

BUSINESS

Post-Issuance Disclosure Compliance

In connection with the issuance of securities subject to the requirements of Securities and Exchange Commission Rule 15c2-12 (the “Bonds”) by the district, the district has entered or expects in the future to enter into certain Agreements, as defined herein, regarding the district’s continuing obligation to disclose certain information after issuance of bonds subject to federal securities laws and regulations. To the extent they exist, the Agreements describe the district’s continuing disclosure responsibilities. The Agreements, to the extent they exist, are contained in the transcript of proceedings prepared in connection with the issuance of each series of Bonds.

The superintendent or designee (“Compliance Officer”) shall be the Issuer’s representative responsible for establishing and coordinating compliance with this Policy.

The district may supplement or amend this policy at any time and from time to time, with the advice of nationally recognized bond counsel, but without any notice to or consent from any trustee, any bondholder or any other person. Noncompliance with the policy is permitted with the advice of nationally recognized bond counsel, but without any notice to or consent from any trustee, any bondholder or any other person, if compliance would impose unreasonable burdens on the Issuer. In the event of such noncompliance, the Compliance Officer shall provide written notice to the board by not later than the next regular meeting of the board.

A. Duties of the Compliance Officer:

1. Be primarily responsible for monitoring and verifying compliance with the Agreements.
2. The board shall provide the Compliance Officer with training and educational resources necessary to ensure compliance with the Agreements, including the authority to seek guidance from the district’s bond counsel.
3. Create and maintain an inventory of the district’s outstanding financial obligations, which shall mean:
 - a. Debt obligations;
 - b. Derivative instruments entered into in connection with, or pledged as security or a source of payment for existing or future debt obligations;
 - c. A guarantee of items (a) and (b) of this subpart; and
 - d. Which shall exclude any municipal security for which a final official statement has been provided to the Municipal Securities Rulemaking Board pursuant to Rule 15c2-12.

B. Bond Issuance

1. In preparation for the issuance of any Bonds, the Compliance Officer shall review any offering materials, including a Preliminary Official Statement, Final Official

Statement, or other applicable offering document, prepared by the Issuer, its financial advisor or an underwriter.

2. Such review is to ensure that such materials do not (A) contain any untrue statement of a material fact or (B) omit any material fact that would need to be included in order to make the statements contained therein not misleading.

C. Post Issuance Obligations

1. For any Bonds for which a Continuing Disclosure Agreement (each, an “Agreement”) has been executed by the Issuer, the Compliance Officer shall review such Agreement and be primarily responsible for ongoing compliance with its continuing disclosure responsibilities and any Agreement. The Compliance Officer agrees to obtain any needed training or professional assistance for himself/herself or staff, in order to fulfill the Issuer’s responsibilities under the Agreements. (See each Agreement for exact requirements and timing.)
2. The Compliance Officer shall annually calendar a time to review a checklist to assist with compliance with obligations under any Agreements. Responsibility for ensuring such ongoing compliance shall include, but is not limited to, reporting to proper repositories (as of the date of adoption of this policy, the repository is the Electronic Municipal Market Access website of the Municipal Securities Rulemaking Board at <http://www.emma.msrb.org>) the following information, where applicable:
 - a. By December 27th of each year (unless the deadline differs in an applicable Agreement):
 - audited financial statements for the most recently ended fiscal year 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;
 - additional annual financial information and operating data as set forth in the respective Agreement or in the respective Official Statement for a particular Bond under the heading “CONTINUING DISCLOSURE” or such similar heading.
 - b. Notice of certain reportable events, subject in some cases to a determination of materiality by the Issuer, within 10 business days of the occurrence. See the Agreements for an exact list of events, but typically includes the following:
 - non-payment related defaults, if material;
 - modifications to rights of bondholders, if material;
 - bond calls, if material;
 - release, substitution or sale of property securing repayment of the Bonds, if material;

- the consummation of a merger, consolidation, or acquisition, or certain asset sales, involving the district, or entry into or termination of a definitive agreement relating to the foregoing, if material;
 - appointment of a successor or additional trustee or the change of name of a trustee, if material;
 - incurrence of a financial obligation by the district, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the district, any of which affect security holders, if material;
 - principal and interest payment delinquencies;
 - unscheduled draws on debt service reserves reflecting financial difficulties;
 - unscheduled draws on credit enhancements reflecting financial difficulties;
 - substitution of credit or liquidity providers, or their failure to perform;
 - defeasances;
 - rating changes of the Issuer, the Issuer's underlying credit rating or an enhanced rating on any Bonds due to credit enhancement;
 - adverse tax opinions or events affecting the status of the Bonds, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material events, notices or determinations with respect to the tax status of the Bonds;
 - tender offers;
 - bankruptcy, insolvency, receivership or similar event of the district; and
 - default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the district, any of which reflect financial difficulties.
- c. If the Issuer enters into a contract with another person or entity to assist the Issuer in fulfilling its continuing disclosure responsibilities under any Agreement, the Compliance Officer should annually review such contract and verify that all of the Issuer's responsibilities thereunder have been fulfilled.

Legal Reference:

MCL 380.1351a; 17 CFR 240.15c2-12

Policy

Adopted: February 24, 2020

Amended:

Reviewed: