



# CHELSEA

SCHOOL DISTRICT

BUSINESS OFFICE  
500 Washington Street  
Chelsea, MI 48118  
P: 734.433.2208  
F: 734.433.2218  
[www.chelsea.k12.mi.us](http://www.chelsea.k12.mi.us)

To: Dr. Julie D. Helber, Superintendent

From: Michelle Cowhy, Assistant Superintendent of Finance & Admin. Services

Subject: 2019-2020 School Loan Revolving Fund Borrowing Resolution

Date: July 3, 2019

---

We are required to complete an annual application in order to participate in the School Loan Revolving Fund. The application is due by August 1, 2019. We began repaying the fund in 2017-2018 and will continue to repay in 2019-2020 which means we will not have to borrow. This only affects the debt funds, not our general fund.

The attached resolution is part of the application packet that notifies the School bond Loan Auditor that we will not need to borrow for the 2019-20 year and gives them an approximation of the amount that we will be able to repay. The amounts are only estimates and may change based on the timing of receiving taxes from our local taxing authorities.

If you have any questions, please let me know.

AUTHORITY: Act 92, 2005, as amended  
COMPLETION: Required  
Due Date: August 1, 2019



Bureau of Bond Finance  
School Loan Revolving Fund  
430 W. Allegan  
Lansing, MI 48922

GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

RACHAEL EUBANKS  
STATE TREASURER

**School Loan Revolving Fund  
Annual Repayment Application  
Cover Transmittal**

**School District Name** Chelsea School District

**District Code** 81-040

☒ **Winter Levy** ☐ **Summer/Split Levy**

PURPOSE: Use this form as a cover sheet and checklist when returning your Annual Repayment Activity Application. (Please check off indicated items)

☐ School Board certified resolution (with board votes recorded on page 2)

☐ Annual Repayment Worksheet

☐ Copy of *Reconciled* Bank Statements

CONTACT PERSON IF CHANGED: Person to whom questions and correspondence concerning this application should be directed.

Name: Michelle Cowhy

Title: Asst. Super. of Finance & Admin. Svc.

E-Mail Address: mcowhy@chelsea.k12.mi.us

Telephone #: 734-433-2208

Fax #: \_\_\_\_\_

Certification: I have reviewed the application for the purpose of assuring that the repayment estimate to the School Loan Revolving Fund has been calculated using proper allocation of the debt levy. I certify that the information contained in this application is complete and accurate in all respects.

\_\_\_\_\_  
(Signature of Authorized Officer)  
refer to section 5 of the board resolution

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

**MAILING INSTRUCTIONS:**

Return ONE copy by August 1, 2019 to the STATE at the above address.

Direct questions to:

Cathy Clark, Assistant Director

Telephone: 517-335-7295 Fax: 517-241-1233

For Treasury Use Only:

Borrow (Repay) \_\_\_\_\_

School Bond Qualification and Loan Program  
School Loan Revolving Fund  
Bureau of Bond Finance  
Michigan Department of Treasury  
430 W. Allegan  
Lansing, MI 48922

**ANNUAL LOAN/REPAYMENT ACTIVITY APPLICATION**  
For Participation in the School Bond Qualification and Loan Program

Legal Name of School District	District Code No.	County
Chelsea School District	81-040	Washtenaw County

**CERTIFICATE**

I, the undersigned, Secretary of the Board of Education, do certify hereby that the following constitutes a true and complete copy of a resolution adopted by the Board of Education of this School District, at a [regular or special] meeting held on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with Act 267 of the Public Acts of 1976 (Open Meetings Act).

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
(Type or Print Name of Secretary)

\_\_\_\_\_  
(Signature of Secretary)

\_\_\_\_\_  
(Type or Print Name of Treasurer, Board of Education)

\_\_\_\_\_  
(Signature of Superintendant of Schools)

**RESOLUTION**

A meeting was called to order by \_\_\_\_\_, President.

Present: Members \_\_\_\_\_

Absent: Members \_\_\_\_\_

The following preamble and resolution were offered by Member \_\_\_\_\_

and supported by Member \_\_\_\_\_

WHEREAS:

1. Act 92 of the Public Acts of Michigan, 2005, enacted pursuant to Article IX, Section 16, of the Michigan Constitution of 1963, provides the procedure, terms and conditions for obtaining a loan from the Michigan School Loan Revolving Fund.
2. Pursuant to Executive Order No. 1993-19, the state activities related to bond qualification and state borrowing functions for the provision of loans by the State of Michigan to school districts were transferred from the Department of Education to the Department of Treasury. The State Treasurer is responsible for prescribing the forms and procedures regarding the application for loan from the School Loan Revolving Fund.

3. This district has taken all necessary actions to comply with all legal and procedural requirements for borrowing from the School Loan Revolving Fund.

NOW, THEREFORE, LET IT BE RESOLVED THAT:

1. The district approves the estimated amount to be borrowed from or repaid to the School Bond Qualification and Loan Program and certifies the amount of qualified debt millage to be levied in accordance with the following:

Qualified bond debt millage (Tax Year 2019)	7.00	
Combined beginning balance owed to the SBLF and/or SLRF 06/30/2019		\$ 3,304,137.54
Estimated amount to borrow from or repay to the SBLF and/or SLRF		2,159,119
Estimated accrued interest		165,267
Estimated combined ending balance owed the SBLF and/or SLRF 06/30/2020		1,310,285.54

2. The district agrees to levy the debt millage tax as indicated above in the current tax year and to levy the debt millage tax required by law on the taxable valuation of the district for each subsequent year until all loans are repaid in full to the State of Michigan.

