

PRELIMINARY OFFICIAL STATEMENT DATED: JUNE 4, 2026

New Issue
Book-Entry-Only

Moody's†1: Aa3

TAX STATUS: In the opinion of Thrun Law Firm, P.C., Bond Counsel, assuming continued compliance by the College 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 estate taxes and taxes on gains realized from the sale, payment or other disposition thereof. The College 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.

THE BONDS WILL BE DESIGNATED AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" AS DESCRIBED IN SECTION 265(b)(3)(B) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.



\$6,305,000*
MID MICHIGAN COLLEGE
State of Michigan
2026 College Facilities Bonds
(General Obligation - Limited Tax)

Date of Sale: June 15, 2026
Time of Sale: 1:00 PM, ET

PURPOSE AND SECURITY: The 2026 College Facilities Bonds (General Obligation - Limited Tax) (the "Bonds") were authorized by the Board of Trustees of Mid Michigan College, State of Michigan (the "College"), by resolutions adopted on April 7, 2026 and expected to be adopted on June 23, 2026 (the "Resolutions") for the purpose of erecting, building, furnishing, and equipping a college events center, including gymnasium/auditorium and support spaces (the "Project"). The Bonds are issued under the provisions of Act 331, Public Acts of Michigan, 1966, as amended, and Act 34, Public Acts of Michigan, 2001, as amended. The College has pledged the limited tax full faith and credit of the College for the payment of principal and interest on the Bonds. The College has further pledged to levy sufficient ad valorem taxes within its authorized millage rate annually as a first budget obligation, subordinate only to any first liens on said funds pledged for the payment of operating notes, lines of credit or tax anticipation notes heretofore or hereafter issued. The College does not have the power to levy taxes for the payment of the Bonds in excess of its constitutional, statutory or charter tax rate limitations and, if tax collections are insufficient to pay the principal of or interest on the Bonds when due, the College pledges to use any and all other resources available for the payment of the Bonds. The College has reserved the right to issue additional bonds of equal standing.

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 Argent Institutional Trust Company, 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, 2026, 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 14, 2026)
Purchase Price: Not less than 100% or more than 120% of par value
Multiples: 1/8th or 1/100th of 1% or both

Principal Due: May 1, years shown below
Maximum Interest Rate: 5.00%

(Base CUSIP\$: _____)

CUSIP\$	Year	Amount*	Interest Rate	Yield	CUSIP\$	Year	Amount*	Interest Rate	Yield
	2027	\$460,000				2037	\$225,000		
	2028	485,000				2038	235,000		
	2029	510,000				2039	250,000		
	2030	535,000				2040	260,000		
	2031	560,000				2041	270,000		
	2032	180,000				2042	280,000		
	2033	185,000				2043	295,000		
	2034	195,000				2044	305,000		
	2035	205,000				2045	320,000		
	2036	215,000				2046	335,000		

INTEREST RATE RESTRICTION: No single maturity of the Bonds may have an initial offering price to the public less than 98.5% of par for that maturity.

PRIOR REDEMPTION: Bonds of this issue maturing in years 2037 and thereafter are subject to redemption at the option of the College 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 of the Bond sale. See "TERM BOND OPTION" herein.

MATURITY ADJUSTMENT: The College 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 College 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 __, 2026

† For an explanation of the rating, see "RATING" herein.

¹ As of date of delivery.

* Preliminary, subject to change.

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This Preliminary Official Statement and the information contained herein is subject to completion and amendment. These securities may not be sold nor may an offer to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. As of its date, this Preliminary Official Statement has been deemed final by the College for purposes of SEC Rule 15c2-12(b)(1) except for the information permitted to be omitted by SEC rule 15c2-12(b)(1).

MID MICHIGAN COLLEGE

1375 S. Clare Avenue
Harrison, Michigan 49625
Phone: (989) 386-6622

BOARD OF TRUSTEES

Jane Zdrojewski
Chairperson

Karen Moore, JD, Ph.D.
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ADMINISTRATIVE STAFF

Timothy Hood*
President

Lillian Frick
Vice President for Finance & Administration

Susan Call
Director of Accounting

*Timothy Hood is retiring effective June 30, 2026. Dr. Scott Mertes will be the new President.

PROFESSIONAL SERVICES

Bond Counsel..... Thrun Law Firm, P.C.
East Lansing, Michigan

Municipal Advisor PFM Financial Advisors LLC
Ann Arbor, Michigan

Paying Agent..... Argent Institutional Trust Company
Grand Rapids, Michigan

No dealer, broker, salesperson or other person has been authorized by the College 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 College 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 College and other sources and are believed to be reliable.

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

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\$6,305,000*
MID MICHIGAN COLLEGE
State of Michigan
2026 College Facilities Bonds
(General Obligation - Limited 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 Mid Michigan College, State of Michigan (the "College") of its 2026 College Facilities Bonds (General Obligation – Limited Tax) (the "Bonds").

INFORMATION FOR BIDDERS

Date of Sale: June 15, 2026 Time of Sale: 1:00 PM, ET
Bids may be emailed to munibids@macmi.com or submitted electronically via PARITY.

DATED: Date of Delivery **MAXIMUM INTEREST RATE:** 5.00%

FIRST INTEREST: November 1, 2026

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: Not less than 100% or more than 120% of par value

PAYING AGENT: Argent Institutional Trust Company, Grand Rapids, Michigan

THE BONDS WILL BE DESIGNATED AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" AS DESCRIBED IN SECTION 265(b)(3)(B) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

RESTRICTION: NO SINGLE MATURITY OF THE BONDS MAY HAVE AN INITIAL OFFERING PRICE TO THE PUBLIC LESS THAN 98.5% OF THE PAR FOR THAT MATURITY.

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

ISSUE PRICE: The winning bidder shall assist the College in establishing the issue price of the Bonds, in accordance with the requirements set forth in APPENDIX F concerning the Draft Official Notice of Sale and the Certification Regarding "Issue Price" in APPENDIX G attached hereto, and shall deliver to the College 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 F and G herein for additional information.

INTEREST

Interest on the Bonds will be payable on November 1, 2026 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.

MATURITY ADJUSTMENT

The College 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.

*Preliminary, subject to change.

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 of the Bond sale.

PRIOR REDEMPTION

Optional Redemption

Bonds of this issue maturing in the years 2027 through 2036, 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 2037 and thereafter shall be subject to redemption prior to maturity, at the option of the College, in such order as the College may determine and by lot within any maturity, on any date occurring on or after May 1, 2036, 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 College 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 College.

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 College. 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 F - "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 1:00 p.m., Eastern Time, on Monday, June 15, 2026.

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 2026 College Facilities Bonds (General Obligation - Limited Tax) (the “Bonds”) were authorized by the Board of Trustees of the College, by resolutions adopted on April 7, 2026 and expected to be adopted on June 23, 2026 (the “Resolutions”) for the purpose of erecting, building, furnishing, and equipping a college events center, including gymnasium/auditorium and support spaces (the “Project”). The Bonds are issued under the provisions of Act 331, Public Acts of Michigan, 1966, as amended, and Act 34, Public Acts of Michigan, 2001, as amended. The College has pledged the limited tax full faith and credit of the College for the payment of principal and interest on the Bonds. The College has further pledged to levy sufficient ad valorem taxes within its authorized millage rate annually as a first budget obligation, subordinate only to any first liens on said funds pledged for the payment of operating notes, lines of credit or tax anticipation notes heretofore or hereafter issued. The College does not have the power to levy taxes for the payment of the Bonds in excess of its constitutional, statutory or charter tax rate limitations and, if tax collections are insufficient to pay the principal of or interest on the Bonds when due, the College pledges to use any and all other resources available for the payment of the Bonds. The College has reserved the right to issue additional bonds of equal standing.

QUALIFIED TAX-EXEMPT OBLIGATIONS

THE BONDS WILL BE DESIGNATED AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" UNDER SECTION 265(b)(3)(B) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

ESTIMATED SOURCES AND USES OF FUNDS

<u>Sources of Funds:</u>	
Par Amount of Bonds	
Net 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.

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% 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 colleges for their lost 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.

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, 2026. 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 Argent Institutional Trust Company, 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. 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 College 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 College or the Paying Agent to determine whether DTC is or will be financially or otherwise capable of fulfilling its obligations. Neither the College 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 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 College 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 College 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 College, 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 College 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 College 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 College 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 (the "Record Date") 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 College 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 College 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 original Purchaser of the Bonds, 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 College has requested and received a rating on the Bonds from a rating agency, the College 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 COLLEGE.

LITIGATION

The College has not been served with any litigation, administrative action or proceeding, and to the knowledge of the appropriate officials of the College 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 College 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 (the "State") statutes, regulations, rulings and court decisions, the Bonds and the interest thereon are exempt from all taxation in the State of Michigan, except 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 College 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 College 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 deduct their costs of carrying certain obligations such as the Bonds.

Original Issue Discount¹

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

¹ Preliminary, subject to change.

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 Premium¹

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 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 PRIOR APPROVAL

The College has received a letter from the Department of Treasury of the State of Michigan stating that the College is authorized to issue the Bonds pursuant to the Revised Municipal Finance Act, Act 34, Public Acts of Michigan, 2001, as amended. The College may therefore 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

¹ Preliminary, subject to change.

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 College 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 College 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 College 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 College 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 College 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 who 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 the other terms of the Agreement, are set forth in APPENDIX E, “FORM OF CONTINUING DISCLOSURE AGREEMENT” In addition to the annual audited financial statements of the College, the financial information and operating data will include updates to (and be substantially in the same form as) the tables (and such of the other information as the College deems relevant) contained under the headings “COLLEGE ENROLLMENT – Historical Enrollment,” “PROPERTY VALUATIONS – History of Valuations,” “MAJOR TAXPAYERS,” “COLLEGE TAX RATES – (Per \$1,000 of Valuation),” “TAX LEVIES AND COLLECTIONS,” “RETIREMENT PLANS - Contribution to MPSERS,” “LABOR RELATIONS,” “SOURCES OF REVENUES FOR OPERATIONS,” and “DEBT STATEMENT – DIRECT DEBT,” in APPENDIX A and the GENERAL FUND BUDGET SUMMARY in APPENDIX B to this Official Statement.

A failure by the College 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 College to comply with the Agreement must be reported by the College 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.

Except as disclosed below, the College has not in the previous five years, failed to comply, in all material respects, with any previous continuing disclosure agreements executed by the College pursuant to the Rule. In an abundance of disclosure, the College provided in 2026 a supplemental filing, consistent with the audited financial statements that were previously and timely disclosed, that provides certain values not previously provided in the College's annual disclosure for the years 2021 to 2025, inclusive, concerning data for the table entitled "College Enrollment - Enrollment History".

UNDERWRITER

The Bonds were purchased at a competitive sale on June 15, 2026 by _____ (the "Underwriter"). The Underwriter has agreed to purchase the Bonds at a price of \$_____, which represents the par amount of the Bonds of \$_____, 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.

RATING

Moody's Investors Service ("Moody's") will assign, as of the date of delivery of the Bonds, its municipal bond rating of "Aa3" to the Bonds.

No application has been made to any other ratings service for a rating on the Bonds. The College 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 College certifies that to its best knowledge and belief, this Official Statement, insofar as it pertains to the College 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.

MID MICHIGAN COLLEGE
STATE OF MICHIGAN

By: Lillian Frick
Its: Vice President for Finance & Administration

APPENDIX A¹

MID MICHIGAN COLLEGE

GENERAL FINANCIAL, ECONOMIC AND COLLEGE INFORMATION

LOCATION AND AREA

Mid Michigan College (the “College”) is in the central portion of Michigan’s Lower Peninsula. The College’s main campus is in the City of Harrison, and their additional campus is in the City of Mt. Pleasant, twenty-seven miles south of the Harrison campus.

The College’s resident district and taxing jurisdiction (the “College District”) covers approximately 1,003 square miles and includes portions of Clare, Gladwin and Isabella Counties. The service area is established by the boundaries of the following school districts:

Beaverton Schools
Clare Public Schools
Farwell Area Schools
Gladwin Community Schools
Harrison Community Schools
Mt. Pleasant Public Schools

POPULATION

The U.S. Census reported and 2024 estimated populations for the College District is as follows:

	College District ¹
2024 Estimated	96,386
2020 U.S. Census	96,268 ²
2010 U.S. Census	56,375

¹Based upon an extrapolation of the figures of the school districts within the College District.

²On May 4, 2021, voters of Mt. Pleasant Public Schools approved the annexation of its territory into the Mid Michigan College’s College District thereby adding that school district’s population to the College District’s population.

Source: U.S. Census Bureau via data.census.gov website

COLLEGE ENROLLMENT

Historical Enrollment

The College’s historical enrollment is as follows:

College Year	Unduplicated Headcount	Full-time Equivalent (FTE)	College Year	Unduplicated Headcount	Full-time Equivalent (FTE)
2025/26	4,863	2,436	2020/21	4,750	2,988
2024/25	4,484	2,002	2019/20	4,963	3,080
2023/24	3,900	2,347	2018/19	5,360	3,222
2022/23	3,958	2,360	2017/18	5,680	3,234
2021/22	3,983	2,468	2016/17	5,796	3,341

¹Information included in APPENDIX A of this Official Statement was obtained from the College unless otherwise noted.

COLLEGE FACILITIES

The following is a table showing the existing College facilities.

Facility	Year Completed	Remodel/ Additions	Area Purpose/Use
Main Building - Harrison	1969	2020	Instruction & Office
Center for Magnetic Imaging	1979	2010	Instruction & Office
Welding Wing ¹	1983	2025	Instruction & Office
Harrison Technical Education Center	2001	2026	Instruction & Office
Shipping & Receiving	2006	--	Shipping & Receiving/Garage
Gillespie Center	1969	2026	Housing/Residence
Doan Building - Mt. Pleasant	2008	--	Instruction & Office
CSS - Mt. Pleasant	2010	--	Instruction & Office
CLAB - Mt. Pleasant	2014	--	Instruction & Office
Morey Technical Ed Center - Mt. Pleasant	2014	2025	Instruction & Office
Morey Event Center - Mt. Pleasant ²	2026	--	Instruction & Office

¹The Welding Wing is part of the Main Building – Harrison.

²Currently under construction, the 37,000 square foot facility will contain a gymnasium, locker rooms, classrooms, offices and a fitness center. Projected for completion by December 2026.

BOARD OF TRUSTEES

The Board of Trustees consists of seven members who are elected at large for staggered terms of six-years each. The Board biennially elects a Chair, Vice Chair, Treasurer and Secretary. The Board is responsible for the selection and appointment of the College President and meets as a single body to set or amend policy, develop long range educational goals and act upon recommendations of the College President. The Board is also responsible for adopting and periodically amending the operating budget and evaluating programs in accordance with governing laws.

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 College District is assessed by the local municipal assessors and is subject to review by the County Equalization Departments.

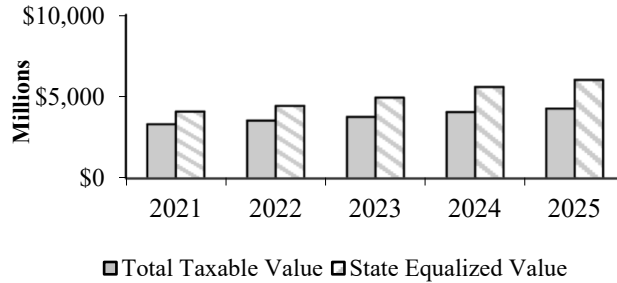
History of Valuations

A history of the property valuations is shown below:

Year	Principal Residence	Non- Principal Residence	Total Taxable Value	Percent Change	State Equalized Value	Percent Change
2025	\$2,252,780,968	\$2,010,422,998	\$4,263,203,966	5.15%	\$6,023,803,181	7.79%
2024	2,137,638,489	1,916,648,415	4,054,286,904	7.79	5,588,569,617	13.19
2023	1,958,166,727	1,802,952,756	3,761,119,483	6.41	4,937,205,338	11.38
2022	1,875,803,415	1,658,865,971	3,534,669,386	6.79	4,432,690,433	8.56
2021	1,749,393,746	1,560,518,570	3,309,912,316	---	4,083,068,468	---

Source: Clare, Gladwin and Isabella Counties Equalization Departments

History of Valuations



Annual Equivalent Valuation

A summary of the 2025 valuation subject to taxation is as follows:

2025 Taxable Value	\$4,263,203,966
Plus: 2025 Equivalent IFT Taxable Value ¹	2,895,510
Total 2025 Equivalent Taxable Value	<u>\$4,266,099,476</u>
Less: 2025 Disabled Veterans Exemption Taxable Value ²	(30,533,257)
Net 2025 Annual Equivalent Valuation	<u><u>\$4,235,566,219</u></u>

¹See “INDUSTRIAL FACILITY TAX ABATEMENTS” herein.

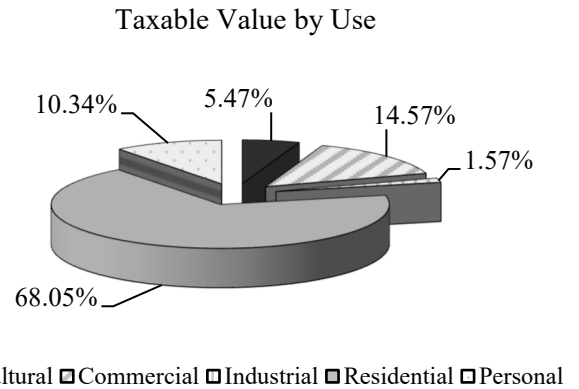
²Represents value which is exempt from taxes pursuant to Michigan’s General Property Tax Act Section 7b, MCL 211.7b, which states real property used and owned as a homestead by either (1) a disabled veteran who was discharged from the United States armed forces under honorable conditions or (2) the disabled veteran’s un-remarried, surviving spouse is exempt from property taxes, subject to certain application requirements.

Source: Clare, Gladwin and Isabella Counties Equalization Departments

Tax Base Composition

A breakdown of the College District’s 2025 Taxable Value by class and use is as follows:

By Class:	2025 Taxable Value	Percent of Total
Real Property	\$3,822,478,583	89.66%
Personal Property	440,725,383	10.34
TOTAL	<u><u>\$4,263,203,966</u></u>	<u><u>100.00%</u></u>
By Use:		
Agricultural	\$233,184,290	5.47%
Commercial	621,332,582	14.57
Industrial	67,124,235	1.57
Residential	2,900,837,476	68.05
Personal	440,725,383	10.34
TOTAL	<u><u>\$4,263,203,966</u></u>	<u><u>100.00%</u></u>



A breakdown of the College District’s 2025 Taxable Value by county is as follows:

By Municipality:	2025 Taxable Value	Percent of Total
<i>Counties</i>		
Clare County	\$1,438,352,937	33.75%
Gladwin County	1,253,059,314	29.39
Isabella County	1,571,791,715	36.86
TOTAL	<u><u>\$4,263,203,966</u></u>	<u><u>100.00%</u></u>

Source: Clare, Gladwin and Isabella Counties Equalization Departments

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 2025 Taxable Value for the properties which have been granted IFT abatements within the College District’s boundaries is \$5,791,020, 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: Clare, Gladwin and Isabella Counties Equalization Departments

MAJOR TAXPAYERS

Shown below are the ten largest identifiable taxpayers in the College District based on their 2025 total valuation subject to taxation.

Taxpayer	Product/Service	2025 Taxable Value
Consumers Energy	Utility	\$184,079,888
Detroit Edison/Isabella Wind LLC	Utility	94,431,405
ANR Pipeline Co.*	Utility	28,040,966
Willford Solar LLC	Solar Energy	21,838,550
SZ Mount Pleasant Townhomes LLC	Housing	17,863,849
Great Lakes Gas Transmission	Utility	13,470,413
METC	Utility	9,296,250
Lexington Ridge Apts LLC	Apartments	7,745,500
Tallgrass Development LLC	Apartments	7,638,720
Village Bluegrass Owner LLC*	Apartments	7,623,700
TOTALS		\$392,029,241
Total 2025 Values		\$4,263,203,966
Top 10 Taxpayers as a % of 2025 Total Taxable Value		9.20%

*Appealing its valuations to the Michigan Tax Tribunal.

