



February 21, 2008  
10:00 a.m.  
Conference Room 308

909 Haunaea Street,  
Kapolei, Hawaii  
USA 96707

TESTIMONY TO  
THE HOUSE COMMITTEE ON FINANCE

**RE: HB 2614 – Relating to Island Pacific Academy**

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Chair Oshiro, Vice Chair Lee and Members of the Committee:

My name is Dan White. I am Headmaster at Island Pacific Academy (IPA). On behalf of the 630 students and 89 staff at Island Pacific Academy, I strongly support House Bill 2614.

Island Pacific Academy is the first and largest independent school located in west Oahu, one of the fastest growing regions in the state. When the school was founded in 2004, 191 students were enrolled in grades Pre-K through 7. Current enrollment now extends from grades Pre-K through 10, and by 2009-10 the school will offer instruction in grades Pre-K through 12.

Part VIII, chapter 39A of the Hawaii Revised Statutes, which allows the State to issue Special Purpose Revenue Bonds for private school construction and renovation, makes feasible substantial school improvements that benefit our student body and our community. The authorization of this Special Purpose Revenue Bond will allow Island Pacific Academy to fund campus projects, while minimizing our reliance on the monetary contributions of our alumni, parents, and friends or other financial alternatives.

Island Pacific Academy asks for the issuance of a Special Purpose Revenue Bond in the amount of \$30,000,000 to finance the construction of an Athletic and Performing Arts Center at the school and to eliminate current interest rate risk on the remaining portion of our original bank loan. This bond authorization follows issuance by IPA of a \$20,000,000 Special Purpose Revenue Bond, purchased in its entirety by Nuveen, an investment firm headquartered in Chicago. Nuveen has placed financial covenants on future borrowings thereby eliminating any possibility the school will take on more debt than it can service. As the school grows to full capacity, adding 11<sup>th</sup> and 12<sup>th</sup> grades in the next two years, its ability to service debt will increase due to increased operating surpluses. Additionally, the school has actively cultivated individual, corporate and foundation donors to add to its capacity to service additional debt.

Once again, Island Pacific Academy strongly supports the passage of HB 2614.

Thank you for allowing me the opportunity to testify.

Respectfully submitted,

A handwritten signature in cursive script that reads "Daniel E. White".

Daniel E. White  
Headmaster