Aberdeen School District Closes on Refinance, Saves Big

Local News

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Aberdeen, WA - The Aberdeen School District on November 30, 2011, successfully refinanced a portion of its outstanding bonds in order to take advantage of lower interest rates. The recent refinancing will save the District’s taxpayers a total of $576,336 over the next 12 years on the debt for the new Aberdeen High School. The Aberdeen School Board accomplished these savings by approving the issuance of $8,995,000 in refunding bonds at its meeting on October 18, 2011. The District has been monitoring bond market conditions over the past year and recent low interest rates allowed the District to actually exceed its savings target. Interest rates averaged 2.48 percent on the new bonds compared to 4.20 percent on the old debt. “The District is especially pleased with the results of the sale in the current economy since we will be asking Aberdeen taxpayers to renew the maintenance and operations levy in February, which is critical to continuing many services and programs for our students,” Superintendent Thomas Opstad said. The District applied to Moody’s Investor Service for a rating on the bonds and received an A1 rating based on the District’s sound fiscal management. Utilizing the State School Bond Guarantee, the bonds received an enhanced rating of Aa1. “These are very good ratings and significantly helped in keeping interest rates low on the Bonds,” said Jon Gores, senior vice president of public finance for D.A. Davidson & Co., which handled the sale for the district.