Source: Clare, Gladwin and Isabella Counties Equalization Departments

CONSTITUTIONAL MILLAGE ROLLBACK

Article IX, Section 31 of the Michigan Constitution (also referred to as the “Headlee Amendment”) requires that if the total value of existing taxable property (Taxable Valuation) in a local taxing unit, exclusive of new construction and improvements, increases faster than the U.S. Consumer Price Index from one year to the next, the maximum authorized tax rate for that local taxing unit must be reduced through a Millage Reduction Fraction unless new millage is authorized by a vote of the electorate of the local taxing unit.

COLLEGE TAX RATES - (Per \$1,000 of Valuation)

Each community college district, school district, county, township, special authority and city has a geographical definition which constitutes a tax district. Since community college districts, local school districts and the county overlap either a township or a city, and intermediate school districts overlap community college districts, local school districts and county boundaries, the result is many different tax rate districts.

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

	2025	2024	2023	2022	2021
Operating – Voted	1.2121	1.2175	1.2183	1.2183	1.2202
TOTAL	1.2121	1.2175	1.2183	1.2183	1.2202

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

The following table provides the 2025 and 2024 tax rates for select municipal units of government that overlap with the College District’s boundaries.

	2025	2024
State Education Tax	6.0000	6.0000
Clare County	7.2456	7.2612
Gladwin County	11.6033	12.4565
Isabella County	9.8220	9.8220
Clare-Gladwin RESD	2.9805	2.9905
Gladwin County District Library	0.4847	0.4894

Source: Clare, Gladwin and Isabella Counties Equalization Departments

TAX LEVIES AND COLLECTIONS

The College’s fiscal year begins July 1 and ends June 30. The College District’s property taxes are due December 1 of each fiscal year and are collected through the following February 28. All real property taxes remaining unpaid on March 1st of the year following the levy are turned over to the County Treasurers for collection. Clare, Gladwin and Isabella Counties (the “Counties”) annually pay from their Delinquent Tax Revolving Funds delinquent taxes on real property to all taxing units in the Counties, including the College, shortly after the date delinquent taxes are returned to the County Treasurers for collection.

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

Levy Year	Operating Tax Levy	Collections to March 1, Each Year		Collections Plus Funding to June 30, Each Year	
2025	\$4,965,379 ¹	\$4,521,744	91.07%	N/A	
2024	4,748,786	4,391,435	92.47	\$4,704,243	99.06%
2023	4,419,004	4,140,135	93.69	4,405,780	99.70
2022	4,284,722	3,884,606	90.66	4,146,628	96.78
2021	4,011,442 ²	3,644,373	90.85	3,875,584	96.61
2020	2,544,263	2,298,226	90.33	2,531,458	99.50

¹Estimated.

²The 2021 Tax Levy increased due to the results of the May 4, 2021 election where voters of the Mt. Pleasant Public Schools approved the annexation of its territory into Mid Michigan College’s College District.

RETIREMENT PLAN

For the period October 1 through September 30, the College pays an amount equal to a percentage of its employees’ wages to the Michigan Public School Employees Retirement System (“MPERS”), 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.

MPERS 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 MPERS, including retiree health benefits, can be found at www.michigan.gov/orsschools.

Public Act 75 of 2010 (“Act 75”) significantly modified MPERS 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 MPERS 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 College’s estimated annual contribution to MPSERS for the 2025-26 fiscal year and the previous four fiscal years are shown below:

Fiscal Year Ended 30-Jun	Pension Amount	Health Care Amount	Total Amount ²
2026 ¹	\$2,961,162	\$787,145	\$3,748,307
2025	2,998,547	852,888	3,851,435
2024	3,612,443	806,215	4,418,658
2023	4,254,359	731,601	4,985,960
2022	3,190,101	738,266	3,928,367

¹Estimated.

²Also known as "MPSERS Unfunded Actuarial Accrued Liability (UAAL) Rate Stabilization". Unlike Section 147c(2), Section 147c(1) is an annual recurring pass through from the State to the College to ORS. It represents state funds appropriated in excess of the statutory cap of 15.21% for non-university reporting units. Section 147c(1) amounts are historically included in the total amount.

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 College implemented GASB 68 in its year ended June 30, 2015 financial statements. In its June 30, 2025 financial statements, the College reported a proportionate share of the net pension liability of \$21,885,420 as of September 30, 2024.

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 College implemented GASB 75 in its year ended June 30, 2018 financial statements. In its June 30, 2025 financial statements, the College reported a proportionate share of the **asset** of \$3,862,091 as of September 30, 2024.

For additional information regarding the Pension Plan and Postemployment Benefits Other than Pensions (OPEB), see the Notes to the Financial Statements in the College’s audited financial statements in Appendix C.

Source: Audited Financial Statements and College

LABOR RELATIONS

The College 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	55	Non-Affiliated	N/A
Instructors	51	Faculty Senate MEA/NEA	08/19/29
Support Staff	26	ESPA MEA/NEA	06/30/27
Maintenance/Custodial	14	ESPA MEA/NEA	06/30/27
TOTAL	<u>146</u>		

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

SOURCES OF REVENUES FOR OPERATIONS

The College has received during each of the last five fiscal years the following unrestricted revenues for operational purposes:

Fiscal Year End 30-Jun	State Appropriations	Gross Tuition & Student Fees	Scholarship Allowances	Local Property Taxes	Net Revenues
2025	\$7,132,562	\$17,104,757	(\$13,004,502)*	\$4,677,872	\$15,910,689
2024	6,360,029	15,218,184	(6,197,205)	4,400,736	19,781,744
2023	5,864,784	14,462,651	(5,799,093)	4,150,845	18,679,187
2022	7,322,138	13,956,795	(3,318,059)	3,872,237	21,833,111
2021	7,062,312	14,266,803	(3,549,542)	2,534,971	20,314,544

*The Scholarship Allowances were recalculated to meet NACUBO recommendations.

Source: Audited Financial Statements

DEBT STATEMENT* - (As of 06/04/26 – including the Bonds described herein)

DIRECT DEBT:

Dated Date	Purpose	Bond Type	Final Maturity	Principal Outstanding
02/19/20	College Facilities, Series 2020	LTGO	05/01/40	\$4,595,000
/ /26	College Facilities	LTGO	05/01/46	6,305,000*
NET DIRECT DEBT				\$10,900,000*

OVERLAPPING DEBT:

Municipality	College's Share
Cities	\$32,245,187
Townships	9,219,718
Villages	764,000
School Districts	73,502,354
Clare County	14,525,410
Gladwin County	1,428,799
Isabella County	12,955,107
Clare-Gladwin RESD	620,000
Gladwin County District Library	920,553

TOTAL OVERLAPPING DEBT	\$146,181,128
NET DIRECT AND OVERLAPPING DEBT	\$157,081,128*

*Preliminary, subject to change.

Source: Municipal Advisory Council of Michigan

DEBT HISTORY

The College has no record of default on its obligations.

FUTURE FINANCING

The College does not have plans for additional capital financings in the next 12 months.

OTHER DEBT

The College has no short-term borrowing outstanding.

DEBT RATIOS*

College District Estimated Population	96,386
2025 Taxable Value	\$4,263,203,966
2025 State Equalized Value (SEV)	\$6,023,803,181
2025 True Cash Value (TCV)	\$12,047,606,362
Per Capita 2025 Taxable Value	\$44,230.53
Per Capita 2025 State Equalized Value	\$62,496.66
Per Capita 2025 True Cash Value	\$124,993.32
Per Capita Net Direct Debt	\$113.09
Per Capita Net Direct and Overlapping Debt	\$1,629.71
Percent of Net Direct Debt of 2025 Taxable Value	0.26%
Percent of Net Direct and Overlapping Debt of 2025 Taxable Value	3.68%
Percent of Net Direct Debt of 2025 SEV	0.18%
Percent of Net Direct and Overlapping Debt of 2025 SEV	2.61%
Percent of Net Direct Debt of 2025 TCV	0.09%
Percent of Net Direct and Overlapping Debt of 2025 TCV	1.30%

*Preliminary, subject to change.

LEGAL DEBT MARGIN* - (As of 06/04/26 – including the Bonds described herein)

<u>Voted Bond Debt</u>	
2025 Taxable Value	\$4,263,203,966
Legal Debt Limit - 15% of Taxable Value (1)	\$639,480,594
Less: Debt Outstanding, including Bonds described herein	<u>(10,900,000)</u>
VOTED LEGAL DEBT MARGIN AVAILABLE	<u><u>\$628,580,594</u></u>
<u>Non-Voted Bond Debt</u>	
2025 State Equalized Value	\$6,023,803,181
Non-Voted Debt Limit (2)	\$61,488,031
Less: Debt Outstanding, including Bonds described herein	<u>(10,900,000)</u>
NON-VOTED LEGAL DEBT MARGIN AVAILABLE	<u><u>\$50,588,031</u></u>

*Preliminary, subject to change.

Under Act 331, Public Acts of Michigan, 1966, as amended, the College is subject to the following debt limitations:

- (1) Loans and bonds, including bonds approved by the qualified electors of the College, may not be issued in an amount in excess of 15% of the taxable value of the taxable property of the community college district of the College.
- (2) Within the foregoing limitation. The College may incur indebtedness that is not greater than 1-1/2% of the first \$250,000,000 of SEV of the taxable property within the community college district of the College and 1% of the excess over \$250,000,000 of SEV of the taxable property within the community college district of the College without a vote of the electors of the College.
- (3) Community colleges may enter into installment purchase contracts for real or personal property payable out of the funds of the college provided for that purpose.
- (4) Community colleges may issue revenue bonds to pay for educational facilities. Such revenue bonds would be payable out of the income and revenues from college facilities, or from fees and charges required to be paid by students enrolling in the college.
- (5) Community colleges may finance energy conservation improvements by installment contracts or the issuance of notes.

EMPLOYMENT CHARACTERISTICS

Listed below are the largest employers that are located within the College District boundaries and surrounding communities:

Employer	Product or Service	Approx. No. of Employees
<i>Within the County of Clare</i>		
The Rogers Group/Rogers Athletic Co., Inc.	Sports & Athletic Equipment	350
Lear Corp	Automotive Seating	300
MyMichigan Medical Center - Clare	Hospital & Healthcare	300
StageRight Corp.	Stage Equipment & Supplies	275
Clare Public Schools	Education	186
Jay's Sporting Goods	Retail - Sporting Goods	150
Mid Michigan College	Education	146
MediLodge of Clare	Healthcare & Skilled Nursing	135
Clare-Gladwin RESD	Education	130
Rite-Hite Clare	Loading Dock Equipment	130
<i>Within the County of Gladwin</i>		
BMG (including Lyle Industries & Brown Machine)	Plastic Thermoforming Machinery	350
Saint Gobain Performance Plastics	Tubing & Biopharma Manufacturing	333
MyMichigan Medical Center - Gladwin	Hospital & Healthcare	250
West Branch-Rose City Area Schools	Education	241
Standish-Sterling Community Schools	Education	193
Gladwin Community Schools	Education	185
Pinconning Area Schools	Education	164
Gladwin Pines Nursing & Rehabilitation Center	Healthcare & Skilled Nursing	150
Harrison Community Schools	Education	135
Loose Plastics, Inc.	Plastic Sheeting	128
<i>Within the County of Isabella</i>		
Soaring Eagle Casino & Resort	Casino & Resort	4,000
Saginaw Chippewa Indian Tribe	Tribal Government Offices	3,134
Central Michigan University	Higher Education	2,090
Bandit Industries	Woodchipper Manufacturer	640
The Delfield Company (HQ)	Refrigeration Equipment	600
McLaren Central Michigan	Hospital & Healthcare	546
Morbark, LLC	Wood Waste Processing Equipment	500
Mt. Pleasant Public Schools	Education	472
McBride Quality Care Services	Adult Foster Care	420
Meijer Inc.	Retail & Grocery	346

Source: 2025 Michigan Manufacturers Directory, MEDC website via www.michiganbusiness.org and individual employers.

EMPLOYMENT BREAKDOWN

The U.S. Census Bureau, 2020-2024 American Community Survey reports the occupational breakdown of persons 16 years and over for the County of Clare, County of Gladwin and County of Isabella as follows:

PERSONS BY OCCUPATION	County of Clare		County of Gladwin		County of Isabella	
	Number	Percent	Number	Percent	Number	Percent
	10,789	100.00%	9,472	100.00%	31,758	100.00%
Management, Business, Science & Arts	2,898	26.86	2,893	30.54	11,242	35.39
Service	2,206	20.45	1,780	18.79	6,868	21.63
Sales & Office	2,246	20.82	1,759	18.57	6,028	18.98
Natural Resources, Construction & Maintenance	1,216	11.27	1,248	13.18	2,502	7.88
Production, Transportation & Material Moving	2,223	20.60	1,792	18.92	5,118	16.12

The U.S. Census Bureau, 2020-2024 American Community Survey reports the breakdown by industry for persons 16 years and over in the County of Clare, County of Gladwin and County of Isabella as follows:

PERSONS BY INDUSTRY	County of Clare		County of Gladwin		County of Isabella	
	Number	Percent	Number	Percent	Number	Percent
	10,789	100.00%	9,472	100.00%	31,758	100.00%
Agriculture, Forestry, Fishing, Hunting & Mining	266	2.47	221	2.34	622	1.96
Construction	1,006	9.32	988	10.43	1,905	6.00
Manufacturing	1,576	14.61	1,634	17.25	3,536	11.13
Wholesale Trade	142	1.31	194	2.05	524	1.65
Retail Trade	1,441	13.36	995	10.50	3,835	12.08
Transportation	634	5.88	539	5.69	1,324	4.17
Information	99	0.91	90	0.95	280	0.88
Finance, Insurance & Real Estate	491	4.55	453	4.78	1,086	3.42
Professional & Management Services	695	6.44	693	7.32	1,814	5.71
Educational, Health & Social Services	2,344	21.73	1,849	19.52	9,386	29.55
Arts, Entertainment, Recreation & Food Services	1,278	11.85	886	9.35	4,973	15.66
Other Professional & Related Services	371	3.44	496	5.24	1,343	4.23
Public Administration	446	4.13	434	4.58	1,130	3.56

UNEMPLOYMENT

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

Annual Average	County of Clare	County of Gladwin	County of Isabella	State of Michigan
April, 2026	6.2%	6.1%	4.7%	4.5%
2025	7.7	7.0	5.6	5.2
2024	7.5	6.5	5.2	4.7
2023	6.6	5.9	4.4	3.9
2022	7.1	6.1	4.6	4.2

POPULATION BY AGE

The U.S. Census Bureau, 2020-2024 American Community Survey reports the breakdown of population by age for the County of Clare, County of Gladwin and County of Isabella as follows:

	County of Clare		County of Gladwin		County of Isabella	
	Number	Percent	Number	Percent	Number	Percent
Total Population	31,218	100.00%	25,693	100.00%	64,565	100.00%
0 through 19 years	6,575	21.06	5,320	20.71	16,383	25.37
20 through 64 years	16,655	53.35	13,354	51.98	39,160	60.65
65 years and over	7,988	25.59	7,019	27.31	9,022	13.98
Median Age	49.0 years		50.7 years		30.1 years	

INCOME

The U.S. Census Bureau, 2020-2024 American Community Survey reports the breakdown of household income for the County of Clare, County of Gladwin and County of Isabella as follows:

	County of Clare		County of Gladwin		County of Isabella	
	Number	Percent	Number	Percent	Number	Percent
HOUSEHOLDS BY INCOME	12,521	100.00%	11,280	100.00%	24,914	100.00%
Less than \$ 10,000	613	4.90	555	4.92	1,847	7.41
\$ 10,000 to \$ 14,999	690	5.51	569	5.04	1,363	5.47
\$ 15,000 to \$ 24,999	1,597	12.75	1,034	9.17	2,379	9.55
\$ 25,000 to \$ 34,999	1,485	11.86	1,189	10.54	2,440	9.79
\$ 35,000 to \$ 49,999	1,945	15.53	1,620	14.36	3,307	13.27
\$ 50,000 to \$ 74,999	2,415	19.29	2,028	17.97	4,320	17.34
\$ 75,000 to \$ 99,999	1,367	10.92	1,665	14.76	3,276	13.15
\$100,000 to \$149,999	1,639	13.09	1,595	14.14	3,474	13.94
\$150,000 to \$199,999	418	3.34	628	5.57	1,375	5.53
\$200,000 or MORE	352	2.81	397	3.53	1,133	4.55
Median Income	\$49,384		\$55,349		\$55,237	

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APPENDIX B
GENERAL FUND BUDGET SUMMARY AND
COMPARATIVE FINANCIAL STATEMENTS

Mid Michigan College
General Fund Budget Summary

	As Adopted 2025/26
Operating Revenue	
Tuition & Fees	
Tuition & Fees	\$16,100,973
Non-Credit Tuition & Fees	1,869,756
Auxiliary Services	74,782
Miscellaneous & Discounts	(29,800)
Total Operating Revenue	\$18,015,711
Non-Operating Revenue	
State Appropriations	\$6,149,000
State Appropriations--UAAL	1,008,475
Property Taxes	4,948,110
Investment Income	480,000
Miscellaneous	47,721
Total Non-Operating Revenue	\$12,633,306
Total Revenue	\$30,649,017
Operating Expenses	
Instruction	\$12,354,360
Information Tech	2,341,218
Public Service	1,181,782
Instructional Support	2,553,980
Student Services	3,505,457
Auxiliary	70,454
Institutional Admin	3,506,772
Physical Plant	2,848,000
Total Operating Expenses	\$28,362,023
Contingencies	
General Institutional	\$440,517
Wage & Salary Adjustments	200,000
M&R	45,000
Subtotal Contingencies	\$685,517
Total Expenses	\$29,047,540
Revenues Over Expenses - Before Transfers	\$1,601,477
Transfers To (From) Other Funds	
Building & Site - Bond Service	\$530,950
Building & Site - Planned Savings	610,000
GF to Tech Fund Reserve	205,527
Restricted Grand Match (Non-Salary & Fringe)	255,000
Total Transfers to Other Funds	\$1,601,477
Net Revenues Over Expenses	\$0

Source: College

**Mid Michigan College
General Fund**

Combining Statement of Net Position

	For Fiscal Years Ended June 30th		
	2023	2024	2025
Assets			
Cash and Cash Equivalents	\$19,304,874	\$17,091,825	\$18,573,032
Tuition and Other Receivables	1,912,679	2,034,444	1,701,132
Restricted Cash	---	35,843	49,085
Net Other Postemployment Benefits Asset	---	521,472	3,862,091
Prepaid Expenses and Other Assets	804,878	919,883	687,226
Due From (To) Other	(4,108,041)	(1,017,945)	(4,453,729)
Capital Assets, Not Being Depreciated	25,082	---	---
Total Current Assets	<u>\$17,939,472</u>	<u>\$19,585,522</u>	<u>\$20,418,837</u>
Deferred Outflows of Resources			
Deferred Pension Amounts	\$10,516,008	\$8,184,469	\$5,639,088
Deferred Other Postemployment Benefits Amounts	2,570,483	1,798,216	1,524,478
Total Deferred Outflows of Resources	<u>\$13,086,491</u>	<u>\$9,982,685</u>	<u>\$7,163,566</u>
Liabilities			
Net Pension Liability	\$36,117,921	\$29,839,464	\$21,885,420
Net Other Postemployment Benefits Liability	2,059,631	---	---
Accounts Payable	470,921	436,487	507,695
Accrued Payroll & Related Liabilities	1,573,002	1,726,307	1,128,214
Unearned Revenue	619,306	763,013	824,325
Compensated Absences - Current Portion	---	---	510,417
Compensated Absences - Net of Current Portion	---	---	960,234
Total Liabilities	<u>\$40,840,781</u>	<u>\$32,765,271</u>	<u>\$25,816,305</u>
Deferred Inflows of Resources			
Deferred Pension Amounts	\$6,652,170	\$7,933,086	\$9,564,583
Deferred Other Postemployment Benefits Amounts	5,320,766	5,010,773	5,539,194
Total Deferred Inflows of Resources	<u>\$11,972,936</u>	<u>\$12,943,859</u>	<u>\$15,103,777</u>
Net Position (Deficit)			
Unrestricted	(\$21,787,754)	(\$16,662,395)	(\$17,199,770)
Restricted Expendable - OPEB	0	521,472	3,862,091
Total Net Position (Deficit)	<u>(\$21,787,754)</u>	<u>(\$16,140,923)</u>	<u>(\$13,337,679)</u>

