

## Bonding Proposal

Shall School District of the City of River Rouge, Wayne County, Michigan, borrow the sum of not to exceed Seven Hundred Ninety-Five Thousand Dollars (\$795,000) and issue its general obligation unlimited tax bonds therefor, for purposes of:

remodeling and replacing the Sabbath elementary heating and ventilating systems including related electrical and roofing modifications?

The following is for informational purposes only:

The estimated millage that will be levied for the proposed bonds in 2010, under current law, is .08 mill (\$0.08 on each \$1,000 of taxable valuation) for a net increase in debt service over 2009 of -0-. The maximum number of years the bonds may be outstanding, exclusive of any refunding, is fifteen (15) years. The estimated simple average annual millage anticipated to be required to retire this bond debt is .18 mill (\$0.18 on each \$1,000 of taxable valuation).

If the school district borrows from the State to pay debt service on the bonds, the school district may be required to continue to levy mills beyond the term of the bonds to repay the State.

(Pursuant to State law, expenditure of bond proceeds must be audited, and the proceeds cannot be used for repair or maintenance costs, teacher, administrator or employee salaries, or other operating expenses.)