

**Media Announcement - January 2021**

**SANDUSKY CITY SCHOOL BOARD  
SAVES TAXPAYERS \$5.9M**

In 2016, Sandusky City School District voters approved a \$35.3 million bond issue, the proceeds of which were combined with \$19.8 million received from the State of Ohio, to construct a new Primary School (grades 1-2) and an Intermediate School (grades 3-6), each of which were completed in August and opened to students in the Fall of 2020.

Under that voter-approved authority, the School District sold two tax-exempt bond issues in 2017, aggregating \$34.15 million in principal amount, to complete the School District's facilities plan, under a plan of finance developed by the School District's municipal advisor, Sudsina & Associates, and its municipal bond underwriter, Stifel, Nicolaus & Company, Incorporated. In September of 2019, the Board of Education approved a refinance plan developed by the Sudsina & Associates and Stifel to refinance the bonds issued by the School District in 2017 to take advantage of low interest rates, at an appropriate time determined by Sudsina & Associates and Stifel.

On **January 22, 2020**, the School District refinanced approximately \$22.6 million of the School District's outstanding 2017 bonds achieving debt service savings of approximately \$5 million, net of refinancing costs. On **October 28, 2020**, the School District and its finance team executed on the second component of the refinance plan by refinancing approximately \$9.1 million of the remaining 2017 bonds achieving additional debt service savings of nearly \$1 million, net of refinancing costs. Due to a restriction placed in the federal tax law at the beginning of 2018, the School District was required to issue the 2020 refinancing bonds as federally taxable bond issues, but was nevertheless able to achieve the approximately \$6 million of aggregate debt service savings due to the current low taxable interest rates.

As part of each of the 2020 financings, the Moody's credit rating agency affirmed the School District's existing "A2" rating, and the School District participated in the State of Ohio credit enhancement program, which allowed each bond issue to be marketed with a "Aa2" rating, at no charge to the School District. In its ratings report for the more recent 2020 transaction, Moody's noted credit positives, including the School District's strong voter support for operating levies.

Overall, the bond refinancing action taken by the Sandusky City Schools Board of Education in 2020 is expected to save the Sandusky taxpayers \$5.9M in interest over the life of bond repayment period.