Source: Audited Financial Statements

**Mid Michigan College
General Fund**

**Combining Statement of Revenues, Expenses,
Transfers and Changes in Net Position**

	For Fiscal Years Ended June 30th		
	2023	2024	2025
Operating Revenues			
Tuition and Fees	\$14,003,631	\$14,598,120	\$16,466,404
Miscellaneous	33,797	49,697	---
Federal Grants and Contracts	---	---	9,200
Seminars, Workshops and Other	---	---	254,971
Total Operating Revenues	<u>\$14,037,428</u>	<u>\$14,647,817</u>	<u>\$16,730,575</u>
Operating Expenses			
Instruction	\$9,221,133	\$8,723,394	\$8,401,080
Public Service	711,510	970,828	1,066,206
Instructional Support	1,378,430	1,317,178	1,541,194
Student Services	2,140,358	2,148,865	1,934,461
Instructional Administration	3,560,517	2,805,146	2,642,194
Operation and Maintenance of Plant	2,100,615	1,992,431	2,017,640
Information Technology	1,724,721	1,791,024	1,918,332
Total Operating Expenses	<u>\$20,837,284</u>	<u>\$19,748,866</u>	<u>\$19,521,107</u>
Operating (Loss) Income	<u>(\$6,799,856)</u>	<u>(\$5,101,049)</u>	<u>(\$2,790,532)</u>
Nonoperating Revenues (Expenses)			
State Appropriations	\$5,864,784	\$6,360,029	\$7,132,562
Local Property Taxes	4,150,845	4,400,736	4,677,872
Other Revenue (Expense), Net	251,291	364,178	97,224
Investment Income (Loss), Net	310,673	635,372	740,455
Gifts (to) from Mid MI College Foundation	(29,439)	97,501	4,268
Total Nonoperating Revenues (Expenses)	<u>\$10,548,154</u>	<u>\$11,857,816</u>	<u>\$12,652,381</u>
Increase (Decrease) in Net Position	\$3,748,298	\$6,756,767	\$9,861,849
Transfer In (Out)	<u>\$855,263</u>	<u>(\$1,109,936)</u>	<u>(\$6,157,798)</u>
Net Increase (Decrease) in Net Position	\$4,603,561	\$5,646,831	\$3,704,051
Net Position - Beginning	<u>(\$26,391,315)</u>	<u>(\$21,787,754)</u>	<u>(\$17,041,730)*</u>
Net Position - Ending	<u><u>(\$21,787,754)</u></u>	<u><u>(\$16,140,923)</u></u>	<u><u>(\$13,337,679)</u></u>

*As restated.

Source: Audited Financial Statements

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APPENDIX C
AUDITED FINANCIAL STATEMENTS

Rehmann Robson, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Rehmann Robson also has not performed any procedures relating to this official statement.

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INDEPENDENT AUDITORS' REPORT

October 30, 2025

To the Board of Trustees
Mid Michigan College
Harrison, Michigan

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the discretely presented component unit of **Mid Michigan College** (the "College"), as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the College, as of June 30, 2025 and 2024, and the respective changes in financial position, and, where applicable, cash flows thereof, for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS") 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 Independent Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Implementation of GASB Statement No. 101

As described in Notes 1, 7, and 17, in fiscal 2025, the College implemented the provisions of GASB Statement No. 101, *Compensated Absences*, effective July 1, 2023. Accordingly, beginning net position of the College was restated. Our opinion is 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 College's 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.

Independent Auditors' 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 auditors' 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 GAAS 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 GAAS 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 College's 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 College's 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 the schedules for the pension and other postemployment benefits plans, as listed 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 audits 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.

Other Information

Management is responsible for the other information included in the financial statements. The other information comprises the combining statement of net position and the combining statement of revenues, expenses, transfers and changes in net position, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued, under separate cover, our report dated October 30, 2025, on our consideration of the College's 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 College's 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 the College's internal control over financial reporting and compliance.



MANAGEMENT'S DISCUSSION AND ANALYSIS

MID MICHIGAN COLLEGE

Management's Discussion and Analysis

The discussion and analysis of Mid Michigan College's (the "College" or "Mid") financial statements provides an overview of the College's financial activities for the years ended June 30, 2025, 2024 and 2023. Management has prepared the financial statements and the related footnote disclosures along with the discussion and analysis. Responsibility for the completeness and fairness of the information rests with the College's management.

Using the Financial Report

This financial report includes the report of independent auditors, management's discussion and analysis, the basic financial statements, and notes to the financial statements. The basic financial statements consist of the statements of net position, the statements of revenue, expenses, and changes in net position, the statements of cash flows, and notes to the financial statements. Following the basic financial statements are required supplementary schedules for pension and other postemployment benefits required by GASB 68 and 75 and other information containing the combining statement of net position and the combining statement of revenue, expenses, transfers, and changes in net position as of and for the year ended June 30, 2025.

The College's financial statements include all assets and liabilities using the accrual basis of accounting. All revenue and expenses are recorded as incurred regardless of when cash is received or paid. Revenue and expenses are separated into categories of operating and nonoperating.

Under the provision of GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, the Mid Michigan College Foundation (the "Foundation") has been determined to be a component unit. Accordingly, the Foundation is discretely presented in the College's financial statements. Refer to Notes 3, 12, 13, 14 and 15 to the financial statements for information regarding the Foundation.

Financial Highlights

The College's financial position remained strong at June 30, 2025, with assets of \$83.7 million, deferred outflows of resources of \$7.2 million, liabilities of \$31.7 million, deferred inflows of resources of \$15.1 million, and overall positive net position of \$44.2 million.

The College reported a net pension liability of \$21.9 million at June 30, 2025 and \$29.8 million at June 30, 2024. The College reported a net other postemployment benefits ("OPEB") asset of \$3.9 million and \$0.5 million at June 30, 2025 and June 30, 2024, respectively.

Total capital expenditures during 2025 were \$4.1 million. Additional information about capital additions is included in the capital asset section of this discussion as well as in the footnotes to the financial statements.

The Statement of Net Position and the Statement of Revenue, Expenses, and Changes in Net Position

The statement of net position and the statement of revenue, expenses, and changes in net position report information on the College as a whole. These statements report the College's financial position as of June 30, 2025 and changes in net position for the year then ended.

MID MICHIGAN COLLEGE

Management's Discussion and Analysis

Statement of Net Position

Total net position at June 30, 2025, 2024 and 2023 is \$44.2 million, \$35.3 million, and \$29.7 million, respectively. The College's statement of net position at June 30 is summarized as follows:

	2025	2024	2023
Current and other assets	\$ 38,840,527	\$ 34,000,043	\$ 31,630,531
Capital assets, net	44,904,802	43,202,067	44,047,628
Total assets	83,745,329	77,202,110	75,678,159
Deferred outflows of resources	7,163,566	9,982,685	13,086,491
Long-term liabilities	28,353,868	35,593,515	43,845,055
Other liabilities	3,298,918	3,379,632	3,236,088
Total liabilities	31,652,786	38,973,147	47,081,143
Deferred inflows of resources	15,103,777	12,943,859	11,972,936
Net position			
Net investment in capital assets	39,761,055	37,647,016	38,141,755
Restricted	6,750,918	1,530,672	7,286
Unrestricted (deficit)	(2,359,641)	(3,909,899)	(8,438,470)
Total net position	\$ 44,152,332	\$ 35,267,789	\$ 29,710,571

The primary changes in the assets, deferred outflows of resources, liabilities and deferred inflows of resources of the College between 2025 and 2024 are as follows:

- Current and other assets increased from prior year by \$4.8 million due in part to an increase in the post employment benefit asset, restricted for future retirement benefits, and also in part to the purchase of short-term investments.
- Capital assets increased from prior year by \$1.7 million primarily due to construction of an Advanced Manufacturing and Skilled Trades Center and upgrade to the existing welding lab in the Morey Tech Center.
- Deferred outflows decreased \$2.8 million, long-term liabilities decreased \$7.2 million, and deferred inflows increased \$2.2 million due to the change in net pension liability and OPEB asset as a result of the College being required to report its proportionate share of the MPSERS net pension liability and net OPEB asset on the statement of net position.
- Other liabilities decreased \$0.1 million due primarily to decreases in accounts payable and accrued liabilities offset by an increase in unearned revenue.
- Overall net position increased \$9.8 million from current fiscal year operations and decreased \$0.9 million as a result of the beginning net position adjustment resulting from the implementation of GASB 101, for a net increase of \$8.9 million.

MID MICHIGAN COLLEGE

Management's Discussion and Analysis

The primary changes in the assets, deferred outflows of resources, liabilities and deferred inflows of resources of the College between 2024 and 2023 are as follows:

- Current and other assets increased from prior year by \$2.4 million due in part to the receipt of the one-time ITEMS appropriation and the purchase of long-term investments.
- Capital assets decreased from prior year by \$0.8 million primarily due to fixed asset depreciation/amortization of \$2.4 million offset by additions of \$1.5 million.
- Deferred outflows decreased \$3.1 million, long-term liabilities decreased \$8.7 million, and deferred inflows increased \$1.0 million due to the change in net pension liability and OPEB asset/liability as a result of the College being required to report its proportionate share of the MPSERS net pension liability and net OPEB asset/liability on the statement of net position.
- Other liabilities increased \$0.1 million due in part to increases in accounts payable and retainage payable for the Mt. Pleasant maintenance building project.
- Overall net position increased \$5.6 million.

Statement of Revenue, Expenses, and Changes in Net Position

The following is a comparative analysis of components of the revenue, expenses, and changes in net position for the years ended June 30, 2025, 2024 and 2023:

	2025	2024	2023
Total operating revenue	\$ 14,569,640	\$ 15,229,202	\$ 13,928,976
Total operating expenses	24,878,149	28,502,519	28,438,646
Net operating loss	(10,308,509)	(13,273,317)	(14,509,670)
Net nonoperating revenue	20,095,149	17,821,335	17,099,357
Other revenues	-	1,009,200	-
Change in net position	9,786,640	5,557,218	2,589,687
Net position – beginning of year, as previously reported	35,267,789	29,710,571	27,120,884
GASB 101 restatement	(902,097)	-	-
Net position, beginning of year, as restated	34,365,692	29,710,571	27,120,884
Net position – end of year	\$ 44,152,332	\$ 35,267,789	\$ 29,710,571

MID MICHIGAN COLLEGE

Management's Discussion and Analysis

Operating Revenue

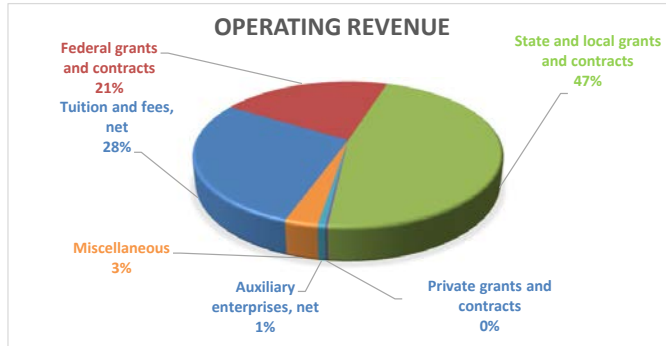
Operating revenue includes charges for all exchange transactions such as tuition and fees, the sale of books and supplies, and certain federal, state, and private grants that were considered a contract for services. Operating revenue consisted of the following:

	2025	2024	2023
Tuition and fees, net	\$ 4,100,255	\$ 9,020,979	\$ 8,663,558
Federal grants and contracts	3,092,683	2,696,653	1,798,617
State and local grants and contracts	6,822,699	3,164,187	3,104,373
Private grants and contracts	33,345	37,825	8,950
Auxiliary enterprises, net	92,922	88,244	76,429
Other	427,736	221,314	277,049
Total operating revenue	\$ 14,569,640	\$ 15,229,202	\$ 13,928,976

Operating revenue for 2024-2025 declined overall compared to the prior year. While there were increases in federal and state grant funding, driven by programs such as Reconnect, Reconnect Expansion, Futures for Frontliners, the Michigan Achievement Scholarship, and the Tuition Incentive Program, these gains were offset by a decrease in net tuition and fee revenue. The decline in net tuition and fees is attributable in part to changes in the calculation of scholarship allowances, implemented in alignment with National Association of College and University Business Officers ("NACUBO") guidelines.

2023-2024 operating revenue increased overall when compared to the prior year. We saw increases in tuition revenue, due mainly to an increase in tuition rates, and increases in state grants for programs such as Reconnect, Futures for Frontliners, Michigan Achievement, and Tuition Incentive Program.

The following is a graphic illustration of operating revenues for fiscal year 2025:



MID MICHIGAN COLLEGE

Management's Discussion and Analysis

Operating Expenses

Operating expenses represent the costs necessary to provide services and conduct the programs of the College. Operating expenses consisted of the following:

	2025	2024	2023
Instruction	\$ 8,547,472	\$ 8,756,360	\$ 9,271,148
Public service	1,654,189	1,478,584	1,276,661
Instructional support	2,049,514	1,801,459	1,797,901
Student services	3,635,619	7,277,787	6,109,288
Institutional administration	2,642,944	2,805,146	3,545,267
Operation and maintenance of physical plant	2,058,818	2,237,316	2,368,183
Information technology	1,918,332	1,791,024	1,724,721
Depreciation and amortization	2,371,261	2,354,843	2,345,477
Total operating expenses	\$ 24,878,149	\$ 28,502,519	\$ 28,438,646

2024-2025 operating expense changes were the result of the following factors:

- Instructional expenses decreased \$0.2 million primarily due to salary and fringe benefit costs increases netted with a decrease in UAAL allocations as a result of GASB 68 and 75.
- Student services expenses decreased \$3.6 million due in part to changes in the calculation of scholarship allowances, implemented in alignment with NACUBO guidelines which, in turn, reduced net tuition and fees revenue.
- Institutional administrative expenses decreased \$0.2 million, primarily due to staffing transitions and other changes in institutional spending.

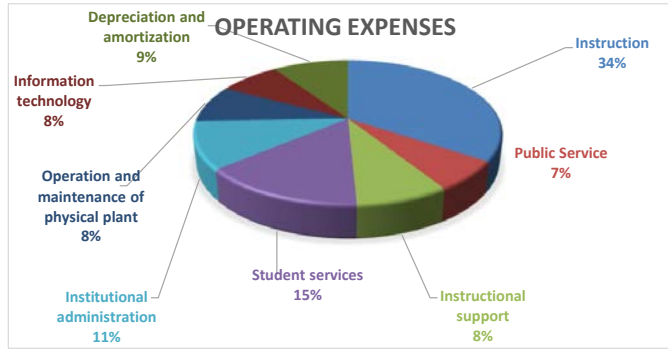
2023-2024 operating expense changes were the result of the following factors:

- Instructional expenses decreased \$0.5 million primarily due to salary and fringe benefit costs increases netted with a decrease in UAAL allocations as a result of GASB 68 and 75.
- Student services expenses increased \$1.2 million due primarily to an increase in federal PELL grant awards to students, as well as an increase in state grant awards for programs such as Reconnect, Futures for Frontliners, Tuition Incentive, and Michigan Achievement.
- Institutional administrative expenses decreased \$0.7 million due primarily to the reduction of expenses covered by HEERF grant funds from prior year.

MID MICHIGAN COLLEGE

Management's Discussion and Analysis

The following is a graphic illustration of operating expenses for the year ended June 30, 2025:



Nonoperating Revenue

Nonoperating revenue represents all revenue sources that are primarily nonexchange in nature. They consist primarily of state appropriations, Federal Pell grant revenue, property tax revenue, investment income (including realized and unrealized gains and losses), and Federal CARES Act funding.

Nonoperating and other revenue was composed of the following:

	2025	2024	2023
State appropriations	\$ 7,132,562	\$ 6,360,029	\$ 5,864,784
Federal Pell grant	6,708,091	5,380,692	4,685,554
Federal Higher Education Emergency Relief Fund grants	-	-	2,068,939
Property taxes	4,677,872	4,400,736	4,150,845
Gifts	190,062	220,354	231,855
Investment income, net	1,362,900	1,067,339	93,676
Other revenue, net	125,844	407,734	152,793
Interest on capital asset-related debt	(106,450)	(113,050)	(119,650)
Gifts from (to) Mid Michigan College Foundation	4,268	97,501	(29,439)
Total	\$ 20,095,149	\$ 17,821,335	\$ 17,099,357

MID MICHIGAN COLLEGE

Management's Discussion and Analysis

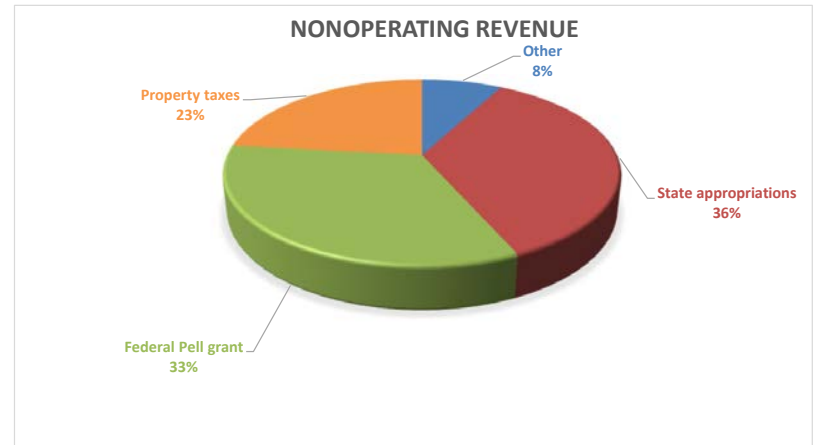
2024-2025 nonoperating significant revenue changes were the result of the following factors:

- State appropriations revenue increased \$0.8 million due to a budgeted increase.
- Federal Pell increased \$1.3 million due to a significant increase in the number of enrolled students eligible for grant funding.
- Other revenue decreased \$0.3 million due primarily to a reclassification of prescription rebates from other revenue to miscellaneous revenue.

2023-2024 nonoperating significant revenue changes were the result of the following factors:

- State appropriations revenue increased \$0.5 million due to a 5% budgeted increase.
- Federal Pell increased \$0.7 million due to a significant increase in the number of enrolled students eligible for grant funding.
- Federal Higher Education Emergency Relief Fund grant expenses decreased due to the federal funding that was awarded in response to the COVID-19 pandemic ending during 2023.
- Other revenue increased \$0.3 million due primarily to an increase in prescription rebates.

The following is a graphic illustration of nonoperating and other revenue for the year ended June 30, 2025:



MID MICHIGAN COLLEGE

Management's Discussion and Analysis

Statement of Cash Flows

The primary purpose of this statement is to provide relevant information about the cash receipts and cash payments of an entity during a period. The statement of cash flows also helps assess an entity's ability to generate net cash flows from operations, its ability to meet its obligations as they come due, and its needs for external financing.

For 2024-2025, net cash used in operating activities totaled \$14.1 million. This was financed by \$19.6 million of net cash flows from noncapital financing activities such as property taxes, Federal Pell grants and state appropriations. Net cash used in capital and related financing activities totaled \$4.6 million during 2025, including \$4.2 million in capital additions and long-term debt principal and interest payments of \$0.4 million for the year. Net cash provided by investing activities totaled \$0.4 million. The net result of all cash flows is an increase in cash of \$1.3 million.

For 2023-2024, net cash used in operating activities totaled \$15.8 million. This was financed by \$16.8 million of net cash flows from noncapital financing activities such as property taxes, Federal Pell grants, Federal HEERF grants and state appropriations. Net cash used in capital and related financing activities totaled \$0.7 million during 2024, including \$1.3 million in capital additions and long-term debt principal and interest payments of \$0.4 million for the year. Net cash used in investing activities totaled \$1.2 million. The net result of all cash flows is a decrease in cash of \$1.0 million.

