

News Release

Big Hollow Takes Out \$2.35 Million in Tax Anticipation Warrants

INGLESIDE, IL – January 25, 2008 – The Big Hollow School District has taken out \$2.35 million in tax anticipation warrants (TAWs) to cover its operational deficit for the 2007-08 school year.

The \$2.35 million loan is borrowed against next school year's property tax levy. The amount is less than the \$3 million the School District had projected it would need. "This year's program cuts and hiring freeze reduced the operating deficit and therefore, the amount of the TAWs," explained School Board spokesperson Jan Carsella.

The total debt service is \$2.396 million, which includes \$46,000 in interest. Big Hollow actually saved money by waiting until January to take out its TAWs. "We waited to see if we could meet our expenses through December and we could," Carsella said. "By waiting, we got a better interest rate and saved a month's interest."

On February 5, Big Hollow School District is asking voters whether to issue up to \$10 million in working cash bonds. The cash infusion would let the District restore cut art, music and computer programs, reduce class sizes that are the highest in Lake County, and temporarily diminish its reliance on TAWs to fund operating expenses.