

FINANCIAL INFORMATION FOR THE USD 230 BOND ELECTION

BALLOT QUESTION

Shall Unified School District No. 230, Johnson/Miami County, Kansas (Spring Hill), issue general obligation bonds in an amount not to exceed \$82,400,000, to pay the costs for acquiring, constructing, equipping, furnishing, repairing, remodeling or making additions to buildings used for school district purposes including without limitation (a) acquiring a site for and constructing, equipping and furnishing a new elementary school; (b) constructing, equipping and furnishing a new middle school; (c) constructing, equipping and furnishing an expansion to Spring Hill Elementary School; (d) constructing, equipping and furnishing an expansion to Spring Hill High School and related activities facilities; (e) conversion of Spring Hill Middle School North into an early childhood center; (f) acquiring sites for and providing furnishings and equipment, including technology equipment, for existing and new buildings and facilities in the District; (g) making certain other capital improvements to the buildings and facilities of the District; (h) providing for all other necessary and related improvements and (i) paying fees and expenses incidental thereto including interest during construction; all pursuant to the provisions of K.S.A. 10-101 et seq.; K.S.A. 25-431 et seq.; K.S.A. 25-2018(f); K.S.A. 72-6761; and K.S.A. 75-2315 et seq.?

PROJECT FINANCING

If approved by the voters, the project will be financed through the sale of general obligation bonds. It is anticipated that the bonds will be structured with a 20-year repayment schedule at an average interest rate of approximately 3.40%.

STATE AID ON BOND ISSUES

Under the current school finance formula, the State of Kansas will pay 30% of all principal and interest payments due on the District's proposed bond issue.

PROJECTED MILL LEVY IMPACT

The current Bond & Interest Fund Mill Levy of the District is 16.541 mills. With voter approval of the proposed school bond election, the mill levy for debt service is projected to remain at 16.541 mills for two years and then increase 3.549 mills in 2019.

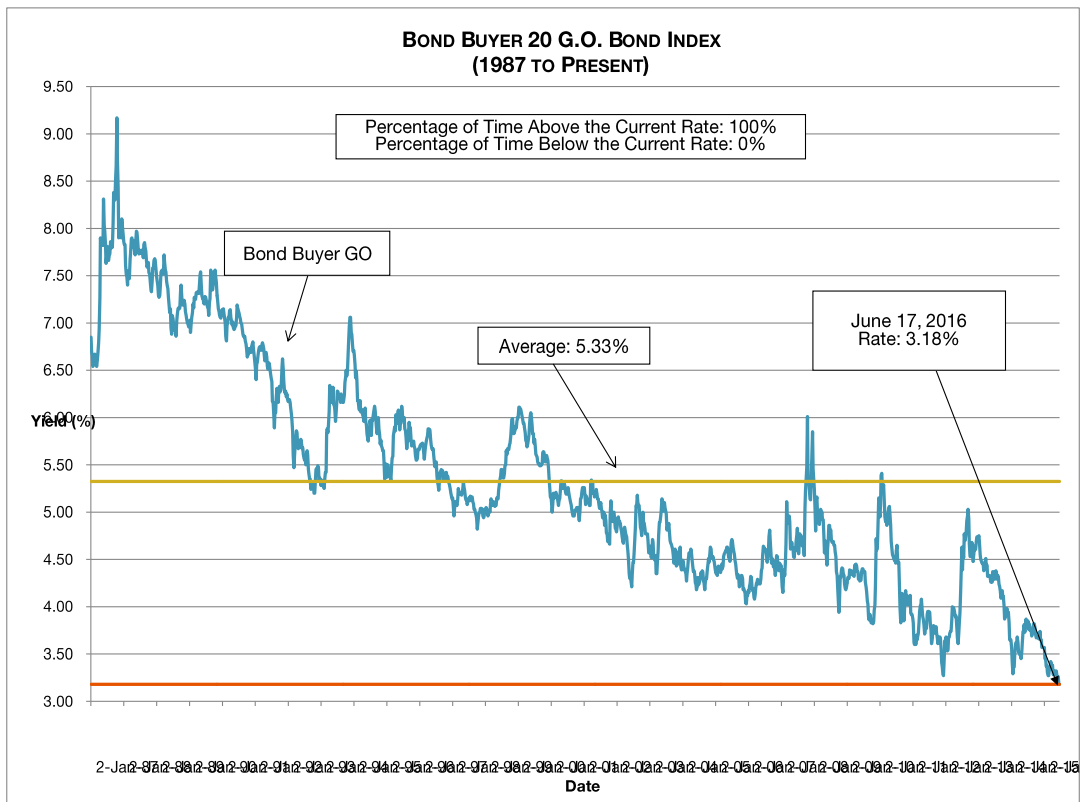
MILL LEVY HISTORY

The following table illustrates the mill levy history of the District for the past 10 years.

Year	General	Local Option Budget	Capital Outlay	Bond & Interest	Other	District Levy
2006/07	20.000	18.160	0.000	26.400	3.370	67.930
2007/08	20.000	19.820	0.000	27.630	2.450	69.900
2008/09	20.000	23.450	0.000	23.040	0.260	66.750
2009/10	20.000	20.520	0.000	23.000	3.020	66.540
2010/11	20.000	18.390	0.000	21.020	0.880	65.440
2011/12	20.000	18.898	0.000	21.027	5.467	65.392
2012/13	20.000	17.214	0.000	21.049	7.120	65.383
2013/14	20.000	17.910	0.000	21.027	6.305	65.242
2014/15	20.000	8.591	0.000	20.522	15.104	64.217
2015/16	20.000	13.605	0.000	16.541	13.990	64.136

CURRENT INTEREST RATES

Interest rates for municipal bonds are currently well below the average for the past 20 years and recently set a new record low for the past 50 years. In fact, according to the *Bond Buyer 20 General Obligation Bond Index*, interest rates on municipal bonds have been higher 100% of the time since 1987.



 **ADDITIONAL COST OF THE BOND ISSUE**

The additional cost to a homeowner, business owner and agricultural land owner in the District from this bond issue assuming a net mill levy increase of 3.549 mills is set forth in the following tables:

HOMEOWNER PROPERTY TAX INCREASE

	\$150,000 HOME	\$200,000 HOME
Annual Cost of Mill Levy Increase	\$61.22	\$81.63
Monthly Cost of Mill Levy Increase	5.10	6.80
Daily Cost of Mill Levy Increase	0.17	0.22

*2010 Census: Median Home value in Johnson County is \$210,900 and Miami County is \$162,500.

COMMERCIAL PROPERTY

	\$100,000 BUSINESS	\$150,000 BUSINESS	\$200,000 BUSINESS
Annual Cost of Mill Levy Increase	\$88.72	\$133.09	\$177.45
Monthly Cost of Mill Levy Increase	7.39	11.09	14.79
Daily Cost of Mill Levy Increase	0.24	0.36	0.49

AGRICULTURAL PROPERTY

	ANNUAL COST PER ACRE	ANNUAL PROPERTY TAX (160 ACRES)	MONTHLY PROPERTY TAX (160 ACRES)
Dry Crop Land	\$0.28	\$45.40	\$3.78
Grass Land	0.07	10.56	0.88

- Estimated Median Use Value of 160 Acres Dry Crop Land is \$42,640.
- Estimated Median Use Value of 160 Acres Grass Land is \$9,920.