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## *SANTA MARIA JOINT UNION HIGH SCHOOL DISTRICT*

### **PRESS RELEASE**

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January 13, 2022

The Santa Maria Joint Union High School District announced the successful refinancing of a portion of its general obligation bonds, resulting in significant savings for taxpayers, during a school board meeting Wednesday night.

The transaction is like a homeowner refinancing a mortgage by taking advantage of prevailing low interest rates and lowering their payments. The refinancing will save taxpayers over \$6.3 million by lowering property taxes. These savings come at a time when the community is coping with the economic impacts of COVID and relieves some of the tax burden on property owners in the District.

The Board of Trustees directed its staff and Financial Advisor, CFW Advisory Services, to proceed with the refinancing to provide this relief to taxpayers at its November 9, 2021 board meeting. District staff then interviewed with the Moody's rating agency and were able to secure a credit rating upgrade to "Aa2", based on the Board's pragmatic fiscal management and the economic strength and stability of the Santa Maria community. As a result of this high-quality credit rating, the bond sale was very well received by investors, and demand exceeded the amount of bonds available to be sold. These factors enabled the District to lock in a favorable interest rate of just 2.64%, a near historic low for this type of bond.

The District's action to refinance the bonds was unanimously approved by the Board of Education. SMJUHS School Board Member Dr. Jack Garvin, said, "The Board's action reflects our continued commitment to look out for our taxpayers. We are pleased that this action will benefit our residents, especially during this challenging time for many of our families."

"We greatly value the support our schools receive from our community, and we are happy that this refinancing will save our local taxpayers more than \$6 million," said Ms. Yolanda Ortiz, the District's Assistant Superintendent of Business Services.

The District also successfully sold an additional \$67 million in bonds at an interest rate of less than 2.50% to complete the reconstruction of Santa Maria High, and to continue to fund other priority school facilities improvement projects.

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