Capital Asset and Debt Administration

Capital Assets

The College had \$44.9 million, \$43.2 million, and \$44.0 million invested in capital assets, net of accumulated depreciation/amortization of \$50.0 million, \$47.6 million, and \$45.3 million at June 30, 2025, 2024 and 2023, respectively. Depreciation/amortization charges totaled \$2.4 million, \$2.4 million, and \$2.3 million, respectively, for the years then ended.

Debt

As of June 30, 2025, 2024 and 2023, the College had \$5.0 million, \$5.3 million, and \$5.7 million in debt, respectively, primarily consisting of bonds outstanding.

General Obligation Limited Tax Bonds, Series 2020, were issued in February 2020 for the purpose of paying part of the costs of constructing renovations to the main instructional building on the College's Harrison Campus and financing the Bonds.

Standard & Poors Global Ratings assigned a municipal bond rating of "AA" to the most recent Bonds and Moody's Investors Service assigned its underlying rating of "Aa3" to the same issue of Bonds.

A municipal bond insurance policy was issued by Build America Mutual Assurance Company (BAM) to insure the Bonds.

MID MICHIGAN COLLEGE

Management's Discussion and Analysis

Economic Factors That Will Affect the Future

The economic position of Mid Michigan College (the "College" or "Mid") is driven by three revenue streams: its State of Michigan appropriation, in-district property taxes, and student tuition and fees.

The table below compares these sources within a 10-year period; 2013-14 and 2023-24 (this is the most recent year for which a full set of ACS data is available). In addition to the total number, the table shows revenue and spending per Fiscal Year Equated Student (FYES), a standardization factor equivalent to the number of credit hours divided by 30 (the number required in a semester to complete an Associate's degree within two years).

Increased Reliance on Tuition and Fees

Shown below, the College's three major revenue streams have changed over the last ten years. State appropriations increased 41% while property tax revenue increased 92%, due primarily to the annexation of the Mt. Pleasant school district. The increases in revenue combined with the decreased number of students over the ten-year period resulted in a 98% and 169% increase in state appropriations and property tax revenue per FYEs, respectively.

	2013-14	2023-24	% Change
FYES	2,657	1,899	-29%
State Appropriations (less UAAL)	4,517,900	6,376,906	41%
State Aid/FYES	1,700	3,358	98%
Property Tax Revenue	2,290,572	4,400,736	92%
Property Tax/FYES	862	2,317	169%
Tuition & Fee Revenue	17,493,792	15,185,664	-13%
Tuition & Fee/FYES	6,584	7,997	21%
Total Operating Revenue/FYES	9,197	15,225	66%
Total Expenditures/FYES	7,976	14,101	77%
In-District Tuition	99	148	50%
Out-District Tuition	182	247	36%
Average In-District Tuition	94	133	40%
Average Out-District Tuition	156	216	39%

The College has balanced its budget over the last ten years by a greater reliance on student tuition and fees. This was achievable, in part, when enrollment spiked between 2009 and 2013; clearly, more students generated more tuition and fees. However, the balanced budget has also been achieved by significant increases in tuition and fees (50% for in-district; 36% for out-of-district students.) The in-district increases were above the average of 40% for Michigan community colleges during the same period but the out-of-district increases were below the state average of 39%.

MID MICHIGAN COLLEGE

Management's Discussion and Analysis

During this ten-year period, despite the increase in tuition rates, tuition and fee revenue fell 13% as a result of enrollment declines combined with the loss of out-of-district tuition revenue following the annexation of the Mt. Pleasant School district. Tuition and fee revenue per FYES increased 21% during this same time. The College's total expenditures per FYES increased 77% while operating revenue per FYES increased only 66%, also a result of the annexation of the Mt. Pleasant School district in 2021 which reduced the out-of-district tuition (operating) revenue and increased property tax (non-operating) revenue. The increase in expenditures is due largely to additional instructional technology demands and increases in salary and fringe benefit costs.

Enrollment Challenges and Strategies

The considerable reliance on tuition and fee revenue creates analogous pressure to increase enrollment. The 29% decline in FYES between 2014 and 2024 shown above certainly had an impact on the budget. Over the same period, Fall 2014 to Fall 2024, Mid's student headcount declined by 26%. While there are many headwinds that could slow enrollment, it seems to have leveled off. Fall 2023 to Fall 2024 had an 8% growth in headcount and Fall 2024 to Fall 2025 was flat.

Demographically, the College is facing a shrinking population of high school students. High school students have comprised most of the College's prospective student base. In anticipation of further declines, the College has expanded its dual enrollment offerings in high schools in the surrounding regions. This includes approximately 17 off-site locations across the area. Mid is one of only three public community colleges in Michigan to be accredited by the National Alliance for Concurrent Enrollment Programs.

In addition to the expansion of dual enrollment, the College engaged in a robust strategic planning process that included significant feedback from the communities we serve. Among other target areas, this plan includes renewed efforts to attract and retain adult learners, including veterans, those with some college credits but no degree, and those who can apply short-term industry-based certificates toward an associate degree program.

The Retention and Completion Agenda

The College has made a concerted effort to improve the completion rates for its certificates and degree programs. Not only is this beneficial to the College's enrollment profile, but it is better yet for the economic vitality of the individuals involved and the communities in which they live. In this regard, the College's efforts have been evidence-based and built on national, state, and local data. Several examples are worthy of note and carry financial ramifications. The College has successfully pursued a number of grants, including Title III, TRiO, the Adult Student Success grant, and a MiLEAP Direct to Student grant which have added mentors, reduced caseloads, and provided additional supports for students. There has also been a significant investment in technology to support recruiting and retention functions. The Title III grant has ended, but we have institutionalized some of the priorities and practices that made that grant successful.

The College has created a comprehensive Strategic Enrollment Management plan. This plan was developed by a subset of the Enrollment Management Committee and included a wide variety of campus stakeholders including representatives from Advising and Mentoring, Counseling, Admissions, Financial Aid, Registration, Faculty, Library Learning Services, Career Services, TRiO, Online and Distance Education, Dual Enrollment, and Academic Affairs Administration. The plan identifies teams of individuals who will coordinate interventions determined by the team to have the greatest ability to impact retention and completion. Implementation began in fall of 2024.

MID MICHIGAN COLLEGE

Management's Discussion and Analysis

The Guided Pathways and Transfer initiative, conducted in collaboration with other community colleges and universities, made significant progress in this regard. Mid students can now access coherent academic plans for every department of the College. Degree completion at Mid is likely to translate into more credit hours and more tuition revenue, although reverse transfer options with partner universities can also be used to achieve this goal.

Degree and certificate completion has been boosted by the College's affiliation with the National Coalition of Certification Centers (NC3). The NC3 Affiliation has sparked an enrollment increase in the skilled trades programs and successful collaboration with the area ISDs. More than 1,920 industry-based credentials have been earned by Mid students.

Aside from the cost of attendance, students face challenges from the rising costs of textbooks. Beginning in the Fall Semester of 2016, a number of Mid faculty members began to create Open Educational Resources (OER) to supplement their courses. Students can access these materials free of charge. Since that time, Mid students have saved literally millions of dollars in textbook costs. While research shows that it supports retention and completion and is a boon for students, it has had a concomitant impact on the College's auxiliary operations, especially its Bookstore. Since October 1, 2021, the College stores have been operated by Barnes & Noble College.

"Free College"

Beginning in Fall 2024, the State of Michigan expanded the Michigan Achievement Scholarship by implementing the Community College Guarantee (CCG). The CCG provides free tuition and fees for in-district students and up to the in-district rate for out-district students. Additionally, the CCG provides an additional \$1,000 for students who are eligible for the Pell Grant. Eligible students must have graduated from a Michigan high school in June 2023 or after. Several additional programs including MI-Reconnect and the temporary Reconnect Expansion offer additional forms of free college in Michigan for other groups of students, including adult returning students. Mid will continue to contemplate the impact that such programs could have on its recruitment and enrollment efforts as these programs also impact the College's scholarship strategy. The College is working to strengthen its relationship with Central Michigan University (CMU) and other transfer partners as a way to create an attractive passage for students who will be able to use their tuition benefits at any community college in the state. The collaboration between Mid and CMU to develop the BSN completion program (the alignment of the transfer pathways between the two institutions) is a result of those efforts.

MI-Reconnect

Michigan Reconnect (Reconnect) is a last-dollar scholarship program that pays students to attend their in-district community college tuition-free or offers a large tuition discount if they attend an out-of-district community college. The program provides free in-district tuition for Michigan residents who are at least 25 years old, have lived in Michigan for a year or more, and have a high school diploma or equivalent but have not yet completed a college degree. The program was only available to students ages 21-24 on a temporary basis. The age cut off went back to 25 and up beginning Fall 2025. The scholarship may be used to complete an associate degree or a skill certificate program. This is projected to have a positive impact on Mid's enrollment for the next few years.

MID MICHIGAN COLLEGE

Management's Discussion and Analysis

Expansion Efforts

In the initial authorization for the College in 1965, the Michigan Department of Public Instruction urged the College trustees to, "...take immediate appropriate steps to bring about the annexation of the Intermediate School District of Isabella County." Although the Isabella districts were not annexed, the College has maintained a strong presence in Mt. Pleasant since 1968. It began with scattered classes in schools, the hospital, and local storefronts. In 1992, the College purchased the Energy One building at 5805 East Pickard Avenue. This 57,000 square foot building became the College's base of operations until 2014 when the College consolidated its operations at its new location on the corner of Broadway and Summerton Roads in Mt. Pleasant. The out-of-district tuition from Mt. Pleasant students served as a supporting revenue stream for the College's work in the Clare and Gladwin Counties. Today, the number of Mid students from Isabella county is higher than the combined student count of Clare and Gladwin counties.

Over the years, the College has contemplated how to best balance the needs and priorities of its in-district and out-of-district offerings. In 2017, the Board of Trustees authorized expansion efforts to the surrounding contiguous counties and to counties in the Thumb region (Huron, Sanilac, and Tuscola). The College has created advisory boards and built relationships in these areas in order to best identify the local needs and engender public support. In January 2021, the Board of Trustees authorized the College to place a proposal on the May 2021 special election ballot to annex the nine schools in the Gratiot-Isabella Intermediate School District along with the Chippewa Hills school district, into the College's service district. The proposal passed in the Mt. Pleasant School district, adding that school district to the College's service district. The feasibility of public support, either through long-term contractual agreements or through additional annexation efforts, will continue to be explored.

Facilities and Financing

Mid owns more than 600 acres of property and has more than 459,000 square feet in facilities.

The College invested over \$13 million in its Harrison Campus during 2019 and 2020 to preserve the vitality of the campus and create a welcoming environment to the college community and local citizens. The renovation of the main instructional building makes it among the most energy efficient community college buildings in the state. The facilities cost savings helps to offset the annual debt service of the \$6,575,000 municipal bond which, along with funds from the College's building and site reserves, financed the project.

Additionally, with the creative use of CARES funding, the College invested heavily in equipment and technology upgrades, with particular emphasis on increasing online course offerings, as well as additional upgrades in Computer Information Systems, manufacturing/robotics, and healthcare equipment. Furthermore, Mid entered into a Partnership with Lyseon Additive Manufacturing to relocate multiple industrial-sized 3D printers. All of these upgrades enable our students to train on state of the art equipment that is highly sought after by local employers.

In conjunction with the State of Michigan 2023-24 budget, Mid was awarded a One Time Special Grant of \$2.5 million dollars to facilitate the creation of an Advanced Manufacturing and Skilled Trades Center and upgrade the existing Welding Lab in the Morey Tech Center on the Mt. Pleasant campus. This project was completed and labs opened for the start of the Fall 2025 semester, allowing the College to expand training opportunities to local community members and businesses.

MID MICHIGAN COLLEGE

Management's Discussion and Analysis

In March 2023, Mid Michigan College enlisted Hobbs + Black Architects in conjunction with Peter Basso Associates to develop a modified Campus Master Plan. The resulting report, particularly with the thorough analysis of the College's infrastructure and life expectancy report for all mechanical systems, will prove very valuable.

Identified in the Campus Master Plan as a high priority project, the College plans to break ground on an Multi-purpose Events Center on the Mt. Pleasant Campus. This 35,000 square foot facility will contain a gymnasium, locker rooms, classrooms, offices and a fitness center. The total budget for the project is \$15.6 million and is slated for completion by December 2026.

Personnel

The College has collective bargaining agreements with two of its employee groups. The Employee Support Personnel Association ratified a three (3) year agreement that expires June 30, 2027. The Faculty Senate's five (5) year contract expires August 19, 2029.

The College is currently staffed at a significantly higher level than it was in 2007-08 when enrollment was at a similar level. However, an expanded physical footprint, the growth of instructional technology, and an increased emphasis on federal and state compliance issues have created a new set of human resource requirements.

In January 2016, in an attempt to better control the rising costs of employee healthcare, the College moved to a self-funded plan. The College is partnering with Advantage Benefits Group (ABG) and Blue Cross/Blue Shield to administer the plan, which is currently reinsured with a \$50,000 per member stop-loss plan. The purpose of stop-loss insurance is to limit the risk of exposure to the College. The annual claims and costs activity has fluctuated and despite some difficult years, the College's health care reserve is currently approximately \$1 million. Although this is a reasonable reserve, the recent trend in claims and the College's corresponding prospective risk score is somewhat troublesome. The College must vigilantly monitor costs, explore cost-saving opportunities, and support employee wellness options to keep health care affordable to both the institution and its employees.

Most College employees participate in the Michigan Public School Employees' Retirement System (MPERS), with employer contributions mandated by the State. Contribution rates have risen significantly in recent years to fund retiree healthcare benefits and the unfunded pension liability. Employer contribution rates currently range from 28.52% - 32.11%, depending on the plan in which employees are enrolled. When applied to the College's total payroll, this represents a sizeable commitment. The 17.6% EDUStaff benefit load represents a significant cost savings for the College and has enabled compensation increases for the individuals working through EDUStaff. It is likely that the Earned Sick Time Act (ESTA) which became effective on February 21, 2025 will significantly increase the EDUStaff fee and costs associated with contracted employees. The effect this will have on Mid's budget and operations is uncertain at this time.

MID MICHIGAN COLLEGE

Management's Discussion and Analysis

Budget Projections

The demographic shifts in Michigan along with the declining high school enrollment trends indicate enrollment challenges for the future. However, the State of Michigan has introduced new programs to offset the cost of college tuition for the next few years. All things taken into consideration, the College's 2025-26 budget was developed assuming a 3% increase in enrollment for all residencies. The College Board of Trustees approved an across-the-board tuition rate increase of approximately 3% per contact hour effective with the 2025 fall semester. State Appropriations for 2025-26 are uncertain at this time as the State has not approved the annual budget. The final Fall 2025 enrollment levels increased 3.2% from 2024 levels. The College's 2025-26 budget will be evaluated and revised, if necessary, when the final Winter 2026 enrollment data is available. Any budget revisions will be presented for Board approval in February of 2026.

The annexation of the Mt. Pleasant School District is the first step in stabilizing the College's revenue during times of enrollment decline. The College continues to explore new programmatic opportunities and expansion efforts in order to generate greater enrollment and community support to meet future financial concerns.



FINANCIAL STATEMENTS

MID MICHIGAN COLLEGE

Statements of Net Position

	June 30, 2025		June 30, 2024	
	Primary Government	Component Unit	Primary Government	Component Unit
Assets				
Current assets				
Cash and cash equivalents	\$ 18,658,777	\$ 75,157	\$ 17,377,115	\$ 77,826
Short-term investments	2,445,826	5,727,496	1,659,160	5,266,844
Accounts receivable, net	3,711,448	48,835	3,894,022	-
Inventories	3,468	-	5,474	-
Prepays	687,226	-	919,883	-
Due from (to) other	212,379	(212,379)	550,715	(550,715)
Total current assets	25,719,124	5,639,109	24,406,369	4,793,955
Noncurrent assets				
Long-term investments	8,218,481	1,977,836	8,027,159	1,763,159
Restricted cash	1,040,831	-	1,045,043	-
Net other postemployment benefits asset	3,862,091	-	521,472	-
Capital assets, not being depreciated	5,663,780	-	2,587,064	-
Capital assets, being depreciated/amortized	39,241,022	-	40,615,003	-
Total noncurrent assets	58,026,205	1,977,836	52,795,741	1,763,159
Total assets	83,745,329	7,616,945	77,202,110	6,557,114
Deferred outflows of resources				
Deferred pension amounts	5,639,088	-	8,184,469	-
Deferred other postemployment benefits amounts	1,524,478	-	1,798,216	-
Total deferred outflows of resources	7,163,566	-	9,982,685	-
Liabilities				
Current liabilities				
Accounts payable	561,932	-	636,447	-
Accrued payroll and related liabilities	1,128,214	-	1,304,906	-
Interest payable	41,090	-	37,337	-
Unearned revenue	1,567,682	-	1,400,942	-
Compensated absences - current portion	510,417	-	152,079	-
Long-term obligations - current portion	334,853	-	334,853	-
Total current liabilities	4,144,188	-	3,866,564	-
Noncurrent liabilities				
Compensated absences - net of current portion	960,234	-	269,322	-
Long-term obligations - net of current portion	4,662,944	-	4,997,797	-
Net pension liability	21,885,420	-	29,839,464	-
Total noncurrent liabilities	27,508,598	-	35,106,583	-
Total liabilities	31,652,786	-	38,973,147	-
Deferred inflows of resources				
Deferred pension amounts	9,564,583	-	7,933,086	-
Deferred other postemployment benefits amounts	5,539,194	-	5,010,773	-
Total deferred inflows of resources	15,103,777	-	12,943,859	-
Net position				
Net investment in capital assets	39,761,055	-	37,647,016	-
Restricted for				
Nonexpendable scholarships and grants	-	1,977,836	-	1,763,159
Expendable				
OPEB	3,862,091	-	521,472	-
Scholarships, grants, and capital projects	2,888,827	402,793	1,009,200	300,548
Unrestricted (deficit)	(2,359,641)	5,236,316	(3,909,899)	4,493,407
Total net position	\$ 44,152,332	\$ 7,616,945	\$ 35,267,789	\$ 6,557,114

The accompanying notes are an integral part of these financial statements.

MID MICHIGAN COLLEGE

Statements of Revenues, Expenses and Changes in Net Position

	Year Ended			
	June 30, 2025		June 30, 2024	
	Primary Government	Component Unit	Primary Government	Component Unit
Operating revenues				
Tuition and fees, net of scholarship allowance of \$13,004,502 and \$6,197,205 for 2025 and 2024, respectively	\$ 4,100,255	\$ -	\$ 9,020,979	\$ -
Federal grants and contracts	3,092,683	-	2,696,653	-
State and local grants and contracts	6,822,699	-	3,164,187	-
Private grants and contracts	33,345	-	37,825	-
Auxiliary enterprises	92,922	-	88,244	-
Other	427,736	-	221,314	-
Total operating revenues	14,569,640	-	15,229,202	-
Operating expenses				
Instruction	8,547,472	-	8,756,360	-
Public service	1,654,189	-	1,478,584	-
Instructional support	2,049,514	-	1,801,459	-
Student services	3,635,619	30,702	7,277,787	49,778
Institutional administration	2,642,944	301,963	2,805,146	287,519
Operation and maintenance of physical plant	2,058,818	-	2,237,316	-
Information technology	1,918,332	-	1,791,024	-
Depreciation and amortization	2,371,261	-	2,354,843	-
Total operating expenses	24,878,149	332,665	28,502,519	337,297
Operating loss	(10,308,509)	(332,665)	(13,273,317)	(337,297)
Nonoperating revenues (expenses)				
State appropriations	7,132,562	-	6,360,029	-
Federal Pell grant	6,708,091	-	5,380,692	-
Property taxes	4,677,872	-	4,400,736	-
Gifts	190,062	406,965	220,354	421,323
Investment income, net	1,362,900	803,259	1,067,339	794,092
Other revenue, net	125,844	-	407,734	-
Interest on capital asset-related debt	(106,450)	-	(113,050)	-
Gifts from (to) Mid Michigan College Foundation	4,268	(4,268)	97,501	(97,501)
Net nonoperating revenues	20,095,149	1,205,956	17,821,335	1,117,914
Other revenues				
Capital State appropriations	-	-	1,009,200	-
Contributions to permanent endowments	-	186,540	-	87,444
Total other revenues	-	186,540	1,009,200	87,444
Change in net position	9,786,640	1,059,831	5,557,218	868,061
Net position, beginning of year, as previously reported	35,267,789	6,557,114	29,710,571	5,689,053
GASB 101 restatement	(902,097)	-	-	-
Net position, beginning of year, as restated	34,365,692	6,557,114	29,710,571	5,689,053
Net position, end of year	\$ 44,152,332	\$ 7,616,945	\$ 35,267,789	\$ 6,557,114

The accompanying notes are an integral part of these financial statements.

