 1980, as amended, to contribute amounts necessary to finance the coverage of pension benefits and OPEB. Contribution provisions are specified by State statute and may be amended only by action of the State Legislature.

Employer contributions to the System are determined on an actuarial basis using the entry age normal actuarial cost method. Under this method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated on a level basis over the service of the individual between entry age and assumed exit age. The normal cost is the annual cost assigned under the actuarial funding method, to the current and subsequent plan years. The remainder is called the actuarial accrued liability. Normal cost is funded on a current basis.

Pension and OPEB contributions made in the fiscal year ending September 30, 2022 were determined as of the September 30, 2019 actuarial valuations. The pension and OPEB benefits, the unfunded (overfunded) actuarial accrued liabilities as of September 30, 2019 are amortized over an 17-year period beginning October 1, 2021 and ending September 30, 2038.

12) PENSION AND OTHER POSTEMPLOYMENT BENEFITS (Continued)

Employer Contributions (Continued)
School districts' contributions are determined based on employee elections. There are several different benefit options included in the plan available to employees based on date of hire. Contribution rates are adjusted annually by the ORS. The range of rates is as follows:

	Pension	Other Postemployment Benefit
October 1, 2022 – September 30, 2023	13.75% - 20.16%	7.21% - 8.07%
October 1, 2021 – September 30, 2022	13.73% - 20.14%	7.23% - 8.09%

The District's pension contributions for the year ended June 30, 2023 were equal to the required contribution total. Total pension contributions were approximately $3,575,000. Of the total pension contributions approximately $3,495,000 was contributed to fund the Defined Benefit Plan and approximately $80,000 was contributed to fund the Defined Contribution Plan.

The District's OPEB contributions for the year ended June 30, 2023 were equal to the required contribution total. Total OPEB contributions were approximately $699,000. Of the total OPEB contributions approximately $640,000 was contributed to fund the Defined Benefit Plan and approximately $59,000 was contributed to fund the Defined Contribution Plan.

These amounts, for both pension and OPEB benefit, include contributions funded from State Revenue Section 147c restricted to fund the MPSERS Unfunded Actuarial Accrued Liability (UAAL) Stabilization Rate (100% for pension and 0% for OPEB).

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension Liabilities

The net pension liability was measured as of September 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation date of September 30, 2021 and rolled-forward using generally accepted actuarial procedures. The District's proportion of the net pension liability was based on a projection of its long-term share of contributions to the pension plan relative to the projected contributions of all participating reporting units, actuarially determined.

MPSERS (Plan) Non-University Employers	September 30, 2021	September 30, 2022
Total Pension Liability	$86,392,473,395	$95,876,795,620
Plan Fiduciary Net Position	62,717,060,894	58,268,076,344
Net Pension Liability	$23,675,412,501	$37,608,719,276
Proportionate Share	0.07111%	0.07538%
Net Pension Liability for the District	$16,834,601	$28,348,527

12) PENSION AND OTHER POSTEMPLOYMENT BENEFITS (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2023, the District recognized pension expense of $3,992,593.

At June 30, 2023, the Reporting Unit reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Differences Between Actual and Expected Experience	$283,584	($63,384)
Changes of Assumptions	4,871,293	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	66,477	0
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	1,940,297	(64,947)
Employer Contributions Subsequent to the Measurement Date	3,329,429	0
TOTAL	$10,491,080	($128,331)

$3,329,429, reported as deferred outflows of resources related to pensions resulting from District employer contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the subsequent fiscal year.

Other amounts reported as deferred outflows of resources and (deferred inflows) of resources related to pensions will be recognized in pension expense as follows:

Year Ending Sept. 30,	Amount
2023	$2,159,293
2024	1,765,218
2025	1,367,857
2026	1,740,952

12) PENSION AND OTHER POSTEMPLOYMENT BENEFITS (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

OPEB Liabilities

The net OPEB liability was measured as of September 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation date of September 30, 2021 and rolled-forward using generally accepted actuarial procedures. The District's proportion of the net OPEB liability was based on a projection of its long-term share of contributions to the OPEB plan relative to the projected contributions of all participating reporting units, actuarially determined.

MPSERS (Plan) Non-University Employers	September 30, 2021	September 30, 2022
Total Other Postemployment Benefits Liability	$12,046,393,511	$12,522,713,324
Plan Fiduciary Net Position	10,520,015,621	10,404,650,683
Net Other Postemployment Benefits Liability	$1,526,377,890	$2,118,062,641
Proportionate Share	0.07361%	0.07533%
Net Other Postemployment Benefits Liability for the District	$1,123,503	$1,595,539

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2023, the District recognized OPEB benefit of $564,880.

At June 30, 2023, the Reporting Unit reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Differences Between Actual and Expected Experience	$0	($3,125,049)
Changes of Assumptions	1,422,155	(115,800)
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	124,704	0
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	538,479	(51,432)
Employer Contributions Subsequent to the Measurement Date	572,120	0
TOTAL	$2,657,458	($3,292,281)

$572,120, reported as deferred outflows of resources related to OPEB resulting from District employer contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the subsequent fiscal year.

12) PENSION AND OTHER POSTEMPLOYMENT BENEFITS (Continued)

Other amounts reported as deferred outflows of resources and (deferred inflows) of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending Sept. 30,	Amount
2023	($512,259)
2024	(397,435)
2025	(349,382)
2026	51,213
2027	(3,060)
Thereafter	3,980

Actuarial Assumptions

Investment Rate of Return for Pension - 6.00% a year, compounded annually net of investment and administrative expenses for the MIP, Basic, Pension Plus, and Pension Plus 2 Plan groups.

Investment Rate of Return for OPEB - 6.00% a year, compounded annually net of investment and administrative expenses.

Salary Increases - The rate of pay increase used for individual members is 2.75% - 11.55%, including wage inflation at 2.75%.

Inflation - 3.0%.

Mortality Assumptions:

Retirees: RP-2014 Male and Female Healthy Annuitant Mortality Tables scaled by 82% for males and 78% for females and adjusted for morality improvements using projection scale MP-2017 from 2006.

Active: RP-2014 Male and Female Employee Annuitant Mortality Tables scaled 100% and adjusted for morality improvements using projection scale MP-2017 from 2006.

Disabled Retirees: RP-2014 Male and Female Disabled Annuitant Mortality Tables scaled 100% and adjusted for mortality improvements using projection scale MP-2017 from 2006.

Experience Study - The annual actuarial valuation report of the System used for these statements is dated September 30, 2021. Assumption changes as a result of an experience study for the periods 2012 through 2017 have been adopted by the System for use in the determination of the total pension and OPEB liability beginning with the September 30, 2018 valuation.

The Long-Term Expected Rate of Return on Pension and Other Postemployment Benefit Plan Investments - The pension rate was 6.00% (MIP, Basic, Pension Plus Plan, and Pension Plus 2 Plan), and the other postemployment benefit rate was 6.00%, net of investment and administrative expenses determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension and OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Cost of Living Pension Adjustments - 3.0% annual non-compounded for MIP members.

12) PENSION AND OTHER POSTEMPLOYMENT BENEFITS (Continued)

Actuarial Assumptions (Continued)

Healthcare Cost Trend Rate for Other Postemployment Benefit - Pre 65, 7.75% for year one and graded to 3.5% in year fifteen. Post 65, 5.25% for year one and graded to 3.5% in year fifteen.

