

#### USD 415 Board Decides Bond Issue Term

(KNZA)--The Hiawatha School Board has decided to go with a proposed 15-year \$9.2 million general obligation bond issue to finance improvements to the district three schools, which voters will determine the fate of during the April 7th general election.

The board last week decided on the dollar amount and during a special meeting Wednesday evening decided on the bond term.

Dustin Avey with Piper Jaffray reviewed an analysis of the mill levy impact of a 15 and 20 year bond issue with and without a restructuring of the existing bonds issued in 2005 for construction of the middle school along with the overall cost to the district.

Following discussion, the board voted 6-1 to go with a 15-year bond term without restructuring the existing bonds, which will save the district nearly \$2.3 million. Board member Steve Lock cast the lone dissenting vote, voicing support for a 20-year term which would require a lower mill levy.

If the bond issue is approved by voters, the projected mill levy would increase 9 mills during the first three years and then drop to 7.3 mills after the existing bonds are paid off in 2018. That's only about a half mill higher than the current bond and interest mill levy. The total estimated cost of the bond issue would be about \$12 million.

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