MID MICHIGAN COLLEGE

Statements of Cash Flows

	Year Ended June 30	
	2025	2024
Cash flows from operating activities		
Tuition and fees	\$ 4,329,544	\$ 9,208,890
Grants and contracts	9,606,796	5,611,402
Auxiliary activities	92,922	88,244
Other receipts	467,852	281,314
Payments to suppliers	(10,703,327)	(16,194,251)
Payments to employees	(17,912,127)	(14,835,237)
Net change in cash from operating activities	(14,118,340)	(15,839,638)
Cash flows from noncapital financing activities		
Direct lending receipts	3,948,508	5,623,068
Direct lending disbursements	(3,948,508)	(5,623,068)
Property tax levy	4,771,168	4,399,915
Federal Pell grants	6,708,091	5,380,692
State appropriations	7,461,106	6,069,446
Gifts for other than capital purposes	658,510	949,453
Net change in cash from noncapital financing activities	19,598,875	16,799,506
Cash flows from capital and related financing activities		
Purchase of capital assets	(4,150,447)	(1,286,881)
Principal paid on capital debt	(330,000)	(330,000)
Interest paid on capital asset-related debt	(107,550)	(114,150)
Capital state appropriations receipts	-	1,009,200
Net change in cash from capital and related financing activities	(4,587,997)	(721,831)
Cash flows from investing activities		
Proceeds from sale and maturities of investments	1,237,034	239,665
Purchase of short-term and long-term investments	(1,882,511)	(2,311,000)
Interest received on investments	1,030,389	881,737
Net change in cash from investing activities	384,912	(1,189,598)
Net change in cash and cash equivalents	1,277,450	(951,561)
Cash and cash equivalents, beginning of year	18,422,158	19,373,719
Cash and cash equivalents, end of year	\$ 19,699,608	\$ 18,422,158
Reconciliation to statements of net position		
Cash and cash equivalents	\$ 18,658,777	\$ 17,377,115
Restricted cash	1,040,831	1,045,043
Cash and cash equivalents, end of year	\$ 19,699,608	\$ 18,422,158

continued...

MID MICHIGAN COLLEGE

Statements of Cash Flows (Concluded)

	Year Ended June 30	
	2025	2024
Reconciliation of operating loss to net change in cash from operating activities		
Operating loss	\$ (10,308,509)	\$ (13,273,317)
Adjustments to reconcile operating loss to net cash used in operating activities		
Depreciation and amortization	2,371,261	2,354,843
Change in assets and liabilities		
Accounts receivable, net	(239,266)	(362,265)
Inventories	2,006	2,146
Prepays	232,657	(115,005)
Accounts payable	1,936	(137,427)
Accrued payroll and related liabilities	(176,692)	34,426
Unearned revenue	166,740	322,913
Compensated absences	147,153	118,879
Change in pension deferred outflows	1,631,497	2,331,539
Change in OPEB deferred outflows	528,421	772,267
Change in net pension liability	(7,954,044)	(6,278,457)
Change in net OPEB asset/liability	(3,340,619)	(2,581,103)
Change in pension deferred inflows	2,545,381	1,280,916
Change in OPEB deferred inflows	273,738	(309,993)
Net change in cash from operating activities	\$ (14,118,340)	\$ (15,839,638)
Non-cash capital and related financing activity		
Payables related to the acquisition of capital assets	\$ (76,451)	\$ (15,969)

concluded

The accompanying notes are an integral part of these financial statements.

MID MICHIGAN COLLEGE

Notes to Financial Statements

1. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Mid Michigan College (the "College") is a Michigan community college whose financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as applicable to public colleges and universities outlined in Governmental Accounting Standards Board ("GASB") Statement No. 35 and the *Manual for Uniform Financial Reporting – Michigan Public Community Colleges, 2001*. The College reports as a business-type activity, as defined by GASB Statement No. 35. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods or services.

The College's financial statements have been prepared in accordance with GASB 61, *The Financial Reporting Entity Omnibus*, which requires examination of significant operational or financial relationships with the College. Based on the application of the criteria, the College has one component unit. A component unit is a separate legal entity that is included in the College's reporting entity because of the significance of its operational financial relationships with the College.

The Mid Michigan College Foundation (the "Foundation") is discretely presented as a separate component unit of the College's reporting entity (although it is legally separate and governed by its own board of trustees) because its sole purpose is to accept, collect, hold, and invest donations made for the promotion of educational and cultural activities at and on behalf of the College. The Foundation is a private nonprofit organization that reports under Financial Accounting Standards Board ("FASB") standards. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. Certain modifications have been made to the Foundation's financial information in the College's financial reporting entity for the presentation differences.

Significant Accounting Policies

Significant accounting policies followed by the College and Foundation are described below to enhance the usefulness of the financial statements to the reader.

Accrual Basis

The financial statements have been prepared on the accrual basis of accounting. Under the accrual basis, revenue is recognized when earned and expenditures are recognized when the related liabilities are incurred and certain measurement and matching criteria are met.

The Foundation reports under the provisions of Accounting Standards Codification (ASC) Topic 958, *Not-for-Profit Entities*. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition and presentation features. With the exception of necessary presentation adjustments, no modifications have been made to the Foundation's financial information in the College's financial report for these differences.

Cash and Cash Equivalents

Cash and cash equivalents consist of bank demand deposits and all highly liquid investments with an initial maturity of three months or less. The College has not experienced any credit losses and does not believe it is exposed to any significant credit loss on these funds.

MID MICHIGAN COLLEGE

Notes to Financial Statements

Restricted Cash

Restricted cash consists of deposits received from financial institutions for student private loans in which the student directly applies for the loans. The amount is considered restricted until it is applied to the student's account. Additionally, included in restricted cash are unspent proceeds from a capital State appropriation to be used for infrastructure, technology, equipment, maintenance and safety.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances at year end. Management provides for probable uncollectible amounts through a provision for bad debt expense when necessary and an adjustment to an allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to expense.

Investments

The College and Foundation carry their investments at fair value, which is determined generally by using quoted market prices. Realized and unrealized gains and losses are reflected in the statements of revenues, expenses and changes in net position as a component of investment income. The Foundation's investment income is reported net of external investment expenses.

Fair Value Measurements

Fair value refers to the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants in the market in which the reporting entity transacts such sales or transfers based on the assumptions market participants would use when pricing an asset or liability. Assumptions are developed based on prioritizing information within a fair value hierarchy that gives the highest priority to quoted prices in active markets (level 1) and the lowest priority to unobservable data (level 3).

A description of each category in the fair value hierarchy is as follows:

- Level 1: Valuation is based upon quoted prices for identical instruments traded in active markets.
- Level 2: Valuation is based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all-significant assumptions are observable in the market.
- Level 3: Valuation is generated from model-based techniques that use at least one significant assumption not observable in the market. These unobservable assumptions reflect the estimates of assumptions that market participants would use in pricing the asset or liability.

For a further discussion of fair value measurements, refer to Note 3 to the financial statements.

Inventories

Inventories are stated at the lower of cost or market using the first-in, first-out method.

MID MICHIGAN COLLEGE

Notes to Financial Statements

Capital Assets and Depreciation/Amortization

Capital assets are recorded at cost. Gifts of capital assets are recorded at estimated acquisition value at the time gifts are received.

Capital assets are depreciated/amortized using the straight-line method over the following useful lives:

Classification	Estimated Useful Lives
Land improvements	8-15 years
Infrastructure	10-40 years
Buildings and improvements	10-40 years
Equipment	5-7 years
Perkins equipment	5-7 years
Furniture and fixtures	5-7 years
Library books	10 years
Vehicles	5-7 years
Computer and software	3-5 years

Compensated absences

The College recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled through payment upon separation from employment. Based on these criteria, two types of leave qualify for liability recognition for compensated absences - *vacation* and *sick leave*. The liability for compensated absences includes salary-related benefits, where applicable.

Vacation - The College's policy permits employees to accumulate earned but unused vacation benefits, up to a maximum limit annually, which are eligible for payment at the employee's current pay rate upon separation from employment.

Sick Leave - The College's policy permits employees to accumulate earned but unused sick leave up to a maximum limit that can be carried over to subsequent years. Generally, unused sick leave lapses upon an employee's separation from service and no monetary obligation exists; however, certain employee groups are eligible for partial payout of unused sick leave based on years of service or retirement eligibility. Accordingly, the liability for compensated absences includes the estimated value of vacation and the applicable portion of sick leave benefits expected to be paid upon employee separation.

MID MICHIGAN COLLEGE

Notes to Financial Statements

Revenue Recognition

Student tuition and related revenues and expenses of an academic semester are reported in the fiscal year in which the program is conducted. State appropriation revenue is recognized in the period for which it is appropriated. Property taxes are recorded as revenue in the year for which taxes have been levied. Restricted grant revenue is recognized only to the extent expended. Restricted and unrestricted resources are allocated to the appropriate departments within the College that are responsible for adhering to any donor restrictions. When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the College's policy is to first apply restricted net position.

Contributions of the Foundation, including unconditional promises to give in the future, are reported as unrestricted revenue when received unless use of the related assets is limited by donor-imposed restrictions. Donor promises to give in the future are recorded at the present value of estimated future cash flows. The discounts on these amounts are computed using the risk adjusted interest rates applicable years in which the promises are received. Expirations of net assets with donor restrictions (e.g., the donor-stipulated purpose has been fulfilled) are reclassified between the applicable classes of net position. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are recognized when the conditions on which they depend have been met.

Scholarship Allowance

Student tuition and fee revenue, and certain other revenue from students, is reported net of scholarship allowances in the statements of revenues, expenses, and changes in net position. Scholarship allowances are the difference between the stated charge for goods and services provided by the College and the amount that is paid by the students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other federal, state, or nongovernmental programs are recorded as either operating or nonoperating revenue in the College's financial statements. To the extent that revenue from such programs is used to satisfy tuition and fees and other student charges, the College has recorded a scholarship allowance.

During the fiscal year ended June 30, 2025, the College revised its methodology for estimating scholarship allowances applied against tuition and fee revenue. Previously, the College employed an allocation-based approach, which utilized summary-level financial aid data due to limitations in system capabilities. In alignment with updated guidance from the National Association of College and University Business Officers ("NACUBO") Advisory Report 2023-01, and following enhancements to the student information system, the College adopted a high-level estimation by fiscal year methodology (Method C). This change allows for more precise identification and classification of discountable student financial aid transactions and improves the accuracy of scholarship allowance estimates. The change in estimate resulted in an increase in the reported scholarship allowance and a corresponding decrease in net tuition revenue. Management believes this change provides a more faithful representation of financial aid activity and complies with GASB Statements No. 34 and 35.

MID MICHIGAN COLLEGE

Notes to Financial Statements

Operating and Nonoperating Revenue

Operating activities reported on the statements of revenues, expenses, and changes in net position are those activities that generally result from exchange transactions, such as payments received for providing services and payments made for services or goods received. Operating revenues of the College include activities, such as (1) student tuition and fees, net of scholarship allowances; (2) auxiliary activities; and (3) most federal, state, and local grants and nonoperating revenues of the College include activities that have the characteristics of nonexchange transactions. Certain significant revenue streams relied upon for operations are recorded as nonoperating revenue, including state appropriations, property taxes, Federal Pell grant revenue, and gifts.

Unearned Revenue

Tuition and fees revenue received and related to periods of instruction that will occur after June 30, 2025 and 2024, have been recorded as unearned. Grants received prior to qualifying expenses are also included in unearned revenue. Generally, the College first applies restricted resources when an expense is incurred for which both restricted and unrestricted resources are available.

Classification of Expenses

Expenses are recognized when the service is provided or when materials are received. The College and Foundation have classified expenses as either operating or nonoperating expenses according to the following criteria:

Operating expenses include activities that have the characteristics of exchange transactions, such as (1) employee salaries, benefits, and related expenses; (2) scholarships and fellowships, net of scholarship allowances; (3) utilities, supplies, and other services; (4) professional fees; and (5) depreciation and amortization.

Nonoperating expenses include activities that have the characteristics of nonexchange transactions, such as interest on capital asset-related debt and other expenses that are defined as nonoperating expenses by governmental accounting standards.

Income Taxes

The Foundation is a not-for-profit organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and is exempt from similar state and local taxes. Although the Foundation was granted income tax exemption by the Internal Revenue Service, such exemption does not apply to "unrelated business taxable income." The Foundation has been classified as not a private foundation.

The Foundation considers whether it has engaged in activities that jeopardize its current tax-exempt status with the Internal Revenue Service. Furthermore, the Foundation determines whether it has any unrelated business income, which may be subject to federal and state income taxes.

MID MICHIGAN COLLEGE

Notes to Financial Statements

The Foundation has evaluated fiscal years 2022 through 2025, the years which remain subject to examination by major tax jurisdictions as of June 30, 2025, for uncertain tax positions. The Foundation concluded that there are no significant uncertain tax positions requiring recognition in the Foundation's financial statements. The Foundation does not expect the total amount of unrecognized tax benefits ("UTB") (e.g. tax deductions, exclusions, or credits claimed or expected to be claimed) to significantly change in the next twelve months. The Foundation does not have any amounts accrued for interest and penalties related to UTBs at June 30, 2025 or 2024, and it is not aware of any claims for such amounts by federal or state income tax authorities.

Deferred Outflows of Resources

In addition to assets, the statements of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to one or more future periods and so will not be recognized as an outflow of resources (expense) until then. The College reports deferred outflows of resources for certain pension and OPEB-related amounts. More detailed information can be found in Note 8.

Deferred Inflows of Resources

In addition to liabilities, the statements 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 assets that applies to one or more future periods and so will not be recognized as an inflow of resources (revenue) until that time. The College reports deferred inflows of resources for certain pension and OPEB-related amounts. More detailed information can be found in Note 8.

Pension and Other Postemployment Benefits ("OPEB")

For purposes of measuring the net pension and OPEB assets/liabilities, deferred outflows of resources and deferred inflows of resources related to pension and OPEB, pension and OPEB expense, information about the fiduciary net position of the Plan and additions to/deductions from the plan fiduciary net position have been determined on the same basis as they are reported by the plan. 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.

Internal Service Activities

Both revenue and expenses related to internal service activities have been eliminated.

MID MICHIGAN COLLEGE

Notes to Financial Statements

Net Position

GASB Statement No. 35, as amended by GASB Statement No. 63, establishes standards for external financial reporting for public colleges and universities and requires that resources be classified for accounting and reporting into the following net position categories:

- *Net Investment in Capital Assets:* Capital assets, net of accumulated depreciation/amortization, and outstanding liabilities attributable to the acquisition, construction, or improvement of those assets.
- *Restricted Expendable:* Net position whose use by the College and the Foundation is subject to externally imposed constraints that can be fulfilled by actions of the College and the Foundation pursuant to those constraints or that expire by the passage of time.
- *Restricted Nonexpendable:* Net position subject to donor-imposed constraints that they be maintained permanently by the College and the Foundation. Nonexpendable net position includes the corpus portion (historical value) of gifts to the College's permanent endowment funds.
- *Unrestricted (Deficit):* Net position that is not subject to externally imposed constraints. Unrestricted net position may be designated for specific purposes by action of management or the board of trustees (the "Board").

Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include but are not limited to the assumptions based on historical trends and industry standards used in the actuarial valuations of the MPERS pension and OPEB plans.

Subsequent Events

In preparing these financial statements, the Foundation has evaluated, for potential recognition or disclosure, significant events or transactions that occurred during the period subsequent to the most recent statement of net position presented herein, through the date these financial statements were available to be issued.

Reclassification

Certain amounts as reported in the 2024 financial statements have been reclassified to conform with the 2025 presentation.

MID MICHIGAN COLLEGE

Notes to Financial Statements

Change in Accounting Principle

During fiscal 2025, the College adopted GASB Statement No. 101, *Compensated Absences*, on a retrospective basis. This new standard replaces the existing guidance in GASB Statement No. 16 and establishes a more uniform approach for accounting and financial reporting of compensated absences, such as vacation, sick leave, and similar benefits. Under GASB 101, the College is required to recognize a liability for leave time that is attributable to services already rendered, is accumulated, and is more likely than not to be used. Additional information can be found in Note 7. The implementation of the standard effective July 1, 2023, and as of and for the year ended June 30, 2024, did not have a significant impact on the College's liabilities, net position, or expenses. As a result, management elected not to apply the standard retrospectively to the earliest period presented. There was a cumulative change adjustment recorded as of July 1, 2024 in the amounts of \$902,097 to reflect the additional obligation required under the provisions of the standard as of that date.

2. PROPERTY TAXES

Property tax revenue is recognized in the year for which taxes have been levied. Property taxes are levied on December 1 based on taxable values as of the preceding December 31. The taxes, which are collected and remitted to the College by townships within the College district boundaries, are collected through February 28. Uncollected real property taxes of the College are turned over to the counties in which the College is located for subsequent collection. The College is subsequently paid 100 percent of delinquent real property taxes through the counties' tax revolving funds. These payments are usually received within three to five months after the delinquency date.

During the years ended June 30, 2025 and 2024, \$1.2175 and \$1.2183, respectively, per \$1,000 of taxable property value in the College taxing district was levied for general operating purposes on all property. Total operating property tax revenue was \$4,677,872 and \$4,400,736 for the years ended June 30, 2025 and 2024, respectively.

3. DEPOSITS AND INVESTMENTS AND FAIR VALUE MEASUREMENTS

Deposits and Investments

State statutes and the College's investment policy authorize the College to make deposits in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan; the College is allowed to invest in U.S. Treasury or agency obligations, U.S. government repurchase agreements, bankers' acceptances, commercial paper rated prime at the time of purchase that matures not more than 270 days after the date of purchase, certain mutual funds, and investment pools that are composed of authorized investment vehicles. The College's deposits are in accordance with statutory authority.

MID MICHIGAN COLLEGE

Notes to Financial Statements

Fair Value Measurements

The College and the Foundation utilize fair value measurements to record fair value adjustments to their investment securities and to determine fair value disclosures. These assets are recorded at fair value on a recurring basis.

The following is a description of the valuation methodology used for assets recorded at fair value. The description includes an indication of the level of the fair value hierarchy in which the assets are classified. There have been no changes in the methodologies used at June 30, 2025 or 2024.

College

Certificates of deposit: Valued at face value plus accrued interest earned and classified as Level 2.

U.S. government obligations: Level 2 fair value measurement is based upon the closing price reported in the active market in which the individual securities are traded.

Foundation

Mutual funds: Shares held in mutual funds are valued at quoted market prices that represent the net asset value ("NAV") of shares held by the Foundation at year end and are classified as Level 1. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities then divided by the number of shares outstanding.