Additional Assumptions for Other Postemployment Benefit Only - Applies to Individuals Hired Before September 4, 2012:

Opt Out Assumption - 21% of eligible participants hired before July 1, 2008 and 30% of those hired after June 30, 2008 are assumed to opt out of the retiree health plan.

Survivor Coverage - 80% of male retirees and 67% of female retirees are assumed to have coverage continuing after the retiree's death.

Coverage Election at Retirement - 75% of male and 60% of female future retirees are assumed to elect coverage for 1 or more dependents.

The target asset allocation at September 30, 2022 and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Investment Category	Target Allocation*	Long-term Expected Real Rate of Return*
Domestic Equity Pools	25.0%	5.1%
International Equity Pools	15.0%	6.7%
Private Equity Pools	16.0%	8.7%
Real Estate and Infrastructure Pools	10.0%	5.3%
Fixed Income Pools	13.0%	-0.2%
Absolute Return Pools	9.0%	2.7%
Real Return/Opportunistic Pools	10.0%	5.8%
Short Term Investment Pools	2.0%	-0.5%
Total	**100.00%**	

* Long term rates of return are net of administrative expenses and 2.2% inflation.

Rate of Return - For fiscal year ended September 30, 2022, the annual money-weighted rate of return on pension and OPEB plan investments, net of pension and OPEB plan investment expense, was (4.18)% and (4.99)%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Pension Discount Rate - A single discount rate of 6.00% was used to measure the total pension liability. This discount rate was based on the expected rate of return on pension plan investments of 6.00%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that contributions from school districts will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

12) PENSION AND OTHER POSTEMPLOYMENT BENEFITS (Continued)

Actuarial Assumptions (Continued)

OPEB Discount Rate - A single discount rate of 6.00% was used to measure the total OPEB liability. This discount rate was based on the long-term expected rate of return on OPEB plan investments of 6.00%. The projection of cash flows used to determine this discount rate assumed that plan member contributions will be made at the current contribution rate and that school districts contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the Reporting Unit's proportionate share of the net pension liability calculated using a single discount rate of 6.00%, as well as what the Reporting Unit's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Pension		
	1% Decrease	Discount Rate	1% Increase
District's proportionate share of the net pension liability	$37,409,525	$28,348,527	$20,881,858

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate - The following presents the Reporting Unit's proportionate share of the net OPEB liability calculated using a single discount rate of 6.00%, as well as what the Reporting Unit's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Other Postemployment Benefit		
	1% Decrease	Discount Rate	1% Increase
District's proportionate share of the net other postemployment benefit liability	$2,676,363	$1,595,539	$685,351

Sensitivity to the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the Reporting Unit's proportionate share of the net other postemployment benefit liability calculated using the healthcare cost trend rate, as well as what the Reporting Unit's proportionate share of the net other postemployment benefit liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Other Postemployment Benefit		
	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
District proportionate share of the net other postemployment benefit liability	$668,135	$1,595,539	$2,636,567

Pension and OPEB Plan Fiduciary Net Position

Detailed information about the pension and OPEB's fiduciary net position is available in the separately issued Michigan Public School Employees Retirement System 2022 Annual Comprehensive Financial Report.

12) PENSION AND OTHER POSTEMPLOYMENT BENEFITS (Continued)

Payable to the Pension and OPEB Plan - At year end the School District is current on all required pension and other postemployment benefit plan payments. Amounts accrued at year end for accounting purposes are separately stated in the financial statements as a liability titled accrued retirement. These amounts represent current payments for June paid in July, accruals for summer pay primarily for teachers, and the contributions due from State Revenue Section 147c restricted to fund the MPSERS Unfunded Actuarial Accrued Liability (UAAL).

13) COMMITMENTS AND CONTINGENCIES

In the ordinary course of business, the District is involved in various pending or threatened legal actions. The District believe that any ultimate liability arising from these actions will not have a material adverse effect on its financial position.

The District participates in a number of federal and state programs that require compliance with specific terms and conditions and are subject to audits by the contracting agencies. Management believes that the effect of any disallowed expenditures would be immaterial to the financial statements.

14) UPCOMING ACCOUNTING PRONOUNCEMENTS

In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections* - an amendment of *GASB Statement No. 62*. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The District is currently evaluating the impact this standard will have on the financial statements when adopted during the 2023-2024 fiscal year.

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. The District is currently evaluating the impact this standard will have on the financial statements when adopted during the 2024-2025 fiscal year.

15) CHANGE IN ACCOUNTING PRINCIPLE

For the year ended June 30, 2023, the District implemented the following new pronouncement: *GASB Statement No. 96, Subscription-based Information Technology Arrangements*.

Summary:

Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-based Information Technology Arrangements* was issued in May 2020. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

There was no material impact on the District's financial statement after the adoption of GASB Statement 96.

REQUIRED SUPPLEMENTARY

INFORMATION

NEW HAVEN COMMUNITY SCHOOLS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts			
	Original	Final	Actual	Variance With Final Budget
REVENUES				
Local Sources	$4,142,744	$4,921,400	$5,250,555	$329,155
State Sources	11,782,838	13,306,256	13,349,069	42,813
Federal Sources	2,600,654	1,551,232	1,590,202	38,970
Total Revenues	$18,526,236	$19,778,888	$20,189,826	$410,938
EXPENDITURES				
Instruction	10,145,958	10,682,657	10,383,512	299,145
Student Services	1,122,780	1,313,239	1,296,535	16,704
Instructional Support	619,438	470,601	561,944	(91,343)
General Administration	474,859	531,964	520,916	11,048
School Administration	1,081,933	1,223,109	1,186,749	36,360
Business Administration	374,961	415,394	430,332	(14,938)
Operation & Maintenance of Plant	2,533,309	2,443,034	2,374,735	68,299
Transportation	857,138	1,060,286	1,000,774	59,512
Other Support Services	386,206	442,215	410,926	31,289
Athletics	286,390	346,861	360,972	(14,111)
Community Services	5,531	7,448	3,331	4,117
Total Expenditures	$17,888,503	$18,936,808	$18,530,726	$406,082
Excess of Revenues Over Expenditures	$637,733	$842,080	$1,659,100	$817,020
OTHER FINANCING SOURCES (USES)	14,000	25,000	44,194	19,194
Net Change in Fund Balance	$651,733	$867,080	$1,703,294	$836,214
FUND BALANCE - BEGINNING OF YEAR			2,094,271	
FUND BALANCE - END OF YEAR			$3,797,565	

NEW HAVEN COMMUNITY SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE REPORTING UNIT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
MICHIGAN PUBLIC SCHOOL EMPLOYEES RETIREMENT PLAN
LAST 10 FISCAL YEARS (AMOUNTS WERE DETERMINTED AS OF 9/30 OF EACH FISCAL YEAR)

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Reporting unit's proportion of net pension liability (%)	0.07538%	0.07111%	0.06630%	0.06440%	0.06630%	0.06940%	0.07060%	0.07000%	0.07050%
Reporting unit's proportionate share of net pension liability	$28,348,527	$16,834,601	$22,790,707	$21,325,674	$19,928,987	$17,980,290	$17,604,721	$17,093,694	$15,517,434
Reporting unit's covered-employee payroll	$7,330,118	$6,669,521	$5,989,214	$5,637,120	$5,477,674	$5,732,693	$5,990,902	$5,825,924	$5,836,149
Reporting unit's proportionate share of net pension liability as a percentage of its covered-employee payroll	386.74%	252.41%	380.53%	378.31%	363.82%	313.64%	293.86%	293.41%	265.88%
Plan fiduciary net position as a percentage of total pension liability	60.77%	72.60%	59.72%	60.31%	62.36%	64.21%	63.27%	63.17%	66.20%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, reporting units should present information for those years for which information is available.

