

This proposal will be voted on in the following Eaton County jurisdictions:
Bellevue Township, Brookfield Township, Carmel Township, Kalamo Township, Walton
Township and the City of Olivet.
(Outside Eaton Co. – Clarence, Convis and Lee Townships)

OLIVET COMMUNITY SCHOOLS BONDING PROPOSAL

Shall Olivet Community Schools, Eaton and Calhoun Counties, Michigan, borrow the sum of not to exceed Fourteen Million Five Hundred Thousand Dollars (\$14,500,000) and issue its general obligation unlimited tax bonds therefor, for the purpose of:

erecting, furnishing and equipping additions to Fern Persons Elementary School for a classroom addition and to the Olivet Middle School for cafeteria expansion; partially remodeling, furnishing and refurbishing, equipping and re-equipping school facilities; acquiring, installing and equipping educational technology for school facilities; constructing, equipping, developing and improving athletic facilities, storage buildings, play fields and playgrounds; purchasing school buses; and acquiring, developing and improving sites?

The following is for informational purposes only:

Of the 9.05 mills currently levied for debt, an estimated 1.39 mills (\$1.39 on each \$1,000 of taxable valuation) will be allocated to the proposed bonds in 2008 for a -0- net increase in debt millage. The maximum number of years the bonds may be outstanding, exclusive of any refunding, will not exceed thirty (30) years. The estimated simple average annual millage anticipated to be required to retire this bond debt is 3.95 mills (\$3.95 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.)