Exchange-traded funds (ETFs): Shares held in exchange-traded funds are valued at quoted market prices that represent the fair value of the shares held by the Foundation at year end and are classified as Level 1. The fair value is based on the ETF's market price, which reflects the value of the underlying assets held by the fund and is traded throughout the day on public exchanges.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the College and Foundation believe their valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

MID MICHIGAN COLLEGE

Notes to Financial Statements

The following tables set forth by level, within the fair value hierarchy, the College's investments measured at fair value on a recurring basis as of June 30:

2025	Assets at Fair Value			
	Level 1	Level 2	Level 3	Total
Certificates of deposit	\$ -	\$ 5,910,078	\$ -	\$ 5,910,078
U.S. government obligations	-	4,754,229	-	4,754,229
Total investments	\$ -	\$ 10,664,307	\$ -	\$ 10,664,307

2024	Assets at Fair Value			
	Level 1	Level 2	Level 3	Total
Certificates of deposit	\$ -	\$ 5,997,991	\$ -	\$ 5,997,991
U.S. government obligations	-	3,688,328	-	3,688,328
Total investments	\$ -	\$ 9,686,319	\$ -	\$ 9,686,319

The following tables set forth by level, within the fair value hierarchy, the Foundation's investments measured at fair value on a recurring basis as of June 30:

2025	Assets at Fair Value			
	Level 1	Level 2	Level 3	Total
Mutual funds - Fixed income	\$ 1,778,097	\$ -	\$ -	\$ 1,778,097
Exchange-traded funds - Fixed income	1,106,985	-	-	1,106,985
Mutual funds - Equity	4,820,250	-	-	4,820,250
Total investments	\$ 7,705,332	\$ -	\$ -	\$ 7,705,332

2024	Assets at Fair Value			
	Level 1	Level 2	Level 3	Total
Mutual funds - Fixed income	\$ 1,929,706	\$ -	\$ -	\$ 1,929,706
Exchange-traded funds - Fixed income	830,462	-	-	830,462
Mutual funds - Equity	4,269,835	-	-	4,269,835
Total investments	\$ 7,030,003	\$ -	\$ -	\$ 7,030,003

MID MICHIGAN COLLEGE

Notes to Financial Statements

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. There is not a formal policy limiting investment maturities. See the maturity schedule for the College's investments summarized below:

As of June 30, 2025, the College had the following investments and maturities:

	Fair Market Value	Less Than One Year	1-5 Years	6-10 Years	More Than 10 Years
Certificates of deposit	\$ 5,910,078	\$ 2,445,826	\$ 1,948,893	\$ 1,515,359	\$ -
U.S. government obligations	4,754,229	-	1,125,902	3,628,327	-
Total	\$ 10,664,307	\$ 2,445,826	\$ 3,074,795	\$ 5,143,686	\$ -

As of June 30, 2024, the College had the following investments and maturities:

	Fair Market Value	Less Than One Year	1-5 Years	6-10 Years	More Than 10 Years
Certificates of deposit	\$ 5,997,991	\$ 1,659,160	\$ 2,710,963	\$ 1,627,868	\$ -
U.S. government obligations	3,688,328	-	628,173	2,691,905	368,250
Total	\$ 9,686,319	\$ 1,659,160	\$ 3,339,136	\$ 4,319,773	\$ 368,250

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the College's deposits may not be available or returned. The College's investment policy requires that financial institutions be evaluated and only those with an acceptable risk level for custodial credit risk be used for the College's deposits. As of June 30, 2025, the College's deposit balances of \$19,790,730 had \$19,527,659 of bank deposits that were uninsured and uncollateralized. As of June 30, 2024, the College's deposit balances of \$18,553,540 had \$18,237,594 of bank deposits that were uninsured and uncollateralized. The College believes that due to the dollar amount of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits.

As a result, the College evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

MID MICHIGAN COLLEGE

Notes to Financial Statements

Custodial Credit Risk of Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the College will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The College's policy for custodial credit risk states that custodial credit risk will be minimized by limiting investments to the types of securities allowed by state law and by prequalifying the financial institutions, broker/dealers, intermediaries, and advisors with which the College will do business using the criteria established in the investment policy. All investments that are uninsured and unregistered are held by counterparties.

Foreign Currency Risk

There are no foreign investments held by the College.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the organization's investment in a single issuer. The College does not have a policy limiting the amount the College is allowed to invest in any one issuer; however, the College evaluates each issuer with which it invests funds and assesses the level of risk of each issuer. The College invests only in those issuers with an acceptable estimated risk level.

4. ACCOUNTS RECEIVABLE, NET

Accounts receivable, net consist of the following at June 30:

	2025	2024
Student	\$ 386,002	\$ 491,769
Federal and state grants	1,913,033	1,571,102
State appropriations	1,258,381	1,586,925
Property taxes	18,733	112,029
Other	387,736	427,852
Total accounts receivable	3,963,885	4,189,677
Less allowance for doubtful accounts	(252,437)	(295,655)
Net accounts receivable	\$ 3,711,448	\$ 3,894,022

All amounts deemed to be uncollectible are charged directly against income in the period that determination is made. Management's periodic evaluation of the adequacy of the allowance is based on the College's past collection experience, adverse situations that may affect the student's ability to repay, and current economic conditions.

MID MICHIGAN COLLEGE

Notes to Financial Statements

5. CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2025, was as follows:

	Balance July 1, 2024	Additions	Retirements	Transfers	Balance June 30, 2025
Capital assets not being depreciated					
Construction in progress	\$ -	\$ 2,916,245	\$ -	\$ -	\$ 2,916,245
Land	2,587,064	160,471	-	-	2,747,535
Subtotal nondepreciable assets	2,587,064	3,076,716	-	-	5,663,780
Capital assets being depreciated/amortized					
Land improvements	2,172,397	-	-	-	2,172,397
Infrastructure	1,648,608	-	-	-	1,648,608
Buildings and improvements	69,227,725	59,000	-	-	69,286,725
Equipment	4,877,913	598,912	-	-	5,476,825
Perkins equipment	2,417,758	155,256	-	-	2,573,014
Furniture and fixtures	3,097,205	-	-	-	3,097,205
Library books	1,125,463	-	-	-	1,125,463
Vehicles	271,695	62,254	(18,660)	-	315,289
Computer and software	3,423,208	121,858	-	-	3,545,066
Subtotal depreciable/amortizable assets	88,261,972	997,280	(18,660)	-	89,240,592
Total depreciable and nondepreciable assets	90,849,036	4,073,996	(18,660)	-	94,904,372
Less accumulated depreciation/amortization					
Land improvements	1,900,476	72,585	-	-	1,973,061
Infrastructure	1,136,009	58,065	-	-	1,194,074
Buildings and improvements	30,952,397	1,743,696	-	-	32,696,093
Equipment	3,634,608	342,547	-	-	3,977,155
Perkins equipment	2,154,585	92,920	-	-	2,247,505
Furniture and fixtures	3,048,528	28,168	-	-	3,076,696
Library books	1,125,463	-	-	-	1,125,463
Vehicles	271,695	12,970	(18,660)	-	266,005
Computer and software	3,423,208	20,310	-	-	3,443,518
Total accumulated depreciation/amortization	47,646,969	2,371,261	(18,660)	-	49,999,570
Subtotal capital assets being depreciated/amortized, net	40,615,003	\$ (1,373,981)	\$ -	\$ -	39,241,022
Capital assets, net	\$ 43,202,067				\$ 44,904,802

MID MICHIGAN COLLEGE

Notes to Financial Statements

Capital assets activity for the year ended June 30, 2024 was as follows:

	Balance July 1, 2023	Additions	Retirements	Transfers	Balance June 30, 2024
Capital assets not being depreciated					
Construction in progress	\$ 893,422	\$ 1,284,047	\$ -	\$ (2,177,469)	\$ -
Land	2,587,064	-	-	-	2,587,064
Subtotal nondepreciable assets	3,480,486	1,284,047	-	(2,177,469)	2,587,064
Capital assets being depreciated/amortized					
Land improvements	2,172,397	-	-	-	2,172,397
Infrastructure	1,586,547	62,061	-	-	1,648,608
Buildings and improvements	67,025,034	25,222	-	2,177,469	69,227,725
Equipment	4,787,123	90,790	-	-	4,877,913
Perkins equipment	2,370,596	47,162	-	-	2,417,758
Furniture and fixtures	3,097,205	-	-	-	3,097,205
Library books	1,125,463	-	-	-	1,125,463
Vehicles	296,597	-	(24,902)	-	271,695
Computer and software	3,423,208	-	-	-	3,423,208
Subtotal depreciable/amortizable assets	85,884,170	225,235	(24,902)	2,177,469	88,261,972
Total depreciable and nondepreciable assets	89,364,656	1,509,282	(24,902)	-	90,849,036
Less accumulated depreciation/amortization					
Land improvements	1,810,967	89,509	-	-	1,900,476
Infrastructure	1,077,943	58,066	-	-	1,136,009
Buildings and improvements	29,252,545	1,699,852	-	-	30,952,397
Equipment	3,313,979	320,629	-	-	3,634,608
Perkins equipment	2,053,799	100,786	-	-	2,154,585
Furniture and fixtures	2,962,527	86,001	-	-	3,048,528
Library books	1,125,463	-	-	-	1,125,463
Vehicles	296,597	-	(24,902)	-	271,695
Computer and software	3,423,208	-	-	-	3,423,208
Total accumulated depreciation/amortization	45,317,028	2,354,843	(24,902)	-	47,646,969
Subtotal capital assets being depreciated/amortized, net	40,567,142	\$ (2,129,608)	\$ -	\$ 2,177,469	40,615,003
Capital assets, net	\$ 44,047,628				\$ 43,202,067

MID MICHIGAN COLLEGE

Notes to Financial Statements

Construction in progress consists of expenses incurred by June 30, 2025 that relate to the Morey Tech Renovation and the Mount Pleasant Event Center projects. The total expected costs to complete these projects are estimated to be approximately \$15,700,000.

The College has some property that was financed through the issuance of bonds by the State of Michigan Building Authority (SBA). The SBA bonds are secured by a pledge of rentals to be received from the State of Michigan pursuant to a lease agreement entered into among the SBA, the State of Michigan, and the College. During the lease term, the SBA will hold title to the property, the State of Michigan will make all lease payments to the SBA, and the College will be responsible for all operating and maintenance costs. At the expiration of the lease, the SBA will transfer the title of the buildings to the College. The cost and accumulated depreciation for these facilities are included in the accompanying statements of net position.

6. LONG-TERM OBLIGATIONS

Long-term obligation activity for the year ended June 30, 2025, was as follows:

	Balance July 1, 2024	Additions	Reductions	Balance June 30, 2025	Current Portion
Bond payable					
2020 Community College					
Facilities Bonds	\$ 5,255,000	\$ -	\$ (330,000)	\$ 4,925,000	\$ 330,000
Deferred amounts					
Unamortized bond premium	77,650	-	(4,853)	72,797	4,853
Total long-term obligations	\$ 5,332,650	\$ -	\$ (334,853)	\$ 4,997,797	\$ 334,853

Long-term obligation activity for the year ended June 30, 2024, was as follows:

	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Current Portion
Bond payable					
2020 Community College					
Facilities Bonds	\$ 5,585,000	\$ -	\$ (330,000)	\$ 5,255,000	\$ 330,000
Deferred amounts					
Unamortized bond premium	82,503	-	(4,853)	77,650	4,853
Total long-term obligations	\$ 5,667,503	\$ -	\$ (334,853)	\$ 5,332,650	\$ 334,853

Bond principal and interest are payable from the proceeds of ad valorem taxes levied on all taxable properties in the College's taxing district without limitation as to rate or amount.

MID MICHIGAN COLLEGE

Notes to Financial Statements

2020 General Obligation, Limited Bond

In February 2020, the College issued \$6,575,000 of 2020 community college facilities general obligation limited bonds for the Harrison campus renovation. The bonds bear interest ranging from 2.00 to 2.25 percent and require semi-annual payments of \$325,000 to \$330,000 through 2040.

Debt Maturity

Total principal and interest maturities on the bond obligations as of June 30, 2025 are as follows:

Year Ending June 30,	Debt Obligations		
	Principal	Interest	Total
2026	\$ 330,000	\$ 97,650	\$ 427,650
2027	325,000	91,100	416,100
2028	330,000	84,550	414,550
2029	330,000	77,950	407,950
2030	325,000	71,400	396,400
2031-2035	1,645,000	258,500	1,903,500
2036-2040	1,640,000	89,851	1,729,851
Totals	\$ 4,925,000	\$ 771,001	\$ 5,696,001

7. COMPENSATED ABSENCES

The following is a summary of the changes in compensated absences (including current portion) of the College for the years ended June 30, 2025 and 2024:

	Balance July 1, 2024*	Additions	Deductions	Balance June 30, 2025	Due Within One Year
Compensated absences	\$ 1,323,498	\$ 147,153	\$ -	\$ 1,470,651	\$ 510,417

* The College implemented the provisions of GASB No. 101, *Compensated Absences*, in the current year. In accordance with this Statement, an additional liability of \$902,097 has been added to the beginning balance shown above.

	Balance July 1, 2023	Additions	Deductions	Balance June 30, 2024	Due Within One Year
Compensated absences	\$ 302,522	\$ 118,879	\$ -	\$ 421,401	\$ 152,079

The change reported above for compensated absences is the net change for the year.

8. RETIREMENT PLANS

Defined Benefit Plan**Plan Description**

The Michigan Public School Employees' Retirement System (the "System" or "MPSERS") is a cost-sharing, multiple employer, state-wide, defined benefit public employee retirement plan governed by the State of Michigan (the "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. The board consists of twelve members - eleven appointed by the Governor and the State Superintendent of Instruction, who serves as an ex-officio member.

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 the option of receiving health, prescription drug, dental and vision coverage under the Michigan Public School Employees' Retirement Act (1980 PA 300 as amended).

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 Treasurer serves as the investment officer and custodian for the System.

The System's financial statements are available at the ORS website at www.michigan.gov/orsschools.

Pension Benefits Provided

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. Depending on the plan option selected, member retirement benefits are determined by final average compensation, years of service, and a pension factor ranging from 1.25% to 1.50%. 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.

A DB member plan member who leaves Michigan public school employment may request a refund of his or her member contributions to the retirement system account if applicable. A refund cancels a former member's rights to future benefits. However, returning members who previously received a refund of their contributions may reinstate their service through repayment of the refund upon satisfaction of certain requirements.

Participants in the defined contribution plan consist of one of the following: (1) members who worked for a Michigan public school on or after September 4, 2012 and elected to be enrolled in the defined contribution plan; (2) members who elected to transfer from the defined benefit plan to the defined contribution plan under the reform (P.A. 300) of 2012; or (3) members who worked for a Michigan public school on or after February 1, 2018 and did not elect participation in the Pension Plus 2 plan. Members who worked for a Michigan public school on or after September 4, 2012 and elected to be enrolled in the defined contribution plan receive a 100% match of the member contribution rate up to a maximum of 3% based on the member's gross earnings. Additionally, there is a mandatory employer contribution of 4% of the member's gross earnings for MPSERS members who elected to convert from a Basic or MIP benefit plan to the defined contribution benefit plan. Members electing the Pension Plus or Pension Plus 2 benefit plan receive a 50% match of the member's contribution percent up to a maximum of 1% based on the member's gross earnings. Effective October 1, 2017, there is a mandatory employer contribution of 4% of the member's gross earnings for members who elect the Defined Contribution benefit plan. The employer must match 100% of the employee contribution for any member who elected the Personal Healthcare Fund up to a maximum of 2% of the member's gross earnings. For all members with a Personal Health Care Fund (PHF), the first 2% of DC contributions must go into the PHF and must be matched 100% by the employer.

Other Postemployment Benefits Provided

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 healthcare 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. Dependents are eligible for healthcare coverage if they meet the dependency requirements set forth in Public Act 300 of 1980, as amended.

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.

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Notes to Financial Statements

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 were deposited into their 401(k) account.

Contributions

Employers are required by Public Act 300 of 1980, as amended, to contribute amounts necessary to finance the coverage of active and retired members. 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 portion of this cost allocated to the current valuation year is called the normal cost. The remainder is called the actuarial accrued liability. Normal cost is funded on a current basis. The unfunded (overfunded) actuarial accrued liability as of the September 30, 2023 valuation will be amortized over a 15-year period beginning October 1, 2023 and ending September 30, 2038.

The table below summarizes pension contribution rates in effect for fiscal year 2025, which excludes supplemental MPERS UAAL employer stabilization contributions that are passed through the College to MPERS based on rates ranging from 10.58% - 17.02% on prior year covered payroll:

Benefit Structure	Member Rates	Employer Rates
Basic	0.00% - 4.00%	23.03% - 30.11%
Member Investment Plan (MIP)	3.00% - 7.00%	23.03% - 30.11%
Pension Plus	3.00% - 6.40%	19.17% - 26.27%
Pension Plus 2	6.20%	20.10% - 27.16%
Defined Contribution	0.00%	13.90% - 20.96%

Required contributions to the pension plan from the College were \$3,222,149, \$3,612,443 and \$4,254,359 for the years ended June 30, 2025, 2024 and 2023, respectively.

MID MICHIGAN COLLEGE

Notes to Financial Statements

The table below summarizes OPEB contribution rates in effect for fiscal year 2025:

Benefit Structure	Member Rates	Employer Rates
Premium Subsidy	3.00%	1.25% - 8.31%
Personal Healthcare Fund (PHF)	0.00%	0.00% - 7.06%

Required contributions to the OPEB plan from the College were \$852,888, \$806,215 and \$731,601 for the years ended June 30, 2025, 2024 and 2023, respectively.

The table below summarizes defined contribution rates in effect for fiscal year 2025:

Benefit Structure	Member Rates	Employer Rates
Defined Contribution	0.00% - 3.00%	0.00% - 7.00%
Personal Healthcare Fund (PHF)	0.00% - 2.00%	0.00% - 2.00%

For the years ended June 30, 2025, 2024 and 2023, required and actual contributions from the College for those members with a defined contribution benefit were \$163,717, \$148,235 and \$132,697, respectively.

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

At June 30, 2025 and 2024, the College reported a liability of \$21,885,420 and \$29,839,464, respectively, for its proportionate share of the MPERS net pension liability. The net pension liability was measured as of September 30, 2024 and 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation rolled forward from September 30, 2023 and 2022. The College's proportion of the net pension liability was determined by dividing each employer's statutorily required pension contributions to the system during the measurement period by the percent of pension contributions required from all applicable employers during the measurement period. At September 30, 2024, the College's proportion was 0.08939%, which was a decrease of 0.00280% points from its proportion measured as of September 30, 2023 of 0.09219%.

MID MICHIGAN COLLEGE

Notes to Financial Statements

For the year ended June 30, 2025, the College recognized pension expense of \$22,616. At June 30, 2025, the College 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	Net Deferred Outflows (Inflows) of Resources
2025			
Differences between expected and actual experience	\$ 593,767	\$ 237,788	\$ 355,979
Changes in assumptions	2,281,685	1,603,509	678,176
Net difference between projected and actual earnings on pension plan investments	-	4,176,666	(4,176,666)
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	2,314,543	(2,314,543)
	<u>2,875,452</u>	<u>8,332,506</u>	<u>(5,457,054)</u>
College contributions subsequent to the measurement date	2,763,636	-	2,763,636
Pension portion of Sec 147c state aid award subsequent to the measurement date	-	1,232,077	(1,232,077)
Total	<u>\$ 5,639,088</u>	<u>\$ 9,564,583</u>	<u>\$ (3,925,495)</u>

The amount reported as deferred outflows of resources related to pensions resulting from College contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2026. The amount reported as deferred inflows of resources resulting from the pension portion of state aid payments received pursuant to Sec 147c of the State School Aid Act (PA 94 of 1979), will be recognized as State appropriations revenue for the year ending June 30, 2026. 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 Ended June 30	Amount
2026	\$ (1,891,610)
2027	(533,269)
2028	(1,857,084)
2029	<u>(1,175,091)</u>
Total	<u>\$ (5,457,054)</u>

MID MICHIGAN COLLEGE

Notes to Financial Statements

For the year ended June 30, 2024, the College recognized pension expense of \$1,710,776. At June 30, 2024, the College 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	Net Deferred Outflows (Inflows) of Resources
2024			
Differences between expected and actual experience	\$ 941,941	\$ 45,709	\$ 896,232
Changes in assumptions	4,043,383	2,331,323	1,712,060
Net difference between projected and actual earnings on pension plan investments	-	610,612	(610,612)
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	3,214,168	(3,214,168)
	<u>4,985,324</u>	<u>6,201,812</u>	<u>(1,216,488)</u>
College contributions subsequent to the measurement date	3,199,145	-	3,199,145
Pension portion of Sec 147c state aid award subsequent to the measurement date	-	1,731,274	(1,731,274)
Total	<u>\$ 8,184,469</u>	<u>\$ 7,933,086</u>	<u>\$ 251,383</u>

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

At June 30, 2025 and 2024, the College reported an asset of \$3,862,091 and \$521,472, respectively, for its proportionate share of the MPSERS net OPEB asset. The net OPEB asset was measured as of September 30, 2024 and 2023, and the total OPEB liability used to calculate the net OPEB asset was determined by actuarial valuations rolled forward from September 30, 2023 and 2022. The College's proportion of the net OPEB asset was determined by dividing each employer's statutorily required OPEB contributions to the system during the measurement period by the percent of OPEB contributions required from all applicable employers during the measurement period. At September 30, 2024, the College's proportion was 0.08972%, which was a decrease of 0.00246% points from its proportion measured as of September 30, 2023 of 0.09218%.