NEW HAVEN COMMUNITY SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE REPORTING UNIT'S CONTRIBUTIONS
MICHIGAN PUBLIC SCHOOL EMPLOYEES RETIREMENT PLAN - PENSION
LAST 10 FISCAL YEARS (AMOUNTS WERE DETERMINTED AS OF 6/30 OF EACH FISCAL YEAR)

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contributions	$2,565,540	$2,135,040	$2,062,458	$1,916,442	$1,658,411	$1,960,449	$1,584,513	$1,585,992	$1,259,169
Contributions in relation to statutorily required contributions	2,565,540	2,135,040	2,062,458	1,916,442	1,658,411	1,960,449	1,584,513	1,585,992	1,259,169
Contribution deficiency (excess)	$0	$0	$0	$0	$0	$0	$0	$0	$0
Reporting unit's covered-employee payroll	$7,939,755	$7,218,329	$6,347,057	$5,925,132	$5,543,652	$5,530,823	$5,763,093	$5,743,807	$5,752,258
Contributions as a percentage of covered-employee payroll	32.31%	29.58%	32.49%	32.34%	29.92%	35.45%	27.49%	27.61%	21.89%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, reporting units should present information for those years for which information is available.

NEW HAVEN COMMUNITY SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE REPORTING UNIT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
MICHIGAN PUBLIC SCHOOL EMPLOYEES RETIREMENT PLAN
LAST 10 FISCAL YEARS (AMOUNTS WERE DETERMINTED AS OF 9/30 OF EACH FISCAL YEAR)

	2022	2021	2020	2019	2018	2017
Reporting unit's proportion of net OPEB liability (%)	0.07533%	0.07361%	0.06740%	0.06440%	0.06430%	0.06930%
Reporting unit's proportionate share of net OPEB liability	$1,595,539	$1,123,503	$3,613,044	$4,623,470	$5,107,422	$6,137,011
Reporting unit's covered-employee payroll	$7,330,118	$6,669,521	$5,989,214	$5,637,120	$5,477,674	$5,732,693
Reporting unit's proportionate share of net OPEB liability as a percentage of its covered-employee payroll	21.77%	16.85%	60.33%	82.02%	93.24%	107.05%
Plan fiduciary net position as a percentage of total OPEB liability (Non-university employers)	83.09%	87.33%	59.44%	48.46%	42.95%	36.39%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, reporting units should present information for those years for which information is available.

NEW HAVEN COMMUNITY SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE REPORTING UNIT'S CONTRIBUTIONS - OPEB
MICHIGAN PUBLIC SCHOOL EMPLOYEES RETIREMENT PLAN
LAST 10 FISCAL YEARS (AMOUNTS WERE DETERMINTED AS OF 6/30 OF EACH FISCAL YEAR)

	2023	2022	2021	2020	2019	2018
Statutorily required contributions	$573,815	$546,409	$524,562	$472,193	$435,422	$452,954
Contributions in relation to statutorily required contributions	573,815	546,409	524,562	472,193	435,422	452,954
Contribution deficiency (excess)	$0	$0	$0	$0	$0	$0
Reporting unit's covered-employee payroll	$7,939,755	$7,218,329	$6,347,057	$5,925,132	$5,543,652	$5,530,823
Contributions as a percentage of covered-employee payroll	7.23%	7.57%	8.26%	7.97%	7.85%	8.19%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, reporting units should present information for those years for which information is available.

BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and Special Revenue Fund (Food Service, Student Activities/School Service LK & PPS). All annual appropriations lapse at fiscal year-end.

The budget document presents information by fund and function. The legal level of budgetary control adopted by the governing body (i.e., the level at which expenditures may not legally exceed appropriations) is the function level. State law requires the School District to have its budget in place by July 1. Expenditures in excess of amounts budgeted are a violation of Michigan law. State law permits districts to amend their budgets during the year. During the year, the budget was amended in a legally permissible manner. The School District increased/decreased budgeted amounts during the year in response to changes in funding and related expenditures.

Amounts encumbered for purchase orders, contracts, etc. are not tracked during the year. Budget appropriations are considered to be spent once the goods are delivered or the services rendered.

During the year, New Haven Community Schools had the following expenditure budget variances.

	Final Budget	Actual	Variance With Final Budget
Instructional Support	$470,601	$561,944	($91,343)
Business Administration	415,394	430,332	(14,938)
Athletics	346,861	360,972	(14,111)

PENSION

Benefit changes - there were no changes of benefit terms in 2022.

Changes of assumptions - the assumption changes for 2022 were:

* Discount rate for MIP, Basic, and Pension Plus plans decreased to 6.00% from 6.80%.

OPEB INFORMATION

Benefit changes - there were no changes of benefit terms in 2022.

Changes of assumptions - the assumption changes for 2022 were:

* Discount rate decreased to 6.00% from 6.95%.

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APPENDIX E

FORM OF APPROVING OPINION

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THRUN
LAW FIRM, P.C.

U.S. Mail Address
P.O. Box 2575, East Lansing, MI 48826-2575
Phone: (517) 484-8000 Fax: (517) 484-0041

All Other Shipping
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East Lansing, MI 48823-6386

DRAFT LEGAL OPINION

New Haven Community Schools
County of Macomb
State of Michigan

We have acted as bond counsel in connection with the issuance by New Haven Community Schools, County of Macomb, State of Michigan (the "Issuer"), of its bonds in the aggregate principal amount of $_____________ designated 2024 School Building and Site Bonds, Series I (General Obligation - Unlimited Tax) (the "Bonds"). The Bonds are in fully registered form and issued without coupons, are dated ______________, 2024, are of $5,000 denomination or any integral multiple thereof, are subject to redemption prior to maturity at the option of the Issuer in the manner and at the times as set forth in the Bonds, mature on May 1 of each year, and bear interest payable on November 1, 2024, and semiannually thereafter on May 1 and November 1 of each year in the amounts and at the rates as follows:

Year	Amount	Rate	Year	Amount	Rate

The Bonds maturing on May 1, 20__, are term Bonds subject to mandatory redemption in part, by lot, on the redemption dates and at the redemption price equal to the principal amount thereof as provided in the Bonds.

We have examined the documents which we deem authentic and pertinent to the validity of the Bonds, including the certified record evidencing the authorization of the Bonds by the electors and board of education of the Issuer, a copy of the approval of the Department of Treasury of the State of Michigan to issue the Bonds, a signed copy of the certificate of the Treasurer of the State of Michigan qualifying the Bonds for purposes of Article IX, Section 16, of the Michigan Constitution, and a specimen of the Bond certificate of said issue.