3. The district agrees to take actions and to refrain from taking any actions as necessary to maintain the tax exempt status of tax exempt bonds or notes issued by the State or the Michigan Finance Authority for the purpose of financing loans to school districts.

4. The district agrees to file a draw request with the State Treasurer not less than 30 days prior to the time when disbursement proceeds will be necessary in order to pay maturing principal or interest or both and to provide any other pertinent facts which may be required to be included in the request.

5. The (title of authorized officer) Assist. Super. Finance & Admin. Svcs. is authorized and directed to file with the Department of Treasury the Annual Loan/Repayment Activity Application and any draw request documents necessary for borrowing from the SLRF.

6. In the event that the district fails to perform any actions as identified in this application or required by law, the district will submit to the State Treasurer a board approved resolution which indicates the actions taken and procedures implemented to assure future compliance.

7. The district board members have read this application, approved all statements and representations contained herein as true to the best knowledge and belief of said board, and authorized the Secretary of the Board of Education to sign this application and submit same to the State Treasurer for his review and approval.

Ayes: Members

Nayes: Members

District Name: Chester School District

**School Bond Qualification and Loan Program  
School Loan Revolving Fund  
Bureau of Bond Finance  
Michigan Department of Treasury  
430 W. Allegan  
Lansing, MI 48922**

**ANNUAL MILLAGE RECALCULATION**

Due to changes in the law, as of October 1, 2013, all school districts are expected to recalculate their computed millage based on most current information available by each October 1<sup>st</sup>, including new taxable values and any new qualified debt service or qualified loans. The recommended time to report the millage recalculation to the School Bond Loan Program is during the Annual Loan Activity process.

Please return this form, along with your annual application, by **August 1, 2019**.

After completing the Annual Millage Recalculation worksheet or a comparable analysis by your financial advisor, complete the next section and submit this form with the supporting documentation to Cathy Clark at [clarkc1@michigan.gov](mailto:clarkc1@michigan.gov):

**Section A**

Current Computed Millage: 7.0

Recalculated Millage to be levied in the upcoming year:

☐ Per Spreadsheet: \_\_\_\_\_ ☐ Statutorily limited increase: \_\_\_\_\_ ☒ No Change

(The millage to be levied will be carried to Page 2 of the Annual Loan/Repayment Activity Application.)

**Section A Instructions:**

Enter the current computed millage.

For the recalculated millage, check which box is appropriate and enter the millage that will be levied for the upcoming year (if applicable).

- Enter the "recalculated millage" if there is no limitation on the levy needed to pay off the loan by the Final Mandatory Repayment Date.
- Limited increase – enter the millage that will be levied for the year here, if it is limited by either 13 mills or the statutory limitations.
- If the current computed millage is sufficient to pay all qualified loans by the FMRD and no increase is needed, please check this box.

WINTER ONLY TAX LEVY

UNLIMITED TAX QUALIFIED BONDS

SCHOOL DISTRICT CODE:

SCHOOL DISTRICT NAME:

TOTAL DEBT MILLAGE TO BE LEVIED:

81-040

Chelsea School District

7.00

2019 Taxable Valuation = 991,545,715

PLUS: 1/2 of 2019 Equivalent IFT/CFT Taxable Value = 3,210,895

Total Equivalent Value = 994,756,610

Less: 2019 TIFA, DDA, & LDFA Captured Value =

TOTAL 2019 Taxable Value Subject to Debt Service = 994,756,610

Instructions for Internet use:

1. Please enter data in the shaded areas only.
2. Complete this worksheet. Obtain Board of Education approval.
3. Submit this spreadsheet with the required documents prior to August 1, 2019

2019 Winter  
Annual Repayment Worksheet

2019 Winter  
Annual Repayment Worksheet

Bond Issue Date MM/DD/YY (if variable rate issue, indicate attach current P&I schedule)	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
Debt Service Payment (Principal & Interest) Due May 1, 2020														
Debt Service Payment (Interest) Due Nov 1, 2020														
Fees														
Debt Service Payments (Principal, Interest & Fees) Total (b + c + d)														
RECONCILED Debt Fund Balance, June 30, 2019 Including Cash, Investments, Accrued Interest, Transfers, etc.														
Debt Service Payment Due Nov 1, 2019														
Amount to Repay SLRF after the Nov 1, 2019 Debt Service Payment														
Funds Needed for May/Nov2020 Debt Service Payments (e - f + g + h)														
Prorated Millage Allocation (i / total j) * total millage														
Actual Millage Allocation (if "0", enter "0")														
Revenues to be Collected from 2019 Tax Levy (k * Taxable Value/1000)														
Estimated Amount to Repay SLRF after the May/Nov2020 Payments (l - i)														
Estimated TOTAL Amount to Repay SLRF for Fiscal Year ending 6/30/2020 (h + m)														

\*IF SIGNIFICANT ADJUSTMENTS ARE MADE TO THE ACTUAL MILLAGE ALLOCATION AS COMPARED TO THE PRORATED MILLAGE ALLOCATION, PLEASE PROVIDE A BRIEF EXPLANATION OF YOUR BASIS.