

BERKLEY SCHOOL DISTRICT
SPECIAL ELECTION – FEBRUARY 23, 2010

BONDING PROPOSAL

Shall Berkley School District, Oakland County, Michigan, borrow the sum of not to exceed One Hundred Sixty-Seven Million Six Hundred Sixty-Five Thousand Dollars (\$167,665,000) and issue its general obligation unlimited tax bonds in one or more series therefor, for the purpose of:

constructing, furnishing and equipping a new middle school; constructing, furnishing and equipping additions to school buildings; remodeling, furnishing and refurbishing and equipping and re-equipping school facilities; acquiring and installing educational technology in school buildings; acquiring land; and developing and improving playgrounds, play fields and sites?

The following is for informational purposes only:

The estimated millage that will be levied for the proposed bonds in 2010, under current law, is 4.27 mills (\$4.27 on each \$1,000 of taxable valuation). The bonds are anticipated to be issued in three (3) series. The maximum number of years the bonds of each series may be outstanding, exclusive of any refunding, is thirty (30) years. The estimated simple average annual millage anticipated to be required to retire this bond debt is 6.82 mills (\$6.82 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.)