Based upon the foregoing, we are of the opinion that under existing law:

(1) the Bonds have been lawfully authorized and issued and are enforceable obligations of the Issuer in accordance with their terms;

(2) the Bonds are the general obligation of the Issuer for which its full faith, credit and resources have been irrevocably pledged;

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(3) the Issuer has the power, and is obligated, to levy taxes on all taxable property now situated within the corporate boundaries of the Issuer, without limitation as to rate or amount, sufficient to pay the principal of and interest on the Bonds;

(4) the Bonds have been fully qualified pursuant to Act 92, Public Acts of Michigan, 2005, as amended, enacted pursuant to Article IX, Section 16, of the Michigan Constitution of 1963. Under the terms of said constitutional and statutory provisions, if for any reason the Issuer will be or is unable to pay the principal and interest on the Bonds when due, then the Issuer shall borrow, and the State of Michigan shall lend to it, an amount sufficient to enable the Issuer to make the payment;

(5) the Bonds and the interest thereon are exempt from all taxation in the State of Michigan, except inheritance and estate taxes and taxes on gains realized from the sale, payment or other disposition thereof; and

(6) the interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, interest on the Bonds held by an "applicable corporation" as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended (the "Code"), is included in annual "adjusted financial statement income" for purposes of calculating the alternative minimum tax imposed on an applicable corporation. The opinions set forth in the preceding sentence are subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Issuer has covenanted to comply with such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

The rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement of such rights may also be subject to the exercise of judicial discretion in appropriate cases.

THRUN LAW FIRM, P.C.

TLF/RJN

APPENDIX F

FORM OF CONTINUING DISCLOSURE AGREEMENT

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FORM OF
CONTINUING DISCLOSURE AGREEMENT

$23,370,000
NEW HAVEN COMMUNITY SCHOOLS
COUNTY OF MACOMB
STATE OF MICHIGAN
2024 SCHOOL BUILDING AND SITE BONDS, SERIES I
(GENERAL OBLIGATION - UNLIMITED TAX)

This Continuing Disclosure Agreement (the "Agreement") is executed and delivered by New Haven Community Schools, County of Macomb, State of Michigan (the "Issuer"), in connection with the issuance of its $23,370,000 2024 School Building and Site Bonds, Series I (General Obligation - Unlimited Tax) (the "Bonds"). The Bonds are being issued pursuant to resolutions adopted by the Board of Education of the Issuer on May 13, 2024 and _____________, 2024 (together, the "Resolution"). The Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Agreement is being executed and delivered by the Issuer for the benefit of the Bondholders and in order to assist the Participating Underwriter in complying with the Rule. The Issuer acknowledges that this Agreement does not address the scope of any application of Rule 10b-5 promulgated by the SEC pursuant to the 1934 Act to the Annual Reports or notices of the Listed Events provided or required to be provided by the Issuer pursuant to this Agreement.

SECTION 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Agreement.

"Bondholder" means the registered owner of a Bond or any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including any person holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bond for federal income tax purposes.

"Dissemination Agent" means any agent designated as such in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation, and such agent's successors and assigns.

"EMMA" shall mean the MSRB's Electronic Municipal Market Access which provides continuing disclosure services for the receipt and public availability of continuing disclosure documents and related information required by Rule 15c2-12 promulgated by the SEC.

"Financial Obligation" shall mean (a) a debt obligation, (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) a guarantee of (a) or (b) provided; however, that a "Financial Obligation" shall not include any municipal security for which a final official statement has been provided to the MSRB consistent with the Rule.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board.

"1934 Act" shall mean the Securities Exchange Act of 1934, as amended.

"Official Statement" shall mean the final Official Statement for the Bonds dated __________, 2024.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

"Resolution" shall mean the resolutions duly adopted by the Issuer authorizing the issuance, sale and delivery of the Bonds.

"Rule" shall mean Rule 15c2-12 promulgated by the SEC pursuant to the 1934 Act, as the same may be amended from time to time.

"SEC" shall mean the Securities and Exchange Commission.

"State" shall mean the State of Michigan.

SECTION 3. Provision of Annual Reports.

(a) Each year, the Issuer shall provide, or shall cause the Dissemination Agent to provide, on or prior to the end of the sixth month after the end of the fiscal year of the Issuer commencing with the fiscal year ending June 30, 2024, to EMMA an Annual Report for the preceding fiscal year which is consistent with the requirements of Section 4 of this Agreement. Currently, the Issuer's fiscal year ends on June 30. In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by specific reference other information as provided in Section 4 of this Agreement; provided, however, that if the audited financial statements of the Issuer are not available by the deadline for filing the Annual Report, they shall be provided when and if available, and unaudited financial statements in a format similar to the financial statements contained in the Official Statement shall be included in the Annual Report.

(b) The Annual Report shall be submitted to EMMA either through a web-based electronic submission interface or through electronic computer-to-computer data connections with EMMA in accordance with the submission process, document format and configuration requirements established by the MSRB. The Annual Report shall also include all related information required by MSRB to accurately identify: (i) the category of information being provided; (ii) the period covered by the Annual Report; (iii) the issues or specific securities to which the Annual Report is related (including CUSIP number, Issuer name, state, issue description/securities name, dated date, maturity date, and/or coupon rate); (iv) the name of any obligated person other than the Issuer; (v) the name and date of the document; and (vi) contact information for the Dissemination Agent or the Issuer's submitter.

(c) If the Issuer is unable to provide to EMMA an Annual Report by the date required in subsection (a), the Issuer shall send a notice in a timely manner to the MSRB in substantially the form attached as Appendix A.

(d) If the Issuer's fiscal year changes, the Issuer shall send a notice of such change to the MSRB in substantially the form attached as Appendix B. If such change will result in the Issuer's fiscal year ending on a date later than the ending date prior to such change, the Issuer shall provide notice of such change to the MSRB on or prior to the deadline for filing the Annual Report in effect when the Issuer operated under its prior fiscal year. Such notice may be provided to the MSRB along with the Annual Report, provided that it is filed at or prior to the deadline described above.

SECTION 4. Content of Annual Reports. The Issuer's Annual Report shall contain or include by reference the following:

(a) audited financial statements of the Issuer prepared pursuant to State laws, administrative rules and guidelines and pursuant to accounting and reporting policies conforming in all material respects to generally accepted accounting principles as applicable to governmental units as such principles are prescribed, in part, by the Financial Accounting Standards Board and modified by the Government Accounting Standards Board and in effect from time to time; and

(b) additional annual financial information and operating data as set forth in the Official Statement under "CONTINUING DISCLOSURE".

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which previously have been provided to each of the Repositories or filed with the SEC. If the document included by specific reference is a final official statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) The Issuer covenants to provide, or cause to be provided, notice in a timely manner not in excess of ten business days of the occurrence of any of the following events with respect to the Bonds in accordance with the Rule:

(1) principal and interest payment delinquencies;
(2) non-payment related defaults, if material;
(3) unscheduled draws on debt service reserves reflecting financial difficulties;
(4) unscheduled draws on credit enhancements reflecting financial difficulties;
(5) substitution of credit or liquidity providers, or their failure to perform;
(6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
(7) modifications to rights of security holders, if material;
(8) bond calls, if material, and tender offers;
(9) defeasances;

(10) release, substitution, or sale of property securing repayment of the securities, if material;
(11) rating changes;
(12) bankruptcy, insolvency, receivership or similar event of the Issuer or other obligated person;
(13) the consummation of a merger, consolidation, or acquisition involving the Issuer or other obligated person or the sale of all or substantially all of the assets of the Issuer or other obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
(14) appointment of a successor or additional trustee or the change of name of a trustee, if material;
(15) incurrence of a Financial Obligation of the Issuer or other obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer or other obligated person, any of which affect security holders, if material;
(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer or other obligated person, any of which reflect financial difficulties.

