

## **Bond Repayment Details**

The Lewis-Palmer School District 38 Board of Education has not determined the repayment terms for the 4B bond at this time. The final Assessed Valuation for the year as well as the projected interest rates for the bonds will impact how the debt will be structured. Thus, we cannot know the payment structure at this point.

After the election, the audit committee, led by Chris Taylor, a CPA and the D38 Board of Education treasurer, will make a recommendation to the board of education regarding the bond repayment plan. The audit committee is made up of CPAs and bankers in the district. An independent financial advising firm will provide assistance and advise to the committee. This firm provides independent services to a large number of governmental entities throughout the state and nation (Hilltop Securities).

The D38 Board of Education will consider the following as they make decisions regarding the impact to tax payers:

- The combination of new debt and outstanding debt and the resulting total payment
- Potential for future periodic (usually about every 5 - 10 years) reductions in bond tax payments, allowing for additional schools should growth continue
- Opportunities to take advantage of interest rate curves

The ballot question language requires the district to list the greatest possible repayment amount, regardless of whether the actual bond repayment terms are ultimately lower at the time of bond issuance. This provides maximum flexibility in structuring the bond based on the factors listed above.