

AVONDALE SCHOOL DISTRICT
PRIMARY ELECTION – AUGUST 3, 2010

BOND PROPOSAL

Shall the Avondale School District, County of Oakland, Michigan, borrow the principal sum of not to exceed Twenty Seven Million Eight Hundred Ten Thousand Dollars (\$27,810,000) and issue its general obligation unlimited tax bonds for the purpose of defraying the cost of:

-constructing additions at and remodeling existing School District buildings, including energy conservation and other infrastructure improvements;

-acquiring and installing technology infrastructure, improvements and equipment in all School District buildings;

-equipping, furnishing, and reequipping and refurnishing School District buildings; and

-improving and developing sites, including outdoor athletic facilities and structures, in the School District?

The estimated millage to be levied in 2010 to service this issue of bonds is 0 mills (\$0 per \$1,000 of taxable value) and the estimated simple average annual millage rate required to retire the bonds of this issue is 1.10 mills (\$1.10 per \$1,000 of taxable value). The debt millage levy required to retire all bonds of the School District currently outstanding and proposed by this ballot proposal is currently estimated to remain at or below 7.0 mills. The bonds may be issued in one or more series, payable in the case of each series in not to exceed twenty-five (25) years from the date of issue of each series. If the School District borrows from the State to pay debt service on the bonds of this issue, the School District may be required to continue to levy mills beyond the term of the bonds to repay the State.

Under State law, bond proceeds may not be used to pay teacher, administrator or other employee salaries, routine maintenance costs or other School District operating expenses.