(b) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, the Issuer shall as soon as possible determine if such event would constitute material information for the Bondholders, provided that any event other than those listed under Section 5(a)(2), (6), (7), (8), (10), (13), (14) or (15) above will always be deemed to be material. Events listed under Section 5(a)(6) and (8) above will always be deemed to be material except with respect to that portion of those events which must be determined to be material.

(c) The Issuer shall promptly cause a notice of the occurrence of a Listed Event, determined to be material in accordance with the Rule, to be electronically filed with EMMA, together with a significant event notice cover sheet substantially in the form attached as Appendix C. In connection with providing a notice of the occurrence of a Listed Event described in Section 5(a)(9) above, the Issuer shall include in the notice explicit disclosure as to whether the Bonds have been escrowed to maturity or escrowed to call, as well as appropriate disclosure of the timing of maturity or call.

(d) The Issuer acknowledges that the "rating changes" referred to above in Section 5(a)(11) of this Agreement may include, without limitation, any change in any rating on the Bonds or other indebtedness for which the Issuer is liable, or on any indebtedness for which the State is liable.

(e) The Issuer acknowledges that it is not required to provide a notice of a Listed Event with respect to credit enhancement when the credit enhancement is added after the primary offering of the Bonds, the Issuer does not apply for or participate in obtaining such credit enhancement, and such credit enhancement is not described in the Official Statement.

SECTION 6. Termination of Reporting Obligation.

(a) The Issuer's obligations under this Agreement shall terminate upon the legal defeasance of the Resolution or the prior redemption or payment in full of all of the Bonds.

(b) This Agreement, or any provision hereof, shall be null and void in the event that the Issuer (i) receives an opinion of nationally recognized bond counsel, addressed to the Issuer, to the effect that those portions of the Rule, which require such provisions of this Agreement, do not or no longer apply to the Bonds, whether because such portions of the Rule are invalid, have been repealed, amended or modified, or are otherwise deemed to be inapplicable to the Bonds, as shall be specified in such opinion, and (ii) delivers notice to such effect to the MSRB.

SECTION 7. Dissemination Agent. The Issuer, from time to time, may appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

SECTION 8. Amendment. Notwithstanding any other provision of this Agreement, this Agreement may be amended, and any provision of this Agreement may be waived to the effect that:

(a) such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law or a change in the identity, nature or status of the Issuer, or the types of business in which the Issuer is engaged;

(b) this Agreement as so amended or taking into account such waiver, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, in the opinion of independent legal counsel; and

(c) such amendment or waiver does not materially impair the interests of the Bondholders, in the opinion of independent legal counsel.

If the amendment or waiver results in a change to the annual financial information required to be included in the Annual Report pursuant to Section 4 of this Agreement, the first Annual Report that contains the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of such change in the type of operating data or financial information being provided. If the amendment or waiver involves a change in the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared based on the new accounting principles and those prepared based on the former accounting principles. The comparison should include a qualitative discussion of such differences and the impact of the changes on the presentation of the financial information. To the extent reasonably feasible, the comparison should also be quantitative. A notice of the change in the accounting principles should be sent by the Issuer to the MSRB. Further, if the annual financial information required to be provided in the Annual Report can no longer be generated because the operations to which it related have been materially changed or discontinued, a statement to that effect shall be included in the first Annual Report that does not include such information.

SECTION 9. Additional Information. Nothing in this Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Agreement, the Issuer shall have no obligation under this Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Issuer to comply with any provision of this Agreement, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed an Event of Default under the Resolution or the Bonds, and the sole remedy under this Agreement in the event of any failure of the Issuer to comply with the Agreement shall be an action to compel performance.

SECTION 11. Duties of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Agreement.

SECTION 12. Beneficiaries. This Agreement shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriter, and the Bondholders and shall create no rights in any other person or entity.

SECTION 13. Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State, and any suits and actions arising out of this Agreement shall be instituted in a court of competent jurisdiction in the State. Notwithstanding the foregoing, to the extent this Agreement addresses matters of federal securities laws, including the Rule, this Agreement shall be construed and interpreted in accordance with such federal securities laws and official interpretations thereof.

NEW HAVEN COMMUNITY SCHOOLS
COUNTY OF MACOMB
STATE OF MICHIGAN

By:____
Its: Superintendent

Dated: ____________, 2024

APPENDIX A

NOTICE TO THE MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	New Haven Community Schools, Macomb County, Michigan
Name of Bond Issue:	2024 School Building and Site Bonds, Series I (General Obligation - Unlimited Tax)
Date of Bonds:	________________, 2024

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by Section 3 of its Continuing Disclosure Agreement with respect to the Bonds. The Issuer anticipates that the Annual Report will be filed by _____________.

NEW HAVEN COMMUNITY SCHOOLS
COUNTY OF MACOMB
STATE OF MICHIGAN

By: ______________________________________
Its: Superintendent

Dated: ________________________

THRUN LAW FIRM, P.C.

APPENDIX B

NOTICE TO THE MSRB OF CHANGE IN ISSUER'S FISCAL YEAR

Name of Issuer: New Haven Community Schools, Macomb County, Michigan

Name of Bond Issue: 2024 School Building and Site Bonds, Series I (General Obligation - Unlimited Tax)

Date of Bonds: _________________, 2024

NOTICE IS HEREBY GIVEN that the Issuer's fiscal year has changed. Previously, the Issuer's fiscal year ended on _______________. It now ends on __________________.

NEW HAVEN COMMUNITY SCHOOLS
COUNTY OF MACOMB
STATE OF MICHIGAN

By: ____
Its: Superintendent

Dated: _________________________

APPENDIX C

SIGNIFICANT EVENT NOTICE COVER SHEET

This cover sheet and significant event notice should be provided in an electronic format to the Municipal Securities Rulemaking Board pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer's and/or other Obligated Person's Name: ____

Issuer's Six-Digit CUSIP Number(s): ____

or Nine-Digit CUSIP Number(s) to which this significant event notice relates: ______________________

Number of pages of attached significant event notice: ____________________________________

Description of Significant Events Notice (Check One):

1. ______ Principal and interest payment delinquencies
2. ______ Non-payment related defaults
3. ______ Unscheduled draws on debt service reserves reflecting financial difficulties
4. ______ Unscheduled draws on credit enhancements reflecting financial difficulties
5. ______ Substitution of credit or liquidity providers, or their failure to perform
6. ______ Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security
7. ______ Modifications to rights of security holders
8. ______ Bond calls
9. ______ Tender offers
10. ______ Defeasances
11. ______ Release, substitution, or sale of property securing repayment of the securities
12. ______ Rating changes
13. ______ Bankruptcy, insolvency, receivership or similar event of the Issuer or other obligated person
14. ______ The consummation of a merger, consolidation, or acquisition involving the Issuer or other obligated person or the sale of all or substantially all of the assets of the Issuer or other obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms
15. ______ Appointment of a successor or additional trustee or the change of name of a trustee
16. ______ Incurrence of a financial obligation of the Issuer or other obligated person
17. ______ Agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation that affect security holders
18. ______ Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer or other obligated person that reflect financial difficulties
19. ______ Other significant event notice (specify) ______________________________

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature: ____

Name: ______________________ Title: ______________________

Employer: ____

Address: ____

City, State, Zip Code: ____________________________________

Voice Telephone Number: (__________)______________________________

The MSRB Gateway is www.msrb.org or through the EMMA portal at emma.msrb.org/submission/Submission_Portal.aspx. Contact the MSRB at (703) 797-6600 with questions regarding this form or the dissemination of this notice. The cover sheet and notice may also be faxed to the MAC at (313) 963-0943.