MID MICHIGAN COLLEGE

Notes to Financial Statements

For the year ended June 30, 2025, the College recognized an OPEB benefit of \$1,765,842. At June 30, 2025, the College 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	Net Deferred Outflows (Inflows) of Resources
2025			
Differences between expected and actual experience	\$ -	\$ 4,092,637	\$ (4,092,637)
Change in assumptions	843,536	96,958	746,578
Net difference between projected and actual earnings on OPEB plan investments	-	731,138	(731,138)
Changes in proportion and differences between employer contributions and proportionate share of contributions	24,561	618,461	(593,900)
	868,097	5,539,194	(4,671,097)
College contributions subsequent to the measurement date	656,381	-	656,381
Total	\$ 1,524,478	\$ 5,539,194	\$ (4,014,716)

The amount reported as deferred outflows of resources related to OPEB resulting from College contributions subsequent to the measurement date will be recognized as an adjustment to the net OPEB asset in the year ending June 30, 2026. 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 Ended June 30	Amount
2026	\$ (1,624,796)
2027	(949,809)
2028	(851,232)
2029	(756,816)
2030	(413,297)
Thereafter	(75,147)
Total	\$ (4,671,097)

MID MICHIGAN COLLEGE

Notes to Financial Statements

For the year ended June 30, 2024, the College recognized an OPEB benefit of \$1,364,951. At June 30, 2024, the College 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	Net Deferred Outflows (Inflows) of Resources
2024			
Differences between expected and actual experience	\$ -	\$ 3,940,508	\$ (3,940,508)
Change in assumptions	1,160,887	139,793	1,021,094
Net difference between projected and actual earnings on OPEB plan investments	1,590	-	1,590
Changes in proportion and differences between employer contributions and proportionate share of contributions	6,651	930,472	(923,821)
	1,169,128	5,010,773	(3,841,645)
College contributions subsequent to the measurement date	629,088	-	629,088
Total	\$ 1,798,216	\$ 5,010,773	\$ (3,212,557)

Actuarial Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

MID MICHIGAN COLLEGE

Notes to Financial Statements

The total pension and OPEB liabilities in the September 30, 2023 and 2022 actuarial valuations (for the fiscal years ended June 30, 2025 and 2024) were determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry age, normal
Wage inflation rate	2.75%
Investment rate of return:	
MIP and Basic plans (non-hybrid)	6.00%
Pension Plus plan (hybrid)	6.00%
Pension Plus 2 plan (hybrid)	6.00%
OPEB plans	6.00%
Projected salary increases	2.75% - 11.55%, including wage inflation at 2.75%
Cost of living adjustments	3% annual non-compounded for MIP members
Healthcare cost trend rate	Pre-65: 7.25% Year 1 graded to 3.5% Year 15 (7.50% Year 1 graded to 3.5% Year 15 in 2022) Post-65: 6.50% Year 1 graded to 3.5% Year 15 (6.25% Year 1 graded to 3.5% Year 15 in 2022)
Mortality	Retirees: PubT-2010 Male and Female Retiree Mortality Tables scaled by 116% for males and 116% for females and adjusted for mortality improvements using projection scale MP-2021 from 2010. Active: PubT-2010 Male and Female Employee Mortality Tables scaled 100% and adjusted for mortality improvements using projection scale MP-2021 from 2010.
Other OPEB assumptions:	
Opt-out assumptions	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 coverages 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.

Assumption changes as a result of an experience study for the period 2017 through 2022 have been adopted by the System for use in the annual pension and OPEB valuations beginning with the September 30, 2023 valuation. The total pension and OPEB liabilities as of September 30, 2024, are based on the results of an actuarial valuation date of September 30, 2023, and rolled forward using generally accepted actuarial procedures, including the experience study. The recognition period for pension liabilities is 4.4612 years which is the average of the expected remaining service lives of all employees. The recognition period for OPEB liabilities is 6.2834 years which is the average of the expected remaining service lives of all employees. The recognition period for assets is 5 years.

MID MICHIGAN COLLEGE

Notes to Financial Statements

Assumption changes as a result of an experience study for the period 2017 through 2022 have been adopted by the System for use in the annual pension and OPEB valuations beginning with the September 30, 2023 valuation. The total pension and OPEB assets/liabilities as of September 30, 2023, are based on the results of an actuarial valuation date of September 30, 2022, and rolled forward using generally accepted actuarial procedures, including the experience study. The recognition period for pension liabilities is 4.4406 years which is the average of the expected remaining service lives of all employees. The recognition period for OPEB liabilities is 6.5099 years which is the average of the expected remaining service lives of all employees. The recognition period for assets is 5 years.

Changes in assumptions - September 30, 2023 Valuation. The method for amortizing UAAL transitioned from the level percent of payroll to the level dollar method. In addition, healthcare cost trend rates for pre-65 decreased from 7.50% to 7.25% and post-65 increased from 6.25% to 6.50%.

Changes in assumptions - September 30, 2022 Valuation. The payroll growth assumption for amortization purposes used in determining the fiscal year 2025 and 2026 employer contributions decreased from 2.00% to 1.50% and 1.50% to 0.75%, respectively. In addition, the PubT-2010 mortality tables were used in the September 2022 valuation compared to the RP-2014 mortality tables used in the September 2021 valuation. Finally, healthcare cost trend rates for pre-65 decreased from 7.75% to 7.50% and post-65 increased from 5.25% to 6.25%.

Long-term Expected Return on Pension and OPEB Plan Assets

The long-term expected rate of return on pension and OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension/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. Best estimates of arithmetic real rates of return for each major asset class included in the pension and OPEB plan's target asset allocation as of September 30, 2024 and 2023, are summarized in the following tables:

MID MICHIGAN COLLEGE

Notes to Financial Statements

Pension

2024			
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Domestic equity pools	25.00%	5.02%	1.26%
Private equity pools	16.00%	8.53%	1.36%
International equity pools	15.00%	6.16%	0.92%
Fixed income pools	13.00%	2.08%	0.27%
Real estate and infrastructure pools	10.00%	6.73%	0.67%
Absolute return pools	9.00%	4.93%	0.44%
Real return/opportunistic pools	10.00%	6.54%	0.65%
Short-term investment pools	2.00%	1.33%	0.03%
	<u>100.00%</u>		5.60%
Inflation			2.30%
Risk adjustment			<u>-1.90%</u>
Investment rate of return			<u>6.00%</u>

OPEB

2024			
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Domestic equity pools	25.00%	5.02%	1.26%
Private equity pools	16.00%	8.53%	1.36%
International equity pools	15.00%	6.16%	0.92%
Fixed income pools	13.00%	1.88%	0.24%
Real estate and infrastructure pools	10.00%	6.73%	0.67%
Absolute return pools	9.00%	4.93%	0.44%
Real return/opportunistic pools	10.00%	6.54%	0.65%
Short-term investment pools	2.00%	1.33%	0.03%
	<u>100.00%</u>		5.57%
Inflation			2.30%
Risk adjustment			<u>-1.87%</u>
Investment rate of return			<u>6.00%</u>

MID MICHIGAN COLLEGE

Notes to Financial Statements

Pension and OPEB

2023			
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Domestic equity pools	25.00%	5.43%	1.36%
Private equity pools	16.00%	8.99%	1.44%
International equity pools	15.00%	6.37%	0.95%
Fixed income pools	13.00%	1.22%	0.16%
Real estate and infrastructure pools	10.00%	5.99%	0.60%
Absolute return pools	9.00%	4.49%	0.40%
Real return/opportunistic pools	10.00%	6.83%	0.68%
Short-term investment pools	2.00%	0.28%	0.01%
	<u>100.00%</u>		5.60%
Inflation			2.70%
Risk adjustment			<u>-2.30%</u>
Investment rate of return			<u>6.00%</u>

Rate of Return

For the fiscal year ended September 30, 2024, the annual money-weighted rate of return on pension and OPEB plan investments, net of pension and OPEB plan investment expense, was 15.47% and 15.45%, respectively. For the fiscal year ended September 30, 2023, the annual money-weighted rate of return on pension and OPEB plan investments, net of pension and OPEB plan investment expense, was 8.29% and 7.94%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

For the fiscal years ended September 30, 2024 and 2023, a discount rate of 6.00% was used to measure the total pension and OPEB liabilities. This discount rate was based on the long-term expected rate of return on pension and OPEB plan investments of 6.00%. The projection of cash flows used to determine these discount rates assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension and 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 pension and OPEB plan investments was applied to all periods of projected benefit payments to determine the total pension and OPEB liabilities.

MID MICHIGAN COLLEGE

Notes to Financial Statements

Sensitivity of College's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the College's proportionate share of the net pension liability calculated using the discount rate of 6.00%, as well as what the College'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 higher as of June 30, 2025:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
College's proportionate share of the net pension liability	\$ 32,084,261	\$ 21,885,420	\$ 13,392,923

The following presents the College's proportionate share of the net pension liability calculated using the discount rate of 6.00%, as well as what the College'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 higher as of June 30, 2024:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
College's proportionate share of the net pension liability	\$ 40,313,029	\$ 29,839,464	\$ 21,119,843

Sensitivity of College's Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate

The following presents the College's proportionate share of the net OPEB asset calculated using the discount rate of 6.00%, as well as what the College's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage higher as of June 30, 2025:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
College's proportionate share of the net OPEB asset	\$ (2,984,656)	\$ (3,862,091)	\$ (4,620,727)

The following presents the College's proportionate share of the net OPEB asset calculated using the discount rate of 6.00%, as well as what the College's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage higher as of June 30, 2024:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
College's proportionate share of the net OPEB (asset) liability	\$ 540,610	\$ (521,472)	\$ (1,434,226)

MID MICHIGAN COLLEGE

Notes to Financial Statements

Sensitivity of College's Proportionate Share of the Net OPEB Asset to Changes in the Healthcare Cost Trend Rate

The following presents the College's proportionate share of the net OPEB asset calculated using the assumed trend rates, as well as what the College's proportionate share of the net OPEB asset would be if it were calculated using a trend rate that is 1 percentage point lower or 1 percentage higher as of June 30, 2025:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
College's proportionate share of the net OPEB asset	\$ (4,620,735)	\$ (3,862,091)	\$ (3,048,450)

The following presents the College's proportionate share of the net OPEB asset calculated using the assumed trend rates, as well as what the College's proportionate share of the net OPEB asset would be if it were calculated using a trend rate that is 1 percentage point lower or 1 percentage higher as of June 30, 2024:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
College's proportionate share of the net OPEB asset	\$ (1,436,502)	\$ (521,472)	\$ 468,891

Pension and OPEB Plans Fiduciary Net Position

Detailed information about the pension and OPEB plan's fiduciary net position is available in the separately issued MPERS financial statements available on the State of Michigan Office of Retirement Services website at www.michigan.gov/orsschools.

Payable to the Pension Plan

At June 30, 2025, the College reported a payable of \$232,491 for the outstanding amount of pension contributions to the Plan required for the year ended June 30, 2025. At June 30, 2024, the College reported a payable of \$352,069 for the outstanding amount of pension contributions to the Plan required for the year ended June 30, 2024.

Payable to the OPEB Plan

At June 30, 2025, the College reported a payable of \$21,057 for the outstanding amount of OPEB contributions to the Plan required for the year ended June 30, 2025. At June 30, 2024, the College reported a payable of \$15,983 for the outstanding amount of OPEB contributions to the Plan required for the year ended June 30, 2024.

MID MICHIGAN COLLEGE

Notes to Financial Statements

Defined Contribution Plan

As an alternative to the MPERS option, the College offers all full-time faculty and administrative employees the opportunity to participate in the Teachers' Insurance and Annuity Association - College Retirement Equities Fund (TIAA-CREF). Funding for the plan consists of employer contributions of 15.00% - 33.61% and employee contributions of 4.00% for the year ended June 30, 2025 and employer contributions of 15.00% - 28.84% and employee contributions of 4.00% for the year ended June 30, 2024. As of June 30, 2025 and 2024, the plan had 23 and 24 members respectively. Benefits are vested immediately. Compensation covered under the plan for the year ended June 30, 2025 was \$2,193,738, resulting in contributions of \$463,716 and \$75,892 from the College and employees, respectively. Compensation covered under the plan for the year ended June 30, 2024 was \$2,043,997, resulting in contributions of \$388,541 and \$90,984 from the College and employees, respectively.

9. RISK MANAGEMENT

Risk-Sharing Programs

The Michigan Community College Risk Management Authority ("MCCRMA") risk pool program operates as a claims servicing pool for amounts up to member retention limits and operates as a common risk-sharing management program for losses in excess of member retention amounts. Although premiums are paid annually to MCCRMA, which MCCRMA uses to pay claims up to the retention limits, the ultimate liability for those claims remains with the College.

The College is self-insured for certain medical and dental benefits paid on behalf of its employees. Payments are made to the third-party plan administrator based on actual claims. A startup amount is expected to cover claims that have been incurred but not reported. The College has employed an outside consultant to monitor the plan. Expenditures related to the dental plans during the years ended June 30, 2025 and 2024 totaled \$104,531 and \$108,880, respectively. Expenses related to the medical plan during the years ended June 30, 2025 and 2024 totaled \$2,675,601 and \$2,155,434, respectively, which includes an estimate of claims incurred but not reported at June 30, 2025 and 2024.

	Dental Liability		
	2025	2024	2023
Unpaid claims - beginning of year	\$ 719	\$ 1,268	\$ 1,557
Incurred claims	104,531	108,880	54,156
Claims payments	(104,242)	(109,429)	(54,445)
Unpaid claims - end of year	\$ 1,008	\$ 719	\$ 1,268

MID MICHIGAN COLLEGE

Notes to Financial Statements

	Health Liability		
	2025	2024	2023
Unpaid claims - beginning of year	\$ 66,448	\$ 59,079	\$ 101,921
Incurred claims	2,675,601	2,155,434	1,938,180
Claims payments	(2,671,476)	(2,148,065)	(1,981,022)
Unpaid claims - end of year	\$ 70,573	\$ 66,448	\$ 59,079

10. CONTINGENCIES

The College receives significant financial assistance from the State and Federal agencies in the form of grants and awards. The use of these funds generally requires compliance with grantor terms and conditions and is subject to audit by the grantor agency. Disallowed expenditures resulting from grantor audits could become a liability of the College, however, management believes that any future disallowances would not have a material effect on the College's financial statements.

11. NET INVESTMENT IN CAPITAL ASSETS

The following is a summary of the net investment in capital assets as of June 30:

	2025	2024
Capital assets, not being depreciated	\$ 5,663,780	\$ 2,587,064
Capital assets, being depreciated/amortized	39,241,022	40,615,003
Payables related to the acquisition of capital assets	(145,950)	(222,401)
Long-term obligations - current portion	(334,853)	(334,853)
Long-term obligations - noncurrent portion	(4,662,944)	(4,997,797)
Total net investment in capital assets	\$ 39,761,055	\$ 37,647,016

MID MICHIGAN COLLEGE

Notes to Financial Statements

12. FOUNDATION LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the statements of net position date, comprise the following for the Foundation as of June 30:

	2025	2024
Financial assets		
Cash and cash equivalents	\$ 75,157	\$ 77,826
Short-term investments	5,727,496	5,266,844
Accounts receivable	48,835	-
	<u>5,851,488</u>	<u>5,344,670</u>
Less amounts unavailable for general expenditures within one year due to		
Board-designated net assets	1,173,252	1,132,701
Net position with donor restrictions	<u>402,793</u>	<u>300,548</u>
Total financial assets available for general use within one year	<u>\$ 4,275,443</u>	<u>\$ 3,911,421</u>

The endowment funds consist of donor-restricted endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure. Although the Foundation does not intend to spend from board-designated net assets (other than for its specified purpose), these amounts could be made available if necessary.

MID MICHIGAN COLLEGE

Notes to Financial Statements

13. FUNCTIONAL ALLOCATION OF EXPENSES - FOUNDATION

The tables below present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses are generally allocated between program services and supporting services based on specific identification. The Foundation's program services and supporting services expenses are included in student services and institutional administration expenses, respectively, in the accompanying statements of revenues, expenses, and changes in net position.

	Year Ended June 30, 2025		
	Program Services	Supporting Services Management and General	Total
Scholarships and grants	\$ 30,702	\$ -	\$ 30,702
Operations	-	100,865	100,865
Travel and meeting	-	75,362	75,362
Athletics	-	44,347	44,347
Bank fees	-	3,400	3,400
Contracted services	-	4,950	4,950
Professional fees	-	3,597	3,597
Other	-	69,442	69,442
Total expenses	<u>\$ 30,702</u>	<u>\$ 301,963</u>	<u>\$ 332,665</u>

	Year Ended June 30, 2024		
	Program Services	Supporting Services Management and General	Total
Scholarships and grants	\$ 49,778	\$ -	\$ 49,778
Operations	-	83,709	83,709
Travel and meeting	-	82,070	82,070
Athletics	-	47,085	47,085
Contracted services	-	12,347	12,347
Bank fees	-	2,149	2,149
Professional fees	-	786	786
Other	-	59,373	59,373
Total expenses	<u>\$ 49,778</u>	<u>\$ 287,519</u>	<u>\$ 337,297</u>

MID MICHIGAN COLLEGE

Notes to Financial Statements

14. MID MICHIGAN COLLEGE FOUNDATION

Mid Michigan College Foundation (the "Foundation") is a legally separate, tax-exempt component unit of Mid Michigan College (the "College"). The Foundation acts primarily as a fundraising organization to supplement the resources that are available to the College in support of its programs. The Board of the Foundation is self-perpetuating and consists of graduates and friends of the College. Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources, or income thereon, which the Foundation holds and invests, is restricted to the activities of the College by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the College, the Foundation is considered a component unit of the College and discretely presented in the College's financial statements.

Financial information for the Foundation is reported using accounting principles generally accepted in the United States of America for not-for-profit entities. Specific differences from the College are related to the reporting of promises to give and grants payable, which are reported when they are unconditional. At June 30, 2025 and 2024, the stated value of the net position of the Foundation totaled \$7,616,945 and \$6,557,114, respectively.

During fiscal 2021, the Board of Directors designated net assets for a specific purpose. The board designated net assets was \$1,173,252 and \$1,132,701 at June 30, 2025 and 2024, respectively.

