

## **Facts for USD 340 Bond Issue Election on April 3, 2012**

- The proposed Bond Issue is in the amount of \$3,611,000, for eight years, which equates to 8 mills. This would be a decrease of 1.177 mills from what is currently levied for the current Bond.
- That would be \$7.73 per month on a \$100,000 home compared to the \$8.87 currently assessed on the same home.
- The proposed Bond would replace and not be in addition to the current Bond Mill Levy, which is 9.177 and expires on June 30, 2012. The final payment on the High School building will be made in September 2012 from taxes collected through June 30, 2012.
- The Bond for the high school was in the amount of \$5,700,000 at an interest rate of 6.35% for 20 years to be paid for in full on 9-1-2015. The mill levy for the first year of that bond in 1996 was 16.54 mills. The mill levy for that project was adjusted over the years due to increases in the district assessed valuation. In 2004 the bonds were refinanced at a rate of 3.6% raising the yearly payment but reducing the number of years by three saving the district \$438,000 over the life of the bond.
- Yearly bond payments include both the bond principal and interest.
- Our district is currently supported by State funds for Bond payments at 40%. This means the State would pay 40% of the \$3,611,000 and interest over the term of the bond.
- Voter approval of this bond issue on April 3, 2012 would ensure State monetary support for the term of the bond. This is important because the current Governor's school finance plan proposes to eliminate State support of qualified school districts for school bonds approved by voters after July 1, 2012.
- If the voters do not approve the bond this year and the Governor's proposal is approved we would not have the support from the State for our bond payments. The entire amount would have to be paid by the local taxpayers.
- The transportation/maintenance building constructed this past year is paid for from the district Capital Outlay fund. This fund currently generates about \$114,000 through a levy of 3 mills. These funds are used for the annual payment of the transportation/maintenance building and the lease/purchases of buses and other capital improvement needs.
- Local Option Budget funds are used for salaries, materials, supplies and operation expenses for the operation of our schools. They are not used to make capital improvements.
- The costs of resodding the football field and the improvements to the baseball field restrooms and concession stand will come from the Capital Outlay fund.