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APPENDIX G

DRAFT OFFICIAL NOTICE OF SALE

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OPTIONAL DTC BOOK-ENTRY-ONLY

FORM OF OFFICIAL NOTICE OF SALE
$23,370,000
NEW HAVEN COMMUNITY SCHOOLS
COUNTY OF MACOMB
STATE OF MICHIGAN
2024 SCHOOL BUILDING AND SITE BONDS, SERIES I
(GENERAL OBLIGATION - UNLIMITED TAX)

BIDS for the purchase of the above 2024 School Building and Site Bonds, Series I (the "Bond" or "Bonds") will be received electronically on behalf of New Haven Community Schools, Macomb County, Michigan (the "Issuer"), on Wednesday, the 26th day of June, 2024, until 11:30 a.m., prevailing Eastern Time, by the Municipal Advisory Council of Michigan (the "MAC") via email at munibids@macmi.com. The bids will be opened and read at the MAC at that time. Award of the bid will be made on behalf of the Issuer by an authorized officer of the Issuer by 5:00 p.m., prevailing Eastern Time, on that date.

ELECTRONIC BIDS: Bidders submitting signed bids electronically must ensure their bids are received prior to the time and date fixed for receipt of bids. Bidders submitting bids electronically bear the full risk of failed or untimely transmission of their bids, and bidders are encouraged to confirm the timely receipt of their full and complete bids by telephoning the MAC at (313) 963-0420. Bidders submitting bids electronically must satisfy the requirements of the good faith deposit obligations described herein.

***PARITY*:** Bids may be presented via *PARITY* on the date and at the time shown above provided that such bidders must also comply with the good faith deposit requirements described herein. To the extent any instructions or directions set forth in *PARITY* conflict with this Notice, the terms of this Notice shall control. For further information about *PARITY*, potential bidders may contact PFM Financial Advisors LLC, at (734) 994-9700 or *PARITY* at (212) 849-5021.

OPTIONAL DTC BOOK-ENTRY-ONLY: Unless otherwise requested by the winning bidder (the "Purchaser"), the Bonds will be initially offered as registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC") under DTC's Book-Entry-Only system of registration. If DTC Book-Entry-Only is used, purchasers of interests in the Bonds (the "Beneficial Owners") will not receive physical delivery of bond certificates, and ownership by the Beneficial Owners of the Bonds will be evidenced by book-entry-only. As long as Cede & Co. is the registered owner of the Bonds as nominee of DTC, payments of principal and interest payments will be made directly to such registered owner which will in turn remit such payments to the DTC participants for subsequent disbursement to the Beneficial Owners.

BOND DETAILS: Said Bonds will be fully registered Bonds, of the denomination of $5,000 each or multiples thereof up to the amount of a single maturity, shall be dated the date of delivery, numbered in order of issue from 1 upwards and will bear interest from their dated date payable on November 1, 2024, and semiannually thereafter.

The Bonds will mature on May 1 as follows:

Year	Amount	Year	Amount
2025	$300,000	2038	$1,000,000
2026	300,000	2039	1,050,000
2027	350,000	2040	1,100,000
2028	375,000	2041	1,175,000
2029	400,000	2042	1,250,000
2030	425,000	2043	1,325,000
2031	500,000	2044	1,425,000
2032	525,000	2045	1,550,000
2033	575,000	2046	1,625,000
2034	625,000	2047	1,700,000
2035	675,000	2048	1,775,000
2036	725,000	2049	1,845,000
2037	775,000		

MATURITY ADJUSTMENT: The Issuer reserves the right to increase or decrease the aggregate principal amount of the Bonds after receipt of the bids and prior to final award. Such adjustment, if necessary, will be made in increments of $5,000 and may be made in any maturity.

ADJUSTMENT TO PURCHASE PRICE: In the event of a maturity adjustment, the purchase price of the Bonds will be adjusted proportionately to the adjustment in principal amount of the Bonds and in such manner as to maintain as comparable an underwriter spread as possible to the winning bid.

TERM BOND OPTION: Bidders shall have the option of designating bonds maturing in any year as serial bonds or term bonds, or both. The bidder must designate whether each of the principal amounts shown above represent a serial maturity or a mandatory redemption requirement for a term bond maturity. There may be more than one term bond maturity. In any event, the above principal amount schedule shall be represented by either serial bond maturities or mandatory redemption requirements, or a combination of both. Any such designation must be made within one (1) hour after the Bond sale.

PAYING AGENT: Principal and interest shall be payable at a bank or trust company qualified to act as a paying agent in Michigan (the "Paying Agent"), or such other Paying Agent as the Issuer may hereafter designate by notice mailed to the registered owner not less than sixty (60) days prior to any change in Paying Agent. In the event the Bonds cease to be held in book entry form only, the Paying Agent will serve as bond registrar and transfer agent, interest shall be paid by check mailed to the owner as shown by the registration books of the Issuer as of the close of business on the 15th day of the month preceding any interest payment date and the Bonds will be transferable only upon the registration books of the Issuer kept by the Paying Agent. See "Optional DTC Book-Entry-Only" above.

PRIOR REDEMPTION:

A. Mandatory Redemption - Term Bonds.

Principal designated by the Purchaser as a term maturity shall be subject to mandatory redemption, in part, by lot, at par and accrued interest on the redemption dates corresponding to the maturities hereinbefore scheduled. When term Bonds are purchased by the Issuer and delivered to the Paying Agent for cancellation or are redeemed in a manner other than by mandatory redemption, the principal amount of the term Bonds affected shall be reduced by the principal amount of the Bonds so redeemed or purchased in the order determined by the Issuer.

B. Optional Redemption.

Bonds of this issue maturing in the years 2025 through 2034, inclusive, shall not be subject to redemption prior to maturity. The Bonds or portions of Bonds maturing on or after May 1, 2035, are subject to redemption prior to maturity at the option of the Issuer in multiples of $5,000 in such order as the Issuer may determine, by lot within any maturity, on any date occurring on or after May 1, 2034, at par and accrued interest to the date fixed for redemption.

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

If less than all of the Bonds of any maturity shall be called for redemption prior to maturity unless otherwise provided, the particular Bonds or portions of Bonds to be redeemed shall be selected by the Paying Agent, in such manner as the Paying Agent in its discretion may deem proper, in the principal amounts designated by the Issuer. Upon presentation and surrender of such Bonds at the corporate trust office of the Paying Agent, such Bonds shall be paid and redeemed.

INTEREST RATE AND BIDDING DETAILS: The Bonds shall bear interest at a rate or rates, not exceeding six percent (6%) per annum, to be fixed by the bids therefor, expressed in multiples of 1/8 or 1/100 of 1%, or both. The interest on any one Bond shall be at one rate only. All Bonds maturing in any one year must carry the same interest rate. The difference between the highest and lowest interest rates bid shall not exceed three percent (3%) per annum. No proposal for the purchase of less than all of the Bonds or at a price less than 100% or greater than 110% of the par value, or at a price which will cause the true interest cost on the Bonds to exceed six percent (6%) per annum, will be considered. The interest rate borne by bonds maturing in any year shall not be less than the interest rate borne by Bonds maturing in the preceding year.

