

**Merrill Community School District
School Bond Proposal**

Shall the Merrill Community School District, Counties of Saginaw, Midland and Gratiot, Michigan, borrow the principal sum of not to exceed Nine Million Eight Hundred Thousand Dollars (\$9,800,000) and issue its general obligation unlimited tax bonds for the purpose of defraying the cost of:

- Remodeling existing School District buildings, including security, roofs, locker rooms, toilet rooms, electrical, mechanical and plumbing improvements and additions to School District buildings;
- equipping, furnishing, reequipping and refurnishing School District buildings, playgrounds and other facilities;
- improving and developing sites at school buildings and other facilities, including playground improvements; and
- acquiring and installing technology equipment?

YES

NO

The debt millage rate required to pay the debt service on the School District's outstanding and proposed bonds is expected to remain at or below 7.83 mills. The estimated millage to be levied in 2023 to service this issue of bonds is 1.44 mills (\$1.44 per \$1,000 of taxable value) and the estimated simple average annual millage rate required to retire the bonds of this issue is 5.05 mills (\$5.05 per \$1,000 of taxable value). The bonds may be issued in one or more series, payable in the case of each series in not to exceed 22 years from the date of issue of such series.

The School District currently has \$12,215,000 of qualified bonds outstanding and \$ 0 qualified loans outstanding under the State School Bond Qualification and Loan Program. The School District expects to borrow from the Program to pay a portion of debt service on the proposed bonds. The estimated total principal amount of borrowing is \$752,104 and the estimated total interest thereon is \$189,900. The estimated duration of the millage levy associated with that borrowing is 9 years and the estimated computed millage rate for such levy is 7.83. The millage rate may change based on changes in circumstances.

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