Restricted net position consists of the following at June 30:

	2025	2024
Expendable net assets		
For a specified purpose		
Scholarships and grants	\$ 140,846	\$ 109,510
Athletics	97,691	67,584
Subject to endowment spending policy and appropriation		
Accumulated investment gains	<u>164,256</u>	<u>123,454</u>
	402,793	300,548
Nonexpendable endowments		
Subject to endowment spending policy and appropriation		
Scholarships and grants	<u>1,977,836</u>	<u>1,763,159</u>
Total restricted net position	<u>\$ 2,380,629</u>	<u>\$ 2,063,707</u>

MID MICHIGAN COLLEGE

Notes to Financial Statements

Changes in net assets with donor restrictions, subject to expenditures for specified purpose for the years ended June 30 consist of the following:

	2025	2024
Subject to expenditures for specified purpose, beginning of year	\$ 177,094	\$ 167,198
Net investment gain	2,471	2,423
Contributions	181,008	151,533
Amounts appropriated for expenditure	<u>(122,036)</u>	<u>(144,060)</u>
Subject to expenditures for specified purpose, end of year	<u>\$ 238,537</u>	<u>\$ 177,094</u>

15. FOUNDATION ENDOWMENT

The Foundation's permanent endowments consist of 28 individual, donor-restricted funds established for student scholarships. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Directors of the Foundation has interpreted the State of Michigan Prudent Management of Institutional Funds Act ("SPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, net assets with donor restrictions consist of the original value of gifts to the endowment and the original value of subsequent gifts to the endowment. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by use in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the various funds,
- (2) the purposes of the donor-restricted endowment funds,
- (3) general economic conditions,
- (4) the possible effect of inflation and deflation,
- (5) the expected total return from income and the appreciation of investments,
- (6) other resources of the Foundation, and
- (7) the Foundation's investment policies.

From time to time, certain donor-restricted endowment funds may have fair values less than the amounts required to be maintained by donors or by law (underwater endowments). The Foundation has interpreted SPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. At June 30, 2025 and 2024, management has determined underwater endowments to be insignificant.

MID MICHIGAN COLLEGE

Notes to Financial Statements

Endowment net asset composition by type of fund as of June 30:

	2025	2024
Endowment funds with donor restrictions		
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	\$ 1,977,836	\$ 1,763,159
Accumulated investment gains	<u>164,256</u>	<u>123,454</u>
Total	<u>\$ 2,142,092</u>	<u>\$ 1,886,613</u>

Changes in endowment net assets all of which are donor restricted for the years ended June 30:

	2025	2024
Endowment net assets - beginning of year	\$ 1,886,613	\$ 1,805,487
Contributions	186,540	87,444
Net investment gain	79,889	12,383
Appropriation of endowment assets for expenditure	<u>(10,950)</u>	<u>(18,701)</u>
Endowment net assets, end of year	<u>\$ 2,142,092</u>	<u>\$ 1,886,613</u>

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity. Under this policy, as approved by the board of directors, the endowment assets are invested to achieve the primary objective of being the safety of principal and secondary objective being income and growth.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation has implemented the following guidelines to achieve a diversified asset allocation of 40-60 percent for equity investments and 30-60 percent fixed income assets. Exposure within each asset class is determined by (1) the Foundation's investment objectives and risk tolerance, (2) the prevailing relative valuation between the primary competing assets classes (fixed income and equities), and (3) the fundamental strength of the economy.

MID MICHIGAN COLLEGE

Notes to Financial Statements

Spending Policy and How the Investment Objectives Relate to Spending Policy

Through a resolution by the Foundation's board of trustees, the Foundation distributes income from unrestricted endowed funds of no more than 5 percent of a five-year moving average of the market value of the unrestricted investment portfolio (calculated using the prior five June 30 year-end financial reports). In the event that current income does not provide for a 5 percent distribution, income remaining after any fees can be distributed. This amount may be supplemented with previously accumulated retained earnings at the discretion of the Foundation.

16. RELATED PARTY TRANSACTIONS

Management is not aware of any related party transactions, other than the transactions with the Mid Michigan College Foundation.

17. RESTATEMENT TO BEGINNING NET POSITION

For the year ended June 30, 2025, the College had the following restatement to beginning net position.

Net position, beginning of year, as previously reported	\$ 35,267,789
Change in accounting principle - implementation of new standard	<u>(902,097)</u>
Net position, beginning of year, as restated/adjusted	<u>\$ 34,365,692</u>



**REQUIRED SUPPLEMENTARY INFORMATION
MPSERS COST-SHARING MULTIPLE-EMPLOYER PLANS**

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MID MICHIGAN COLLEGE

Required Supplementary Information
MPERS Cost-Sharing Multiple-Employer Plans

Schedule of the College's Proportionate Share of the Net Pension Liability

	Year Ended June 30									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
College's proportionate share of the net pension liability	\$ 21,885,420	\$ 29,839,464	\$ 36,117,921	\$ 24,562,113	\$ 38,180,403	\$ 39,838,001	\$ 37,712,126	\$ 33,486,216	\$ 33,215,904	\$ 31,889,650
College's proportion of the net pension liability	0.08939%	0.09219%	0.09604%	0.10375%	0.11115%	0.12030%	0.12545%	0.12922%	0.13313%	0.13056%
College's covered payroll	\$ 9,440,691	\$ 9,200,147	\$ 9,432,789	\$ 8,866,958	\$ 9,412,354	\$ 10,226,605	\$ 10,467,092	\$ 10,680,453	\$ 10,950,681	\$ 11,213,512
College's proportionate share of the net pension liability as a percentage of its covered payroll	231.82%	324.34%	382.90%	277.01%	405.64%	389.55%	360.29%	313.53%	303.32%	284.39%
Plan fiduciary net position as a percentage of the total pension liability	74.44%	65.91%	60.77%	72.60%	59.72%	60.31%	62.36%	64.21%	63.27%	63.17%

See notes to required supplementary information.

MID MICHIGAN COLLEGE

Required Supplementary Information
MPERS Cost-Sharing Multiple-Employer Plans

Schedule of the College's Pension Contributions

	Year Ended June 30									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	\$ 2,998,547	\$ 3,612,443	\$ 4,254,359	\$ 3,190,101	\$ 3,148,722	\$ 3,141,249	\$ 3,244,109	\$ 3,250,205	\$ 3,377,041	\$ 1,730,616
Contributions in relation to the statutorily required contribution	(2,998,547)	(3,612,443)	(4,254,359)	(3,190,101)	(3,148,722)	(3,141,249)	(3,244,109)	(3,250,205)	(3,377,041)	(1,730,616)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
College's covered payroll	\$ 9,768,764	\$ 9,392,341	\$ 9,066,182	\$ 9,080,742	\$ 8,931,926	\$ 9,471,765	\$ 10,381,069	\$ 10,626,075	\$ 11,163,086	\$ 11,091,555
Contributions as a percentage of covered payroll	30.70%	38.46%	46.93%	35.13%	35.25%	33.16%	31.25%	30.59%	30.25%	15.60%

See notes to required supplementary information.

MID MICHIGAN COLLEGE

Required Supplementary Information
 MPSERS Cost-Sharing Multiple-Employer Plans

Schedule of the College's Proportionate Share of the Net Other Postemployment Benefits (Asset) Liability

	Year Ended June 30							
	2025	2024	2023	2022	2021	2020	2019	2018
College's proportionate share of the net OPEB (asset) liability	\$ (3,862,091)	\$ (521,472)	\$ 2,059,631	\$ 1,495,114	\$ 5,672,852	\$ 8,372,847	\$ 9,755,826	\$ 11,466,702
College's proportion of the net OPEB (asset) liability	0.08972%	0.09218%	0.09724%	0.09795%	0.10589%	0.11665%	0.12273%	0.12949%
College's covered payroll	\$ 9,440,691	\$ 9,200,147	\$ 9,432,789	\$ 8,866,958	\$ 9,412,354	\$ 10,226,605	\$ 10,467,092	\$ 10,680,453
College's proportionate share of the net OPEB (asset) liability as a percentage of its covered payroll	-40.91%	-5.67%	21.83%	16.86%	60.27%	81.87%	93.20%	107.36%
Plan fiduciary net position as a percentage of the total OPEB liability	143.08%	105.04%	83.09%	87.33%	59.44%	48.46%	42.95%	36.39%

See notes to required supplementary information.

MID MICHIGAN COLLEGE

Required Supplementary Information
 MPSERS Cost-Sharing Multiple-Employer Plans

Schedule of the College's Other Postemployment Benefits Contributions

	Year Ended June 30							
	2025	2024	2023	2022	2021	2020	2019	2018
Statutorily required contribution	\$ 852,888	\$ 806,215	\$ 731,601	\$ 738,266	\$ 728,447	\$ 761,568	\$ 814,745	\$ 766,977
Contributions in relation to the statutorily required contribution	<u>(852,888)</u>	<u>(806,215)</u>	<u>(731,601)</u>	<u>(738,266)</u>	<u>(728,447)</u>	<u>(761,568)</u>	<u>(814,745)</u>	<u>(766,977)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
College's covered payroll	\$ 9,768,764	\$ 9,392,341	\$ 9,066,182	\$ 9,080,742	\$ 8,931,926	\$ 9,471,765	\$ 10,381,069	\$ 10,626,075
Contributions as a percentage of covered payroll	8.73%	8.58%	8.07%	8.13%	8.16%	8.04%	7.85%	7.22%

See notes to required supplementary information.

MID MICHIGAN COLLEGE

Notes to Required Supplementary Information

Pension Information

The amounts presented in the schedule of the College's Proportionate Share of the Net Pension Liability were determined as of September 30 of the preceding year (the plan year).

The significant changes in assumptions for each of the fiscal years ended June 30 were as follows:

- 2025 - The method for amortizing UAAL transitioned from the level percent of payroll to the level dollar method.
- 2024 - The payroll growth assumption for amortization purposes used in determining the fiscal year 2025 and 2026 employer contributions decreased from 2.00% to 1.50% and 1.50% to 0.75%, respectively. In addition, the PubT-2010 mortality tables were used in the September 2022 valuation compared to the RP-2014 mortality tables used in the September 2021 valuation.
- 2023 - The payroll growth assumption for amortization purposes used in determining the fiscal year 2024 employer contributions decreased from 2.5% to 2.0%. Additionally, the discount rate used in the September 30, 2021 actuarial valuation decreased to 6.00% for the MIP and Basic plans, and 6.00% for the Pension Plus Plan.
- 2022 - The payroll growth assumption for amortization purposes used in determining the fiscal year 2023 employer contributions decreased from 3.0% to 2.5%.
- 2021 - The payroll growth assumption for amortization purposes used in determining the fiscal year 2022 employer contributions decreased from 3.5% to 3.0%.
- 2020 - The discount rate used in the September 30, 2018 actuarial valuation decreased to 6.80% for the MIP and Basic plans, 6.80% for the Pension Plus Plan, and 6.00% for the Pension Plus 2 Plan.
- 2019 - The discount rate used in the September 30, 2017 actuarial valuation decreased to 7.05% for the MIP and Basic plans, 7.00% for the Pension Plus plan, and 6.00% for the Pension Plus 2 Plan.
- 2018 - The discount rate used in the September 30, 2016 actuarial valuation decreased to 7.50% for the MIP and Basic plans and 7.00% for the Pension Plus Plan.

MID MICHIGAN COLLEGE

Notes to Required Supplementary Information

OPEB Information

GASB 75 was implemented in fiscal year 2018. The OPEB plan schedules are being built prospectively. Ultimately, 10 years of data will be presented.

The amounts presented in the schedule of the College's Proportionate Share of the Net OPEB (Asset) Liability were determined as of September 30 of the preceding year (the plan year).

The significant changes in assumptions for each of the fiscal years ended June 30 were as follows:

- 2025 - The method for amortizing UAAL transitioned from the level percent of payroll to the level dollar method. In addition, healthcare cost trend rates for pre-65 decreased from 7.50% to 7.25% and post-65 increased from 6.25% to 6.50%.
- 2024 - The payroll growth assumption for amortization purposes used in determining the fiscal year 2025 and 2026 employer contributions decreased from 2.00% to 1.50% and 1.50% to 0.75%, respectively. In addition, the PubT-2010 mortality tables were used in the September 2022 valuation compared to the RP-2014 mortality tables used in the September 2021 valuation. Finally, healthcare cost trend rates for pre-65 decreased from 7.75% to 7.50% and post-65 increased from 5.25% to 6.25%.
- 2023 - The payroll growth assumption for amortization purposes used in determining the fiscal year 2024 employer contributions decreased from 2.5% to 2.0%. Additionally, the discount rate used in the September 30, 2021 actuarial valuation decreased to 6.00%.
- 2022 - The payroll growth assumption for amortization purposes used in determining the fiscal year 2023 employer contributions decreased from 3.0% to 2.5%. The healthcare cost trend rate used in the September 30, 2020 actuarial valuation increased to 7.75%.
- 2021 - The payroll growth assumption for amortization purposes used in determining the fiscal year 2022 employer contributions decreased from 3.5% to 3.0%. The healthcare cost trend rate used in the September 30, 2019 actuarial valuation decreased to 7.0%.
- 2020 - The discount rate used in the September 30, 2018 actuarial valuation decreased to 6.95%.
- 2019 - The discount rate used in the September 30, 2017 actuarial valuation decreased to 7.15%.

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APPENDIX D
FORM OF LEGAL OPINION

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DRAFT LEGAL OPINION

Mid Michigan College
State of Michigan

We have acted as bond counsel in connection with the issuance by Mid Michigan College, State of Michigan (the “Issuer”), of its bonds in the aggregate principal amount of \$ _____ designated 2026 College Facilities Bonds (General Obligation - Limited Tax) (the “Bonds”). The Bonds are in fully registered form and issued without coupons, are dated _____, 2026, 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 the years shown below, and bear interest payable on November 1, 2026, and semiannually thereafter on May 1 and November 1 of each year in the amounts and at the rates as follows:

<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Year</u>	<u>Amount</u>	<u>Rate</u>
-------------	---------------	-------------	-------------	---------------	-------------

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 board of trustees of the Issuer, a copy of the approval of the Department of Treasury of the State of Michigan to issue the Bonds, 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 limited tax general obligation of the Issuer for which its full faith, credit and resources have been irrevocably pledged;
- (3) the Issuer has the power, has pledged, and is obligated to levy taxes, within its authorized millage rate, on all taxable property now situated within the corporate boundaries of the Issuer in an amount sufficient to pay the principal of and interest on the Bonds, taking into



Mid Michigan College
State of Michigan
_____, 2026

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account other available funds, but the Issuer does not have the power to levy taxes for the payment of the Bonds in excess of its constitutional, statutory and charter tax rate limitations;

(4) if tax collections are insufficient to pay the principal of and interest on the Bonds when due, the Issuer has pledged and is obligated to use any and all other resources available for payment of the Bonds;

(5) the Issuer has designated the Bonds as “qualified tax-exempt obligations” within the meaning of the Internal Revenue Code of 1986, as amended (the “Code”);

(6) 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

(7) 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 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.

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APPENDIX E
FORM OF CONTINUING DISCLOSURE AGREEMENT

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**FORM OF
CONTINUING DISCLOSURE AGREEMENT**

§ _____

**MID MICHIGAN COLLEGE
STATE OF MICHIGAN
2026 COLLEGE FACILITIES BONDS
(GENERAL OBLIGATION - LIMITED TAX)**

This Continuing Disclosure Agreement (the “Agreement”) is executed and delivered by Mid Michigan College, State of Michigan (the “Issuer”), in connection with the issuance of its \$_____ 2026 College Facilities Bonds (General Obligation - Limited Tax) (the “Bonds”). The Bonds are being issued pursuant to resolutions adopted by the Board of Trustees of the Issuer on April 7, 2026 and _____, 2026 (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 _____, 2026.

“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, 2026, 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.

(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.

MID MICHIGAN COLLEGE
STATE OF MICHIGAN

By: _____
Its: President

Dated: _____, 2026

APPENDIX A

NOTICE TO THE MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Mid Michigan College, Michigan
Name of Bond Issue: 2026 College Facilities Bonds (General Obligation - Limited Tax)
Date of Bonds: _____, 2026

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 _____.

MID MICHIGAN COLLEGE
STATE OF MICHIGAN

By: _____
Its: President

Dated: _____



APPENDIX B

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

Name of Issuer: Mid Michigan College, Michigan
Name of Bond Issue: 2026 College Facilities Bonds (General Obligation - Limited Tax)
Date of Bonds: _____, 2026

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

MID MICHIGAN COLLEGE
STATE OF MICHIGAN

By: _____
Its: President

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 F
DRAFT OFFICIAL NOTICE OF SALE

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OPTIONAL DTC BOOK-ENTRY-ONLY

**FORM OF
OFFICIAL NOTICE OF SALE
\$6,305,000
MID MICHIGAN COLLEGE
STATE OF MICHIGAN
2026 COLLEGE FACILITIES BONDS
(GENERAL OBLIGATION - LIMITED TAX)**

BIDS for the purchase of the above 2026 College Facilities Bonds (the “Bond” or “Bonds”) will be received electronically on behalf of Mid Michigan College, Michigan (the “Issuer”), on Monday, the 15th day of June, 2026, until 1:00 p.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.

PARITY: Bids may be presented via *PARITY* on the date and at the time shown above. 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. 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, 2026, and semiannually thereafter.

The Bonds will mature on May 1 as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2027	\$460,000	2037	\$225,000
2028	485,000	2038	235,000
2029	510,000	2039	250,000
2030	535,000	2040	260,000
2031	560,000	2041	270,000
2032	180,000	2042	280,000
2033	185,000	2043	295,000
2034	195,000	2044	305,000
2035	205,000	2045	320,000
2036	215,000	2046	335,000

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 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 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.

The Bonds or portions of Bonds maturing on or after May 1, 2037, 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, 2036, 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 five percent (5%) 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. No proposal for the purchase of less than all of the Bonds or at an aggregate Bond purchase price less than 100% or greater than 120% of the par value will be considered. Additionally, no single bond maturity shall have an initial offering price to the public of less than 98.5% of par for that maturity.

PURPOSE AND SECURITY: The Bonds are issued for the purpose of erecting, building, furnishing, and equipping a college events center, including gymnasium/auditorium and support spaces. The Bonds are issued under the provisions of Act 331, Public Acts of Michigan, 1966, as amended. The Issuer has pledged the limited tax full faith and credit of the Issuer for the payment of principal and interest on the Bonds. The Issuer has further pledged to levy sufficient ad valorem

taxes within its authorized millage rate annually as a first budget obligation, subordinate only to any first liens on said funds pledged for the payment of operating notes, lines of credit or tax anticipation notes heretofore or hereafter issued. The Issuer does not have the power to levy taxes for the payment of the Bonds in excess of its constitutional, statutory or charter tax rate limitations and, if tax collections are insufficient to pay the principal of or interest on the Bonds when due, the Issuer pledges to use any and all other resources available for the payment of the Bonds. The Issuer has reserved the right to issue additional bonds of equal standing.

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 14, 2026 (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, therefor, 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 designated the Bonds as “**QUALIFIED TAX-EXEMPT OBLIGATIONS**” within the meaning of the Code, and has covenanted to comply with those 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, 2026, 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 G to the Preliminary Official Statement for the Bonds, dated June 4, 2026, 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. 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.

Richard Allen, Jr.
Secretary, Board of Trustees

APPENDIX G
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: Lillian Frick, Vice President for Finance & Administration
Mid Michigan College
c/o Municipal Advisory Council
munibids@macmi.com
Phone: (800) 337-0696

Sale Date: June 15, 2026
1:00 PM, ET

RE: \$6,305,000* Mid Michigan College, State of Michigan, 2026 College Facilities Bonds (General Obligation – Limited Tax)

For all or none of the above Bonds, in accordance with the Official Notice of Sale, we will pay you \$6,305,000* plus a premium of \$ _____ for fully registered bonds bearing interest rates and maturing in the stated years as follows:

2027	_____	2037	_____
2028	_____	2038	_____
2029	_____	2039	_____
2030	_____	2040	_____
2031	_____	2041	_____
2032	_____	2042	_____
2033	_____	2043	_____
2034	_____	2044	_____
2035	_____	2045	_____
2036	_____	2046	_____

The following maturities have been designated as Term Bonds:

<u>Mandatory Redemption</u>		<u>Mandatory Redemption</u>	
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 14, 2026)

Account Manager: _____ By: _____

Account Members: _____

The foregoing offer is hereby accepted by and on behalf of Mid Michigan College, Counties of Clare, Gladwin and Isabella, State of Michigan on the 15th day of June, 2026.

Attest: _____ By _____

Title: _____ Title _____

* Preliminary, subject to change.



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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