

BONDING LANGUAGE PROPOSAL

Shall Sault Ste. Marie Area Public Schools, Chippewa County, Michigan, borrow the sum of not to exceed Nine Million Dollars (\$9,000,000) and issue its general obligation unlimited tax bonds therefor, for the purpose of:

Erecting, furnishing and equipping additions to and partially remodeling, furnishing and refurbishing, equipping and re-equipping Sault Ste. Marie Area Public Schools' facilities in part, for security purposes; acquiring, installing and equipping technology for school facilities; and developing and improving sites?

The following is for informational purposes only:

The estimated millage that will be levied for the proposed bonds in 2014 is 0.70 mil (\$0.70 on each \$1,000 of taxable valuation). The maximum number of years the bonds may be outstanding, exclusive of any refunding, is twelve (12) years. The estimated simple average annual millage anticipated to be required to retire this bond debt is 1.59 mills (\$1.59 on each \$1,000 of taxable valuation).

The school district does not expect to borrow from the State to pay debt service on the bonds. The total amount of qualified bonds currently outstanding is \$4,350,000. The total amount of qualified loans currently outstanding is \$ -0-. The estimated computed millage rate may change based on changes in certain circumstances.

(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.)