PURPOSE AND SECURITY: The Bonds are the first of two or more series of bonds that were authorized at an election on May 7, 2024, for the purpose of remodeling, furnishing and refurnishing, and equipping and re-equipping school buildings; acquiring, installing, and equipping and re-equipping school buildings for instructional technology; erecting and equipping an athletic concession building at the middle school and a bus garage; purchasing school buses;

and preparing, developing, improving, and equipping playgrounds, athletic fields and facilities, and sites. The Bonds will pledge the full faith, credit and resources of the Issuer for payment of the principal and interest thereon, and will be payable from ad valorem taxes, which may be levied without limitation as to rate or amount as provided by Article IX, Section 6, and Article IX, Section 16, of the Michigan Constitution of 1963.

STATE QUALIFICATION: The Bonds are expected to be fully qualified pursuant to Act 92, Public Acts of Michigan, 2005, as amended, enacted pursuant to Article IX, Section 16, of the Michigan Constitution of 1963. Under the terms of said constitutional and statutory provisions, if for any reason the Issuer will be or is unable to pay the principal and interest on the Bonds when due, then the Issuer shall borrow, and the State of Michigan shall lend to it, an amount sufficient to enable the Issuer to make the payment.

GOOD FAITH: A certified or cashier's check in the amount of $233,700 may be submitted contemporaneously with the bid or, in the alternative, a deposit in the amount of $233,700 shall be made by the Purchaser by federal wire transfer as directed by PFM Financial Advisors LLC, to be received by the Issuer not later than noon, prevailing Eastern Time, on the next business day following the award as a guarantee of good faith on the part of the Purchaser to be forfeited as liquidated damages if such bid is accepted and the bidder fails to take delivery of and pay the purchase price for the Bonds. Any award made to the Purchaser is conditional upon receipt of the good faith deposit. The good faith deposit will be applied to the purchase price of the Bonds. In the event the Purchaser fails to honor its accepted bid, the good faith deposit will be retained by the Issuer. No interest shall be allowed on the good faith deposit. Payment for the balance of the purchase price of the Bonds shall be made at the closing. Good faith checks of unsuccessful bidders will be returned via U.S. Mail.

AWARD OF BONDS: The Bonds will be awarded to the bidder whose bid produces the lowest true interest cost which is the rate that will discount all future cash payments so that the sum of the present value of all cash flows will equal the Bond proceeds computed from July 31, 2024 (the anticipated date of delivery).

LEGAL OPINION: Bids shall be conditioned upon the unqualified approving opinion of Thrun Law Firm, P.C., East Lansing, Michigan, bond counsel, the original of which will be furnished without expense to the Purchaser of the Bonds at the delivery thereof. The fees of Thrun Law Firm, P.C. for services rendered in connection with such approving opinion are expected to be paid from Bond proceeds. Except to the extent necessary to issue its approving opinion as to the validity of the above Bonds, Thrun Law Firm, P.C. has not been requested to examine or review, and has not examined or reviewed, any financial documents, statements or other materials that have been or may be furnished in connection with the authorization, marketing or issuance of the Bonds and, therefore, has not expressed and will not express an opinion with respect to the accuracy or completeness of any such financial documents, statements or materials.

TAX MATTERS: In the opinion of bond counsel, assuming continued compliance by the Issuer with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Bonds is excluded from gross income for federal income tax purposes, as described in the opinion, and the Bonds and interest thereon are exempt from all taxation in the State of Michigan, except inheritance and estate taxes and taxes on gains realized from the sale, payment or other disposition thereof. The Issuer has covenanted to comply with certain requirements of the

Code necessary to continue the exclusion of interest on the Bonds from gross income for federal income tax purposes.

OFFICIAL STATEMENT: Upon the sale of the Bonds, the Issuer will publish an Official Statement in substantially the same form as the Preliminary Official Statement, subject to minor additions, deletions and revisions as required to complete the Preliminary Official Statement. Promptly after the sales date, but in no event later than seven (7) business days after such date, the Issuer will provide the Purchaser with either a reasonable number of final Official Statements or a reasonably available electronic version of the same. The Issuer will determine which format will be provided. The Purchaser agrees to supply to the Issuer all necessary pricing information and any underwriter identification necessary to complete the Official Statement within twenty-four (24) hours after the award of Bonds. Additional copies of the final Official Statement may be obtained up to three months following the sale of the Bonds by a request and payment of costs to the financial consultant. The Issuer agrees to provide to the Purchaser at closing a certificate executed by appropriate officers of the Issuer acting in their official capacities, to the effect that as of the date of delivery the information contained in the Official Statement, and any supplement to the Official Statement, relating to the Issuer and the Bonds are true and correct in all material respects, and that the Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

CONTINUING DISCLOSURE: As more particularly described in the Official Statement, the Issuer will agree in the bond resolution or sales resolution to provide or cause to be provided, in accordance with the requirements of Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission, (i) on or prior to the end of the sixth month after the end of the fiscal year of the Issuer, commencing with the fiscal year ended June 30, 2024, certain annual financial information and operating data, including audited financial statements for the preceding fiscal year, generally consistent with the information contained or cross-referenced in the Official Statement relating to the Bonds, (ii) timely notice of the occurrence of certain significant events with respect to the Bonds and (iii) timely notice of a failure by the Issuer to provide the required annual financial information on or before the date specified in (i) above.

BOND INSURANCE: In the event the Purchaser elects to obtain bond insurance for the Bonds, all costs and expenses related to such bond insurance shall be the responsibility of the Purchaser. The failure of such bond insurance to be issued at or before delivery of the Bonds shall not be a basis for the Purchaser to refuse to accept delivery of the Bonds. In the event the Purchaser obtains bond insurance, the bond insurer shall not be entitled to be designated as an addressee of any bond counsel opinion related to the Bonds, nor shall the bond insurer be entitled to a reliance letter associated with the same. If the Purchaser obtains bond insurance, the Issuer agrees only to insert any reasonable and necessary insurance language in the Bonds.

CERTIFICATION REGARDING "ISSUE PRICE": Please see Appendix H to the Preliminary Official Statement for the Bonds, dated June 12, 2024, for information and requirements concerning establishing the issue price for the Bonds.

CLOSING DOCUMENTS: Drafts of all closing documents, including the form of Bond and bond counsel's legal opinion, may be requested from Thrun Law Firm, P.C. Final closing documents will be in substantially the same form as the drafts provided. Closing documents will not be modified at the request of a bidder, regardless of whether the bidder's proposal is accepted.

DELIVERY OF BONDS: The Issuer will furnish Bonds ready for execution at its expense. Bonds will be delivered without expense to the Purchaser at a place to be mutually agreed upon with the Purchaser. The usual closing documents, including a certificate that no litigation is pending affecting the issuance of the Bonds, will be delivered at the time of the delivery of the Bonds. If the Bonds are not tendered for delivery by twelve o'clock, noon, prevailing Eastern Time, on the 45th day following the date of sale, or the first business day thereafter if the 45th day is not a business day, the Purchaser may on that day, or any time thereafter until delivery of the Bonds, withdraw the proposal by serving notice of cancellation in writing, on the undersigned, in which event the Issuer shall promptly return the good faith deposit. Accrued interest to the date of delivery of the Bonds shall be paid by the Purchaser at the time of delivery. Payment for the Bonds shall be made in federal reserve funds. Unless the Purchaser furnishes the Paying Agent with a list giving the denominations and names in which it wishes to have the certificates issued at least five (5) business days prior to delivery of the Bonds, the Bonds will be delivered in the form of a single certificate for each maturity registered in the name of the Purchaser, subject to the election under the "Optional DTC Book-Entry-Only" provisions herein.

