Utica Community Schools
County of Macomb, Michigan

School Improvement Bond Proposal

Shall the Utica Community Schools, County of Macomb, State of Michigan, borrow the principal sum of not to exceed Five Hundred Fifty Million Dollars ($550,000,000) and issue its general obligation unlimited tax bonds, in one or more series, for the purpose of defraying the cost of:

- Rebuilding and constructing additions to School District buildings creating a safe and secure modern learning environment for students;
- Constructing replacement elementary school buildings and other facilities, remodeling School District buildings, structures and other facilities, and equipping, furnishing, reequipping and refurnishing School District buildings, athletic fields, playgrounds and other facilities;
- Acquiring and installing technology equipment and technology infrastructure in School District buildings and other facilities, including for health, safety and security;
- Acquiring, preparing, developing, or improving sites for School District buildings, structures, athletic fields, playgrounds, or other facilities and purchasing school buses?

The debt millage required to retire all bonds of the School District currently outstanding and proposed pursuant to this ballot is expected to remain at or below 3.50 mills. The estimated millage that will be levied to pay the proposed bonds in the first year is 1.52 mills (which is equal to $1.52 per $1,000 of taxable value) for a -0- mill net increase over the annual debt millage levied in 2022, and the estimated simple average annual millage rate required to retire each series of bonds is 2.08 mills ($2.08 per $1,000 of taxable value), and the maximum number of years any series of bonds may be outstanding, exclusive of refunding, is not more than 15 years.

If approved by the voters, the repayment of the bonds will be guaranteed by the State under the School Bond Qualification and Loan Program (the "Program"). The School District currently has approximately $162,410,000 of qualified bonds outstanding and approximately $0 of qualified loans outstanding under the Program. The School District does not expect to borrow from the Program to pay debt service on these bonds. The estimated computed millage rate required to be levied to pay the proposed bonds may change in the future based on changes in certain circumstances.

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