CUSIP NUMBERS: CUSIP numbers will be printed on the Bonds at the option of the Purchaser; however, neither the failure to print CUSIP numbers nor any improperly printed CUSIP numbers shall be cause for the Purchaser to refuse to take delivery of and pay the purchase price for the Bonds. Application for CUSIP numbers will be made by PFM Financial Advisors LLC, municipal advisor to the Issuer. The CUSIP Service Bureau's charge for the assignment of CUSIP identification numbers shall be paid by the Purchaser.

BIDDER CERTIFICATION - NOT "IRAN-LINKED BUSINESS": By submitting a bid, the bidder shall be deemed to have certified that it is not an "Iran-Linked Business" as defined in Act 517, Public Acts of Michigan, 2012; MCL 129.311, et seq.

FURTHER INFORMATION may be obtained from PFM Financial Advisors LLC, 555 Briarwood Circle, Suite 333, Ann Arbor, Michigan 48108, telephone: (734) 994-9700.

THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS.

Regina Patton
Secretary, Board of Education

APPENDIX H

CERTIFICATION REGARDING "ISSUE PRICE"

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CERTIFICATION REGARDING "ISSUE PRICE": The initial Purchaser of the Bonds (the "Purchaser") must assist the Issuer in establishing the issue price of the Bonds and will be required to furnish, at least ten (10) days prior to the delivery of the Bonds, a certificate in a form acceptable to bond counsel as to the "issue price" of the Bonds within the meaning of Section 1273 of the Internal Revenue Code of 1986, as amended.

The certificate will set forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications with such modifications as may be appropriate or necessary in the sole judgment of bond counsel. The Issuer intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the "competitive sale requirements") because:

(i) the Issuer shall disseminate the Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
(ii) all bidders shall have an equal opportunity to bid;
(iii) the Issuer may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
(iv) the Issuer anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in the Notice of Sale.

Any bid submitted pursuant to the Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid. Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Unless the bidder intends to hold the Bonds for its own account with no intention to offer the Bonds to the public, the bidder, by submitting a bid, represents to the Issuer that the bidder has an established industry reputation for underwriting new issuances of municipal bonds.

In the event that the competitive sale requirements are not satisfied, the Issuer shall so advise the Purchaser. In that case, the Purchaser shall have the option to designate whether the issue price will be calculated upon either (a) the first price at which 10% of each maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity, applied on a maturity-by-maturity basis, or (b) a commitment to neither offer nor sell any of the Bonds of any maturity to any person at a price that is higher than the initial offering price referenced in the Purchaser's bid (the "initial offering price") during the holding period as defined herein.

If the 10% test is selected, the Purchaser shall advise the Issuer if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds, and bidders should prepare their bids on the assumption that all of the maturities of the Bonds will be subject to the 10% test in order to establish the issue price of the Bonds. If the competitive sale requirements are not satisfied and the 10% test is selected, then until the 10% test has been satisfied as to each maturity of the Bonds, the Purchaser agrees to promptly report to the Issuer the prices at which the unsold Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold.

In the event the "hold-the-offering-price" method is selected, for each maturity of the Bonds the Purchaser shall (a) neither offer nor sell any of the Bonds of such maturity to any person at a price that is higher than the initial offering price for such maturity during the holding period for such maturity (the "hold-the-offering-price rule"), and (b) verify that any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no underwriter (as defined below) shall offer or sell any maturity of the Bonds at a price that is higher than the respective initial offering price for that maturity of the Bonds during the holding period.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to either abide by the hold-the-offering-price limitations stated herein or to report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Purchaser that the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public, if and for so long as directed by the Purchaser and as set forth in the related pricing wires, depending on whether the hold-the-offering-price method or the 10% test is selected by the Purchaser, and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to either abide by the hold-the-offering-price limitations stated herein or to report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Purchaser or such underwriter that the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public, if and for so long as directed by the Purchaser or such underwriter and as set forth in the related pricing wires, depending on whether the hold-the-offering-price method or the 10% test is selected by the Purchaser.

Sales of any Bonds to any person who is a related party to an underwriter shall not constitute sales to the public for purposes of the Notice of Sale. Further, for purposes of this section of the Notice of Sale:

(i) "public" means any person other than an underwriter or a related party,

(ii) "underwriter" means (A) any person who agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person who agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),

(iii) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50%

common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profit interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other),

(iv) "sale date" means the date that the Bonds are awarded by the Issuer to the Purchaser,

(v) "holding period" means, for each maturity of the Bonds, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which the Underwriter has sold at least 10% of each maturity to the Public at prices that are no higher than the Initial Offering Price for such maturity, and

(vi) "maturity" means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

In addition, if the Purchaser will obtain a municipal bond insurance policy or other credit enhancement for the Bonds in connection with their original issuance, the Purchaser will be required, as a condition of delivery of the Bonds, to certify whether the premium therefor representing the transfer of credit risk will be less than the present value of the interest expected to be saved as a result of such insurance or other credit enhancement. The form of an acceptable certificate will be provided by bond counsel.

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BID FORM

To: Secretary, Board of Education
New Haven Community Schools
c/o Municipal Advisory Council
munibids@macmi.com
Phone: (800) 337-0696

Sale Date: June 26, 2024
11:30 AM, ET

RE: $23,370,000* New Haven Community Schools, County of Macomb, State of Michigan, 2024 School Building and Site Bonds, Series I (General Obligation – Unlimited Tax)

For all or none of the above Bonds, in accordance with the Official Notice of Sale, we will pay you $23,370,000* plus a premium of $_________________ for fully registered bonds bearing interest rates and maturing in the stated years as follows:

2025	______________	2038	______________
2026	______________	2039	______________
2027	______________	2040	______________
2028	______________	2041	______________
2029	______________	2042	______________
2030	______________	2043	______________
2031	______________	2044	______________
2032	______________	2045	______________
2033	______________	2046	______________
2034	______________	2047	______________
2035	______________	2048	______________
2036	______________	2049	______________
2037	______________		

The following maturities have been designated as Term Bonds:

Mandatory Redemption		Mandatory Redemption	
From: _____________	to _____________	From: _____________	to _____________
From: _____________	to _____________	From: _____________	to _____________
From: _____________	to _____________	From: _____________	to _____________
From: _____________	to _____________	From: _____________	to _____________
From: _____________	to _____________	From: _____________	to _____________
From: _____________	to _____________	From: _____________	to _____________

In making this offer, we accept all of the terms and conditions of the Official Notice of Sale published in The Bond Buyer.

Not as a part of our offer, the above quoted prices being controlling, but only as an aid for the verification of the offer, we have made the following computations:

TRUE INTEREST COST: ____________________% (calculated from July 31, 2024)

Account Manager: ____ By: ____

Account Members: ____

The foregoing offer is hereby accepted by and on behalf of New Haven Community Schools, County of Macomb, State of Michigan on the 26 day of June, 2024.

Attest: ____ By ____

Title: ____ Title ________________________________

*Preliminary, subject to change.

pfm

Additional information relative to this Bond issue may be obtained from:

PFM Financial Advisors LLC
555 Briarwood Circle, Suite 333
Ann Arbor, MI 48108
(734) 994-9700

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